

**23RD ANNUAL REPORT  
2015-16**

**F MEC INTERNATIONAL  
FINANCIAL SERVICES LIMITED**

**CIN: L74899DL1993PLC053936**

**Regd Office:**

**13-B, II Floor, Netaji Subhash Marg, Central Bank Building,  
Daryaganj, Delhi-110002**

**Email: [fmecinternational@gmail.com](mailto:fmecinternational@gmail.com)**

**Website: [www.fmecinternational.com](http://www.fmecinternational.com)**

**Tel: 011-43680407**

# **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**

## **Corporate Information**

### **BOARD OF DIRECTORS**

**MR. BIMAL AGGARWAL**  
(Managing Director)

**MRS. RACHNA AGGARWAL**  
(Director)

**MR. RAMESH KUMAR**  
(Independent Director)

**MR. ROHIT AGRAWAL**  
(Independent Director)

**STATUTORY AUDITOR**  
SANJAY K SINGHAL & CO  
(Chartered Accountants)  
Office NO 304 Gali No.1  
13 Veer Savakar Block  
Shakarpur Delhi-110092

**COMPANY SECRETARY**  
RICHA AGARWAL

### **REGISTERED OFFICE:**

IInd Floor Central Bank Building  
13B Netaji Subhash Marg Daryaganj  
New Delhi-110002

### **REGISTRAR AND TRANSFER AGENT**

SKY LINE FINANCIAL SERVICES PRIVATE LTD  
Shop No.D-153/A, I-Area, Okhla Phase I, Okhla  
Industrial Area, New Delhi, Delhi 110020

### **SECRETARIAL AUDITOR**

A.K. VERMA & CO  
(Practicing Company Secretaries)  
13B Netaji Subhash Marg IInd Floor  
Above Central Bank  
Daryaganj New Delhi-110002

**CHIEF FINANCIAL OFFICER**  
MANOJ KUMAR THAKUR

### **CONTACT**

Website: [www.fmecinternational.com](http://www.fmecinternational.com)

Email: [fmecinternational@gmail.com](mailto:fmecinternational@gmail.com)

Tel: 011-43680407

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## **MESSAGE**

Date: 01/09/2016

**Dear Members/Directors/Auditor**

You are cordially invited to attend the Annual General Meeting (the 'AGM') of the members of **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED** to be held on **Sunday, 25th September, 2016** at **11 A.M** at **J.P Hotel & Resorts 6B Patparganj IP Extentsion NH-24 Behind CNG Petrol Pump New Delhi-110092.**

The Notice of the meeting, containing the business to be transacted, is enclosed.

Thanking You,

For and on behalf of the Board

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

**Bimal Aggarwal**

Managing Director

Din: 00361883

R/o 3700 Sector 23 Gurgaon-122017

Enclosures:

1. Notice of the AGM
2. Attendance slip
3. Proxy form (MGT-11)
4. Route Map

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## NOTICE

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NOTICE is hereby given that the 23rd Annual General Meeting of the members of F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED will be held on Sunday 25th day of September, 2016 at J.P Hotel & Resorts 6B Patparganj IP Extension NH-24 behind CNG Petrol Pump New Delhi-110092 at 11:00 A.M. to consider and transact the following business:

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### ORDINARY BUSINESS:

1. (a) To receive, consider and adopt Balance Sheet & Statement of Profit and Loss Account and Cash Flow Statement:  
To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** the Audited Balance Sheet & Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended March 31, 2016 along with the Auditor's Report and the Directors' Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted."
- (b) To receive, consider and adopt Audited Consolidated Balance Sheet & Statement of Profit and Loss Account and Cash Flow Statement:  
To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** the Audited Consolidated Balance Sheet & Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended March 31, 2016 along with the Auditor's Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted."
2. To appoint a Director in place of **Mrs. Rachna Agarwal (DIN: 02604852)** who retires by rotation and being eligible for re-appointment.  
**"RESOLVED THAT** pursuant the provisions of Section 152 of the Companies Act, 2013 **Mrs. Rachna Agarwal (DIN: 02604852)**, who retires by rotation, and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation.
3. **To ratify appointment and terms of appointment of M/s. Sanjay K Singhal & Co., Chartered Accountants, as Statutory Auditor for the Financial Year 2016-17.**  
To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Sanjay K Singhal & Co, Chartered Accountants, be and is hereby ratified as the Statutory Auditors of the Company for the Financial Year 2016-2017, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company to be held in 2017, and that the Board of Directors of the Company be and are hereby authorised to fix their remuneration."

### SPECIAL BUSINESS:

4. **Change in Designation of Mrs. Rachna Agarwal from Executive Director to Non executive Director of the company**  
To change designation of Mrs. Rachna Agarwal (DIN: 02604852) from Executive Director to Non- Executive Director in order to comply with various provisions and regulations of The Companies act, 2013 and SEBI (LODR) Regulations, 2015 respectively and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.  
**"RESOLVED THAT** pursuant to the provisions of Companies Act, 2013 and Rules made there under, consent of members of the company be and is hereby accorded to change designation of Mrs. Rachna Agarwal (DIN: 02604852) from Executive Director to Non-Executive Director of the Company.

**RESOLVED FURTHER THAT** Mr. Bimal Aggarwal, Managing Director of the Company be and is hereby authorized to sign, file all forms, documents, papers etc. with the Registrar of Companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs and to do all such acts deeds, and things which may be necessary in this behalf."

**5. Appointment of Secretarial Auditor for the financial year 2016-17.**

To appoint M/s A.K.Verma & Co. ,Company Secretaries, New Delhi as Secretarial Auditor of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**.

**"RESOLVED THAT** pursuant to the provisions of Section 204 of the Companies Act, 2013, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Other applicable provisions of the Act and pursuant to relevant provisions of Article of Association of the Company, consent of the Company be and is hereby accorded to appointment of M/s A.K.Verma & Co., Company Secretaries, New Delhi as Secretarial Auditor for Financial Year 2016-2017"

**RESOLVED FURTHER THAT** Mr. Bimal Aggarwal, Managing Director of the Company be and is hereby severally authorized to sign, file all forms, documents, papers etc. with the Registrar of Companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs and to do all such acts deeds, and things which may be necessary in this behalf."

By the order of the Board

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**

**BIMAL AGGARWAL**

Managing Director

DIN: 00361883

Add: 3700, Sector-23, Gurgaon Haryana-122017

Place: New Delhi

Date: 01.09.2016

**NOTES:**

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
2. Proxy form in MGT-11 duly filled up and executed must be received at the Registered Office of the company not less than 48 hours before the time fixed for the meeting. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share Capital of Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours (Sunday is included in computation of 48 hours) before the commencement of the Meeting. A Proxy Form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
3. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or Depository Participant(s). Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
4. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not

registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip at the Registration Counter at the AGM.

5. The relevant details of directors seeking appointment/ re-appointment are annexed.
6. The Register of Members and Share Transfer Books shall remain closed from **19th September, 2016 to 25th September, 2016 (both days inclusive)**.
7. Members desiring any further information on the business to be transacted at the meeting should write to the company at least 15 days before the date of the meeting so as to enable the management to keep the information, as far as possible, ready at the meeting.
8. Members are requested to notify the company, their change of address, if any, to Registered Office of the Company.
9. Members are requested to bring their attendance slip and copy of the Annual Report with them at the Annual General Meeting.
10. All correspondence relating to shares may be addressed to the registered office of the company.
11. The business set out in the Notice can be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No 15.
12. Members desiring any information/clarification on the Accounts are requested to write to the Company in advance at least seven (7) days before the meeting so as to keep the information ready at the time of Annual General Meeting.
13. As per provisions of the Companies Act, 2013 facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registered Office of the Company.
14. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

**15. Voting Through Electronic Means**

- a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting as stated in the Notice by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- b) The facility for voting through electronic voting system ('Insta Poll') shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through 'Insta Poll'.
- c) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- d) The Company shall also provide facility for voting through polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
- e) The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of Central Depository Service Limited ("CDSL") as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).
- f) The Board of Directors of the Company has appointed Mr. Ashok Kumar Verma, a Practicing Company Secretary, New Delhi as Scrutinizer to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- g) Remote e-voting facility will be available during the following period:

Commencement of remote e-voting	9.00 a.m. 22nd September 2016
End of remote e-voting	5.00 p.m. 24th September 2016

Please note that remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled upon expiry of aforesaid period.

- h) The cut-off date for the purpose of voting (including remote e-voting) is 18th September, 2016.
- i) The Scrutinizer, after scrutinizing the votes cast at the meeting ( Insta Poll) and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.fmecinternational.com](http://www.fmecinternational.com). The results shall simultaneously be communicated to the Stock Exchanges.

**Information and other instructions relating to -voting are as under:**

- (i) The voting period begins on 22nd September 2016, 09:00 A.M and ends on 24th September 2016, 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 18th September 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>



- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN along with F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED from the drop down menu and click "SUBMIT"
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- (xxi) The Results shall be declared within three days from the date of AGM of the Company i.e. 28th September, 2016. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.fmecinternational.com](http://www.fmecinternational.com) and on the website of CDSL and communicated to the STOCK EXCHANGE

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 4:**

The board proposes in its Board meeting held on September 1st, 2016, to change in the designation of Mrs. Rachna Agarwal (DIN: 02604852) from being the Executive Director of the company to become the Non Executive Director of the company in order to comply with various provisions and regulations of The Companies act, 2013 and SEBI (LODR) Regulations, 2015 respectively.

The board also suggests that to comply with the valid composition of Board in accordance with various laws in force, it is required to change in the designation of Mrs. Rachna Agarwal from being the Executive Director of the Company to become a Non- Executive Director.

The copies of the following documents are open for inspection at the registered office of the Company between 11.00 am and 1.00 pm on any working day except Saturdays and Sundays and company holidays:

1. Notice of the AGM with Explanatory Statement
2. Memorandum and Articles of Association of the Company
3. Balance Sheet as on 31st March, 2016 along with Profit & Loss Account and Auditors' Report thereon of the Company.

**Item No. 5:**

As per the provisions of Section 204 of the Companies Act 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company being a Listed Company shall be subject to Secretarial Audit from Practicing Company Secretary.

The Board hereby recommends re-appointing M/s A.K.Verma & Co., Company Secretaries, having experience of more than 19 years of Corporate Services in field of Corporate Laws as Secretarial Auditor of Company for the Financial Year 2016-2017.

None of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

The copies of the following documents are open for inspection at the registered office of the Company between 11.00 am and 1.00 pm on any working day except Saturdays and Sundays and company holidays:

4. Notice of the AGM with Explanatory Statement
5. Memorandum and Articles of Association of the Company
6. Balance Sheet as on 31st March, 2016 along with Profit & Loss Account and Auditors' Report thereon of the Company.

**The board of directors of company recommends passing of the resolution as Ordinary Resolution.**

**Details of the Director seeking re-appointment at the forthcoming AGM dated 25.09.2016**

Name of the Director	Mrs. Rachna Agarwal
DIN	02604852
Date of Birth	30/11/1965
Date of Appointment	27/09/2015
Qualification	Bachelor of Arts
Expertise in Specific Functional Area	Administration
List of Public/ Private Companies in which outside directorship held (including Foreign companies)	2
Disclosure of Relationship with directors inter-se	She is wife of Mr. Bimal Aggarwal.
Shareholding in the Company	Holds 18,500 shares in the company

## DIRECTORS' REPORT

To

The member(s),

Your directors have pleasure in presenting the 23rd Annual Report together with the audited statement of accounts for the year ending 31st March, 2016.

### 1. BACKGROUND

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED** is a Company Listed on Bombay Stock Exchange and Non Deposit Accepting Non Banking Finance Company ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI")

### 2. FINANCIAL RESULTS

After making usual adjustment and meeting all expenses the profit of the year is Rs. 56,929.00 which is carried forward to the next year along with forward brought Profit of Rs. 65,628.00 The financial results of the company for the year ended 31st March, 2016 are as follows:-

Particulars	Amount in ₹	
	2015-2016	2014-2015
Gross Income	25,79,380	7,60,175
Profit Before Interest and Depreciation	84,771	1,08,846
Finance Charges	335	3,088
Gross Profit	84,436	1,05,758
Provision for Depreciation	-	-
Net Profit Before Tax	84,436	1,05,758
Less: Current Tax	(27,507)	(40,130)
Net Profit After Tax	56,929	65,628
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Earning per Equity Share (EPS)	0.0184	0.0212

### 3. WORKING OF THE COMPANY

The Company engaged in Non Banking Financial Activity. During the period under review total income of the Company was ₹ 25,79,380.00 as against ₹ 7,60,175.00 in previous year. The Company was able to earn a Net Profit after tax of ₹ 56,929.00 as against profit of ₹ 65,628.00 in previous financial year. Your Directors are putting their best efforts to improve the performance of the Company.

### 4. CHANGE IN THE NATURE OF BUSINESS,

There are no Changes in the Nature of Business of the Company during the Financial Year.

### 5. LISTING INFORMATION:

During the year the Securities of the Company were listed at Bombay Stock Exchange. The Securities and Exchange Board of India (SEBI), on September 2, 2015 issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to

consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The Company has entered into the listing agreement with BSE Limited at the time of Listing.

**6. SHARE CAPITAL**

The Authorised Share Capital of the Company as on 31st March 2016 was ₹ 3,50,00,000 (Rupees Three Crore Fifty Lacs Only) and Paid-up Equity Share Capital of the Company on March 31st, 2016, was ₹ 3,10,07,000 (Rupees Three Crore Ten Lacs and Seven Thousand Only). There was no change in the Authorised or the Paid-up Capital/Subscribed Capital during the FY 2015-16.

**a. BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review

**b. SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review

**c. BONUS SHARES**

No Bonus Shares were issued during the year under review

**d. EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees

**e. SHARES WITH DIFFERENTIAL RIGHTS**

The Company has not issued any Equity shares with Differential Rights.

**7. DIVIDEND**

Considering the present conditions of business and growth stage of Company, The Board of Directors of the company has decided not to recommend any dividend for the Financial Year 2015-16. The management being optimistic about the return from business activities has proposed to plough back divisible profit into the main activities of the Company.

**8. CORPORATE GOVERNANCE**

As per the Regulation 15(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, provision of Regulation 27 is applicable to the Companies having Paid up Equity share capital exceeding ₹ 10 Crore and Net Worth exceeding ₹ 25 Crore, as on the last day of the previous financial year. The Company is not covered under any of the Criterion mentioned above so it is not mandatory for the Company to comply the Provisions of the Regulation 27 of the SEBI (LODR) Regulations, 2015. In the preview of this Circular, the Company is not required to submit Corporate Governance Report. However Company will take adequate steps as and when necessary in compliance of Regulation 27 on its discretion basis and annexed a Corporate Governance Report in **Annexure-I**.

**9. EXTRACT OF ANNUAL RETURN**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT-9 as a part of this Annual Report as **Annexure II**.

**10. NUMBER OF MEETING OF BOARD OF DIRECTORS**

The Board of Directors duly met Four times during the year on the following date i.e. on 28.05.2015, 11.08.2015, 10.11.2015, 12.02.2016 during the year in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The time gap between two consecutive meetings of the Board did not exceed one hundred and twenty days. The details of such meetings are given in the Corporate Governance Report annexed to this Report.

**11. DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 134(5) of the Companies Act, 2013, the Directors of the Company hereby states that:

- i. In the preparation of the annual accounts for the year ended 31st March 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit and Loss of the company for that period.
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. The Directors had prepared the annual accounts on a Going Concern Basis.
- v. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and such system were adequate and operating effectively.

**12. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

**13. CORPORATE SOCIAL RESPONSIBILITY**

The Company had not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**14. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review annexed to this Directors' Report, provides a more detailed review of the operating performance. Company has made this disclosure on its discretion as annexed in **Annexure-III**.

**15. DECLARATION BY AN INDEPENDENT DIRECTOR(S)**

Mr. Ramesh Kumar, and Mr. Rohit Agrawal, Independent Directors of the company have given their requisite declaration in the Board Meeting dated 12.02.2016 that they meet the criteria of independence as provided in Section 149(6) of Companies Act, 2013.

**16. AUDIT COMMITTEE AND VIGIL MECHANISM**

The company has Constituted Audit Committee of the Board in accordance with the provision of Section 177 of the Companies Act, 2013. The Audit Committee comprises of the following Directors:

Mr. Ramesh Kumar - CHAIRMAN

Mr. Rohit Agrawal - MEMBER

Mr. Bimal Aggarwal- MEMBER

Four meetings of the members of the Audit Committee has been held during the year on the following dates:-

Name of Director	Designation	28.05.2016	11.08.2016	10.11.2016	12.02.2016
Mr. Ramesh Kumar	CHAIRMAN	Present	Present	Present	Present
Mr. Rohit Agrawal	MEMBER	Present	Present	Present	Present
Mr. Bimal Aggarwal	MEMBER	Present	Present	Present	Present

**17. VIGIL MECHANISM**

The Vigil Mechanism of the Company pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 which also incorporates a whistle blower policy in term of provision of Listing Agreement & Regulation 4 (2) (d) of SEBI (LODR) Regulations, 2015, for the year ended March 31st, 2016 (as per their applicability) includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee i.e. Mr. Ramesh Kumar either personally or through an e-mail at **fmeccinternation@gmail.com or call at 011-43680407.**

**18. REMUNERATION OF DIRECTORS**

The Company has not provided any Remuneration to any Director of the Company. So there is no requirement to give Disclosure under Section 197(12) of the Companies Act 2013.

**19. LOANS, GUARANTEE AND INVESTMENT**

The particulars of Loans given, Investments made and Guarantee given by company under Section 186 of Companies Act, 2013 is annexed as **Annexure IV.**

**20. PARTICULARS OF RELATED PARTY TRANSACTION**

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013. Further, all the related party transactions in terms of the Provisions of Companies Act 2013 were entered in the ordinary course of business during the financial year and were also at arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated person which may have a potential conflict with the interest of Company at large.

**21. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There were following changes in the Board of Directors of the company.

Mr. Bimal Aggarwal had been Re-appointment as Managing Director of the company w.e.f 27/09/2015 and Regularization of Mrs. Rachna Agarwal had been made as director of the Company w.e.f 27/09/2015 and Mr. Rohit Agrawal had been appointed as Independent Director W.e.f. 27/09/2015

**22. AUDITORS & AUDITORS REPORT**

M/s Sanjay K Singhal & Co., Chartered Accountants, auditors of the company, has expressed his willingness and eligibility to be continue as Statutory Auditor of the Company and offer themselves for ratification of their appointment at the annual general meeting. They have confirmed their eligibility to the effect that their ratification of appointment would be within the prescribed limits under the Act and that they are not disqualified for appointment.

The Notes on financial statement referred to in the Auditors' Report are self explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**23. DEPOSITS**

The company had neither invited nor accepted any deposits from the public within the meaning of the Companies (Acceptance of Deposits) Rules 2014.

**24. SUBSIDIARY COMPANIES**

There is one subsidiary company namely YDS SECURITIES PRIVATE LIMITED. A statement pursuant to Section 129(3) of the Companies Act, 2013 containing salient features of the financial statements of the subsidiaries/associate companies/joint ventures of the company is annexed as **Annexure-V.**

The Company further undertakes that annual accounts of the subsidiary companies along with consolidated Accounts of the holding and the related detailed information shall be made available to the shareholders of **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**. Seeking such information at any point of time, the annual accounts of the subsidiary companies are also available for inspection by any shareholder at the registered office of the company.

**25. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

**26. RISK MANAGEMENT**

During the year, your Directors developed and implemented an appropriate risk management policy which contained the provisions regarding entrusted with the responsibility to assist the Board in Overseeing and approving the Company's enterprise wide risk management framework and overseeing that all the risks that the organization faces, identifying the element of risk which, in the opinion of the Board may threaten the existence of the company and safeguarding the company against those risks.

**27. POLICIES OF NOMINATION AND REMUNERATION COMMITTEE**

Pursuant to Section 178(3) of the Companies Act, 2013 the Nomination and Remuneration Committee constituted by the Board of Directors have laid down the following policies:

Mr. Rohit Agrawal	-	CHAIRMAN
Mr. Bimal Aggarwal	-	MEMBER
Mr. Ramesh Kumar	-	MEMBER

Two meetings of the members of the Nomination and Remuneration Committee has been held during the year on the following dates:-

Name of Director	Designation	11.08.2016	10.11.2016
Mr. Rohit Agrawal	CHAIRMAN	Present	Present
Mr. Bimal Aggarwal	MEMBER	Present	Present
Mr. Ramesh Kumar	MEMBER	Present	Present

- Criteria for nomination as Director, Key Managerial Personnel and Independent Director:
- Criteria for determining Remuneration of Directors, Key Managerial Personnel and Senior Management Other Employees of the Company
- Evaluation of performance of the members of the Board, Key Managerial Personnel.

**28. STAKEHOLDER AND RELATIONSHIP COMMITTEE**

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 20(1) of SEBI (LODR) Regulations, 2015, the following Stakeholder and Relationship Committee has been constituted by the Board of Directors to look after the redressal process of the grievances of the shareholders, debentures holders and other security holders:

Mr. Bimal Aggarwal	-	CHAIRMAN
Mr. Rohit Agrawal	-	MEMBER
Mr. Ramesh Kumar	-	MEMBER

Following 8 meetings were held during the year 2015-16 of the members of stakeholder Relationship Committee:

Name of Director	Designation	28.05.2016	30.07.2015	30.11.2015	10.01.2016	18.01.2016	23.01.2016	30.01.2016	10.02.2016
Mr. Bimal Aggarwal	CHAIRMAN	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Rohit Agrawal	MEMBER	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Ramesh Kumar	MEMBER	Present	Present	Present	Present	Present	Present	Present	Present

**29. CONSOLIDATED FINANCIAL STATEMENT**

The Consolidated financial statement have been prepared by the company in accordance with the Companies Act, 2013 (“the Act”) and Accounting Standard (AS)-21 on Consolidated Financial Statements and other applicable accounting standards issued by Institute of chartered Accountant of India. The audited consolidated financial statements together with Auditor Report form part of the Annual Report.

**30. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT**

M/s A.K Verma & Co, Practicing Company Secretaries was appointed to conduct the secretarial audit of the Company for the financial year 2015-2016, as required under Section 204 of the Companies Act, 2013 and rules there under. The secretarial audit report for the financial year 2015-2016 forms part of the Annual Report as **(Annexure VI)** to the Board’s report.

The board has re-appointed M/s A.K Verma & Co, Practicing Company Secretaries, as secretarial auditor of the Company for the Financial Year 2016-2017.

There is one observation marked by Secretarial Auditor in his Secretarial Audit Report and the response of the management for this observation is as under

Observation	Management’s Response
The Company has not appointed Internal auditor pursuant to the requirement of section 138 of Companies Act, 2013, as confirmed by the Management.	It is confirmed by the Management that the Company is in under process to appoint Internal auditor pursuant to the requirement of section 138 of Companies Act, 2013, as confirmed by the Management.

**31. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employees has drawn remuneration in excess of the limits set out in the said rules.

**32. INTERNAL CONTROL SYSTEM**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

**33. FORMAL ANNUAL EVALUATION OF THE BOARD**

A statement indicating the performance of the Board and its committee and its individual directors is annexed as **Annexure VII**.



**34. CODE OF CONDUCT AND ETHICS**

The Board of directors of the Company has adopted a Code of Conduct and Ethics for the Directors and Senior Executives of the Company. The object of the Code is to conduct the company's business ethically and with responsibility, integrity, fairness, transparency and honesty. The Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and with the environment in which the Company operates. The code is available on the Company's website.

**35. MATERIAL CHANGES AND COMMITMENT IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

**36. ACKNOWLEDGEMENT**

The Board expresses their gratitude to its all stakeholder's i.e. members, customers, Government agencies and their departments, Bankers of the Company for their continued support and faith. The Director places on record their sincere appreciation to all the employees of the company for their contribution in the growth of the company.

On behalf of the Board of Directors

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**

**BIMAL AGGARWAL**

(Managing Director)

DIN: 00361883

Add: 3700, Sector 23,

Gurgaon-122017

**RACHNA AGGARWAL**

(Director)

DIN: 02604852

Add: 3700, Sector 23,

Gurgaon-122017

Place : New Delhi

Date : 01.09.2016

## ANNEXURES TO DIRECTOR REPORT

Annexure	Content
I.	Corporate Governance Report
II.	Annual Return Extracts in MGT 9
III.	Management Discussion and Analysis Report
IV.	Loans, Investment and Guarantee
V.	Details of subsidiary in AOC-1
VI.	Secretarial Audit Report in MR-3
VII.	Formal evaluation of the Board

### ANNEXURE I

#### REPORT ON CORPORATE GOVERNANCE FORMING PART OF THE DIRECTORS' REPORT

##### 1. Company's Philosophy on Code of Governance

The company firmly believes in good Corporate Governance and has made Corporate Governance a practice and continuous process of development right across the company. The company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and fairness in the functioning of the company and conduct of business.

The company's corporate philosophy is focused on its people who are the most important assets. The company values its employee's integrity, creativity and ability who in turn demonstrate the highest ethical standard and responsibility towards the shareholders. The company believes that over a period of time all its operations and actions must serve the underlying goal of enhancing overall stakeholder value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers.

The Company has strengthened governance practices. These practices define the way business is conducted and value is generated. Stakeholders' interests are taken into account, before making any business decision.

Our company is in compliance with the guidelines on Corporate Governance stipulated under various Regulation of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement with stock exchanges and in this regards, we submit a report on the matters mentioned in the said Regulations and practices followed by the company. But as per revised guidelines of Corporate Governance these guidelines are not applicable to our Company but Company has continued to comply with the guidelines of Corporate Governance to some extent.

##### 2. Board of Directors

The Company has optimum combination of Executive, Non-Executive Directors and Woman Director. The Board consists of Four Directors out of which two are Executive Directors; two are Non-Executive- Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than five Committees, across all the companies in which they are Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The Board of Directors proposes to change in the designation of Mrs. Rachna Agarwal from being the Executive Director of the company to become the Non Executive Director in the forthcoming Annual General Meeting;

As per the declaration received by the company, none of the directors is disqualified under section 164(2) of the companies Act, 2013.

(a) The composition of the Board of Directors as on March 31, 2016 is as under:-

Sl. No.	Name of Director	Executive/ Non Executive	No. of other Directorship	No. of other Committee Membership
1.	Bimal Aggarwal	Executive	2	—
2.	Rachna Aggarwal	Executive	2	—
4.	Ramesh Kumar	Non-Executive & Independent	0	—
5.	Rohit Aggarwal	Non-Executive & Independent	1	—

Note -\*\* Mr. Bimal Aggarwal is the spouse of Mrs. Rachna Aggarwal. None of the other directors are related to any other director on the Board.

**(b) Board Meeting held in Financial Year 2015 – 2016 and attendance of Directors:**

The Board of Directors is the apex body constituted for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interests are being served.

Meetings of the Board and its Committee/s are generally held in New Delhi and scheduled well in advance. The Company Secretary in consultation with CFO and Whole Time Director drafts the agenda for each Board Meeting along with explanatory notes and distributes these in advance to the directors. Normally the Board meets at least once in a quarter to consider amongst other businesses, the quarterly performance of the company and financial results. The maximum time gap between any two meetings is not more than 120 days. Detailed agenda notes are circulated well in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting. The Directors actively participate in the deliberation at these meetings. During the year, **Four Board Meetings** were held **28.05.2015, 11.08.2015, 10.11.2015, 12.02.2016**.

The attendance of each Director in the Board Meetings is detailed herein below:

Name of Director	Executive/ Non Executive	Designation	No. of Board Meetings held during 2015 16	No. of Board Meetings attended during 2015 16	Attendance at the last AGM held on September 27, 2015
Ramesh Kumar	Non-Executive & Independent Director	Director	4	4	Absent
Bimal Aggarwal	Executive	Managing Director	4	4	Present
Rachna Aggarwal	Executive	Director	4	4	Present
Rohit Agrawal	Non Executive & Independent Director	Director	4	4	Present

**(c) Resolution passed by circulation**

No Resolution was passed by circulation during the financial year 2015 – 2016.

**(d) Remuneration paid to Executive Directors and sitting fees to the Non-executive Directors**

No Remuneration has been paid by the Company to Managing Director or Executive Director of the Company as the Company is on the stage of growth and ploughs back the profit of the Company in the growth of the Company. The Directors have voluntarily waived off the fees payable, if any in the best interest of the Company.

**(e) Terms of appointment of Managing Director**

The current term of appointment of Bimal Aggarwal, Managing Director is up to March 30, 2020.

**(f) Independent Director's Remuneration**

No sitting fees has been paid by the Company during the FY 2015-2016 to the Mr. Ramesh Kumar and Mr. Rohit Agrawal

**(g) Disclosure in terms of Section II Part B of Schedule V to the Companies Act, 2013**

i) All elements of remuneration package of all directors of the company:

Sl. No.	Name & Designation	Salaries (Rs. in lakhs)	Benefits (Rs. in lakhs)	Bonus	Stock Option	Pension
1.	BIMAL AGGARWAL Managing Director	Nil	Nil	Nil	Nil	Nil
2.	RACHNA AGARWAL Director	Nil	Nil	Nil	Nil	Nil
3.	RAMESH KUMAR Director	Nil	Nil	Nil	Nil	Nil
4.	ROHIT AGRAWAL Director	Nil	Nil	Nil	Nil	Nil

ii) Details of fixed component and performance linked incentives along with performance criteria: Based on the Performance of the Company.

iii) The fixed component of salary is the same as mentioned in above table. There is no performance linked incentive payable to any director.

iv) Details of Service contract, notice period and severance fee: Not applicable

v) Stock option details of every director: No stock option was given to any director.

**(h) Shareholding of Directors in the Company as on March 31, 2016**

Sl. No.	Name of Director	No. of Shares	% of Total Shareholding
1.	Bimal Aggarwal	68,000	2.20
2.	Rachna Aggarwal	18500	0.60
3.	Ramesh Kumar	Nil	0.00
4.	Rohit Agrawal	Nil	0.00

**(I) Committees of Board**

The Board of Directors of the company has constituted the following Committees namely (i) Audit Committee (ii) Nomination & Remuneration Committee (iii) Shareholders' /Investors' Grievance Committee (Stakeholder Relationship Committee) (iv) Executive Committee of Board of Directors (constituted on 31st March, 2016)

**3. Audit Committee**

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Companies Act, 2013.

Sr.No.	Name of the Director	Status whether Independent/ Non Independent
1.	Mr. Ramesh Kumar (Chairman)	Independent Director
2.	Mr. Rohit Agrawal	Independent Director
3.	Mr. Bimal Aggarwal	Non-Independent Director

The quorum of the Audit Committee is two independent members. The Company Secretary is the secretary of the audit committee. The composition, powers, role and term of reference of the committee are in consonance with the requirements mandated under section 177 of the Companies Act, 2013

**Four Audit Committee meetings were held during the financial year 2015-16.**

The main object of Audit Committee is to ensure the credibility and correctness of the Company’s financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, and other associated matters.

The attendance of members of the Audit Committee in the Audit Committee is as follows:

Sl. No.	Name	Number of Meetings Held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Ramesh Kumar- Chairman	4	4
2.	Mr. Rohit Agrawal	4	4
3.	Mr. Bimal Aggarwal	4	4

**Brief Terms of Reference of Audit Committee:**

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the company to any statutory authority or to the investors or the public, the company’s system of internal controls regarding finance, accounting and legal compliances that Management and the Board have established.

The terms of reference of Audit Committee include inter-alia the following:

- a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b) review and monitor the auditor’s independence and performance, and effectiveness of audit process;
- c) examination of the financial statement and the auditors’ report thereon;
- d) approval or any subsequent modification of transactions of the company with related parties;
- e) scrutiny of inter-corporate loans and investments;
- f) valuation of undertakings or assets of the company, wherever it is necessary;
- g) evaluation of internal financial controls and risk management systems;
- h) monitoring the end use of funds raised through public offers and related matters.

**4. Nomination & Remuneration Committee**

The company has a re constituted “Nomination & Remuneration Committee”. The Committee consists of Two (2) Non Executive Independent Directors. All matters relating to finalization of remuneration of directors are being taken to the Committee for their consideration and approval.

The terms of reference of Nomination & Remuneration Committee include inter-alia the following:

- I. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

- ii. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance and overseeing succession planning;
- iii. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders;
- iv. Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;
- v. Monitoring and reviewing Board Evaluation framework;
- vi. Direct access to the officers and advisers, both external and internal, and to have authority to seek external independent professional advice, as it may need from time to time, for the effective implementation of its responsibilities.
- vii. In addition to the above the committee will carry out all such other functions as provided under applicable laws and specified by the Board of Directors from time to time.

The following directors are the members of the Nomination & Remuneration Committee:

Sl. No.	Name of Directors	Designation
1.	Mr. Rohit Agrawal	Chairman
2.	Mr. Ramesh Kumar	Member
3.	Mr. Bimal Aggarwal	Member

During the financial year 2015-16 two meetings of Nomination & Remuneration Committee were held.

The attendance of members of the Nomination & Remuneration Committee in the meeting is as follows:

Sl. No.	Name	Number of Meetings Held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Rohit Agrawal	2	2
2.	Mr. Ramesh Kumar	2	2
3.	Mr. Bimal Aggarwal	2	2

**5. Shareholders' /Investors' Grievance Committee (Stakeholder Relationship Committee)**

The Company has constituted the Shareholders' /Investors' Grievance Committee (Stakeholder Relationship Committee) is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act for the purpose of look after the shareholder Grievances and timely redressal of grievances.

The following directors are the members of the Shareholders' /Investors' Grievance Committee (Stakeholder Relationship Committee):

Sr. No.	Name of the Director	Status whether Independent/ Non Independent
1.	Mr. Bimal Aggarwal - Chairman	Non Independent Director
2.	Mr. Rohit Agrawal	Independent Director
3.	Mr. Ramesh Kumar	Independent Director

During the financial year 2015-16 eight meetings of Shareholders' /Investors' Grievance Committee (Stakeholder Relationship Committee)

The attendance of members of the Shareholders' /Investors' Grievance Committee (Stakeholder Relationship Committee) in the meeting is as follows:

Sl. No.	Name	Number of Meetings Held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Bimal Aggarwal - Chairman	8	8
2.	Mr. Rohit Agrawal	8	8
3.	Mr. Ramesh Kumar	8	8

Details of investor complaints received and redressed during the year 2015- 16 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
-	-	-	-

#### 6. General Body Meetings

The details of last three Annual General Meetings are as mentioned below:

For the year	Venue	Date	Day and Time	Whether Special Resolution
2012-13	3A Khan Market New Delhi	28 <sup>th</sup> September 2013	Saturday 12.00 Noon	No
2013-14	3A Khan Market New Delhi	30 <sup>th</sup> September 2014	Tuesday 11.30 A.M	Yes
2014-15	J.P Hotel & Resorts 6B Patparganj IP Extention NH-24 Behind CNG Petrol Pump New Delhi-110092	27 <sup>th</sup> September 2015	Sunday 11.00 A.M	Yes

#### Details of resolution passed through postal ballot is as follows:

No resolution is proposed to be conducted through postal ballot.

#### 7. Disclosures

##### a. Materially Significant Related Party Transactions

During the year 2015-16, there were no materially significant related party transactions with its promoters, directors or the management that may have potential conflict with the interest of the company at large. However, the transactions made with related parties are at arm's length price.

##### b. Non-Compliance/Strictures/Penalties

There was no instance of non-compliance by the company on any matters related to capital markets and therefore, no penalties and/or strictures have been imposed on the company by Stock Exchange or SEBI or any statutory authority during the last three years.

##### c. Vigil Mechanism/Whistle Blower Policy

The company has a vigil mechanism/ whistle blower policy as part of the code of conduct for the Board of Directors and Senior Management. The company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for directors and employees to report concerns about unethical behavior; actual or suspected fraud or violation of the company's code of conduct or ethics policy. This mechanism provides for adequate safeguards against victimization of director(s)/employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. Details of the mechanism are disclosed on website of the company. The said policy has been also put up on the website of the Company at the following link <http://www.fmecinternational.com/investor.html>

##### e. Compliance with Non Mandatory Requirements

The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations, 2015.

- a) **The Board:** The Board of directors elects one of the Executive Directors, as its Chairman for every Board meeting. As the provisions relating to Non Executive Chairman are not applicable to the Company.
- b) **Audit Qualifications:** The audited financial statements of the Company for the financial year 2015-16 do not contain any qualifications and the audit report does not contain any adverse remarks.
- c) **Reporting of Internal Auditor:** There is no system under which the internal auditor can directly report to the Audit Committee.

**9. Means of Communication**

The quarterly, half-yearly and annual results of the Company are published in newspapers in India which include Financial Express. The Company has developed an investor friendly website [www.fmecinternational.com](http://www.fmecinternational.com) and is in the process to update the required details as per the Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).

**10. General Shareholder's Information**

**(a) Annual General Meeting information**

Day, Date : 25th September 2016  
 Time : 11.00 A.M.  
 Venue : J.P Hotel & Resorts 6B Patparganj IP Extention NH-24 Behind CNG Petrol Pump New Delhi-110092

**(b) Financial Calendar**

F-Mec International Financial Services Ltd. follows the financial year from April to March. The Unaudited Financial Results for the first three quarters and the Audited Financial Results for the year ended March 31, 2015 were taken on record and approved by the Board of Directors in its meeting(s) held on the following dates:

Quarter Ended	Date of Board Meeting
April – June, 2014	28th May 2015
July – September, 2014	11th August 2015
October – December, 2014	10th November 2015
Year Ended March 31, 2015	12th February, 2016

**(c) Book Closure**

The company's Register of Members and Share Transfer books will remain closed from 19th September 2016 to 25th September, 2016 (both days inclusive) for the purpose of Annual General Meeting of the Company.

**(d) Stock Exchanges**

The Company's equity shares are listed on the Bombay Stock Exchange and the details of which are as follows:

Sl. No.	Name and address of the Stock Exchange
1.	Bombay Stock Exchange, 25th floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

There is no outstanding listing fees payable to Bombay Stock Exchange.

**(e) Dividend paid for the last three years**

No Dividend is paid by the Company during last three year

**(f) Shareholding Pattern as on 31st March, 2016**

Sl.No.	Shareholders	No. of shares	Percentage
<b>A.</b>	<b>Promoter's Holding</b>		
1.	Indian Promoters	365375	11.79
<b>B.</b>	<b>Non-Promoter's Holding</b>		
1.	Banks, FIs, Insurance Cos., Central/State Govt. Institutions/ Non-Govt. Institutions	0	0.00
2.	Foreign Institutional Investors	0	0.00
<b>C.</b>	<b>Others</b>		
1.	Private Corporate Bodies	143532	4.63
2.	Indian Public (including HUF)	2591793	83.58



3.	NRIs/OCBs	0	0.00
4.	Trust	0	0.00
5.	Others (shares in transit)	0	0.00
	<b>Grand Total</b>	<b>3100700</b>	<b>100.00%</b>

**(g) Registrar and Transfer Agents**

M/s. SKYLINE FINANCIAL SERVICE PRIVATE LIMITED. Shop No.D-153/A, I-Area, Okhla Phase I, Okhla Industrial Area, New Delhi-110020 deal with all aspects of investor servicing relating to shares.

**(h) Dematerialisation of Shares and Liquidity**

Type of Securities	Dematerialized Holding	Percentage
Equity	1800	0.058%

For the purpose of dematerialization, agreements have been signed by the Company with National Security Depository Limited and Central Depository Services (India) Limited, whereby the security holders have an option to dematerialize their shares with either of the depositories.

**(i) Secretarial Audit Report**

As stipulated by the Securities and Exchange Board of India, M/s. A.K Verma & Company, Company Secretaries, carries out the Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges. The audit, inter alia confirms that the total listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and the total number of shares in physical form.

**(j) Registered Office:**

IInd Floor, Central Bank Building, 13-B, Netaji Subhash Marg, Daryaganj, Delhi-110002

**(j) Outstanding GDRs/ADRs/Warrants or any Convertible instruments**

There are no outstanding GDRs/ADRs/Warrants or any Convertible instruments

**9. Address for correspondence**

Shareholders are advised to correspond at the Registered officer of the Company IInd Floor, Central Bank Building 13-B, Netaji Subhash Marg, Daryaganj Delhi-110002 or may contact Mr. Bimal Aggarwal Director of the Company and Ms. Richa Agarwal Company Secretary on phone no **011-43680407** and email at **fmeccinternational@gmail.com**.

**10. Code of conduct**

The Company has adopted the Code of Conduct (CoC) for Board of Directors, Senior Management Personnel and other Executives of the Company. The Company has received confirmations from the Board of Directors as well as Senior Management Personnel regarding compliance of the Code during the year under review. The Codes are posted on the website of the Company.

**11. CEO/CFO Certification**

In terms of revised Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), the certification by Managing Director and Chief Financial officer has been obtained and is attached as part of this annual report.

On behalf of the Board of Directors

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**

Place: New Delhi

Dated: 01.09.2016

**Bimal Aggarwal**

Managing Director

Din: 00361883

R/o 3700, Sector 23,

Gurgaon, 122017

To

**The Board of Directors**

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED.**

11nd Floor, Central Bank Building

13-B, Netaji Subhash Marg, Daryaganj

Delhi-110002,

We, Bimal Aggarwal, Managing Director and Manoj Kumar Thakur, Chief Financial Officer of the Company, hereby certify to the Board that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2016 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or volatile of the company's code of conduct.
- c. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year, if there is any, and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**(Bimal Aggarwal)**

(Managing Director)

Din: 00361883

**Manoj Kumar Thakur**

(Chief Financial Officer)

PAN: AGOPT3174G

Place: New Delhi

Date: 01.09.2016

**ANNEXURE-II**

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L74899DL1993PLC053936
ii	Registration Date	07/06/1993
iii	Name of the Company	F- MEC INTERNATIONAL FINANCIAL SERVICES LIMITED
iv	Category/Sub-category of the Company	Company Limited By Shares
v	Address of the Registered office & contact details	IInd Floor, Central Bank Building 13-B, Netaji Subhash Marg, Daryaganj Delhi-110002
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	SKY LINE FINANCIAL SERVICES PRIVATE LIMITED Shop No.D-153/A, I-Area, Okhla Phase I, Okhla Industrial Area, New Delhi, Delhi

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	NBFC ACTIVITY	65923	100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	YDS SECURITIES PRIVATE LIMITED	U67120DL1995PTC153164	SUBSIDIARY	75.66	2(87)

IV **SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>										
(1) Indian										
a) Individual/HUF		365375	365375	11.78		365375	365375	11.78	0	0
b) Central Govt.or State Govt.		0	0	0	0	0	0	0	0	0
c) Bodies Corporates		0	0	0	0	0	0	0	0	0
d) Bank/FI		0	0	0	0	0	0	0	0	0
e) Any other		0	0	0	0	0	0	0	0	0
<b>SUB TOTAL:(A) (1)</b>		<b>365375</b>	<b>365375</b>	<b>11.78</b>		<b>365375</b>	<b>365375</b>	<b>11.78</b>	<b>0</b>	<b>0</b>
(2) Foreign										
a) NRI- Individuals		0	0	0	0	0	0	0	0	0
b) Other Individuals		0	0	0	0	0	0	0	0	0
c) Bodies Corp.		0	0	0	0	0	0	0	0	0
d) Banks/FI		0	0	0	0	0	0	0	0	0
e) Any other...		0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>		<b>365375</b>	<b>365375</b>	<b>11.78</b>	<b>0</b>	<b>365375</b>	<b>365375</b>	<b>11.78</b>	<b>0</b>	<b>0</b>
<b>B. PUBLIC SHAREHOLDING</b>										
(1) Institutions										
a) Mutual Funds	0	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0	0
c) Central govt	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0

<b>SUB TOTAL (B)(1):</b>	0	0	0	0	0	0	0	0	0	0
<b>(2) Non Institutions</b>										
a) Bodies corporates	0	253100	253100	8.16	0	143532	143532	4.63	0	0
i) Indian	0	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0	0
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	0	1070025	1070025	34.51	1800	508625	510425	16.47	0	0
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	0	1412200	1412200	45.54		1613531	1613531	52.04	0	0
c) Others (HUF)	0	0	0	0	0	467837	467837	15.08	0	0
<b>SUB TOTAL (B)(2):</b>										
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	0	2735325	2735325	88.22	1800	2733525	2735325	88.22	0	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	0	3100700	3100700	100	1800	3098900	3100700	100	0	0

**(ii) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Suraj Aggarwal	141325	4.56	NA	141325	4.56	NA	NA
2	Bimal Aggarwal	68000	2.19	NA	68000	2.19	NA	NA
3	Sumat Prakash Aggarwal	134050	4.32	NA	134050	4.32	NA	NA
4	Rachna Aggarwal	18500	0.60	NA	18500	0.60	NA	NA
5	Sangeeta Aggarwal	3500	0.11	NA	3500	0.11	NA	NA

(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	NA	NA	NA	NA
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NA	NA	NA	NA
	At the end of the year	NA	NA	NA	NA

\* NO CHANGE IN PROMOTERS SHAREHOLDING

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

S.No.	Name of the Shareholder	At the beginning of the year (i.e. 01.04.2015)		At the end of the year (i.e 31.03.2016)		Cumulative Shareholding during the year		Monthwise Increase / Decrease in Share holding during the year	Reasons (for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	No. of shares	% of total Shares of the company		
1	SHWETA SINGH	180875	5.85	180875	5.85	Nil	Nil	Nil	Nil
2	SURESH PAL SINGH	179450	5.80	179450	5.80	Nil	Nil	Nil	Nil
3	SUNITA SINGH	170050	5.50	170050	5.50	Nil	Nil	Nil	Nil
4	MUNISH	80500	2.60	80500	2.60	Nil	Nil	Nil	Nil
5	MD. SIBTE HASAN	59900	1.94	59900	1.94	Nil	Nil	Nil	Nil
6	SATYAWATI AGGARWAL	52625	1.70	52625	1.70	Nil	Nil	Nil	Nil
7	GIRISH MITTAL	49900	1.61	49900	1.61	Nil	Nil	Nil	Nil
8	VIBHA MITTAL	49900	1.61	49900	1.61	Nil	Nil	Nil	Nil
9	SHIV KUMAR	49900	1.61	49900	1.61	Nil	Nil	Nil	Nil
10	PREM LATA	49900	1.61	49900	1.61	Nil	Nil	Nil	Nil

v Shareholding of Directors and Key Managerial Personnel:

S.No.	Name of the Directors / KMP (Designation)	At the beginning of the year (i.e. 01.04.2015)		At the end of the year (i.e 31.03.2016)		Cumulative Shareholding		Increase / Decrease in Share holding during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	No. of shares	% of total Shares of the company	
1	Bimal Aggarwal (Managing Director)	68000	2.19	68000	2.19	NIL	NIL	N.A
2	Rachna Aggarwal (Director)	18500	0.60	18500	0.60	NIL	NIL	N.A
3	Rohit Agrawal (Non Executive Independent Director)	NIL	NIL	NIL	NIL	NIL	NIL	N.A
4	Manoj Kumar Thakur (Chief Financial Officer)	NIL	NIL	NIL	NIL	NIL	NIL	N.A
5	Ramesh Kumar (Non Executive Independent Director)	NIL	NIL	NIL	NIL	NIL	NIL	N.A
6	Priyanka Joshi (Company Secretary)	NIL	NIL	NIL	NIL	NIL	NIL	N.A

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment					
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedne ss	
<b>Indebtness at the beginning of the financial year</b>					
i) Principal Amount	0	0	0	0	
ii) Interest due but not paid	0	0	0	0	
iii) Interest accrued but not due	0	0	0	0	
<b>Total (i+ii+iii)</b>					
<b>Change in Indebtedness during the financial year</b>					
Additions	0	10,00,000	0	10,00,000	0
Reduction	0	0	0	0	0
<b>Net Change</b>	0	10,00,000	0	10,00,000	0
<b>Indebtedness at the end of the financial year</b>					
i) Principal Amount	0	10,00,000	0	10,00,000	0
ii) Interest due but not paid	0	0	0	0	0
iii) Interest accrued but not due	0	0	0	0	0
<b>Total (i+ii+iii)</b>	0	10,00,000	0	10,00,000	0

A. Remuneration to Managing Director, Whole time director and /or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount	
1	<b>Gross salary</b>						
	(a) Salary as per provisions contained in section	NIL	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) of the Income	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of	NIL	NIL	NIL	NIL	NIL	NIL
2	Stock option	NIL	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	as % of profit	NIL	NIL	NIL	NIL	NIL	NIL
	others (specify)	NIL	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total (A)</b>	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Ceiling as per the Act</b>	N.A	N.A	N.A	N.A	N.A	N.A

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors				Total Amount	
1	<b>Independent Directors</b>						
	(a) Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
	(b) Commission	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total (1)</b>	NIL	NIL	NIL	NIL	NIL	NIL
2	<b>Other Non Executive Directors</b>						
	(a) Fee for attending	NIL	NIL	NIL	NIL	NIL	NIL
	(b) Commission	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Others, please specify.	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total (2)</b>	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total (B)=(1+2)</b>	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total Managerial Remuneration</b>	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Overall Cieling as per the Act.</b>	N.A	N.A	N.A	N.A	N.A	N.A

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD /MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total	
		CEO	Company Secretary	CFO	Total		
1	Gross Salary						
	(a) Salary as per provisions contained in section	NIL	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) of the Income	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of	NIL	NIL	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	as % of profit	NIL	NIL	NIL	NIL	NIL	NIL
	others, specify	NIL	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total</b>	NIL	NIL	NIL	NIL	NIL	NIL

**VII PENALTIES /PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**N.A**



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**ANNEXURE-III****THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE AND DEVELOPMENT**

Indian economy is going through a period of rapid 'financial liberalization'. Today, the 'intermediation' is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products. The segment consisting of NBFCs, such as equipment leasing/hire purchase finance, loan and investment companies, etc. have made great strides in recent years and are meeting the diverse financial needs of the economy. These NBFCs provide a variety of services including fund-based and fee-based activities and cater to retail and non-retail markets and niche segments. They are being recognized as complementary to the banking sector due to their customer-oriented services, simplified procedures, and attractive rates of return on deposits, flexibility and timeliness in meeting the credit needs of specified sectors.

The long term outlook for the NBFC Sector remains positive backed by the lower credit penetration and huge capital formation requirement of the Country. However in the short term the sector may find the macro –economic environment challenging for growing quality book on account of overall bearish sentiments, volatile stock market and high interest rates.

**FINANCIAL & BUSINESS REVIEW**

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED** is currently engaged in NBFC activities & Financial Management and Advisory Services. The Company intends to continue focusing on NBFC activities including financing, Inter- corporate Investments & Capital Market activities.

Due to limited resources, company is unable to achieve the growth in the last years but management of the Company is very hopeful to achieve standards of growth in the near future. The main revenue of the Company is earned from the Interest Income and Commission Income.

Management of the Company is very hopeful to bring higher operating efficiencies within the Company based on the understanding And strength of superior Knowledge of local market and efficient and Conservative approach.

**FUTURE OUTLOOK**

**In the upcoming years** Company will strive to achieve high revenue by way of providing financial services businesses in India focused on delivering superior customer experience through class leading services and good returns to the Company's shareholders at the same time maintaining the high levels of integrity.

**KEY PERFORMANCE DRIVERS AND CAPABILITIES**

The Company's long term aspiration is to play a significant role in meeting the financial requirements of retail customers as well as corporate clients. To carry out its long term goal and achieve its financial activities, the Company has formed some strategies.

**ADEQUACY OF INTERNAL CONTROL**

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

**RISKS & CONCERNS**

Being a Financial company, it is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate volatility, economic cycle, credit risk and market risk. The most important among them are credit risk, market risk and operational risk. The measurement, monitoring management of risk remains key focus areas for the company.

**HR & INFRASTRUCTURE DEVELOPMENT**

The Company has a team of able and experienced industry professionals and employees. During the year, the company further strengthened its IT infrastructure and systems to support its operations.

**RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management, and the Independent Auditors have noted its contents. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external and internal factors which are beyond the control of the management. Thus the actual situation may differ from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

By Order of the Board

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**

BIMAL AGGARWAL  
Managing Director  
DIN: 00361883  
Add: 3700, Sector 23,  
Gurgaon-122017

Dated: 01.09.2016

Place: New Delhi

**ANNEXURE-IV****LOANS, GUARANTEE, INVESTMENT**

S.No	Particulars	31/03/2016	31/03/2015
1.	<b>Long Term loans and advances</b>		
	Blossom E Solutions Pvt. Ltd.	62,57,460.00	5,489,000.00
	Logisys Ind. Pvt. Ltd.	59,20,020.00	5,193,000.00
	Suresh Pal Singh	49,39,648.00	4,416,588.00
	Sunita Singh	1,07,587.00	2,946,587.00
	Sweta Singh	6,65,000.00	6,38,000.00
	Deccan Plateau Projects	30,69,260.00	-
	AS Buildpro P Ltd.	16,64,800.00	16,14,557.00
2.	<b>Non Current Investment</b>		
	<b>Unquoted</b>		
	YDS Securities Pvt. Ltd. 826530 Equity Shares @ 10Each	8,265,300.00	8,265,300.00
	Texas Engineers Pvt. Ltd.	1,00,000.00	10,00,000.00
	<b>Quoted</b>		

## ANNEXURE-V

## FORM NO. AOC.1

Statement containing salient features of the financial statement of  
subsidiaries/associate companies/joint ventures  
(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of  
Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs )

S. No	Particulars	Details
1.	SL. No.	1
2.	Name of the subsidiary	YDS SECURITIES PRIVATE LIMITED
3.	The date since when subsidiary was acquired	18.04.1995
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01st April 2015 to 31st March 2016
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
6.	Share capital	1,09,23,500
7.	Reserves and surplus	(15,19,498)
8.	Total assets	94,35,341
9.	Total Liabilities	94,35,341
10.	Investments	50,52,500
11.	Turnover	Nil
12.	Profit before taxation	(31,512)
13.	Provision for taxation	Nil
14.	Profit after taxation	(31,512)
15.	Proposed Dividend	Nil
16.	Extent of shareholding (in percentage)	75.665%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: NA
- Names of subsidiaries which have been liquidated or sold during the year.: NA

**ANNEXURE VI**

Form No. MR-3

**SECRETARIAL AUDIT REPORT****For The Period 01st April, 2015 to 31st March, 2016**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To

**The Members,****F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**

IInd Floor, Central Bank Building

13-B, Netaji Subhash Marg, Daryaganj, Delhi,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED** (hereinafter called the ("**company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Company's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2016** complied with the statutory provisions listed hereunder and that the company has proper Board -processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED ("the Company")** for the financial year ended on **31st March, 2016** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**applicable w.e.f 1st December, 2015**)
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**Not applicable to the Company during the audit period**)
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (share based employee benefits) Regulation 2014 (**Not applicable to the Company during the audit period**);

- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period);**
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period);** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the audit period);**

(vi) We further report that, having regard to the compliance system and mechanism prevailing in the Company and representation made by its officers for the same and our examination of relevant documents /records in pursuant thereof on our test check basis, the Company has adequate system for the compliances of the following applicable laws :

1. The RBI Act 1934;
2. Prudential Norms Issued by the Reserve Banks for NBFC Companies.
3. Labour Laws to the extent applicable
4. Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
5. Right To Information Act, 2005

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India **(applicable w.e.f.01st July, 2015)**
2. The Listing Agreements entered into by the Company with Delhi Stock Exchange.
3. Company has entered into Uniform Listing Agreement with Bombay Stock Exchange on **19th January, 2016 wide its letter dated 20160115-9 dated January 15, 2015** as per the requirement of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**We report that:**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

1. *The Company is under process to appoint internal auditor pursuant to the requirement of section 138 of Companies Act, 2013, as confirmed by the Management.*

**We further report that**

The Composition of Board of Directors of the Company is duly constituted with proper balance of Executive, Non-executive, Woman Director, Independent Directors as per the provisions of Companies Act, 2013 and SEBI Regulations. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and SEBI Regulations.

Adequate notices were given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the chairman and the decision of the board were unanimous and no dissenting views have been recorded.

We further report that the compliance by the company of applicable financial laws like Direct and Indirect Tax Laws and maintenance of financial records, books of accounts and internal financial control has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that pursuant to compliance of section 134(3)(p) and other applicable provisions of the Companies Act, 2013 read with applicable rules as amended from time to time, a formal annual performance evaluation of all the Directors of the Company, its committees and board as a whole was carried out after approval of the policy for the evaluation of the performance by the board during the financial year under the audit.

**We further report that**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For A. K. VERMA & CO**

(Practicing Company Secretaries)

**ASHOK KUMAR VERMA**

(SENIOR PARTNER)

FCS : 3945

CPNO: 2568

Place: Delhi

Date: 01.09.2016

**This Report is to be read with our letter of even date which is Annexed as (Annexure -A) and forms an integral part of this Report**

**'Annexure -A'**

To

**The Members,**

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**

IIInd Floor, Central Bank Building

13-B, Netaji Subhash Marg, Daryaganj, Delhi -110002

Subject: Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For A. K. VERMA & CO.**

(Practicing Company Secretaries)

**ASHOK KUMAR VERMA**

(SENIOR PARTNER)

FCS: 3945

CPNO: 2568

Place: Delhi

Date : 01.09.2016

## **ANNEXURE VII**

### **ANNUAL EVALUATION**

The performance of the Board as a whole, of its committee, and of its members, shall be evaluated at the end of the year keeping in view the objectives of the Company.

It will be the responsibility of the Chairman who shall be supported by Company Secretary (if any) to organize the evaluation process and act on its outcome.

The results of the annual evaluation shall remain confidential between the Chairman, Directors concerned and the Company Secretary (if any).

The evaluation process will be used constructively as a mechanism to improve board effectiveness, maximize strengths and tackle weaknesses.

# **STANDALONE FINANCIAL STATEMENTS**



## **Independent Auditor's Report**

**To the Members of**

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying (standalone) financial statements of F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for (standalone) the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these (standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (standalone) financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (standalone) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Profit/Loss and its Cash Flow for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. in our opinion, the aforesaid (standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR SANJAY K SINGHAL & CO**

Chartered Accountants

FRN : 024807N

(SANJAY KUMAR SINGHAL)

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 27/05/2016

**"Annexure A" to the Independent Auditors' Report**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) The Company has neither acquired nor having any fixed assets for the year ended 31.03.2016
- 2) (i) The company doesn't have any inventory as on balance sheet date.  
(ii) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.  
b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the company has obtained registration, Reg. No. 14.01129

**FOR SANJAY K SINGHAL & CO**

Chartered Accountants

FRN : 024807N

**(SANJAY KUMAR SINGHAL)**

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 27/05/2016

**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the

auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR SANJAY K SINGHAL & CO**

Chartered Accountants

FRN : 024807N

**(SANJAY KUMAR SINGHAL)**

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 27/05/2016

**BALANCE SHEET AS AT MARCH 31, 2016**

	Note No.	Figures as at the end of current reporting period 31.03.2016	Figures as at the end of current reporting period 31.03.2015
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a)	3	31,007,000	31,007,000
(b)	4	169,480	112,551
(c)			
		<u>31,176,480</u>	<u>31,119,551</u>
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a)	5	1,033,739	33,739
(b)		-	-
(c)		-	-
(d)		-	-
		<u>1,033,739</u>	<u>33,739</u>
<b>(4) Current Liabilities</b>			
(a)			
(b)			
(c)		667,408	201,827
(d)		27,507	40,130
		<u>694,915</u>	<u>241,957</u>
		<b><u>32,905,133</u></b>	<b><u>31,395,247</u></b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a)			
(i)			
(ii)			
(iii)			
(iv)			
(b)	7	8,365,300	9,265,300
(c)	8	136,260	136,260
(d)	9	22,623,775	20,297,732
(e)		31,125,335	29,699,292
<b>(2) Current assets</b>			
(a)			
(b)			
(c)			
(d)	10	34,562	194,337
(e)	11	1,500,000	1,500,000
(f)	12	245,237	1,618
		<u>1,779,798</u>	<u>1,695,955</u>
		<b><u>32,905,133</u></b>	<b><u>31,395,247</u></b>

In terms of our attached report of even date

For and on behalf of

SANJAY K SINGHAL & Co.

**F Mec International Financial Services Limited**

Chartered Accountants

FRN : 024807N

(Sanjay Kumar Singhal)

(Bimal Aggarwal)

(Ramesh Kumar)

Partner

Director

Director

M.NO. :503475

Din: 00361883

Din: 00339542

Place: New Delhi

(Manoj Kumar Thakur)

(Priyanka Joshi)

Dated: 27.05.2016

CFO

Company Secretary

PAN: AGOPT3174G

M. No. : A36608

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2016**

	Note No.	Figures as at the end of current reporting period 31.03.2016	Figures as at the end of current reporting period 31.03.2015	
I.	Revenue from operations	13	2,554,180	760,175
II.	Other Income		25,200	-
III.	<b>Total Revenue (I +II)</b>		<b>2,579,380</b>	<b>760,175</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed		-	-
	Purchase of Stock-in-Trade		-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
	Employee benefit expense	15	796,000	-
	Financial costs	14	335	3,088
	Depreciation and amortization expense			
	Other expenses	15a	1,698,610	651,329
	<b>Total Expenses</b>		<b>2,494,944</b>	<b>654,417</b>
V	Profit before exceptional and extraordinary items and tax (III - IV)		84,436	105,758
VI.	Exceptional Items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		84,436	105,758
VIII.	Extraordinary Items		-	-
IX.	Profit after extraordinary items and before tax (VII - VIII)		84,436	105,758
X	<b>Tax expense:</b>			
	(1) Current tax		27,507	40,130
	(2) Deferred tax		-	-
XI	Profit(Loss) for the period from continuing operations		56,929	65,628
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
	Prior Period MAT W/off		-	-
	Prior Period Deferred Tax Adjustment		-	-
XIV	<b>Profit(Loss) for the period</b>		<b>56,929</b>	<b>65,628</b>
	<b>Transfer to reserve for bad and doubtful debts(As per RBI ACT)</b>		<b>56,559</b>	<b>50,744</b>
	<b>Transfer to special reserve</b>		<b>11,386</b>	<b>13,126</b>
	<b>Transfer to Reserve &amp; Surplus</b>		<b>(11,017)</b>	<b>1,758</b>
XV	<b>Earning per equity share:</b>			
	(1) Basic		0.0184	0.0212
	(2) Diluted		-	-

In terms of our attached report of even date

For and on behalf of

SANJAY K SINGHAL & Co.  
Chartered Accountants  
FRN : 024807N

**F Mec International Financial Services Limited**

(Sanjay Kumar Singhal)  
Partner  
M.NO. :503475

(Bimal Aggarwal)  
Director  
Din: 00361883

(Ramesh Kumar)  
Director  
Din: 00339542

Place: New Delhi  
Dated: 27.05.2016

(Manoj Kumar Thakur)  
CFO  
PAN: AGOPT3174G

(Priyanka Joshi)  
Company Secretary  
M. No. : A36608

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A. Cash Flow from Operating Activities</b>		
Net profit before tax and extraordinary items	84,436	105,758
Adjustment for:		
Interest	-	-
Provision for Income tax	(12,623)	-
MAT Credit Entitlement	-	-
<b>Operating profit before working capital changes</b>	<b>71,813</b>	<b>105,758</b>
Adjustment for:		
loans and advances	-	(2,358,557)
Trade Payable	-	-
Other current liabilities	465,581	(139,150)
Short term provisions	-	(191,026)
Trade receivables	-	-
Other current assets	(243,619)	898,382
<b>Cash generated from operations</b>	<b>293,775</b>	<b>(1,684,593)</b>
Interest paid	-	-
Tax paid	-	-
Income Tax Adjustment	(27,507)	(40,130)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>266,268</b>	<b>(1,724,723)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital advance	-	-
Purchase of Investment	-	-
Purchase of fixed assets	-	-
Long term Loan & Advances	(2,326,043)	-
Non-current investments	900,000	1,673,100
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(1,426,043)</b>	<b>1,673,100</b>
<b>C. CASH FLOW FROM FINANCE ACTIVITIES</b>		
(Decrease)/increase in equity share capital	-	-
(Decrease)/increase in Securities premium	-	-
(Decrease)/increase in Preference shares	-	-
(Decrease)/increase in long term borrowings	1,000,000	-
(Decrease)/increase in Short term borrowings	-	-
<b>(C)</b>	<b>1,000,000</b>	<b>-</b>
<b>D. NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(159,775)</b>	<b>(51,623)</b>
Cash and cash equivalents opening balance	194,337	245,960
Cash and cash equivalents closing balance	34,562	194,337

In terms of our attached report of even date

For and on behalf of

 SANJAY K SINGHAL & Co.  
 Chartered Accountants  
 FRN : 024807N

**F Mec International Financial Services Limited**

 (Sanjay Kumar Singhal)  
 Partner  
 M.NO. :503475

 (Bimal Aggarwal)  
 Director  
 Din: 00361883

 (Ramesh Kumar)  
 Director  
 Din: 00339542

 Place: New Delhi  
 Dated: 27.05.2016

 (Manoj Kumar Thakur)  
 CFO  
 PAN: AGOPT3174G

 (Priyanka Joshi)  
 Company Secretary  
 M. No. : A36608



**STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2016**

Note No.	Particulars	Figures for the current		Figures for the previous	
		reporting period 31/03/16		reporting period 31/03/16	
<b>3</b>	<b>Share Capital</b>				
	<b>Authorised</b>				
	3500000(3500000) Equity Shares of ₹ 10/- Par Value		35,000,000		35,000,000
			<b>35,000,000</b>		<b>35,000,000</b>
	<b>Issued</b>				
	3100700(3100700) Equity Shares of ₹ 10/- Par Value		31,007,000		31,007,000
			<b>31,007,000</b>		<b>31,007,000</b>
	<b>Subscribed</b>				
	3100700(3100700) Equity Shares of ₹ 10/- Par Value		31,007,000		31,007,000
			<b>31,007,000</b>		<b>31,007,000</b>
	<b>Paidup</b>				
	3100700(3100700) Equity Shares of ₹ 10/- Par Value fully paidup		31,007,000		31,007,000
			<b>31,007,000</b>		<b>31,007,000</b>

**3.1 Detail of shareholding more than 5% of the shareholding**

Particular	31/03/2016		31/03/2015	
	% Held	% Held	% Held	% Held
	As per list attached			

**3.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting date**

Particular	31/03/2016		31/03/2015	
	No. of Shares	Amount	No. of Shares	Amount
Number of Shares at the beginning	3,100,700	31,007,000	3,100,700	31,007,000
Add: Issue	-	-	-	-
Less: Bought Back	-	-	-	-
Add: Other	-	-	-	-
<b>Number of Shares at the end</b>	<b>3,100,700</b>	<b>31,007,000</b>	<b>3,100,700</b>	<b>31,007,000</b>

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED****2015-2016**

<b>4</b>	<b>Reserve and Surplus</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	<b>Profit &amp; Loss</b>		
	Balance B/f	48,681	46,923
	Amount Transferred From Statement of P&L	(11,017)	1,758
	Amount Transferred from Sundries	-	-
		<b>37,664</b>	<b>48,681</b>
	Less:		
	Appropriation and Allocation	-	-
		<b>37,664</b>	<b>48,681</b>
	<b>Total</b>	<b>37,664</b>	<b>48,681</b>
	<b>Special Reserve (1) as per RBI ACT</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Balance B/f	13,126	-
	Amount Transferred From Statement of P&L	11,386	13,126
	Amount Transferred from Sundries	-	-
		<b>24,511</b>	<b>13,126</b>
	Less:		
	Appropriation and Allocation	-	-
		<b>24,511</b>	<b>13,126</b>
	<b>Total</b>	<b>24,511</b>	<b>13,126</b>
	<b>Reserve for Bad and Doubtful debts (As Per RBI ACT)</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Balance B/f	50,744	-
	Amount Transferred From Statement of P&L	56,559	50,744
	Amount Transferred from Sundries	-	-
		<b>107,304</b>	<b>50,744</b>
	Less:		
	Appropriation and Allocation	-	-
		<b>107,304</b>	<b>50,744</b>
	<b>Total</b>	<b>107,304</b>	<b>50,744</b>
	<b>G. Total</b>	<b>169,480</b>	<b>112,551</b>

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**
**2015-2016**

5	<b>Long Term Borrowings</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Loan and Advances From Subsidiary Company & Other Parties		
	<b>Unsecured Loans:-</b>		
	YDS Securities Pvt. Ltd.	33,739	33,739
	Freight Carries Pvt. Ltd.	250,000	
	Vishnupriya Finance & Leasing Limited	550,000	
	Rachna Agrawal	100,000	-
	Rohit Agrawal	100,000	-
		<b>1,033,739</b>	<b>33,739</b>
6	<b>Other Current Liabilities</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	<b>Others Payables to related parties</b>		
	Texas Engineers Pvt. Ltd.	-	-
	<b>Expenses Payables</b>		
	TDS Payable	16,723	-
	Audit Fees Payable	22,500	27,000
	Expenses Payables	628,185	174,827
		<b>667,408</b>	<b>201,827</b>
7	<b>Non Current Investments</b>	<b>31/3/2016</b>	<b>31/03/2015</b>
	<b>Investments</b>		
	<b>Unquoted</b>	<u>Face Value</u>	<u>Quantity</u>
	YDS Securities Pvt. Ltd.	10	826530
	Texas Engineers Pvt. Ltd.	10	100000
		<b>8,365,300</b>	<b>9,265,300</b>
8	<b>Deferred Tax Assets/ (Liability)</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Deferred Tax Assets	136,260	136,260
		<b>136,260</b>	<b>136,260</b>
9	<b>Long-term loans and advances</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	<b>Long Term Loans and Advances to be recoverable in cash or in kind</b>		
	<b>Unsecured Considered good</b>		
	Blossom E Solutions Pvt. Ltd.	6,257,460	5,489,000
	Logisys Ind. Pvt. Ltd.	5,920,020	5,193,000
	Suresh Pal Singh	4,939,648	4,416,588
	Sunita Singh	107,587	2,946,587
	Sweta Singh	665,000	638,000
	AS Buildpro P Ltd.	1,664,800	1,614,557
	Deccan Plateau Project	3,069,260	-
		<b>22,623,775</b>	<b>20,297,732</b>

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED****2015-2016**

<b>10</b>	<b>Cash and cash equivalents</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Cash in Hand	10,533	178,124
	Balance With Banks		
	Current Account	-	-
	Union Bank of India	24,029	16,213
		<b>34,562</b>	<b>194,337</b>
<b>11</b>	<b>Short-term loans and advances</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	<b>Unsecured Advances to related Parties</b>		
	<b>Unsecured Considered good</b>		
	Texas Engineers Pvt. Ltd.	-	-
	<b>Other advances</b>		
	Advance for shares	1,500,000	1,500,000
		<b>1,500,000</b>	<b>1,500,000</b>
<b>12</b>	<b>Other current assets</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Advance Tax	5,000	-
	TDS AY. 2015-16	1,318	1,618
	TDS AY. 2016-17	41,280	-
	Service Tax Input	197,639	-
		<b>245,237</b>	<b>1,618</b>
<b>13</b>	<b>Revenue from operations</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	<b>Income from Services</b>		
	Consultancy & Commission Income	-	-
	Interest income	2,554,180	760,175
		<b>2,554,180</b>	<b>760,175</b>
<b>14</b>	<b>Finance costs</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Bank Charges	335	3,088
		<b>335</b>	<b>3,088</b>
<b>15</b>	<b>Employee Benefit Expenses</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Salary	796,000	-
		<b>796,000</b>	<b>-</b>

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED****2015-2016**

<b>15a</b>	<b>Other Expenses</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Auditor'S Fees	25,000	27,000
	Listing Fees	1,340,840	519,127
	Professional Fee	170,655	30,000
	Advertisement Expenses	70,400	17,408
	Roc Charges	1,842	25,200
	Meeting Fee	23,500	-
	Interest	-	15,589
	Office Expenses	-	17,005
	Conveyance	5,197	-
	Courier Expenses	3,708	-
	Interest On TDS	4,584	-
	Notarizing Expenses	404	-
	Photo Copy Expenses	1,615	-
	Printing & Stationary	5,560	-
	Rent	20,000	-
	Swachh Bharat Cess Tax	1,500	-
	Telephone & Internet Expenses	15,305	-
	Website Designing Expenses	8,500	-
		<b>1,698,610</b>	<b>651,329</b>

**NOTES FORMING INTEGRAL PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016****1. CORPORATE INFORMATION**

FMEC International Financial Services Limited (the company) is a Limited company domiciled in India and incorporated under provision of Companies Act, 1956 as on 7th June 1993 and is Holding of YDS Securities Private Limited. The company is engaged in the business of Financing and providing Consultancy.

**2. BASIS OF PREPARATION OF ACCOUNTS**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956. The Financial Statements has been prepared on the accrual basis and under the historical cost convention. The Management evaluates all recently issued or revised accounting standards on an on-going basis.

The Accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

**2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****i) CHANGE IN ACCOUNTING POLICY****PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS**

During the year ended 31st March 2016, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company for the preparation and presentation of its Financial Statements. The adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of Financial Statements. However it has significant impact on the presentation and disclosures made in Financial Statements.

The company has also reclassified the previous year figures in accordance with requirement as applicable in the current year.

**ii) USE OF ESTIMATES**

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balance of Assets and Liabilities and disclosures related to the contingent liabilities as at the date of financial statements and reported accounts of revenues and expenses during the period. Actual results could differ from those estimates. Any revision of accounting estimates is recognized in accordance with the requirement of the respective accounting standard.

**iii) TANGIBLE ASSETS AND DEPRECIATION**

The company has neither acquired any asset nor having any Fixed Assets as on the date of Balance sheet

**iv) INVESTMENT**

Investments are valued at cost.

**v) REVENUE RECOGNITION**

Revenue is recognized on mercantile basis to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

**vi) TAX EXPENSES**

Tax expense comprises of current tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961 enacted in India. The tax rates and tax laws used to compute the amount are those as enacted, at operating date.

Deferred Taxation is provided using the liability method in respect of the taxation effect arising from all material timing difference between the accounting and tax treatment for Income and Expenditure, which are expected with reasonable probability to crystallize in the foreseeable future.

Deferred Tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonable expected to be realizable in the near future.

Deferred Tax Assets and liabilities are measured at tax rates that have been enacted or substantively enacted by the balance sheet date.

**vii) EVENTS OCCURRING AFTER BALANCE SHEET DATE:-**

No significant events which could affect the financial position as on 31-03-2016 to a material extent have been reported by the assessee, after the balance sheet date till the signing of report.

**viii) PRIOR PERIOD AND EXTRAORDINARY ITEMS:-**

There are no material changes or credits which arise in the current period, on accounts of errors and omission in the preparation of the financial statements for the one or more prior periods.

**ix) EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the year

**x) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

**PROVISIONS**

A provision is recognized when an enterprise has a present obligation as a result of past event. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**CONTINGENT LIABILITIES**

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow or resources is remote, no provision or disclosure is made.

**CONTINGENT ASSETS**

Contingent Assets are neither recognized nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

**16. AUDITOR'S REMUNERATION**

<b>Particulars</b>	(In ₹)	
	<b>2015-16</b>	<b>2014-15</b>
<b>Auditors' Remuneration</b>		
Statutory Audit Fee	25,000	25,000
In other capacity	-	-
<b>TOTAL</b>	<b>25,000</b>	<b>25,000</b>

**17. EARNING PER SHARE**

Basic earnings per share are calculated in accordance with the provisions of Accounting Standard-20 "Earnings per Share" are given hereunder:

<b>PARTICULARS</b>	<b>2015-16</b>	<b>2014-15</b>
Net Profit after Tax attributable to Equity Shareholders (₹)	56929	65628
Weighted Average number of Equity Shares	31,00,700	31,00,700
<b>Basic Earnings per Share (Face Value ₹ 10) (₹)</b>	<b>0.0184</b>	<b>0.0212</b>

**18. RELATED PARTY DISCLOSURE**
**I. NAMES OF RELATED PARTIES:**

- a) The company is Holding of YDS Securities Pvt. Ltd.
- b) Key Management Personnel:

<b>Name</b>	<b>Designation</b>
Mr. Bimal Aggarwal	Director
Mr. Ramesh Kumar	Director

19. Segment information for the year ended 31st March, 2016 as per accounting standard issued by the institute of Chartered Accountants of India is as under. Previous year's figures are indicated in brackets.

₹In Lacs

<b>Segment reporting</b>	<b>Sale</b>	<b>Loan</b>	<b>Unallocable</b>	<b>Total</b>
<b>Segment Revenue</b> (External)	0	0	25.79	25.79
	(0)	(0)	(7.60)	(7.60)
Intersegment	-	-	-	-
Total Revenue	0	0	25.79	25.79
	(0)	(0)	(7.60)	(7.60)
<b>Segment Results</b>				
Profit/Loss before Depreciation Amortization Interest, Tax and Unallocable Overheads, Financial Charges	0	0	0.89	0.89
	(0)	(0)	(1.05)	(1.05)
Less: Depreciation and Amortization	0	0	0	0
	(0)	(0)	(0)	(0)
Less: Interest and Financial charges	0	0	0.05	0.05
	(0)	(0)	(0)	(0)
Profit/Loss before taxation	0	0	0.84	0.84
	(0)	(0)	(1.05)	(1.05)
Provision for taxation (Current)	0	0	0.27	0.27
	(0)	(0)	(0.40)	(0.40)



Provision for Taxation (Deferred)	0 (0)	0 (0)	0 (0)	0 (0)
Net Profit after Tax	0 (0)	0 (0)	0.57 (0.65)	0.57 (0.65)

Assets used in the company’s business or liabilities contracted have not been identified to any of the reportable segment as all the assets and services are used interchangeably between segments. The company believes that it is currently not practicable to provide segment disclosure relating to total assets and liabilities since a meaningful segregation of available data is onerous.

20. In the opinion of the directors, current assets and advances have a value on realization in the ordinary course of the business at least equal to the amount at which these have been stated in the Balance Sheet.
21. Balances of Sundry Creditors/Debtors are subject to confirmation/reconciliation, which in the opinion of the management is not significant, adjustments, if any will be carried out as and when settled. However accounts have been reconciled on the basis of materiality.
22. The company is a small and medium sized company as defined in the General Instruction in respect of Accounting Standard notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standard as applicable to small and Medium Sized Company.
23. There is no contingent liability as Certified by the management of the company.
24. All the known liabilities have been provided for and there are no disputed liabilities as confirmed by the management of the company.

In terms of our attached report of even date

SANJAY K SINGHAL & Co.  
Chartered Accountants  
FRN : 024807N

(Sanjay Kumar Singhal)  
Partner  
M.NO. :503475

Place: New Delhi  
Dated: 27.05.2016

For and on behalf of

**F Mec International Financial Services Limited**

(Bimal Aggarwal)  
Director  
Din: 00361883

(Manoj Kumar Thakur)  
CFO  
PAN: AGOPT3174G

(Ramesh Kumar)  
Director  
Din: 00339542

(Priyanka Joshi)  
Company Secretary  
M. No. : A36608

# **CONSOLIDATED FINANCIAL STATEMENTS**

## **Independent Auditor's Report**

**To the Members of**

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying (consolidated) financial statements of F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for (consolidated) the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (consolidated) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these (consolidated) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (consolidated) financial statements

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (consolidated) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Profit/Loss and its Cash Flow for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:
- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. in our opinion, the aforesaid (consolidated) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR SANJAY K SINGHAL & CO**

Chartered Accountants

FRN : 024807N

**(SANJAY KUMAR SINGHAL)**

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 27/05/2016

**“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) The Company has neither acquired nor having any fixed assets for the year ended 31.03.2016
- 2) (i) The company doesn't have any inventory but the Subsidiary Company (YDS Securities Pvt. Ltd.) have inventory of Shares Only.  
(ii) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.  
b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the company has obtained registration, Reg. No. 14.01129

**FOR SANJAY K SINGHAL & CO**

Chartered Accountants

FRN : 024807N

**(SANJAY KUMAR SINGHAL)**

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 27/05/2016

**"Annexure B" to the Independent Auditor's Report of even date on the Consolidated Financial Statements of F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED as of March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the

assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR SANJAY K SINGHAL & CO**

Chartered Accountants

FRN : 024807N

**(SANJAY KUMAR SINGHAL)**

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 27/05/2016

**CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2016**

	Note No.	Figures for the current reporting period 31.03.2016	Figures for the previous reporting period 31.03.2015
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	3	31,007,000	31,007,000
(b) Reserves and Surplus	4	(1,350,019)	(1,377,105)
(c) Money received against share warrants		-	-
		2,96,56,981	2,96,29,895
Minority Interest		2,658,200	2,658,200
<b>(2) Share application money pending allotment</b>		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	1,000,000	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
		1,000,000	-
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	6	698,747	224,827
(d) Short-term provisions	17	27,507	41,800
		726,254	266,627
<b>TOTAL ASSETS</b>		<b>34,041,435</b>	<b>32,554,722</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	7	5,152,500	6,052,500
(c) Deferred tax assets (net)	8	204,428	204,428
(d) Long term loans and advances	9	25,283,775	22,957,732
(e) Other non-current assets		-	-
		30,640,703	29,214,660
<b>(2) Current assets</b>			
(a) Current Investments		-	-
(b) Inventories	10	1,985	1,985
(c) Trade receivables		-	-
(d) Cash and cash equivalents	11	312,310	495,259
(e) Short-term loans and advances	12	2,841,200	2,841,200
(f) Other current assets	13	245,237	1,618
		3,400,732	3,340,062
<b>TOTAL</b>		<b>34,041,435</b>	<b>32,554,722</b>

In terms of our attached report of even date  
SANJAY K SINGHAL & Co.  
Chartered Accountants  
FRN : 024807N

(Sanjay Kumar Singhal)  
Partner  
M.NO. :503475

Place: New Delhi  
Dated: 27.05.2016

For and on behalf of  
**F Mec International Financial Services Limited**

(Bimal Aggarwal)  
Director  
Din: 00361883

(Manoj Kumar Thakur)  
CFO  
PAN: AGOPT3174G

(Ramesh Kumar)  
Director  
Din: 00339542

(Priyanka Joshi)  
Company Secretary  
M. No. : A36608



**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2016**

	Note No.	Figures for the current reporting period 31.03.2016	Figures for the previous reporting period 31.03.2015
I. Revenue from operations	14	2,554,180	820,175
II. Other Income		25,200	-
<b>III. Total Revenue (I +II)</b>		<b>2,579,380</b>	<b>820,175</b>
<b>IV Expenses:</b>			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense		796,000	-
Financial costs	15	508	4,615
Depreciation and amortization expense		-	-
Other expenses	16	1,729,949	705,195
<b>Total Expenses</b>		<b>2,526,457</b>	<b>709,810</b>
V. Profit before exceptional and extraordinary items and tax (III - IV)		52,923	110,365
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		52,923	110,365
VIII. Extraordinary Items		-	-
IX. Profit after extraordinary items and before tax (VII - VIII)		52,923	110,365
<b>X Tax expense:</b>			
(1) Current tax	17	27,507	41,800
(2) Deferred tax		-	-
XI Profit(Loss) for the period from continuing operations		25,416	68,565
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
Prior Period MAT W/off		-	-
Prior Period Deferred Tax Adjustment		-	-
XIV Profit(Loss) for the period		25,416	68,565
XV Earning per equity share:			
(1) Basic		0.0082	0.0221
(2) Diluted		-	-

In terms of our attached report of even date

For and on behalf of

SANJAY K SINGHAL & Co.  
Chartered Accountants  
FRN : 024807N

**F Mec International Financial Services Limited**

(Sanjay Kumar Singhal)  
Partner  
M.NO. :503475

(Bimal Aggarwal)  
Director  
Din: 00361883

(Ramesh Kumar)  
Director  
Din: 00339542

Place: New Delhi  
Dated: 27.05.2016

(Manoj Kumar Thakur)  
CFO  
PAN: AGOPT3174G

(Priyanka Joshi)  
Company Secretary  
M. No. : A36608

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A. Cash Flow from Operating Activities</b>		
Net profit before tax and extraordinary items	52,923	110,365
Adjustment for:		
interest	-	-
MAT Credit Entitlement	-	-
Operating profit before working capital changes	52,923	110,365
Adjustment for:		
loans and advances	-	(429,364)
Trade Payable	-	(325,049)
Other current liabilities and provisions	461,297	-
Trade receivables	-	898,382.00
Other current assets	(243,619)	-
Cash generated from operations	270,601	254,334
Interest paid	-	-
Tax paid	-	-
Income Tax Adjustment	(27,507)	(41,800)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>243,094</b>	<b>212,534</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital advance	-	-
Purchase of Investment	-	-
Purchase of fixed assets	-	-
Long Term Loan Advances	(2,326,043)	-
Non-current investments	900,000	-
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(1,426,043)</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCE ACTIVITIES</b>		
(Decrease)/increase in equity share capital	-	-
(Decrease)/increase in Securities premium	-	-
(Decrease)/increase in Preference shares	-	-
(Decrease)/increase in long term borrowings	1,000,000	-
(Decrease)/increase in Short term borrowings	-	-
<b>(C)</b>	<b>1,000,000</b>	<b>-</b>
<b>D. NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(182,949)</b>	<b>212,534</b>
Cash and cash equivalents opening balance	495,259	282,725
Cash and cash equivalents closing balance	312,310	495,259

In terms of our attached report of even date

For and on behalf of

SANJAY K SINGHAL & Co.  
Chartered Accountants  
FRN : 024807N

**F Mec International Financial Services Limited**

(Sanjay Kumar Singhal)  
Partner  
M.NO. :503475

(Bimal Aggarwal)  
Director  
Din: 00361883

(Ramesh Kumar)  
Director  
Din: 00339542

Place: New Delhi  
Dated: 27.05.2016

(Manoj Kumar Thakur)  
CFO  
PAN: AGOPT3174G

(Priyanka Joshi)  
Company Secretary  
M. No. : A36608

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2016**

Note No.	Particulars	Figures for the current reporting period 31/03/16	Figures for the previous reporting period 31/03/16
<b>3</b>	<b>Share Capital</b>		
	<b>Authorised</b>		
	3500000(3500000) Equity Shares of ₹ 10/- Par Value	35,000,000	35,000,000
		<b>35,000,000</b>	<b>35,000,000</b>
	<b>Issued</b>		
	3100700(3100700) Equity Shares of ₹ 10/- Par Value	31,007,000	31,007,000
		<b>31,007,000</b>	<b>31,007,000</b>
	<b>Subscribed</b>		
	3100700(3100700) Equity Shares of ₹ 10/- Par Value	31,007,000	31,007,000
		<b>31,007,000</b>	<b>31,007,000</b>
	<b>Paidup</b>		
	3100700(3100700) Equity Shares of ₹ 10/- Par Value fully paidup	31,007,000	31,007,000
		<b>31,007,000</b>	<b>31,007,000</b>

**3.1 Detail of shareholding more than 5% of the shareholding**

Particular	31/03/2016	% Held	31/03/2015	% Held
	As per list attached			

**3.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting date**

Particular	31/03/2016		31/03/2015	
	No. of Shares	Amount	No. of Shares	Amount
Number of Shares at the beginning	3,100,700	31,007,000	3,100,700	31,007,000
Add: Issue	-	-	-	-
Less: Bought Back	-	-	-	-
Add: Other	-	-	-	-
<b>Number of Shares at the end</b>	<b>3,100,700</b>	<b>31,007,000</b>	<b>3,100,700</b>	<b>31,007,000</b>

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED****2015-2016**

<b>4</b>	<b>Reserve and Surplus</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	<b>Surplus</b>		
	Balance B/f	(2,300,605)	(2,369,170)
	Amount Transferred From Statement of P&L	25,416	68,565
	Amount Transferred from Sundries		
		<b>(2,275,189)</b>	<b>(2,300,605)</b>
	Share Premium Account	923,500	923,500
		<b>(1,350,019)</b>	<b>(1,377,105)</b>
	<b>Total</b>	<b>(1,350,019)</b>	<b>(1,377,105)</b>
<b>5.</b>	<b>Long Term Borrowings</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Loan and Advances From Subsidiary Company & Other Parties		
	<b>Unsecured Loans:-</b>		
	YDS Securities Pvt. Ltd.	-	-
	Freight Carries Pvt. Ltd	250,000	-
	Vishnupriya Finance & Leasing Limited	550,000	-
	Rachna Agrawal	100,000	-
	Rohit Agrawal	100,000	-
		<b>1,000,000</b>	<b>-</b>
<b>6.</b>	<b>Other Current Liabilities</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	<b>Others Payables to related parties</b>		
	Texas Engineers Pvt. Ltd.	-	-
	<b>Expenses Payables</b>		
	Tds Payable	16,723	-
	Professional Fees Payable	6,339	-
	Audit Fees Payable	47,500	50,000
	Pankaj Bansal	300,451	156,750
	Expenses Payable	327,734	18,077
		<b>698,747</b>	<b>224,827</b>

7.	<b>Non Current Investments</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	<b>Investments</b>		
	<b>Unquoted</b>		
	Texas Engineers Pvt. Ltd.	100,000	1,000,000
	<b>Investments (Quoted)</b>		
	<b>Equity Shares</b>		
	Sky Line India Ltd.	222,500	222,500
	Capfin India Ltd.	1,000,000	1,000,000
	<b>Investments (Unquoted)</b>		
	Sonia Finvest Pvt. Ltd.	2,100,000	2,100,000
	Genius Finvest Pvt. Ltd.	1,730,000	1,730,000
		<b>5,152,500</b>	<b>6,052,500</b>
<b>8.</b>	<b>Deferred Tax Assets/ (Liability)</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Deferred Tax Assets	204,428	204,428
		<b>204,428</b>	<b>204,428</b>
<b>9.</b>	<b>Long-term loans and advances</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	<b>Long Term Loans and Advances to be recoverable in cash or in kind</b>		
	<b>Unsecured Considered good</b>		
	Blossom E Solutions Pvt. Ltd.	6,257,460	5,489,000
	Logisys Ind. Pvt. Ltd.	5,920,020	5,193,000
	Suresh Pal Singh	4,939,648	4,416,588
	Sunita Singh	107,587	2,946,587
	Sweta Singh	1,325,000	1,298,000
	Deccan Plateau Project	3,069,260	-
	Charanjeet Bawa	2,000,000	2,000,000
	ABS BUILDPRO PVT LTD	1,664,800	1,614,557
		<b>25,283,775</b>	<b>22,957,732</b>
<b>10.</b>	<b>Inventories</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
	Other Closing Stock	1,985	1,985
		<b>1,985</b>	<b>1,985</b>

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED****2015-2016**

<b>11. Cash and cash equivalents</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
Cash in Hand	265,649	333,240
Balance With Banks		
Current Account		-
UNION BANK OF INDIA	46,661	162,019
	<b>312,310</b>	<b>495,259</b>
<b>12. Short-term loans and advances</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
<b>Unsecured Advances to related Parties</b>		
<b>Unsecured Considered good</b>		
Texas Engineers Pvt. Ltd.		-
Advance for Shares / other advance	2,841,200	2,841,200
	<b>2,841,200</b>	<b>2,841,200</b>
<b>13. Other Current Assets</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
<b>Commission Receivable</b>	-	-
TDSAY 2014-15	1,318	1,618
TDSAY 2016-17	41,280	
Service Tax Input	197,639	
Advance tax	5,000	
	<b>245,237</b>	<b>1,618</b>
<b>14. Revenue from operations</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
Income from Services		
Consultancy & Commission Income	-	-
Interest Income	2,554,180	820,175
	<b>2,554,180</b>	<b>820,175</b>
<b>15. Finance costs</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
Bank Charges	508	4,615
	<b>508</b>	<b>4,615</b>

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED****2015-2016**

<b>16. Other Expenses</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
Auditor Remuneration	50,000	50,000
Listing Fees	1,340,840	519,127
Professional Fee	176,380	54,162
Office Expenses	-	17,005
Advertisement Expenses	70,400	17,408
RoC Fees	2,456	25,200
Meeting Fee	23,500	-
Conveyance Charges	5,197	6,704
Interest On Taxes	-	15,589
Courier Expenses	3,708	-
Interest On TDS	4,584	-
Notarizing Expenses	404	-
Photo Copy Expenses	1,615	-
Printing & Stationary	5,560	-
Rent	20,000	-
Swachh Bharat Cess Tax	1,500	-
Telephone & Internet Expenses	15,305	-
Website Designing Expenses	8,500	-
	<b>1,729,949</b>	<b>705,195</b>
<b>17. Tax Expenses</b>	<b>31/03/2016</b>	<b>31/03/2015</b>
Deferred Tax		-
Provision For Tax-Mat	27,507	41,800
	<b>27,507</b>	<b>41,800</b>

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**CONSOLIDATED NOTES FORMING INTEGRAL PART OF THE  
ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016****1. CORPORATE INFORMATION**

F MEC International Financial Services Limited (the company) is a Limited company domiciled in India and incorporated under provision of Companies Act, 1956 as on 7th June 1993 and is Holding of YDS Securities Private Limited. The company is engaged in the business of Financing and providing Consultancy.

**2. BASIS OF PREPARATION OF ACCOUNTS**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956. The Financial Statements has been prepared on the accrual basis and under the historical cost convention. The Management evaluates all recently issued or revised accounting standards on an on-going basis.

The Accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

**2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****i) CHANGE IN ACCOUNTING POLICY****PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS**

During the year ended 31st March 2016, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company for the preparation and presentation of its Financial Statements. The adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of Financial Statements. However it has significant impact on the presentation and disclosures made in Financial Statements.

The company has also reclassified the previous year figures in accordance with requirement as applicable in the current year.

**ii) USE OF ESTIMATES**

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balance of Assets and Liabilities and disclosures related to the contingent liabilities as at the date of financial statements and reported accounts of revenues and expenses during the period. Actual results could differ from those estimates. Any revision of accounting estimates is recognized in accordance with the requirement of the respective accounting standard.

**iii) TANGIBLE ASSETS AND DEPRECIATION**

The company has neither acquired any asset nor having any Fixed Assets as on the date of Balance sheet

**iv) INVESTMENT**

Investments are valued at cost.

**v) REVENUE RECOGNITION**

Revenue is recognized on mercantile basis to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

**vi) TAX EXPENSES**

Tax expense comprises of current tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961 enacted in India. The tax rates and tax laws used to compute the amount are those as enacted, at operating date.

Deferred Taxation is provided using the liability method in respect of the taxation effect arising from all material timing difference between the accounting and tax treatment for Income and Expenditure, which are expected with reasonable probability to crystallize in the foreseeable future.

Deferred Tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonable expected to be realizable in the near future.

Deferred Tax Assets and liabilities are measured at tax rates that have been enacted or substantively enacted by the balance sheet date.

**vii) EVENTS OCCURRING AFTER BALANCE SHEET DATE**

No significant events which could affect the financial position as on 31-03-2016 to a material extent have been reported by the assessee, after the balance sheet date till the signing of report.

**viii) PRIOR PERIOD AND EXTRAORDINARY ITEMS**

There are no material changes or credits which arise in the current period, on accounts of errors and omission in the preparation of the financial statements for the one or more prior periods.



**ix) EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the year

**x) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

**PROVISIONS**

A provision is recognized when an enterprise has a present obligation as a result of past event. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**CONTINGENT LIABILITIES**

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow or resources is remote, no provision or disclosure is made.

**CONTINGENT ASSETS**

Contingent Assets are neither recognized nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

**18. AUDITOR'S REMUNERATION**

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
<b>(IN RS.)</b>		
<b>Auditors' Remuneration</b>		
Statutory Audit Fee	50,000	50,000
In other capacity	-	-
<b>TOTAL</b>	<b>50,000</b>	<b>50,000</b>

**19. EARNING PER SHARE**

Basic earnings per share are calculated in accordance with the provisions of Accounting Standard-20 "Earnings per Share" are given hereunder:

<b>PARTICULARS</b>	<b>2015-16</b>	<b>2014-15</b>
Net Profit after Tax attributable to Equity Shareholders (₹)	25,416.37	68,565.00
Weighted Average number of Equity Shares	31,00,700	31,00,700
Basic Earnings per Share (Face Value ₹ 10) (₹)	0.0082	0.0221

20. In the opinion of the directors, current assets and advances have a value on realization in the ordinary course of the business at least equal to the amount at which these have been stated in the Balance Sheet.
21. Balances of Sundry Creditors/Debtors are subject to confirmation/ reconciliation, which in the opinion of the management is not significant, adjustments, if any will be carried out as and when settled. However accounts have been reconciled on the basis of materiality.
22. The company is a small and medium sized company as defined in the General Instruction in respect of Accounting Standard notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standard as applicable to small and Medium Sized Company.
23. There is no contingent liability as Certified by the management of the company.
24. All the known liabilities have been provided for and there are no disputed liabilities as confirmed by the management of the company.

In terms of our attached report of even date

For and on behalf of

SANJAY K SINGHAL & Co.

**F Mec International Financial Services Limited**

Chartered Accountants

FRN : 024807N

(Sanjay Kumar Singhal)

(Bimal Aggarwal)

(Ramesh Kumar)

Partner

Director

Director

M.NO. :503475

Din: 00361883

Din: 00339542

Place: New Delhi

(Manoj Kumar Thakur)

(Priyanka Joshi)

Dated: 27.05.2016

CFO

Company Secretary

PAN: AGOPT3174G

M. No. : A36608

**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**

**Registered office:** IInd Floor, Central Bank Building 13-B,

Netaji Subhash Marg, Daryaganj Delhi-110002

CIN:L74899DL1993PLC053936

**ADMISSION SLIP**

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company/Depositories.

DP ID.....

Client ID.....

Regd. Folio No.\*

No. of Shares.....

Name(s) in Full	Father's/Husband's Name	Address as Regd. with the Company
1.		
2.		
3.		

I/WE HEREBY RECORD MY/OUR PRESENCE AT THE 23rd ANNUAL GENERAL MEETING OF THE COMPANY BEING HELD ON SUNDAY, 25th DAY OF SEPTEMBER, 2016 AT 11.00 A.M. AT J.P HOTEL & RESORTS 6B PATPARGANJ IP EXTENTSION NH-24 BEHIND CNG PETROL PUMP NEW DELHI-110092

Member

Proxy

\_\_\_\_\_ Member's/Proxy's Signature\*\*

\* Applicable for investors holding shares in physical form.

\*\* Please strike out whichever is not Applicable

**Form No. MGT-11**

**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**CIN:** L74899DL1993PLC053936

**Name of the company:** F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

**Registered office:** IIInd Floor, Central Bank Building 13-B, Netaji Subhash Marg, Daryaganj Delhi-110002

Name of the member (s) :
Registered address :
E-mail Id:
Folio No/ Client Id:
DPID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name:  
Address:  
E-mail Id: Signature :.....,or failing him
2. Name:  
Address:  
E-mail Id: Signature:.....,or failing him
3. Name:  
Address:  
E-mail Id: Signature:.....,or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual general meeting of the company, to be held on the Sunday 25th day of September, 2016 At 11:00 A.M. at J.P Hotel & Resorts 6B Patparganj IP Extentsion NH-24 Behind CNG Petrol Pump New Delhi-110092 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For(Approved)	Against(Rejected)
1. To consider the Audited Financial Statements/ Consolidated Financial Statements for the year/period ended 31st March, 2016.		
2. Re-appointment of the Ms. Rachna/ Ramesh Agarwal, Director, retiring by rotation		
3. To ratify the appointment of M/s. Sanjay K Singhal & Co., Chartered Accountants, as Statutory Auditors for the Financial Year 2016-17		
4. Re-appointment of Secretarial Auditor		

Signed this.....day of September, 2016

Signature of shareholder..... Signature of Proxy holder(s).....

Affix Re 1  
Revenue  
Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
4. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

# ROAD MAP FOR AGM

