

Creating Wealth Through Knowledge

24th
Annual Report
2008-09

Mefcom Capital Markets Ltd.

Stock Exchange • Commodities • Distribution • Investment Banking



Contents

Company Balance Sheets	Page No.
Mefcom Capital Markets Ltd.	(1-26)
Notice	
Directors Report	
Auditors Report	
Balance Sheet	
Profit and Loss Account	
Cash flow Statement	
Schedules	
Mefcom Securities Ltd.	(27-45)
Notice	
Directors Report	
Auditors Report	
Balance Sheet	
Profit and Loss Account	
Cash flow Statement	
Schedules	
Mefcom Commodity Brokers Ltd.	(46-61)
Notice	
Directors Report	
Auditors Report	
Balance Sheet	
Profit and Loss Account	
Cash flow Statement	
Schedules	
Mefcom Infrastructure Projects Ltd.	(62-69)
Notice	
Directors Report	
Auditors Report	
Balance Sheet	
Profit and Loss Account	
Cash flow Statement	
Schedules	
Consolidated Financial Statements of	
Mefcom Capital Markets Limited & its Subsidiaries	(70-86)



Mefcom Capital Markets Limited

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Company will be held on Wednesday, the 30th September, 2009, at 11.30 A.M. at "IKMA Estate" E-15, Ansal Villas, Satbari, New Delhi - 110030 to transact the following business:

ORDINARY BUSINESS: -

1. To consider and adopt the audited Balance Sheet as at and Profit and Loss Account for the year ended 31st March, 2009 along with the Directors' and Auditors' reports thereon.
2. To appoint a Director in place of Mr. P.K.Rajgarhia, who retires by rotation at the conclusion of this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Ms. Priyanka Mehta, who retires by rotation at the conclusion of this Annual General Meeting and being eligible, offers herself for re-appointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification (s) following resolution as an **ORDINARY RESOLUTION:-**

RESOLVED THAT Mr. Radha Krishna Pandey, who was appointed as an Additional Director of the company by the Board of Directors w.e.f. 30th October, 2008 under Section 260 of the Companies Act, 1956 and who holds office up to the conclusion of this Annual General Meeting, but who is eligible for re-appointment and in respect of whom, the company has received a notice from a member, proposing his candidature for the office of a Director under the provision of Section 257 of the Companies Act, 1956 be and is hereby appointed as a Director of the company, whose period of office shall be liable to determination by rotation.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110 019

By order of the Board
for Mefcom Capital Markets Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : August 31, 2009

NOTES: -

- a) Members entitled to attend and vote are entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than forty-eight hours before this Annual general Meeting.

- b) Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
- c) Register of Members and the Share Transfer books of the Company will remain close w.e.f. Tuesday the 29th September 2009 to Wednesday the 30th September 2009 (both days inclusive).
- d) M/s Beetal Financial Computer Services Pvt. Ltd. 99, Beetal House, Madangir, New Delhi - 110062, is Registrar and Share Transfer Agent of the Company for electronic mode and transfer of shares held in physical form. Pursuant to the directions of Securities & Exchange Board of India (SEBI), trading of the shares of the Company is compulsory in de-materialized form for all investors. The ISIN No. of the Company is INE186C01015.
- e) Members are requested to intimate to M/s Beetal Financial Computer Services Pvt. Ltd. 99, Beetal House, Madangir, New Delhi - 110062, regarding change, if any, of their address for mailing purposes.
- f) As per the amended provisions of the Companies Act 1956, the facility for making nomination is now available to the Members in respect of the Shares held by them. Nomination Form can be obtained from the Company's Registrar - M/s Beetal Financial Computer Services Pvt. Ltd.
- g) Members desiring information / clarification on the accounts are requested to write to the Company at its Registered Office at least seven days before the date of the Annual general Meeting so that the same may be responded well in advance.
- h) As a measure of economy, copies of Annual Reports will not be distributed at the Annual General Meeting. Members are requested to bring their copy of the Annual Report at the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No.5

Mr. Radha Krishna Pandey, was appointed as an Additional Director of the company by the Board of Directors w.e.f. 30th October, 2008 under Section 260 of the Companies Act, 1956 and who holds office up to the conclusion of this Annual General Meeting, the company has received a notice from a member, proposing his candidature for the office of a Director under the provision of Section 257 of the Companies Act, 1956.

Except Mr. Radha Krishna Pandey, none of the Directors is concerned or interested in the resolution.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110 019

By order of the Board
for Mefcom Capital Markets Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : August 31, 2009

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 24th Annual Report together with the Audited Accounts of the company for the year ended 31st March, 2009.

FINANCIAL RESULTS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2009 (Rs. IN LACS)	FOR THE YEAR ENDED 31ST MARCH, 2008 (Rs. IN LACS)
Gross Income	(69.42)	267.91
Profit / (Loss) before Interest, Depreciation and Tax	(226.07)	34.42
Depreciation	7.95	7.61
Interest	2.25	3.24
Provision for Income Tax (incl. fringe benefit tax)	0.40	9.02
Prior period expenses	0.13	2.37
Profit / (Loss) after tax	(236.80)	12.18

OPERATIONS AND FUTURE OUTLOOK

Your Company has incurred a loss of Rs.236.80 lacs as compared to the profit of Rs.12.18 lacs in the previous year. This loss is mainly due to the erosion of value in the investment in shares held by the company during the year.

Merchant Banking activities is also very low in the year under review in comparison to the previous year. The company is taking necessary steps to show better results in ensuing year in this activity.

Your directors are putting their best efforts for the growth of the company.

DIVIDEND

In view of the carry forward losses, your Directors regret their inability to recommend any dividend.

DIRECTORS

Mr. P.K.Rajgarhia, Director of the company is liable to retire by rotation at the conclusion of this Annual General Meeting and being eligible, offer himself for reappointment.

Ms. Priyanka Mehta, Director of the company is liable to retire by rotation at the conclusion of this Annual General Meeting and being eligible, offer herself for reappointment.

Mr. Radha Krishna Pandey was appointed Additional Director of the Company w.e.f. 30.10.2008 and shall hold Office upto the conclusion

of this Annual General Meeting. A Notice under Section 257 of the Companies Act, 1956 has been received by the company, signifying his intention to propose the appointment of Mr. Radha Krishna Pandey, as Director of the company.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with Section 217 (2AA) of the Companies Act, 1956, your Directors state that:

- "In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- The Directors have 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 ended 31st March, 2009 and of the loss of the Company for that year.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a going concern basis.

PUBLIC DEPOSIT

The company does not have any public deposits.

SUBSIDIARY COMPANIES

The financial statement along with report of directors of subsidiary companies namely Mefcom Securities Limited, Mefcom Infrastructure Projects Limited and, Mefcom Commodity Brokers Limited (subsidiary of Mefcom Securities Ltd) for the year ended 31st March, 2009 is attached hereto. The statement under section 212 of the Companies Act, 1956 with respect to the said subsidiaries is attached together with the annual accounts of the company.

AUDITORS

M/s V. K. Dhingra & Company, Chartered Accountants, New Delhi retire at the conclusion of this Annual General Meeting and being eligible for reappointment, have expressed their willingness to be re-appointed, as statutory auditors of the Company. Your Directors recommend their reappointment.

PARTICULARS OF EMPLOYEES

Particulars of employees pursuant to Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended is annexed as ANNEXURE-C and forming part of this Director Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Your Company has no activity relating to conservation of energy or technology absorption.

During the year under review, the Company did not have any foreign exchange earning and out go.

INSURANCE

The Company's property and assets have been adequately insured wherever needed.

LISTING WITH STOCK EXCHANGES

As per the requirement of Clause 49 of the Listing Agreement with Stock Exchanges, the company hereby declares that the listing for its shares continued throughout the year with Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

CORPORATE GOVERNANCE

The detailed report on Corporate Governance has been included separately in Annexure - '1' and '2' of the Directors Report.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the continued support from its Bankers, Government Authorities, Business Constituents, shareholders & employees.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110 019

By order of the Board
for Mefcom Capital Markets Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : August 31, 2009

Statement Pursuant to Section 212 of the Companies Act 1956 relating to Subsidiary Companies

Name of the Subsidiary Company	Mefcom Securities Ltd.	Mefcom Infrastructure Projects Limited
1. Financial Year of the Subsidiary Companies ended on	31st March, 2009	31st March, 2009
2. a) Issued subscribed and paid-up capital of Subsidiary Companies. b) Extent of interest of Mefcom Capital Markets Ltd. in the capital of Subsidiary.	50,00,000 Equity Shares of Rs.10/- each. 29, 99,900 Equity Shares of Rs.10/-each. (61%)	50,000 Equity Shares of Rs.10/- each. 49,940 Equity Shares of Rs. 10/- each. (99.88%)
3. The Net Aggregate Amount of Profits/(Losses) of the Subsidiary so far as it concern the Members of Mefcom Capital Markets Ltd. and is not dealt with in the Accounts of Mefcom Capital Markets Ltd. a) For the Financial Year 31st March, 2009. b) For the previous Financial Years of the Subsidiary since it became Subsidiary of Mefcom Capital Markets Ltd.	(15,28,058) 78,94,582	1331 (2,49,571)
4. Net Aggregate Amount of Profit/ (Losses) of the Subsidiary so far as dealt with or provisions made for those losses in the Accounts of Mefcom Capital Markets Ltd. a) For the Financial year ended 31st March, 2009. b) For the previous Financial Years of the Subsidiary since it became Subsidiary of Mefcom capital Markets Ltd.	Nil Nil	Nil Nil

For and on behalf of Board of Directors

Place : New Delhi
Dated : August 31, 2009

(Vijay Mehta)
Chairman

ANNEXURE 'C' TO THE DIRECTORS REPORT

Statement of Employees pursuant to Section 217(2 A) of the Companies Act 1956.

Name/age(Yrs)	Remuneration Rs.	Designation/Nature of Duties	Qualification & Experience (Yrs)	Date of Commencement of employment	Last employment
Vijay Mehta (56)	30,00,000	Executive Chairman Overall Management	B.Com (H) LLB (27)	01/10/2007	Mefcom Securities Ltd.

- Above details are of those employees who were employed throughout the accounting year and were in receipt of remuneration of not less than 24 lacs per annum.
- Remuneration as above includes salary, contribution to provident fund, leave travel allowance, medical expenses, leave encashment, bonus, actual amount spent on perquisites valued as per income tax rules.
- Mr. Vijay Mehta is father of Ms. Priyanka Mehta, director of the Company.

Forming part of Directors Report

Annexure - 1

CORPORATE GOVERNANCE REPORT

1.0 PHILOSOPHY

The Company believes in abiding by the Code of Corporate governance so as to be responsible corporate citizen and to serve the best interests of stakeholders, viz., the employees, shareholders and society at large. The company seeks to achieve its goal by being transparent in its business dealings by disclosure of all its relevant information in an easily understood manner, by ensuring that the company's activities are managed by a professionally competent and independent Board of Directors.

2.0 Board of Directors

2.1 Composition and Other Particulars

The Board of Directors comprises of 6 Directors, one of the whom i.e. Sh. Vijay Mehta, is Executive Director, Sh. T.R.Khare and Ms. Priyanka Mehta are Non-Executive-Non-Independent Directors. Sh. Sham Nijhawan, Sh. P.K.Rajgarhia and Sh. R.K.Pandey are Non-Executive-Independent Directors. The composition of the Board as on 31st March, 2009 is in conformity with the Corporate Governance.

Details of Directorship in other Companies (excluding Private Limited Companies, Foreign Companies and section 25 Companies), Chairmanship and Committee membership held by the Directors as on 31st March, 2009, are given below:

Name of the Director	Category	Membership of the Board of other Companies	Chairmanship of the Board of Other Companies	Committee Membership of other Companies	Chairmanship of Committees of other Companies
Sh. Vijay Mehta	Non-Executive Non-Independent Director	5	3	4	1
Sh. T. R. Khare	Non-Executive Non-Independent Director	4	-	1	-
Ms. Priyanka Mehta	Non-Executive Non-Independent Director	-	-	-	-
Sh. Sham Nijhawan	Non-Executive Independent Director	2	-	-	-
Sh. P. K. Rajgarhia	Non-Executive Independent Director	8	-	-	-
Sh. R. K. Pandey	Non-Executive Independent Director	8	-	-	-

Note:

The committee Membership of Mr. Vijay Mehta includes membership other than Audit Committee, Compensation and Remuneration Committee as well as Share Transfer and Shareholders/Investors Grievance Committee.

2.2 MEETINGS AND ATTENDANCE OF DIRECTORS

During the financial year ended 31st March, 2009, 7 meetings of the Board of Directors of the Company were held on the following dates:

S.No.	Date of Meeting	Board Strength	No. Directors Present
1	26.04.2008	6	4
2	30.07.2008	6	3
3	03.09.2008	6	2
4	15.09.2008	6	2
5	30.09.2008	6	2
6	30.10.2008	6	2
7	28.01.2009	6	2

The attendance of the Directors at the Board Meetings held during the year ended March 31, 2009 and at the last Annual General Meeting (AGM) is as under:

Name of the Director	Attendance in Board Meetings	Attendance in Last AGM
Sh. Vijay Mehta	7	Y
Sh. T. R. Khare	7	Y
Ms. Priyanka Mehta	-	-
Sh. Sham Nijhawan	1	-
Sh. R.K.Pandey	-	-
Sh. P.K.Rajgarhia	2	-

Other than the Annual General Meeting, there was no other General Meeting held during the year.

2.3 REMUNERATION OF DIRECTORS

The sitting fees to the Directors were paid as under during the financial year:

1. Sh. T.R.Khare	Rs. 1000/-
2. Sh. Sham Nijhawan	Rs. 1000/-
3. Sh. P.K.Rajgarhia	Rs. 2000/-

The Company presently does not have any stock option scheme.

Appointment / Re-appointment / Resignation of Directors

Brief particulars of the Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting are as follows:

Sh P.K. Rajgarhia, Director of the Company, retiring by rotation, is proposed to be re-appointed, at the ensuing Annual General Meeting.

Ms. Priyanka Mehta, Director, of the Company retiring by rotation, is proposed to be re-appointed, at the ensuing Annual General Meeting.

Sh. R.K. Pandey joined the Board on 30.10.2008 as an Additional Director and will hold office up to the conclusion of ensuing Annual General Meeting. It is proposed to appoint him as a Director at the same Annual General meeting. Sh. R.K.Pandey aged 69 years, is Chartered Accountant and is retired from the Delhi Stock Exchange Association Limited from the post of Executive Director.

Particulars of their other Directorship are given below:

Name of the Director	Details of other Directorships of Public Limited Companies	Committees memberships in other Companies
Sh. P.K.Rajgarhia	Anisha Estate Ltd. Vyaparik Pratisthan Ltd. Vivek Paper Mills Ltd. Amrit International Ltd. Krofta Engineering Ltd.	
Ms. Priyanka Mehta	-	-
Sh. R.K.Pandey	Mefcom Securities Ltd. Welcure Drugs and Pharmaceuticals Ltd. A.K.Laboratories Ltd. Spice Systems Ltd. Shree Rajasthan Syntex Ltd.	Mefcom Securities Ltd.

3.0 Committees of Directors

To comply with the requirement of Clause 49 of the listing agreement with the Stock Exchange, the Board has constituted the required Committees. The composition of these Committees is as under:

S.No.	Various Committees Name of Member/ Chairman	Audit Committee	Remuneration Committee	Share Transfer & Shareholders/ Investors Grievance Committee
1	Sh. Sham Nijhawan	Yes	Yes	Yes
2	Sh. T.R.Khare	Yes	Yes	Yes
3	Sh. R.K. Pandey	Yes	Yes	Yes
4	Sh. P.K. Rajgarhia	Yes	Yes	Yes

Sh. Sham Nijhawan who is Chairman of Audit Committee, is a Fellow Member of Institute of Chartered Accountants of India and possesses over 17 years' experience in financial matters. Sh. T.R.Khare, Sh. R.K.Pandey and Sh. P.K.Rajgarhia are the Members of Audit Committee as on 31.03.2009.

Sh. R.K.Pandey who is Chairman of Remuneration Committee, is Chartered Accountant and is retired from the post of Executive Director of Delhi Stock Exchange Association Ltd. Sh. T. R. Khare, Sh. Sham Nijhawan and Sh. P.K.Rajgarhia are also the Members of Audit Committee as on 31.03.2009.

Sh. P.K.Rajgarhia who is Chairman of Share Transfer & Shareholders/Investors Grievance Committee, is engaged in the business of share market since last 11 years. Sh. T. R. Khare, Sh. R.K.Pandey and Sh. Sham Nijhawan are also the Members of Audit Committee as on 31.03.2009.

3.1 AUDIT COMMITTEE

The Board of Directors set up the Audit Committee on 28th March, 2003, in accordance with the provisions of the Listing Agreement and the Companies Act 1956, consisting of 3 Non-Executive Independent Directors and one Non-Executive Non-Independent Director. The Chairman of the Committee continues to be Non-Executive Independent Director. Mr. Sham Nijhawan, the Chairman of this committee, is a Fellow Member of the Institute of Chartered Accountants of India and possesses over 17 years' experience in financial matters.

During the year ended 31st March, 2009, the committee held 5 Meetings on the following dates:

- 25th April, 2008
- 29th July, 2008
- 2nd Sept., 2008
- 29th October, 2008
- 27th January, 2009

The terms of the reference of Audit Committee are in conformity with the requirements of the Clause 49 of the listing agreement and also section 292A of the Companies Act, 1956. These broadly cover the following:

- To discuss and review the quarterly Audit Reports submitted by the Internal Audit Department.
- To review the progress in implementation of the suggestions made by the Internal Audit Department.
- To discuss and review the observations of the Internal Audit Department of the Company on the systems and controls, cost control, statutory compliance etc., in various areas.
- To discuss the quarterly, half yearly and annual financial results of the Company and recommend the same to the Board for its approval.
- To interact with Statutory Auditors' on the Annual Accounts and on other accounting matters.
- To recommend re-appointment of Statutory Auditors and to fix their remuneration.

3.2 COMPENSATION AND REMUNERATION COMMITTEE

The Board of Directors set up the Compensation & Remuneration Committee on 28th March, 2003, in accordance with the provisions of the Listing Agreement and the Companies Act 1956, consisting of 3 Non-Executive Independent Directors and one Non-Executive Non-Independent Director, and the Chairman of the Committee continues to be a Non-Executive Independent Director.

Mr. R.K.Pandey is Chairman of the committee.

During the year ended 31st March, 2009, there is no meeting of the committee.

1. The Committee is empowered to decide remuneration and other terms and conditions of Executive Director.
2. The Committee is empowered to decide on employees' Stock Option Schemes as and when such Scheme is considered for introduction in the Company.

3.3 SHARES TRANSFER AND SHAREHOLDERS' GRIEVANCE COMMITTEE

The Board of Directors set up the Shares Transfer And Shareholders Grievance Committee on 28th March, 2003, in accordance with the provisions of the Listing Agreement and the Companies Act 1956, consisting of 3 Non-Executive Independent Directors and one Non-Executive, Non-Independent Director. The Chairman of the Committee continues to be a Non-Executive Independent Director.

Mr. P.K. Rajgarhia is Chairman of Shares Transfer and Shareholders Grievance Committee

During the year ended 31st March, 2009, the committee held 8 Meetings on the following dates:

- | | |
|----------------------|-----------------------|
| 1. 10th April, 2008 | 2. 21st April, 2008 |
| 3. 20th May, 2008 | 4. 26th June, 2008 |
| 5. 31st July, 2008 | 6. 11th August, 2008 |
| 7. 30th August, 2008 | 8. 10th October, 2008 |

The Committee is empowered to deal with various matters relating to the Allotment of Shares, Transfer of Shares, Transmission of Shares, Issue of duplicate Share Certificates, and Issuance of Share Certificates against re-materialization of shares and monitors expeditious redressal of investor's grievances etc.

4.0 MANAGEMENT

4.1 Management Discussion and Analysis

The Company has provided a detailed management discussion and analyses in Annexure - 2 to the Report.

4.2 DISCLOSURES

Details of transactions with related parties have been reported in Notes to Accounts as per Schedule 'L' in the Balance Sheet

Company is properly adopting the whistle blower policy and no person has been denied access to the Audit Committee.

4.3 Penalty and Strictures

No penalties or strictures have been imposed on the Company by Stock Exchanges, SEBI, or by any Statutory Authority on any matter relating to Capital Markets during the last three years.

5. PAST THREE GENERAL BODY MEETINGS

Details of Annual General Meetings held in the last three years are given below:

AGM No.	Year	Date	Time	Venue
21st	2006	30th Sept., 2006	11.00 A.M.	E-15, Ansal Villas, Village Satbari, New Delhi - 110030
22nd	2007	29th Sept., 2007	11.00 A.M.	E-15, Ansal Villas, Village Satbari, New Delhi - 110030
23rd	2008	30th Sept., 2008	10.30 A.M.	"MEHTA FARMS" Chhawla Village, Beyond BSF Camp, Rajokari-Nazafgarh Road, New Delhi - 110071

6. POSTAL BALLOT

No Special Resolution requiring postal ballot was placed before the last Annual General Meeting.

No Resolution is being proposed at the ensuing Annual General Meeting, which requires approval of Members through postal ballot.

7. MEANS OF COMMUNICATION

The quarterly, half-yearly and annual financial results of the Company are sent to the Stock Exchanges where the Company's shares are listed, immediately after the Board approves them. These are also published generally in the "Money Makers" and "Mahalaxmi Bhagyodaya" Delhi.

The Company does not by itself display its periodic results in any Web Site, except EDIFAR Website as required by Listing Agreement.

The half-yearly reports are not sent to household of shareholders. Copies of the financial results and Annual Reports of the Company are provided to various analysts, Government Departments, investors and others, interested in getting the same upon receipt of request from them. During the year, the Company has no occasion to make any official news release and no formal presentation was made to the institutional investors / analysts. The Management Discussion and Analysis Report form a part of the Directors Report.

8.0 GENERAL SHAREHOLDERS INFORMATION

8.1 ANNUAL GENERAL MEETING

Date : 30th September, 2009
 Time : 11.30 A.M.
 Venue : "IKMA ESTATE" E-15, Ansal Villas, Satbari, New Delhi-110030

SPECIAL RESOLUTION PASSED AT THE PREVIOUS 3 AGMs

2006 : Corporate Guarantee of Rupees one crore to HDFC Bank for Mefcom Securities Ltd. (borrower).
 2007 : Appointment of Mr. Vijay Mehta as Executive Chairman.
 2008 : Nil

8.2 FINANCIAL CALENDAR 2009-10

- First Quarter Results By the end of July, 2009
- Second Quarter / Half yearly Results By the end of October, 2009
- Third Quarter Results By the end of January, 2010
- Annual Results (UN-audited) for the year ending March 31, 2010 By the end of April, 2010
- Annual General Meeting By the end of September, 2010

8.3 BOOK CLOSURE

The Share Transfer Books and Register of Members shall remain closed from September 29, 2009 to September 30, 2009 (both days inclusive). Notice to this effect will be sent to all the Stock Exchanges, where the shares of the Company are listed as per the Listing Agreement.

8.4 DIVIDEND

The Company has not declared dividend for the year ended March 31, 2009.

8.5 LISTING OF SHARES

The Company's Equity Shares are listed at Bombay Stock Exchange Limited and the Stock Code is 531176.

Trading of the equity shares of the Company is compulsorily in demat form.

The ISIN number to hold the shares in electronic mode is - INE186C01015

8.6 LISTING FEES

The Company has paid listing fees to Bombay Stock Exchange Ltd. up to the financial year 2008-09 and 2009-10.

8.7 MARKET PRICE DATA

Details of monthly high / low market price of the Company's shares at Bombay Stock Exchange Ltd., Mumbai (BSE) are given below:

Month	High (RS.)	Low (RS.)
April, 2008	24.85	15.60
May, 2008	24.40	16.25
June, 2008	19.20	12.25
July, 2008	15.35	11.00
August, 2008	15.45	12.00
September, 2008	14.00	8.56
October, 2008	10.15	5.99
November, 2008	6.25	5.69
December, 2008	8.59	5.70
January, 2009	8.36	6.09
February, 2009	7.25	6.10
March, 2009	7.50	6.66

8.8 SHARE TRANSFER AGENTS AND REGISTRARS

The transfer and demat of shares are being done by Beetal Financial Computer Services Pvt. Ltd., 99, Beetal House, Madangir, New Delhi-110062. The investors can send request for transfer and demat to:

M/s Beetal Financial Computer Services Pvt. Ltd.
99, Beetal House,
Madangir,
New Delhi-110062

Shareholders holding shares in electronic form should address all their correspondence to their respective depository participant.

8.9 SHARE TRANSFER SYSTEM

All the Share transfers are processed by the Registrar and Share Transfer Agent namely Beetal Financial Computer Services Pvt. Ltd., 99, Beetal House, Madangir, New Delhi-110062 and the approved by the Committee constituted by the Board for the said purpose. The Committee meets as and when required to approve share transfer received in physical form.

8.10 SHAREHOLDERS COMPLAINTS

The Company confirms that there are no share transfers received with valid documents lying pending on March 31, 2009, and all requests for dematerialization of shares as on that date were confirmed / rejected to NSDL/CDSL.

Complaints received by the Company	Nil
Replied	Nil
Pending	Nil

All the complaints received by the Company during the year under review from investors were replied / resolved to the satisfaction of the investors.

Compliance Officer : Mr. R.N.Yadav, Manager Secretarial
Company Secretary : There is no Company Secretary in the Company

8.11 DEMATERIALISATION OF SHARES

The Company's shares are under dematting form. The ISIN Number of the Company is INE186C01015. Members who are desirous of holding their shares in demat are requested to apply to their depository participants in the prescribed Demat Requisition Form along with original Share certificates. About 95.11% of total shares are held in demat form as on 31st March 2009.

8.12 DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2009

Number of Equity Shareholding	Number of Share holders	% of Shareholders	No. of Shares	% of Total Shares
1-500	3203	90.20	470481	5.7797
501-1000	165	4.65	138207	1.6978
1001-2000	76	2.14	117780	1.4469
2001-3000	26	0.73	67368	0.8276
3001-4000	7	0.20	24277	0.2982
4001-5000	14	0.39	68289	0.8389
5001-10000	18	0.51	122576	1.5058
10001 & above	42	1.18	7131190	87.6049
Total	3551	100%	8140168	100%

8.13 CATEGORY OF SHAREHOLDING AS ON 31ST MARCH, 2009

S. No.	Category	No. of Shares Held	% of Shareholding
A.	Promoter's holding		
1.	Promoters		
	-Indian Promoters	5800000	71.25
	-Foreign Promoters	Nil	Nil
2.	Person acting in concert	Nil	Nil
	Sub - Total	5800000	71.25

B.	Non-Promoters Holding		
3.	Institutional Investors		
	a. Mutual Funds and UTI	70100	0.86
	b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions)	Nil	Nil
	c. Foreign Institutional Investors	15000	0.18
	Sub - Total	85100	1.05
4.	Others		
	a. Private Corporate Bodies	350330	4.30
	b. Indian Public	1823551	22.40
	c. NRIs / OCBs	80187	0.99
	d. Any Other (Clearing Member)	1000	0.01
	Sub Total	2255068	27.70
	Grand - Total	8140168	100%

CEO/CFO CERTIFICATION

A certificate from CEO/CFO of the Company is attached to this report.

COMPLIANCE

A certificate has been obtained from the Practicing Company Secretary, regarding compliance of conditions of Corporate Governance and is attached to this Report.

By order of the Board
for Mefcom Capital Markets Ltd.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110 019

(Vijay Mehta)
Director

Place : New Delhi
Dated : August 31, 2009

CEO / CFO Certification

To
The Board of Directors
Mefcom Capital Markets Ltd.
New Delhi.

We hereby certify that:

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their 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 their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the

company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

- (d) They 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 and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which they 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.

(Vijay Mehta)
Chief Executive Officer

(T.R.Khare)
Chief Financial Officer

Place : New Delhi
Dated : August 31, 2009

Forming part of Directors Report

Annexure – 2

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Overview

Indian economy has grown at a growth rate of 8.9% on an average annual basis over the last five years despite slow down in advanced economies. Quarterly growth of 1st quarter of 2008-09 was also amongst the highest in the world despite all time high inflation, rise in crude oil, metal and food price internationally.

Outlook on Opportunities, Threats and Concerns

Capital Markets have remained volatile and stability is likely to return after the new government is in place post election sometime in the first quarter of 2009. However, new products like currency derivatives have been launched and your company has applied for its membership. This lull period is proposed to be utilized by your company to expand its network and retail outlets which will improve the bottom line of the company.

Internal Control System and Adequacy

Internal control system has been designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance with management's authorization properly recorded and accounting records are adequate for preparation of financial statements and other financial information. The management has put in place internal system for constant review and monitoring of recovery efforts.

Financial Performance

Your company has made a loss of Rs.236.80 lacs during the financial year ended on 31st March, 2009 and has also recovered a sum of Rs.5.26 lacs which were written off as bad debts earlier.

Human Resources

Because of the financial constraints, the Company is operating with minimum work force. The Company is now also planning to employ additional people in view of proposed addition in its activities.

Certificate of Company Secretary (Whole Time in Practice)

To
The Members of
Mefcom Capital Markets Ltd

We examined the compliance of conditions of Corporate Governance by Mefcom Capital Markets Ltd. for the year ended 31st March, 2009, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures, implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and explanations given to us, we certify that the Company was complying with the conditions of Corporate Governance. However, the composition of Board and other Committees is in conformity with the conditions of Corporate Governance, as stipulated in the above mentioned Listing Agreement from 31st October, 2005.

We state that in respect of investors grievances received during the year ended 31st March, 2009, no investor grievances are pending against the Company as per records maintained by the Company, which are presented to the shareholders/investors grievance committee.

We further state that compliance is neither assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Lalit K. Agarwal & Company
(Company Secretaries)
Lalit Agarwal
Proprietor
C.P.No. 5768

Place : New Delhi
Dated : August 31, 2009

AUDITORS' REPORT

To
The Members of
MEFCOM CAPITAL MARKETS LIMITED

1. We have audited the attached Balance Sheet of MEFCOM CAPITAL MARKETS LIMITED as at 31st March, 2009 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report on the matters specified in paragraphs 4 & 5 of the said Order, to the extent applicable to the Company.
4. Further to our comments in the annexure referred to in paragraph 3 above, we report that:
 - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - iii) The Balance Sheet, Profit & Loss Account and Cash Flow

Statement dealt with by this report are in agreement with the books of account;

- iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956 except for:

non-compliance of Accounting Standard-15 in respect of Accounting for gratuity payable to employees which has not been accounted for on accrual basis.
- v) On the basis of written representations received from directors of the Company and taken on record by the Board of Directors, we report that none of the directors is, prima facie, disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of Sub Section (1) of Section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts **subject to non provision of accruing liability for gratuity, effect of which on the accounts has not been ascertained** and read with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - b) in the case of the Profit & Loss Account, of the Loss of the Company for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

for V.K. Dhingra & Co.
Chartered Accountants

(V.K. Dhingra)
Partner
M. No. 14467

Place : New Delhi
Dated : August 31, 2009

ANNEXURE TO THE AUDITOR'S REPORT

REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF MEFCOM CAPITAL MARKETS LIMITED FOR THE YEAR ENDED ON 31ST MARCH, 2009

1.
 - a) The Company has maintained proper records showing full particulars including quantitative detail and situation of its fixed assets.
 - b) As explained to us, physical verification of fixed assets was conducted by the management during the year. In our opinion, frequency of physical verification is reasonable having regard to the size of the company and the nature of its business. On the basis of explanation given to us, no discrepancy has been noticed on aforesaid verification.
 - c) There was no disposal of fixed assets during the year.
2. The company did not have or dealt with any inventory during the year. Accordingly clause (ii) of para (4) of the Order is not applicable.
3. The Company has not granted / taken any loan, secured or unsecured, to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and for sale of services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.

5. a) Based on the audit procedures applied by us and according to the information and explanations given by the management, we are of the opinion that the contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered into the register maintained under that section.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at relevant time.
6. The Company has not accepted any deposit from public within the meaning of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed thereunder.
7. In our opinion and as per information and explanations given to us, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
9. a) According to the records of the Company, the Company is generally regular in depositing undisputed dues of Provident Fund, Investor Education and Protection Fund, Employers' State Insurance, Income Tax, Cess and other statutory dues as applicable to the Company except for the non deposition of Income Tax amounting to Rs. 1,30,113/- on dividend declared for the year 1996-97 pertaining to unpaid dividend on partly paid-up shares, which has remained outstanding as on 31st March, 2009 for a period of more than six months from the date it became payable.
- b) According to the records of the Company and the information and explanation given to us the details of the dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute are given below :-

Name of Statute	Nature of Dues	Financial Year to which the Matter Pertains	Amount (Rs.)	Forum Where Dispute is Pending
Income Tax Act, 1961	Income Tax & Interest	1999-2000	2,18,848/-	Dy. Commissioner of Income Tax

10. The accumulated losses of the Company at the end of the year have exceeded 50% of the net worth of the Company. The Company has incurred cash losses during the year ended on 31st March, 2009 but has not incurred cash losses during the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues of financial institutions and banks.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us the provisions of any special statute relating to chit fund / nidhi / mutual benefit fund/ societies were not applicable to the company during the year ended on 31st March, 2009.
14. Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transactions and contracts of dealing or trading in shares, securities and other investments and timely entries have been made in those records. We also report that the Company has held the shares, securities and other investments in its own name.
15. According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The company has not taken any term loans. Accordingly clause (xvi) of para (4) of the Order is not applicable.
17. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long term investments.
18. According to the information and explanations given to us no preferential allotment of shares was made during the year to the parties covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures. Accordingly, clause (xix) of para (4) of the Order is not applicable.
20. The company has not raised any money by public issue during the year. Accordingly, clause (xx) of para (4) of the Order is not applicable.
21. Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended 31st March, 2009.

for V.K. Dhingra & Co.
Chartered Accountants

(V.K. Dhingra)
Partner
M. No. 14467

Place : New Delhi
Dated : August 31, 2009

Balance Sheet as at 31st March, 2009

SCHEDULE	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)	AS AT 31.03.2008 (Rs.)	AS AT 31.03.2008 (Rs.)
SOURCES OF FUNDS				
SHARE HOLDERS' FUND				
a) Share Capital	A	81,401,680.00		81,401,680.00
b) Reserve and Surplus	B	122,414,528.50	203,816,208.50	122,414,528.50
TOTAL		<u>203,816,208.50</u>	<u>203,816,208.50</u>	<u>203,816,208.50</u>
APPLICATION OF FUNDS				
1 FIXED ASSETS	C			
Gross Block		6,843,341.58		6,740,641.58
Less : Depreciation		4,080,980.52	2,762,361.06	3,285,692.00
2 INVESTMENTS	D		51,789,083.57	70,592,604.04
3 CURRENT ASSETS, LOANS & ADVANCES	E			
a) CURRENT ASSETS				
- Cash & Bank Balances		10,907,531.52		1,615,673.46
- Debtors		28,124.00		499,909.00
- Other Current Assets		-		3,588,491.00
b) LOANS & ADVANCES		18,317,339.27		28,737,450.28
		<u>29,252,994.79</u>		<u>34,441,523.74</u>
Less : CURRENT LIABILITIES & PROVISIONS	F	464,754.33	28,788,240.46	1,469,444.73
4 PROFIT & LOSS ACCOUNT	G		120,476,523.41	96,796,575.87
TOTAL		<u>203,816,208.50</u>	<u>203,816,208.50</u>	<u>203,816,208.50</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS				
L				

Schedules referred to above form integral part of this Balance Sheet

As per our report of even date

for V.K. Dhingra & Co.
Chartered Accountants

(V.K. Dhingra)
Partner
M.No. 014467

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Place : New Delhi
Dated : August 31, 2009

Profit And Loss Account for the year ended 31st March, 2009

	SCHEDULE	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
INCOME			
Profit/ (Loss) on Sale of Shares / Securities (Net)		(11,085,400.62)	11,457,520.14
Income from Merchant Banking Operations	H	2,025,000.00	13,518,155.00
Dividend on Shares		623,034.10	873,441.50
Other Income	I	1,495,171.99	941,542.51
TOTAL (A)		<u><u>(6,942,194.53)</u></u>	<u><u>26,790,659.15</u></u>
EXPENSES			
Personnel, Administrative and Other Expenses	J	7,817,330.03	13,434,453.69
Provisions and write offs	K	7,847,350.76	9,915,130.33
Interest Paid		225,326.70	324,268.00
Depreciation		795,288.52	761,056.86
TOTAL (B)		<u><u>16,685,296.01</u></u>	<u><u>24,434,908.88</u></u>
Profit/(Loss) Before the Taxation (A-B)		(23,627,490.54)	2,355,750.27
Less : Provision for Income Tax - Current Tax		-	820,000.00
Provision for Fringe Benefit Tax- Current Tax		40,000.00	81,695.00
Profit / (Loss) after taxation but before Prior Period Adjustments		(23,667,490.54)	1,454,055.27
Less : Prior Period Adjustments:			
-Tax paid for earlier years		12,457.00	236,442.00
Profit / (Loss) after Prior Period Adjustments		(23,679,947.54)	1,217,613.27
Profit / (Loss) brought forward		(97,896,575.87)	(99,114,189.14)
BALANCE CARRIED TO BALANCE SHEET		<u><u>(121,576,523.41)</u></u>	<u><u>(97,896,575.87)</u></u>
Basic and Diluted Earnings Per Share (Rs.)		(2.91)	0.15
SIGNIFICANT ACCOUNTING POLICIES	L		
AND NOTES TO ACCOUNTS			

Schedules referred to above form integral part of this Profit & Loss Account

As per our report of even date

for V.K. Dhingra & Co.
Chartered Accountants

(V.K. Dhingra)
Partner
M.No. 014467

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Place : New Delhi
Dated : August 31, 2009

Cash Flow Statement for the year ended 31st March, 2009

	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
[A] CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) after Tax	(23,679,947.54)	1,217,613.27
Adjustment for :		
- Depreciation	795,288.52	761,056.86
- Loss / (Profit) on Sale of Investments (Net)	7,351,155.84	(25,997,110.65)
- Write off/ Diminution in value of Investments (Net)	11,435,841.76	10,123,070.87
- Interest Paid	225,326.70	324,268.00
- Provision for Taxation (Including Prior Period)	52,457.00	1,138,137.00
- Dividend Income on Investments	(623,034.10)	(873,441.50)
- Loss / (Profit) on Sale of Fixed Assets	-	-
- Write back of provision for Sub-Standard Assets	(3,588,491.00)	(207,940.54)
Operating Profit before Working Capital Changes	15,648,544.72	(14,731,959.96)
Adjustment for :	(8,031,402.82)	(13,514,346.69)
- Trade and Other Receivables	18,555,991.11	(9,827,786.33)
- Trade and Other Payables	(1,044,890.40)	1,029,644.80
	9,479,897.89	(22,312,488.22)
Less : Direct Tax Paid	(499,570.10)	(5,271,111.00)
NET CASH FROM OPERATING ACTIVITIES	8,980,327.79	(27,583,599.22)
[B] CASH FLOW FROM INVESTING ACTIVITIES		
- Purchase of Fixed Assets (Including CWIP)	(102,700.00)	(817,580.00)
- Sale of Fixed Assets	-	-
- Purchase of Investments	(22,484,189.45)	(228,691,490.41)
- Sale of Investments	22,500,712.32	245,316,353.57
- Dividend Received on Investments	623,034.10	873,441.50
NET CASH FROM INVESTING ACTIVITIES	536,856.97	16,680,724.66
[C] CASH FLOW FROM FINANCING ACTIVITIES		
- Secured Loan Taken/(Repaid)	-	(3,688,924.18)
- Interest Paid	(225,326.70)	(324,268.00)
NET CASH FROM FINANCING ACTIVITIES	(225,326.70)	(4,013,192.18)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	9,291,858.06	(14,916,066.74)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,615,673.46	16,531,740.00
CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR	10,907,531.52	1,615,673.46

NOTES :-

i) Figures in brackets represent cash outflows.

ii) Previous year's figures have been regrouped / reclassified wherever considered necessary to make them comparable with those of current year.

As per our report of even date attached
for V.K. Dhingra & Co.
Chartered Accountants

(V.K. Dhingra)
Partner
M.No. 014467

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Place : New Delhi
Dated : August 31, 2009

**Schedule Annexed to and forming part of
Balance Sheet as at 31st March, 2009**

	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
SCHEDULE 'A' - SHARE CAPITAL		
Authorised		
1,00,00,000 Equity Shares of Rs. 10/- each	<u>100,000,000.00</u>	<u>100,000,000.00</u>
Issued and Subscribed Capital		
81,40,168 Equity Shares of Rs. 10/- each	<u>81,401,680.00</u>	<u>81,401,680.00</u>
Paid-up Capital		
81,40,168 Equity Shares of Rs. 10/- each fully paid up	<u>81,401,680.00</u>	<u>81,401,680.00</u>
TOTAL	<u><u>81,401,680.00</u></u>	<u><u>81,401,680.00</u></u>
SCHEDULE 'B' - RESERVES AND SURPLUS		
Capital Reserve		
- Profit on reissue of forfeited equity shares	12,916,689.50	12,916,689.50
Share Premium Account	108,797,839.00	108,797,839.00
Special Reserve	700,000.00	700,000.00
TOTAL	<u><u>122,414,528.50</u></u>	<u><u>122,414,528.50</u></u>

SCHEDULE 'C' - FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	ASON 01.04.2008 (Rs.)	ADDITIONS FOR THE YEAR (Rs.)	SALES/ADJ. FOR THE YEAR (Rs.)	TOTAL ASON 31.03.2009 (Rs.)	UPTO 31.03.2008 (Rs.)	FOR THE YEAR (Rs.)	ADJUSTMENT FOR THE YEAR (Rs.)	TOTAL ASON 31.03.2009 (Rs.)	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
Computers	1,092,453.71	-	-	1,092,453.71	960,271.37	52,872.94	-	1,013,144.31	79,309.40	132,182.34
Furniture & Fixtures	1,013,825.88	11,100.00	-	1,024,925.88	486,502.39	96,623.49	-	583,125.88	441,800.00	527,323.49
Office Equipments	2,127,396.82	57,400.00	-	2,184,796.82	1,168,285.46	140,610.57	-	1,308,896.03	875,900.79	959,111.36
Vehicles	769,837.00	-	-	769,837.00	269,725.62	129,478.84	-	399,204.46	370,632.54	500,111.38
Software	812,730.00	34,200.00	-	846,930.00	182,893.84	274,790.68	-	457,684.52	389,245.48	629,836.16
Leased Premises										
Development	924,398.17	-	-	924,398.17	218,013.32	100,912.00	-	318,925.32	605,472.85	706,384.85
TOTAL	6,740,641.58	102,700.00	-	6,843,341.58	3,285,692.00	795,288.52	-	4,080,980.52	2,762,361.06	3,454,949.58
PREVIOUS YEAR	6,136,763.58	817,580.00	213702.00	6,740,641.58	2,524,635.14	761,056.86	-	3,285,692.00	3,454,949.58	3,612,128.44

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Schedule Annexed to and forming part of Balance Sheet as at 31st March, 2009

SCHEDULE 'D' - INVESTMENTS OTHER THAN TRADE INVESTMENT

	FACE VALUE (Rs.)	AS AT 31.03.2009 QTY.	AMOUNT (Rs.)	FACE VALUE	AS AT 31.03.2008 QTY.	AMOUNT (Rs.)
Long Term Investment						
Unquoted - At Cost - Fully Paid up shares						
Investment in Shares of Subsidiary Companies						
Mefcom Securities Ltd.	10	2,999,900	32,291,323.59	2,999,900	2,999,900	32,291,323.59
Mefcom Infrastructure Projects Ltd.	10	49,940	499,400.00	49,940	49,940	499,400.00
Investment in Shares of Other Companies						
Jaipur Stock Exchange Limited	1	324,500	5,841,000.00	324,500	324,500	5,841,000.00
Sub Total (A)			38,631,723.59			38,631,723.59
Less: Provision for Diminution in value of Long Term Investments			250,000.00			250,000.00
Total (A)			38,381,723.59			38,381,723.59
Current Investments:						
Quoted - At Cost - Fully Paid up Shares						
Banswara Syntex Ltd.	10	199,150	10,243,275.00	199,150	199,150	10,243,275.00
Bartronics India Ltd.	10	1,250	280,911.60	-	-	-
DCM Shriram Consolidated Ltd.	2	9,000	943,617.40	10,000	10,000	1,048,463.78
Dhampur Sugar Ltd.	10	9,900	428,526.00	-	-	-
Dhanus Technologies Ltd.	10	2,000	353,060.00	-	-	-
GSS America Infotech. Ltd.	10	1,000	264,322.30	-	-	-
Gujarat Borosil Ltd.	5	15,000	399,742.95	50,000	50,000	1,267,361.07
Himachal Futuristic Ltd.	10	100,000	5,133,156.30	100,000	100,000	5,133,156.30
HEG Ltd.	10	1,500	394,111.88	-	-	-
ILFS Investsmart Ltd.	10	1,000	198,100.00	-	-	-
Indraprastha Medical Corp. Ltd.	10	6,000	165,780.00	-	-	-
Jaypee Hotels Ltd.	10	10,000	2,370,625.65	10,000	10,000	2,370,625.65
Jenson & Nicholson Ltd.	2	30,000	635,662.00	50,000	50,000	1,006,391.97
Jindal Saw Ltd.	10	-	-	2,000	2,000	1,815,305.40
Jindal Stainless Ltd.	10	8,000	1,771,760.00	10,000	10,000	2,214,700.00
Kaveri Telecom Products Ltd	10	750	173,422.50	-	-	-
Lakshmi Vilas Bank Ltd.	10	-	-	5,000	5,000	690,145.30
LKP Merchant Finance Ltd.	10	52,827	6,630,917.95	52,827	52,827	6,630,917.95
Manglam Cement Ltd.	10	10,000	2,008,903.88	10,000	10,000	2,008,903.88
Mega Soft Ltd.	10	2,500	219,600.00	-	-	-
Mercator Lines Ltd.	1	10,000	1,506,567.20	10,000	10,000	1,506,567.20
MIC Electronics Ltd.	2	1,500	208,254.35	-	-	-
The Motor & General Finance Ltd.	10	2,000	82,279.10	-	-	-
Mysore Cements Ltd.	10	31,614	2,022,880.04	50,000	50,000	3,134,724.70
Jayaswal Neco Ind. Ltd.	10	8,000	558,482.05	20,000	20,000	1,396,204.95

	FACE VALUE (Rs.)	AS AT 31.03.2009		FACE VALUE	AS AT 31.03.2008	
		QTY.	AMOUNT (Rs.)		QTY.	AMOUNT (Rs.)
Nocil Ltd.	10	20,000	999,790.35		40,000	1,731,371.05
Orbit Corporation Ltd.	10	750	398,460.00		-	-
Oswal Chemicals Ltd.	10	10,000	654,231.68		20,000	1,308,463.35
Petronet LNG Ltd.	10	-	-		10,000	1,135,044.00
Royal Orchid Hotels Ltd.	10	4,800	426,672.00		-	-
Satyam Computers Services Ltd.	2	20,000	1,032,264.60		-	-
Shaw Wallace Ltd.	10	5,000	2,273,477.45		8,000	3,637,563.92
Sonata Software Ltd.	1	5,000	155,150.00		-	-
Tanla Solutions Ltd.	1	1,000	209,110.00		-	-
Tata Steel Ltd.	10	-	-		1,069	320,700.00
Tata Steel Ltd.(CCPS)	100	5,220	522,000.00		5,220	522,000.00
Tata Tele Ltd.	10	-	-		20,000	1,079,629.05
Tele Data Info Ltd.	2	-	-		1,250	39,378.75
UCO. Bank Ltd.	10	-	-		10,000	482,923.50
Vipul Ltd.	2	-	-		2,000	481,146.17
Zenith Infotech Ltd.	10	500	172,170.00		-	-
			43,837,284.23			51,204,962.94
Unquoted - At Cost - Fully Paid up Shares						
Tele Data Marine Solutions Ltd.	2	625	19,689.37		625	19,689.37
Tele Data Technology Solutions Ltd.	2	625	19,689.38		625	19,689.38
Sub Total (B)			43,876,662.98			51,244,341.69
Less: Provision for Diminution in value of Current Investments			30,469,303.00			19,033,461.24
Total (B)			13,407,359.98			32,210,880.45
Total (A+B)			51,789,083.57			70,592,604.04
A. Aggregate of Quoted Investments						
- At Cost Price			43,837,284.23			51,204,962.94
- At Market Price			13,367,981.70			33,309,784.10
B. Aggregate of Unquoted Investments						
- At Cost Price			38,671,102.34			38,671,102.34

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Schedule Annexed to and forming part of Balance Sheet as at 31st March, 2009

		AS AT 31.03.2009		AS AT 31.03.2008	
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
SCHEDULE 'E' - CURRENT ASSETS, LOANS AND ADVANCES					
1	CURRENT ASSETS				
	a) Sundry Debtors (unsecured considered good)				
	- Outstanding for a period exceeding six months		28,124.00		-
	- Others		-		499,909.00
	TOTAL		<u>28,124.00</u>		<u>499,909.00</u>
	b) Cash & Bank Balances				
	- Cash in Hand		78,074.78		322,049.78
	- Balances with Scheduled Banks				
	- in Current Accounts		10,829,456.74		1,293,623.68
	TOTAL		<u>10,907,531.52</u>		<u>1,615,673.46</u>
	c) Other Current Assets				
	- Properties acquired in satisfaction of Loans & Advances (At Cost)"		-	7,176,982.00	
	Less : Provision for diminution in Value		-	3,588,491.00	3,588,491.00
	TOTAL		<u>-</u>		<u>3,588,491.00</u>
2	LOANS & ADVANCES				
	(Unsecured Considered Good):				
	a) Advances Recoverable in cash or in kind or for value to be received				
	- Due from Subsidiary	5,580,164.72		20,203,340.70	
	- Due from Others	5,515,806.45	11,095,971.17	3,493,881.98	23,697,222.68
	b) Other Loans				
	- Due from others		-		1,055,972.60
	c) Security Deposits				
	- Due from Director (For Lease Premises)	2,750,000.00		-	
	- Due from Others	11,000.00	2,761,000.00	11,000.00	11,000.00
	d) Tax Deducted at Source (Net)		4,460,368.10		3,973,255.00
	TOTAL		<u>18,317,339.27</u>		<u>28,737,450.28</u>
SCHEDULE 'F' - CURRENT LIABILITIES AND PROVISIONS					
A	CURRENT LIABILITIES				
	- Advances From Customers		149,760.00		399,760.00
	- Other Liabilities		274,994.33		1,069,684.73
	TOTAL (A)		<u>424,754.33</u>		<u>1,469,444.73</u>
B	PROVISIONS				
	- Provision for Taxation		40,000.00		-
	TOTAL (B)		<u>40,000.00</u>		<u>-</u>
	TOTAL (A + B)		<u>464,754.33</u>		<u>1,469,444.73</u>
SCHEDULE 'G' - PROFIT & LOSS ACCOUNT					
	Debit Balance in Profit & Loss Account		121,576,523.41		97,896,575.87
	Less: Balance in General Reserve		1,100,000.00		1,100,000.00
	TOTAL		<u>120,476,523.41</u>		<u>96,796,575.87</u>

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Schedule Annexed to and forming Part of Profit And Loss Account for the year ended 31st March, 2009

	FOR THE YEAR ENDED 31.03.2009 (Rs.)	(Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)	(Rs.)
SCHEDULE 'H' - INCOME FROM MERCHANT BANKING OPERATIONS				
Merchant Banking Fee Received	2,025,000.00		38,131,350.00	
Less: Merchant Banking Fee Paid to Associates	-		24,613,195.00	
TOTAL	2,025,000.00		13,518,155.00	
SCHEDULE 'I' - OTHER INCOME				
Interest Earned (TDS deducted Rs1,98,434.41 Previous Year Rs.37,604.00)	907,299.71		267,038.60	
Unclaimed Liabilities written back	-		351.69	
Profit / (Loss) on Trading in Commodity Derivatives	-		(9,118.05)	
Miscellaneous Income	62,107.00		10,020.27	
Recovery from bad debts written - off	525,765.28		600,000.00	
Profit on Maturity of Chit	-		73,250.00	
TOTAL	1,495,171.99		941,542.51	
SCHEDULE 'J' - PERSONNEL, ADMINISTRATIVE & OTHER EXPENSES				
Salaries & Allowances	406,180.00		1,304,226.00	
Director's Remuneration	3,000,000.00		1,564,000.00	
Bank Charges	4,633.02		10,682.72	
Travelling and Conveyance	60,169.42		933,457.26	
Fees and Subscriptions	391,398.00		529,519.00	
Legal & Professional Charges	991,172.95		4,761,962.00	
Auditor's Remuneration (including Service Tax wherever applicable)				
- Audit Fee	55,800.00		55,800.00	
- Tax Audit Fee	5,700.00		5,700.00	
- Other Matters	12,864.00	74,364.00	3,074.00	64,574.00
Printing and Stationary Expenses	36,480.30		415,652.00	
Postage & Telephone Expenses	117,367.13		206,237.56	
Advertisement & Publication Expenses	36,689.00		508,189.00	
Business Promotion Expenses	47,789.53		92,776.11	
Electricity & Water Expenses	203,112.00		242,943.00	
Rent	1,259,613.00		721,560.00	
Insurance Expenses	17,863.00		9,063.00	
Other Expenses	601,498.32		912,995.37	
Repair and Maintenance (General)	374,171.50		299,241.50	
Director's Sitting Fee	4,000.00		3,000.00	
Depository Charges	3,090.86		29,944.63	
Donation	35,000.00		-	
Pledge Charges	-		32,945.00	
Claims & Settlements	-		125,000.00	
Securities Transaction Tax	150,738.00		556,845.00	
Penalty Charges	2,000.00		1,700.00	
Bad Debts Written Off	-		107,940.54	
TOTAL	7,817,330.03		13,434,453.69	
SCHEDULE 'K' - PROVISIONS & WRITE OFFS				
Provision/(write back of provision) for Diminution in value of				
- Long Term Investments	-		(723,825.61)	
- Current Investments	11,435,841.76		10,846,896.48	
Provision on Sub Standard Assets written back	(3,588,491.00)		(207,940.54)	
TOTAL	7,847,350.76		9,915,130.33	

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Schedule Annexed To And Forming Part Of Balance Sheet As At And Profit & Loss Account For The Year Ended 31st March, 2009

SCHEDULE 'L' - SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT

1. Significant Accounting Policies

a) Basis of Preparation of Financial Statements :

The financial statements are prepared under the historical cost convention on accrual basis in accordance with the applicable Accounting Standards and the provisions of the Companies Act, 1956 and Guidelines issued by the Reserve Bank of India.

b) Fixed Assets :

Fixed Assets have been valued at cost less accumulated depreciation.

c) Depreciation :

- i) Softwares are amortised on straight line basis in three years on prorata basis.
- ii) Amount spent on renovation including extensions on office premises, taken on rent, is capitalised under the head 'Leased Premises Development' and amortised on straight line basis in nine years (being reasonably expected lease tenure) on prorata basis.
- iii) Assets costing upto five thousand rupees are fully depreciated in the year of purchase.
- iv) Depreciation on other assets has been provided on the written down value basis at rates provided by Schedule XIV to the Companies Act, 1956 on pro-rata basis.

d) Investments :

- i) Investments in shares, debentures and other securities are classified into 'Current Investments' and 'Long Term Investments'.
- ii) Long Term Investments are valued at cost. Adequate provision is made for a decline, other than temporary, in the value of Long Term Investments.
- iii) Current Investments i.e. the investments, which are not intended to be held for more than one year, are carried at lower of cost or market price. Where no market quotes are available the investments are valued at rupee one per company. Shortfall in the book value as compared to market value of investments, in each category, is charged to Profit & Loss Account.
- iv) Cost is arrived at on FIFO basis.
- v) Cost of Bonus Shares acquired is taken as 'Nil'.

e) Stock on Hire-Purchase :

Stock on Hire-Purchase is stated at total amount due as per respective agreements less unaccrued financial charges.

f) Provision for Sub-Standard and Doubtful Advances :

Provision for Sub-Standard and Doubtful Advances, Leased Assets and Sundry Debtors has been made in accordance with the prudential norms prescribed by Reserve Bank of India.

g) Income Recognition :

- In accordance with the prudential norms prescribed by the Reserve Bank of India, the Hire Purchase Income, Leasing Income and interest on loans and advances are not recognised on non-performing assets (NPA) unless the same are actually realised.
- Portfolio management service incomes are recognized on the basis of agreements entered into with clients and when the right to receive the income is established.

h) Retirement Benefits :

- i. Contribution to Provident Fund and Family Pension Fund are provided for on accrual basis and deposited in the Employees Provident Fund Account(s) administered by the Central Government.
- ii. Gratuity is accounted for on cash basis.
- iii. The value of unutilised leaves due to employees at the end of the year is provided for / paid.

2. Contingent Liabilities

- a) Unpaid calls on Investments : Rs. 1,25,02,500/- (Previous Year : Rs. 1,25,02,500/-).
- b) Disputed demand under Income Tax Act, 1961 : Rs. 2,18,848/- (Previous Year :Rs. 2,18,848/-).
- c) Corporate Guarantee issued to the banker of Mefcom Securities Ltd. (subsidiary company) for securing guarantee issued by their banker Rs.1,00,00,000/- (Previous Year : Rs. 1,00,00,000/-).

3. In the opinion of the Board of Directors, Current Assets, Loans and Advances shall have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and provision for all known liabilities have been made and contingent liabilities have been disclosed properly.

4. Provision for taxation

- a). Provision for Income-tax has been made in accordance with the provisions of the Income-tax Act, 1961.
- b). The Company has carry forward losses under tax laws. In absence of virtual certainty of sufficient future taxable income, net deferred tax asset has not been recognized in accordance with the Accounting Standard - 22 on 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India.

5. The Company has identified that there is no material impairment of assets and as such no provision is required in terms of Accounting Standard-28 issued by the Institute of Chartered Accountants of India.

6. Profit / (Loss) from sale of Shares and Securities comprises of :

- i) Profit/ (Loss) on trading in Shares / Securities (Non-Delivery) (Net): Rs. 18,107.40 (Previous Year : Rs. 1,13,645.55)

- ii) Profit/ (Loss) on sale of Long Term Investments (Net):
Rs. Nil (Previous Year : Rs. 35,70,721.39)
- iii) Profit/ (loss) on sale of Current Investments (Net):
Rs. (73,51,155.84) (Previous Year :Rs. 2,24,26,389.26)
- iv) Profit / (Loss) on trading in Equity / Index derivatives (Net) : Rs. (37,52,352.18) [Previous Year : Rs. (1,46,53,236.06)]
- b) Dividend Income comprises of, dividend received on shares held as :
- i) Current Investments : Rs. 6,23,034.10 (Previous Year : Rs. 8,73,441.50)
7. 'Special Reserve' represent, the reserve created as per the provisions of Section 45-IC of the Reserve Bank of India (Amendment) Act, 1998.
8. No amount was due to the suppliers registered under The Micro, Small and Medium Enterprises Development Act, 2006 as on 31st March, 2009.
9. a) Some of the directors have waived-off their right to Sitting Fee.
b) Remuneration has been paid to the Chairman as a minimum

remuneration in accordance with the limits prescribed in Schedule-XIII of the Companies Act, 1956 and resolution passed by the members in the General Meeting as per details given hereunder :-

Salary & Allowances :- Rs. 30,00,000/- (Previous Year: Rs. 15,00,000/-)

Perquisites :- Nil (Previous Year: Rs. 64,000/-)

10. Segment Reporting

The company has considered business segment as the primary segment. Segments have been identified taking into account the nature of the activities, the differing risks and returns, the organisation structure and internal reporting system. There are no reportable geographical segment.

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities includes the respective amount identifiable to each segment and also amount allocated on a reasonable basis. Assets, Liabilities, Incomes and Expenses that can not be allocated between the segments are shown as part of Unallocable Assets, Liabilities, Incomes and Expenses respectively.

Segmentwise information is as under:-

Particulars	Investments in Share & Securities (Rs.)	Short Term Trading in Shares / Securities (Rs.)	Equity/Index Derivatives (Rs.)	Merchant Banking Service (Rs.)	Financing (Rs.)	Total (Rs.)
- Segment Revenues(Loss)	(67,28,121.74) <i>2,68,70,552.15</i>	18,107.40 <i>1,13,645.55</i>	(37,52,352.18) <i>(1,46,53,236.06)</i>	20,52,089.00 <i>1,35,28,155.00</i>	14,56,082.99 <i>8,67,038.60</i>	(69,54,194.53) <i>2,67,26,155.24</i>
- Segment Results	(1,85,18,779.36) <i>1,49,56,599.65</i>	18,107.40 <i>1,13,645.55</i>	(38,51,379.18) <i>(1,47,91,003.06)</i>	12,70,727.00 <i>77,67,833.74</i>	50,11,573.99 <i>8,42,038.60</i>	(1,60,69,750.15) <i>88,89,114.48</i>
- Unallocable Expenses net of Unallocable Incomes	-	-	-	-	-	(75,97,740.39) <i>(74,35,059.21)</i>
- Net Profit / (Loss) before Prior Period Adjustment	-	-	-	-	-	(2,36,67,490.54) <i>14,54,055.27</i>
- Segment Assets	6,23,69,248.29 <i>9,09,29,505.85</i>	-	-	1,32,093.00 <i>4,99,909.00</i>	- <i>46,44,463.50</i>	6,25,01,341.29 <i>9,60,73,878.35</i>
- Segment Liabilities	1,351.47	-	-	1,79,760.00 <i>8,74,391.00</i>	-	1,81,111.47 <i>8,74,391.00</i>
- Unallocable Assets	-	-	-	-	-	2,13,03,098.13 <i>1,24,15,199.01</i>
- Unallocable Liabilities	-	-	-	-	-	2,83,642.86 <i>5,95,053.73</i>

Figures in italics pertain to previous year.

11. Related Party Disclosure

Related Party Disclosure in accordance with the Accounting Standards (AS-18) on 'Related Party Disclosures' issued by the Institute of Chartered Accountant of India are as under:

<p>i. Related Parties :</p> <p>Key Management Personnel : Mr. Vijay Mehta - Chairman</p> <p>Relatives: Mr. Karan Mehta - Son of Chairman Ms. Priyanka Mehta - Director, Daughter of Chairman</p>	<p>Subsidiaries: Mefcom Securities Ltd. Mefcom Infrastructure Projects Ltd. -Subsidiary of Mefcom Securities Ltd. Mefcom Commodity Brokers Ltd. Entities over which key management personnel can exercise significant influence: Vijay Mehta & Son H.U.F.</p>
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Note : Related party relationship is as identified by the Company and relied upon by the Auditors

ii. Summary of Transaction with Related Parties:

Nature of Transaction	Key Personnel (Rs.)	Relatives (Rs.)	Subsidiaries (Rs.)	Entities over which key management personnel can exercise significant influence (Rs.)	Total (Rs.)
Directors Remuneration :					
- Mr. Vijay Mehta	30,00,000 <i>15,64,000</i>	-	-	-	30,00,000 <i>15,64,000</i>
Security Deposit (Rent) :					
-Mr. Vijay Mehta	27,50,000	-	-	-	27,50,000
Rent Paid :					
- Mr. Vijay Mehta	12,59,613 <i>721,560</i>	-	-	-	12,59,613 <i>721,560</i>
Profit / (Loss) on Sale of Shares (Net) - Non-Delivery :					
- Mefcom Securities Ltd.	-	-	18,107 <i>1,13,646</i>	-	18,107 <i>1,13,646</i>
Profit / (Loss) on Dealing in derivatives :					
- Mefcom Securities Ltd.	-	-	(37,52,352) <i>(1,46,53,236)</i>	-	(37,52,352) <i>(1,46,53,236)</i>
- Mefcom Commodity Brokers Ltd.	-	-	-	-	-
			(9,118.05)		(9,118.05)
Purchase of Shares :					
- Mefcom Securities Ltd.	-	-	2,24,84,189 <i>16,47,50,490</i>	-	2,24,84,189 <i>16,47,50,490</i>
Sale of Shares :					
- Mefcom Securities Ltd.	-	-	1,62,14,980 <i>18,67,16,650</i>	-	1,62,14,980 <i>18,67,16,650</i>
Loan Given :					
- Mefcom Commodity Brokers Ltd.	-	-	-	-	-
			2,00,000		2,00,000
- Mr. Vijay Mehta	-	-	-	-	-
	30,00,000				30,00,000
Refund of Loan Given :					
- Mefcom Commodity Brokers Ltd.	-	-	-	-	-
			7,00,000		7,00,000
- Mr. Vijay Mehta	-	-	-	-	-
	30,00,000				30,00,000
Advance Given :					
- Mr. Vijay Mehta & Son (HUF)	-	-	-	2,45,000	2,45,000
Refund of Advance Given :					
- Mr. Vijay Mehta & Son (HUF)	-	-	-	2,45,000	2,45,000
Balance as on 31.03.2009 :					
- Mefcom Securities Ltd.	-	-	Dr.55,80,165 <i>Dr.2,02,03,341</i>	-	Dr.55,80,165 <i>Dr.2,02,03,341</i>
-Mr. Vijay Mehta (Security Deposit)	Dr.27,50,000	-	-	-	Dr.27,50,000

Figures in italics pertain to previous year.

iii. There is no provision for bad and doubtful debt or amounts written off or written back during the year in respect of dues from or to related parties.

12. Earning Per Share :

In accordance with Accounting Standard - 20 on 'Earning Per Share' issued by The Institute of Chartered Accountants of India, the Earning Per Share has been computed as under :

	Particulars		2008-09	2007-08
a)	Net Profit / (Loss) for the year	(Rs.)	(2,36,79,947.54)	12,17,613.27
b)	Weighted Average Number of Equity Shares *	(Nos.)	81,40,168	81,40,168
c)	Nominal Value per Equity Shares	(Rs.)	10.00	10.00
d)	Earning Per Share (Basic & Diluted)	(Rs.)	(2.91)	0.15

*There were no potential equity Shares.

13. Employees Benefits :
a) Defined Contribution Plan

There was no employee in the company who was eligible for contribution to Provident Fund.

b) Defined Benefit Plan

- As per consistent practice, gratuity is provided on cash basis. During the year no gratuity was paid.
- The company has a practice of making payments against encashment of unavailed leaves on annual basis. No unavailed leaves were outstanding as at the beginning and at the end of the year. No payment of leave encashment has been made to any employee during the year.

14. Additional information pursuant to the provision of paragraph 3 of Part - II of Schedule - VI to the Companies Act, 1956 to the extent applicable :
(a) Expenses in Foreign Currency

- Traveling Expenses: Rs. Nil (Previous Year : Rs. 2,85,920.00)

15. Particulars as required in terms of paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 are given in schedule L - 1 appended hereto.
16. Previous year figures have been regrouped/ rearranged wherever considered necessary.
17. Figures in brackets pertain to previous year.

Signatures to Schedules 'A' to 'L'

Schedules referred to above form integral part of this Balance Sheet And Profit & Loss Account.

for V.K. Dhingra & Co.
Chartered Accountants

(V.K. Dhingra)
Partner
M.No. 014467

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Place : New Delhi
Dated : August 31, 2009

SCHEDULE 'L-1' - PARTICULARS AS REQUIRED IN TERMS OF PARAGRAPH 9BB OF NON-BANKING FINANCIAL COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 1998 FOR THE YEAR ENDED ON 31ST MARCH, 2009

(Rs. in lakhs)

S.No.	Particulars	Amount Outstanding	Amount Overdue
LIABILITIES SIDE :			
1.	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		
	(a) Debentures : Secured	Nil	Nil
	: Unsecured (other than falling within the meaning of public deposits *)	Nil	Nil
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
	(d) Inter-Corporate Loans and Borrowing	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Public Deposits *	Nil	Nil
	(g) Other Loans (Specify nature)		
	- From Bank	Nil	Nil
	- From Director	Nil	Nil
	* Please see Note 1 below		
2.	Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
	(a) In the form of Unsecured debentures	Nil	Nil
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
	(c) Other public deposits	Nil	Nil
ASSETS SIDE :			
3.	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	(a) Secured	Nil	
	(b) Unsecured	Nil	
4.	Break-up of Leased Assets and Stock on Hire and Hypothecation loans counting towards EL / HP Activities :		
	(i) Lease assets including lease rentals under Sundry Debtors :		
	(a) Financial Lease	Nil	
	(b) Operating Lease	Nil	
	(ii) Stock on Hire including Hire Charges under Sundry Debtors :		
	(a) Assets on Hire	Nil	
	(b) Repossessed Assets	Nil	
	(iii) Hypothecation loans counting towards EL / HP Activities :		
	(a) Loans where assets have been repossessed	Nil	
	(b) Loans other than (a) above	Nil	
5.	Break-up of Investments :		
	Current Investments :		
	(A) Quoted :		
	(i) Shares : (a) Equity	134	
	(b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of Mutual Funds	Nil	
	(iv) Government Securities	Nil	
	(v) Others (Please Specify)	Nil	
	(B) Unquoted :		
	(i) Shares : (a) Equity	Nil	
	(b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of Mutual Funds	Nil	
	(iv) Government Securities	Nil	
	(v) Others (Please Specify)	Nil	

S.No.	Particulars	Amount Outstanding	Amount Overdue
Long Term Investments :			
	(A) Quoted :		
	(i) Shares : (a) Equity	Nil	
	(b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of Mutual Funds	Nil	
	(iv) Government Securities	Nil	
	(v) Others (Please Specify)	Nil	
	(B) Unquoted :		
	(i) Shares : (a) Equity	384	
	(b) Preference	Nil	
	(ii) Debentures and Bonds	Nil	
	(iii) Units of Mutual Funds	Nil	
	(iv) Government Securities	Nil	
	(v) Others (Please Specify)	Nil	
6.	Borrower Group-wise classification of all Lease Assets, Stock-on-Hire and Loans and Advances : Please see Note 2 below :		
	Category	Secured	Amount net of provisions Unsecured Total
	1. Related Parties **		
	(a) Subsidiaries	Nil	Nil Nil
	(b) Companies in the same group	Nil	Nil Nil
	(c) Other related parties	Nil	Nil Nil
	2. Other than related parties	Nil	11 11
	Total	Nil	11 11
7.	Investor Group-wise classification of all investments (Current and Long Term) in shares and securities (both quoted and unquoted) : Please see Note 3 below :		
	Category	Market Value / Break-up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties **		
	(a) Subsidiaries	294	325
	(b) Companies in the same group	Nil	Nil
	(c) Other related parties	Nil	Nil
	2. Other than related parties	392	381
	Total	686	706
	** As per Accounting Standard of ICAI (Please see Note 3)		
8.	Other Information		
	Particulars	Amount	
	(i) Gross Non-Performing Assets		
	(a) Related Parties	Nil	
	(b) Other than related parties	Nil	
	(ii) Net Non-Performing Assets		
	(a) Related Parties	Nil	
	(b) Other than related parties	Nil	
	(iii) Assets acquired in satisfaction of debt (Net of Provision)	Nil	

Notes :

- As defined in Paragraph 2 (1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break-up / fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

**Information pursuant to Part IV of Schedule VI of the
Companies Act, 1956**

Balance Sheet abstract and Company's General Business Profile

I. Registration Details

Registration No.	:	19749	State Code	:	55
Balance Sheet Date	:	31.03.2009			

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue	:	Nil	Rights Issue	:	Nil
Bonus Issue	:	Nil	Private Placement	:	Nil

III. Position of Mobilization and Deployment of Funds (Amount in Rs. thousands)

Total Liabilities	:	203816	Total Assets	:	203816
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Sources of Funds

Paid up Capital	:	81402	Reserve & Surplus	:	122414
Secured Loans	:	Nil	Unsecured Loans	:	Nil

Application of Funds

Net Fixed Assets	:	2762	Investments	:	51789
Net Current Assets	:	28788	Misc. Expenditure	:	Nil
Accumulated Losses	:	120477			

IV. Performance of Company (Amount in Rs. thousand)

Turnover (including other Income)	:	(6942)	Total Expenditure	:	16685
Profit / (Loss) before tax	:	(23667)	Profit / (Loss) after tax	:	(23680)
Earning per share (In Rs.)	:	(2.91)	Dividend Rate (%)	:	Nil

V. General Names of three Principal Products / Services of Company

(As per monetary terms)

Product Description :	Item Code No.
Investments	N.A.
Merchant Banking	N.A.

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Mefcom Securities Limited

NOTICE

Notice is hereby given that the 32nd Annual General Meeting of the Company will be held on Wednesday, the 23rd September, 2009, at 11.30 A.M. at "IKMA Estate" E-15, Ansal Villas, Satbari, New Delhi - 110030 to transact the following business:

ORDINARY BUSINESS:-

- To consider and adopt the audited Balance Sheet as at and Profit and Loss Account for the year ended 31st March, 2009 along with the Directors' and Auditors' reports thereon.
- To appoint a Director in place of Mr. Shailendra Haruray, who retires by rotation at the conclusion of this Annual General Meeting and being eligible, offers himself for re-appointment.
- To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

- To consider and if thought fit, to pass with or without modification(s) the following resolution as **SPECIAL RESOLUTION**:

RESOLVED THAT in terms of Schedule XIII of the Companies Act 1956 and pursuant to section 198, 269, 310 and other applicable provisions if any, of the Companies Act, 1956 and subject to such other approval / sanction as may be necessary Mr. Karan Mehta be and is hereby appointed as Whole Time Director of the Company for the period of five years with effect from 01.10.2008 on a remuneration and other terms and conditions set out hereinafter.

- Salary**
Salary of Rs. 15000/- (Rupees fifteen thousand only) P.M.
- Perquisites**
In addition to salary as stated above, Mr. Karan Mehta will also be entitled to perquisites restricted to an amount equal to the annual salary or Rs. 2,00,000/- per annum, whichever is less. For this purpose the perquisites are classified into three categories part A, B, & C as follows: -

PART A

Housing:-

- In case of unfurnished accommodation hired by the Company, on hiring of such accommodation shall not exceed 60% of the salary, over and above 10% payable by the Whole Time Director himself.
- In case of the accommodation provided is owned by the Company 10% of the salary of the Whole Time Director shall be deducted by the Company.
- In case no accommodation is provided by the Company, the Whole Time Director shall be entitled to House Rent Allowance subject to the ceiling laid down in (1) (a) above.

PART B

- Contribution made by the Company to the provident fund, superannuation fund or annuity fund will not be included in the computation of the ceiling on perquisites to the extent these either singly/or put together are not taxable under the Income Tax Act, 1961.
- Payment of gratuity at the rate of one half month's salary for each completed years of service.

PART C

- Leave with full pay and allowances in accordance with rules of the Company. Encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites.

- Mr. Karan Mehta shall not be retire by rotation

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Karan Mehta as Whole Time Director, the Company has no profits or the profit are inadequate, the remuneration by way of salary and perquisites as above shall be payable to him as the minimum remuneration or as prescribed in Schedule XIII of the Companies Act 1956, whichever is less.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to file necessary form with Registrar Of Companies, Delhi & Haryana and other authorities, if any and to do such other acts as may be required to give effect to this resolution.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110 019

By order of the Board
for Mefcom Securities Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : August 21, 2009

NOTES: -

- Members entitled to attend and vote are entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than forty-eight hours before this Annual general Meeting.
- Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
- Members desiring information / clarification on the accounts are requested to write to the Company at its Registered Office at least seven days before the date of the Annual general Meeting so that the same may be responded well in advance.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

ITEM NO. 4

Mr. Karan Mehta was appointed as Whole Time Director by Board of Directors in their meeting held on 30 September 2008 w.e.f. 01.10.2008 on a remuneration mentioned in the resolution. Mr. Karan Mehta has had brilliant academic record having scored 1st class Degree in B.Sc. (Hons.) in accounting and finance from University of Warwick in England after schooling from Doon School Dehradun. Mr. Karan Mehta is appointed as Whole Time Director in the interest of the Company.

Keeping in consideration the interest of the Company, your Directors recommend this resolution for your approval.

Except Mr. Karan Mehta and Mr. Vijay Mehta (being father of Mr. Karan Mehta) none of the Directors is concerned or interested in the resolution:

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110 019

By order of the Board
for Mefcom Securities Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : August 21, 2009

DIRECTORS' REPORT

Dear Shareholders,
Your Directors have pleasure in presenting the 32nd Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2009.

FINANCIAL RESULTS

PARTICULARS	YEAR ENDED 31ST MARCH, 2009 (Rs. IN LACS)	YEAR ENDED 31ST MARCH, 2008 (Rs. IN LACS)
Gross Income	98.71	462.85
Profit / (Loss) before Interest, Depreciation & Tax	(11.76)	285.11
Depreciation	11.38	14.94
Interest	0.22	0.20
Provision for Income Tax (including Fringe Benefit Tax)	0.90	20.26
Prior period expenses	1.21	0.08
Profit / (Loss) after tax	(25.47)	249.63

OPERATIONS AND FUTURE OUTLOOK

Your Company incurred a loss of Rs.25.47 lacs as compared to the Profit of Rs.249.63 lacs in the previous year. This is due stiff competition from the contemporary brokerage house.

Your Company is trying its best to change the situation in the ensuing year.

Dividend :

To conserve resources and the loss for the year under review, your Board of Directors have decided not to recommend any dividend for the current year.

DIRECTORS

Mr. Shallendra Haruray, Director of the company is liable to retire by rotation at the conclusion of this Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. R.K.Pandey was appointed Additional Director of the Company w.e.f. 30.10.2008 and he resigned from the directorship of the Company w.e.f. 12.08.2009.

Mr. Karan Mehta is proposed to be appointed as Whole Time Director of the Company who was appointed by Board of Directors in their meeting held on 30th September 2008. Mr. Karan Mehta has brilliant academic record. He has secured 1st class degree B.Sc. (Hons.) in accounting and finance from University of Warwick, England after schooling from Doon Public School, Dehradun. He has been actively

associated with different activities of Mefcom Group since October 2005.

Your Directors recommend the appointment of Mr. Karan Mehta as a Whole Time Director.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with Section 217 (2AA) of the Companies Act, 1956, your Directors state that:

- (i) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed in the opinion of the Board of Directors;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgement 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 ended 31st March, 2009 and of the loss of the Company for that year;
- (iii) The Directors have taken proper and sufficient care for the maintenance of Adequate Accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the Annual Accounts on a going concern basis.

PUBLIC DEPOSITS

The company does not have any public deposits.

AUDITORS

M/s S. M. Gulati & Company, Chartered Accountants, New Delhi, retire at the conclusion of this Annual General Meeting, and being eligible for reappointment, have expressed their willingness to be re-appointed as statutory auditor of the Company. Your directors recommend their appointment.

PARTICULARS OF EMPLOYEES

Particulars of employees pursuant to Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended and forming part of this Directors' Report are Nil.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Your Company has no activity relating to conservation of energy or technology absorption.

During the year under review, the Company did not have any foreign exchange earning. However, an expenditure of Rs.1,36,982.37 has been incurred for the business purpose.

INSURANCE

The Company's property and assets have been adequately insured wherever needed.

CORPORATE GOVERNANCE

As per the provisions of Section 292A of the Companies Act, 1956 inserted vide Companies Amendment Act, 2000, your Company was to comply with certain aspects of Corporate Governance. The Company has complied with the requirements of Corporate Governance and an Audit Committee was formed consisting of Mr.Shailendra Haruray as Chairman and Mr. R.K.Pandey and Mr. T.R.Khare as its Members.

SUBSIDIARY COMPANIES

Mefcom Commodity Brokers Limited is the subsidiary of Mefcom Securities Limited.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the continued support received by them from Stock Exchanges, its Bankers, Government Authorities, Business Constituents, Shareholders and Employees.

By order of the Board
for Mefcom Securities Ltd.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110 019

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : August 21, 2009

Statement Pursuant to Section 212 of the Companies Act 1956 relating to Subsidiary Companies

Name of the Subsidiary Company	Mefcom Commodity Brokers Ltd
1. Financial Year of the Subsidiary Companies ended on	31st March, 2009
2. a) Issued subscribed and paid-up capital of Subsidiary Companies. b) Extent of interest of Mefcom Securities Ltd. in the capital of Subsidiary.	10,00,000 Equity Shares of Rs.10/- each. 9,99,500 Equity Shares of Rs.10/- each (99.95%)
3. The Net Aggregate Amount of Profits/(Loss) of the Subsidiary so far as it concern the Members of Mefcom Securities Ltd. and is not dealt with in the Accounts of Mefcom Securities Ltd. a) For the Financial Year 31st March, 2009. b) For the previous Financial Years of the Subsidiary since it became Subsidiary of Mefcom Securities Ltd.	(28,29,846.07) (79,27,840.10)
4. Net Aggregate Amount of Profit/ (Loss) of the Subsidiary so far as dealt with or provisions made for those losses in the Accounts of Mefcom Securities Ltd. a) For the Financial year ended 31st March, 2009. b) For the previous Financial Years of the Subsidiary since it became Subsidiary of Mefcom Securities Ltd.	Nil Nil

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110 019

By order of the Board
for Mefcom Securities Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : August 21, 2009

AUDITORS' REPORT



To
The Members of
MEFCOM SECURITIES LIMITED

1. We have audited the attached Balance Sheet of MEFCOM SECURITIES LIMITED as at 31st March, 2009, the Profit and Loss Account and also Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as Amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the Companies Act, 1956, of India (the Act) and on the basis of such checks of the books and records of the Company as we consider appropriate and according to the information and explanation given to us, we enclose in the Annexure a Statement on the matters specified in paragraph 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that:
 1. **Note No.7 of part (a) of Schedule '19' - No provision for gratuity has been made in the accounts and the extent of accrued liability which is also not actuarially determined (with corresponding effect on the year end net assets and loss for the year).**
5. We further report that:
 - a. We have 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 accounts and records as specified in rule 15 of the Securities Contract (Regulation) Rules 1957 have been kept so far as appears from our examination of such books.
 - c. The stock broker has complied with the requirement of Stock Exchanges so far as they relate to maintenance of account and was regular in submitting the required accounting

information to the Stock Exchange.

- d. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- e. The Balance Sheet, Profit & Loss Account & Cash Flow statement dealt with by this report are in agreement with the books of account;
- f. In our opinion, the Balance Sheet, Profit & Loss Account & Cash Flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, So far as applicable except for :
 - i) ("non compliance of Accounting Standard 15 in respect of Accounting for Gratuity payable to employees which has not been accounted for on accrual basis.")
- g. On the basis of written representations received from the Directors, as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956;
- h. The Company is not required to make any payment of Cess, as no notification has been issued by the Central Government specifying the rate for levying of Cess under Section 441A of the Companies Act, 1956 till 31st of March, 2009;
- i. Subject to our remarks in paragraph 4 and 5 (f) above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i). In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2009.
 - ii). In the case of the Profit & Loss account of the Loss for the year ended on that date and
 - iii). In the case of the Cash Flow statement, of the Cash Flow for the year ended on that date.

for S. M. Gulati & Co.
Chartered Accountants

(S.M. Gulati)
Partner

M.No. - 8849

Place : New Delhi
Dated : August 21, 2009

ANNEXURE TO THE AUDITOR'S REPORT

Annexure referred to in Paragraph 3 of the Auditor's Report to the Members of MEFCOM SECURITIES LIMITED on the accounts for the year ended 31st March, 2009 :-

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b) As explained to us, all the fixed assets have been physically verified by the Management at the end of the accounting year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) The procedures of physical verification of inventories followed by the management were adequate in relation to the size of the company and the nature of its business.
- c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and books records were not material.
3. a) As informed to us, the Company has granted unsecured loans to its one Holding Company listed in the register maintained under section 301 of Companies Act, 1956. The maximum amount involved during the year is Rupees Eight Lacs and the year-end balance of loan granted to Holding Company was Rs.Nil.
- b) In our opinion and according to the information and explanations given to us the rate of interest and other terms and conditions on which above loan was granted is not prima-facie, prejudicial to the interest of the Company.
- c) There is no amount overdue in respect of loans granted to Companies, Firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- d) The Company has taken unsecured loans from Two parties amounting to Rupees forty two lacs fifty thousand only covered under the Register maintained under section 301 of the Act. As at the year end the outstanding balances of such loans taken aggregated to Rs.Nil. from Two parties and the maximum amount involved during the year was Rupees forty two lacs fifty thousand only.
- e) In our opinion and according to the information and explanations given to us the rate of interest and other terms and conditions on which above loan was granted is not prima-facie, prejudicial to the interest of the Company.
- f) In our opinion, Repayment of the principal amount is as stipulated and regular.
4. According to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, shares and fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956, have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposit from the public within the meaning of Section 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the company has an internal audit system which needs to be strengthened to commensurate with the size of the Company and nature of its business.
8. The Company belongs to the service sectors industry therefore clause 4(viii) is not applicable.
9. a). According to the records of the Company and according to the information and explanations provided to us, the Company has been regular in depositing undisputed statutory dues including provident fund, Investor Education and protection Fund, Employee state insurance, Income Tax, Service Tax, Sales Tax, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- b). According to the information and explanations given to us, there are no undisputed amounts payable in respect of Provident Fund, Investor Education Protection Fund, Employee state insurance, Income tax, Sales Tax, customs duty, wealth tax, excise duty, Service Tax, Cess and other material statutory dues which are outstanding as at 31.03.2009 for the period of more than six months from the date they became payable.
- c). The disputed statutory dues aggregating to Rs. 2905018.60, that has not been deposited on account of disputed matters pending before appropriate authority are as under:

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
The Indian Stamp (Delhi Amendment) Act, 2001	Stamp duty	188,253.60	01.4.02 to 31.03.03	Collector of Stamp Duty New Delhi
The Indian Stamp (Delhi Amendment) Act, 2001	Stamp duty	813,274.00	01.4.05 to 31.03.06	Collector of Stamp Duty New Delhi
The Indian Stamp (Delhi Amendment) Act, 2001	Stamp duty	671,153.00	01.4.06 to 31.03.07	Collector of Stamp Duty New Delhi
The Indian Stamp (Delhi Amendment) Act, 2001	Stamp duty	874,563.00	01.4.07 to 31.03.08	Collector of Stamp Duty New Delhi
The Indian Stamp (Delhi Amendment) Act, 2001	Stamp duty	357,775.00	01.4.08 to 31.03.09	Collector of Stamp Duty New Delhi
Total		2,905,018.60		

10. The Company have no accumulated losses as at 31/03/2009 and has incurred cash losses of Rs.856347.56 during the financial year covered by the Audit and the Company has not incurred cash losses, during the immediately preceding year.
11. In our opinion and according to information and explanation given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. We are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence, maintainance of adequate documents and records of such cases does not arise.
13. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of paragraph 4 is not applicable to the company.
14. Based on our examination of the records and evaluation of the related internal controls, the Company has maintained proper records of transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the Company in its own name, except to the extent of the exemption granted under Section 49 of the Companies Act, 1956.
15. In our opinion, the company has not given guarantees for loans taken by others from banks or financial institutions.
16. The company has not raised any term loan during the year.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short - terms basis have been used for long - term investment. No long - term funds have been used to finance short - term assets except permanent working capital.
18. The company has not made any preferential allotment of share to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956 during the year.
19. The company has not issued any debentures during the year.
20. The company has not raised any money by making a public issue during the year.
21. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

for S. M. Gulati & Co.
Chartered Accountants

(S.M. Gulati)
Partner
M.No - 8849

Place : New Delhi
Dated : August 21, 2009

Balance Sheet as at 31st March, 2009

PARTICULARS	SCHEDULE	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
SOURCES OF FUNDS			
1 SHAREHOLDERS' FUND			
Share Capital	1	50,000,000.00	50,000,000.00
Reserves & Surplus	2	9,365,846.01	11,912,695.47
2 LOAN FUNDS			
Secured Loans	3	372,578.00	186,293.92
TOTAL		59,738,424.01	62,098,989.39
APPLICATION OF FUNDS			
1 FIXED ASSETS	4		
Gross Block		12,113,931.90	12,189,478.90
Less : Depreciation		8,798,347.56	8,000,537.47
Net Block		3,315,584.34	4,188,941.43
2 INVESTMENTS	5	17,184,801.00	17,184,801.00
3 CURRENT ASSETS, LOANS & ADVANCES			
Inventories	6	41,024.64	3,167,821.49
Sundry Debtors	7	33,019,347.16	33,592,138.82
Cash & Bank Balances	8	16,888,628.26	22,048,906.76
Loans & Advances	9	20,162,915.69	28,466,287.48
		69,911,915.75	87,275,154.55
LESS : CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	10	30,583,877.08	44,561,665.59
Provisions	11	90,000.00	1,992,742.00
		30,673,877.08	46,554,407.59
Net Current Assets		39,238,038.67	40,720,746.96
4 MISCELLANEOUS EXPENDITURE	12		4,500.00
(To the extent not written off or adjusted)			
TOTAL		59,738,424.01	62,098,989.39
Significant Accounting Policies & Notes to Account	19		

Schedules referred to above form integral part of this Balance Sheet

As per our Report of even date attached
for S.M. Gulati & Co.
Chartered Accountants

(S.M. Gulati)
Partner
M. No.- 8849

(Vijay Mehta)
Mg. Director

(T.R. Khare)
Director

Place : New Delhi
Dated : August 21, 2009

Profit and Loss Account for the year ended 31st March, 2009

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
INCOME			
Income from Operations	13	7,994,081.99	23,681,528.11
Other Income	14	1,877,418.81	22,603,781.97
TOTAL		9,871,500.80	46,285,310.08
EXPENDITURE			
Employee's Remuneration and Welfare Expenses	15	4,597,270.00	6,233,550.00
Office Administration & Other Expenses	16	6,337,431.61	11,419,634.35
Financial Charges	17	129,306.64	137,102.12
Depreciation		1,138,187.12	1,493,657.62
Expenses Amortised		4,500.00	4,500.00
		12,206,695.37	19,288,444.09
Profit / (Loss) for the year		(2,335,194.57)	26,996,865.99
<i>Less</i> : Provision for Income Tax		-	1,950,000.00
<i>Less</i> : Provision for Fringe Benefit Tax		90,000.00	76,000.00
Profit / (Loss) after Tax but before prior period adjustment		(2,425,194.57)	24,970,865.99
<i>Less</i> : Prior period adjustment (Net)	18	121,654.89	8,046.06
		(2,546,849.46)	24,962,819.93
Brought Forward Profit / (Loss)		11,412,695.47	(13,550,124.46)
Balance carried to Balance Sheet		8,865,846.01	11,412,695.47
Notes:			
1. Basic and Diluted Earnings Per Share (Rs)		(0.51)	4.99
2. Number of Equity Shares		5,000,000	5,000,000
3. Nominal value of Equity Share		10.00	10.00
Significant Accounting Policies & Notes to Account	19		

Schedules referred to above form integral part of this Profit & Loss Account

As per our report of even date attached
for S.M. Gulati & Co.
Chartered Accountants

(S.M. Gulati)
Partner
M. No. - 8849

(Vijay Mehta)
Mg. Director

(T.R. Khare)
Director

Place : New Delhi
Dated : August 21, 2009

Cash Flow Statement for the year ended 31st March, 2009

PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
[A] CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Taxation and Extra ordinary item	(2,335,194.57)	26,996,865.99
Adjustment for :		
- Profit/ Loss on sale of Fixed Assets	(25,699.03)	(95,333.60)
- Depreciation	1,138,187.12	1,493,657.62
- Misc. Expenses written off	4,500.00	4,500.00
- Dividend Income	(165,982.65)	(102,715.25)
- Profit on sale of investment	-	(18,258,624.50)
- Extra ordinary items	(167,085.89)	(8,046.06)
	<u>783,919.55</u>	<u>(16,966,561.79)</u>
Operating Profit before Working Capital Changes	(1,551,275.02)	10,030,304.20
Adjustment for :		
- Inventories	3,126,796.85	(2,487,915.59)
- Other Current Assets	-	1,639.60
- Trade and other Receivables	8,876,163.45	(37,279,772.62)
- Current Liabilities	<u>(13,977,788.51)</u>	<u>15,082,791.88</u>
	<u>(1,974,828.21)</u>	<u>(24,683,256.73)</u>
Less : Direct Tax Paid / Refund received	(3,526,103.23)	(14,652,952.53)
Fringe Benefit Tax	(42,334.00)	(47,426.00)
Income Tax	(2,026,383.00)	-
NET CASH FROM OPERATING ACTIVITIES	(5,594,820.23)	(14,700,378.53)
[B] CASH FLOW FROM INVESTING ACTIVITIES		
- Purchase of Investment	-	(10,154,000.00)
- Sale of fixed assets	430,482.00	2,500,600.00
- Sale of investment	-	26,737,823.50
- Purchase of Fixed Assets	(548,207.00)	(951,702.00)
- Dividend Received	165,982.65	102,715.25
NET CASH FROM INVESTING ACTIVITIES	48,257.65	18,235,436.75
[C] CASH FLOW FROM FINANCING ACTIVITIES		
- Secured Loans	186,284.08	(276,266.56)
NET CASH FROM FINANCING ACTIVITIES	186,284.08	(276,266.56)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(5,360,278.50)	3,258,791.66
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	22,048,906.76	18,790,115.10
CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR	16,688,628.26	22,048,906.76

NOTES :-

- Cash flow statement has been prepared following the indirect method except incase of interest paid / received, dividend paid / received, purchase and sale of assets and taxes paid which have been considered on the basis of actual movements of cash, with necessary adjustment in the corresponding assets and liabilities.
- Cash and Cash equivalents represent cash, bank balance and fixed deposit with bank, including interest accrued thereon.
- Trade and other receivable includes loans and advances.

As per our report of even date attached
for S.M. Gulati & Co.
Chartered Accountants

(S.M. Gulati)
Partner
M. No.- 8849

(Vijay Mehta)
Mg. Director

(T.R. Khare)
Director

Place : New Delhi
Dated : August 21, 2009

Schedule forming part of the Balance Sheet as at 31st March, 2009

PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
SCHEDULE - 1 SHARE CAPITAL		
AUTHORISED CAPITAL		
50,00,000 Equity Shares of Rs.10/- each	<u>50,000,000.00</u>	<u>50,000,000.00</u>
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
50,00,000 Equity Shares of Rs.10/- each fully paid-up	<u>50,000,000.00</u>	<u>50,000,000.00</u>
1. [Includes 35,00,000 Shares (P.Y. 35,00,000 Shares) issued other than cash]		
2. [29,99,900 Equity Shares (P.Y. 29,99,900) are held by Mefcom Capital Markets Ltd., the Holding Company]		
TOTAL	<u><u>50,000,000.00</u></u>	<u><u>50,000,000.00</u></u>

SCHEDULE - 2 RESERVES & SURPLUS

Capital Reserve		
- As per last Balance Sheet	500,000.00	500,000.00
General Reserve		
Surplus:		
Balance in Profit & Loss Account	8,865,846.01	11,412,695.47
TOTAL	<u><u>9,365,846.01</u></u>	<u><u>11,912,695.47</u></u>

SCHEDULE - 3 LOAN FUNDS**SECURED LOANS**

Loans from Bank		
- Against hypothecation of vehicle	372,578.00	186,293.92
TOTAL	<u><u>372,578.00</u></u>	<u><u>186,293.92</u></u>

SCHEDULE - 4 FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2008	ADDITIONS FOR THE YEAR	DELETION/ ADJUSTMENT FOR THE YEAR	AS AT 31.03.2009	UP TO 31.03.2008	FOR THE YEAR	DELETION/ ADJUSTMENT DURING THE YEAR	UP TO 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
Stock Exchanges Membership (Refer to Note No.8 of Accounting Convention)	210,000.00	-	-	210,000.00	-	-	-	-	210,000.00	210,000.00
Computers	7,471,219.90	-	-	7,471,219.90	5,482,142.98	795,630.73	-	6,277,773.71	1,193,448.19	1,989,076.82
Furniture & Fixtures	1,692,460.00	-	259,076.00	1,433,384.00	615,994.00	125,973.00	-	741,967.00	691,417.00	1,076,466.00
Air Conditioners	389,295.00	-	-	389,295.00	266,425.33	17,091.17	-	283,516.50	105,778.50	122,869.67
Office Equipments	284,030.00	7,800.00	-	291,830.00	124,790.31	22,388.04	-	147,178.35	144,651.85	159,239.69
EPBX & Intercom System	275,311.00	-	-	275,311.00	89,035.02	25,910.98	-	114,946.00	160,365.00	186,275.98
Vehicles	1,867,163.00	540,407.00	364,678.00	2,042,892.00	1,422,149.83	151,193.20	340,377.03	1,232,966.00	809,926.00	445,013.17
TOTAL	<u>12,189,478.90</u>	<u>548,207.00</u>	<u>623,754.00</u>	<u>12,113,931.90</u>	<u>8,099,537.47</u>	<u>1,136,187.12</u>	<u>340,377.03</u>	<u>8,798,347.56</u>	<u>3,315,504.34</u>	<u>4,169,941.43</u>
PREVIOUS YEAR	30,695,114.54	951,702.00	19,457,337.64	12,189,478.90	8,058,951.09	1,493,657.62	1,552,071.24	8,000,537.47	4,188,941.43	22,636,163.45

(Vijay Mehta)
Mg. Director

(T.R. Khare)
Director

**Schedule forming part of the Balance Sheet as at
31st March, 2009**

PARTICULARS	AS AT 31.03.2009 (Rs.)			AS AT 31.03.2008 (Rs.)	
	F.V.	Qty. (Nos.)	Amount	Qty. (Nos.)	Amount
SCHEDULE - 5 INVESTMENTS					
Long Term Investment					
Unquoted - At Cost - Fully Paid up shares					
Delhi Stock Exchange Asso. Ltd.	1	40000	40,000.00	40000	40,000.00
Bombay Stock Exchange Limited	1	70694	7,074,838.00	5438	7,074,838.00
			<u>7,114,838.00</u>		<u>7,114,838.00</u>
In Share of Subsidiary Companies					
Unquoted - At Cost - Fully Paid up shares					
Mefcom Commodity Brokers Ltd	10	999500	10,069,963.00	999500	10,069,963.00
TOTAL			<u><u>17,184,801.00</u></u>		<u><u>17,184,801.00</u></u>
SCHEDULE - 6 INVENTORIES:					
(At cost or market value whichever is lower)					
(As taken, valued & certified by the Management)					
SHARES (Quoted)					
Astral Poly Techil Ltd	10	-	-	500	79,750.00
Compact Disc India Ltd	10	-	-	2750	178,062.50
Karuturi Global Ltd	1	-	-	1000	177,550.00
Kaveri Telecom Products Ltd	10	-	-	1650	182,789.08
Kemrock Industries & Exp Ltd	10	-	-	250	124,244.70
KLG Systel Ltd.	10	-	-	500	280,100.00
Vishvas Infrastructure Projects Ltd.	10	50	115.50	50	467.50
Megasoft Ltd	10	-	-	2250	196,987.50
Mold Tek Technologies Ltd	10	-	-	2250	168,637.50
Orbit Corporation Ltd.	10	-	-	1900	611,212.21
Refex Refrigerants Ltd	10	-	-	750	109,900.50
Shiv-Vani Oil & Gas Exploration Services Ltd.	10	-	-	500	261,975.00
State Bank of Bikaner & Jaipur	10	200	39,230.00	20	47,200.00
Tata Steel Ltd.	10	3	617.70	3	900.00
Tata Steel Ltd. CCPS	100	32	1,061.44	32	3,200.00
Tanla Solutions Ltd.	1	-	-	1000	478,082.50
Tilak Nagar Industries Ltd.	10	-	-	750	110,587.50
Zenith Infotech Ltd	10	-	-	500	156,175.00
TOTAL			<u><u>41,024.64</u></u>		<u><u>3,167,821.49</u></u>
Aggregate Value of un-quoted Investments	At Cost		17,184,801.00		17,184,801.00
Aggregate Value of quoted Inventories	At Cost		51,767.50		3,910,784.51
Aggregate Value of quoted Inventories	At Market Value		41,024.64		3,872,279.45

(Vijay Mehta)
Mg. Director

(T.R. Khare)
Director

**Schedule forming part of the Balance Sheet for the
year ended 31st March, 2009**

PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
<u>SCHEDULE - 7 SUNDRY DEBTORS</u>		
(Unsecured considered good)		
Debts outstanding for a period exceeding six months	19,650,758.98	157,408.46
Other Debts	13,368,588.18	33,434,730.36
TOTAL	<u>33,019,347.16</u>	<u>33,592,138.82</u>
<u>SCHEDULE - 8 CASH & BANK BALANCES</u>		
Cash in hand	73,858.95	168,858.95
Balances with Scheduled banks in current accounts	11,416,744.22	18,265,224.02
In Fixed Deposit including interest accrued thereon (under bank lien)	5,198,025.09	3,614,823.79
TOTAL	<u>16,688,628.26</u>	<u>22,048,906.76</u>
<u>SCHEDULE - 9 LOANS AND ADVANCES</u>		
(Unsecured considered good)		
Advances recoverable in cash or in kind or for Value to be received	93,354.70	118,901.00
Others	5,892,733.04	10,792,446.58
Advance Tax / Tax Deducted at Source	237,396.38	219,058.61
Security Deposit		
- Due from Director (For Lease Premises)	2,750,000.00	-
- Due from Others	11,189,431.57	17,335,881.29
TOTAL	<u>20,162,915.69</u>	<u>28,466,287.48</u>
<u>SCHEDULE - 10 CURRENT LIABILITIES</u>		
Expenses Payable	271,862.84	654,628.85
Security Deposit	4,183,611.49	7,651,464.11
Other Liabilities	3,233,389.29	4,210,805.52
Sundry Creditors		
- Total outstanding dues to Micro Enterprises and Small Enterprises	-	-
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises (Please refer Note No. 2 of Schedule-19)	22,895,013.46	32,044,767.11
TOTAL	<u>30,583,877.08</u>	<u>44,561,665.59</u>
<u>SCHEDULE - 11 PROVISIONS</u>		
-Income Tax	-	1,950,000.00
-Fringe Benefit Tax	90,000.00	42,742.00
TOTAL	<u>90,000.00</u>	<u>1,992,742.00</u>
<u>SCHEDULE - 12 MISCELLANEOUS EXPENDITURE</u>		
(To the extent not written off or adjusted)		
Deferred Revenue Expenditure	4,500.00	9,000.00
Less : Written off	4,500.00	4,500.00
TOTAL	<u>-</u>	<u>4,500.00</u>

(Vijay Mehta)
Mg. Director

(T.R. Khare)
Director

**Schedule forming part of the Profit & Loss Account for the
year ended 31st March, 2009**

PARTICULARS	FOR THE YEAR ENDED 31.03.2009	FOR THE YEAR ENDED 31.03.2008
SCHEDULE - 13 INCOME FROM OPERATIONS		
Income from Primary Mkt. Division	13,352.54	2,251.05
Income from Secondary Mkt. Division (Net)	5,369,342.46	13,830,662.52
Profit / (Loss) on trading of shares (Net)	2,445,404.34	9,745,899.29
Dividend Received	165,982.65	102,715.25
T O T A L	<u>7,994,081.99</u>	<u>23,681,528.11</u>
SCHEDULE - 14 OTHER INCOME		
Interest Received [TDS deducted Rs. 79,240.57(Previous Year Rs.59,784.47)]	393,211.88	394,239.94
Profit/(Loss) on sale of fixed assets	25,699.03	95,333.60
Profit / (Loss) on sale of Investments (Long Term)	-	15,418,238.00
Profit / (Loss) on sale of Investments (Short Term)	-	2,840,386.50
Miscellaneous Income [TDS Deducted Rs.1,530.00 (Previous Year Rs.2,637.00)]	1,458,507.90	3,855,583.93
T O T A L	<u>1,877,418.81</u>	<u>22,603,781.97</u>
SCHEDULE - 15 EMPLOYEE'S REMUNERATION AND WELFARE EXPENSES		
Establishment	4,359,498.00	6,037,886.00
Contribution to Provident Fund & E.S.I.	95,257.00	100,403.00
Staff Welfare	142,515.00	95,261.00
T O T A L	<u>4,597,270.00</u>	<u>6,233,550.00</u>
SCHEDULE - 16 OFFICE ADMINISTRATION & OTHER EXPENSES		
Travelling & Conveyance	282,765.37	228,163.00
Depository Charges	59,458.25	508,205.97
Insurance	50,586.30	71,852.00
Fees & Subscription	252,808.61	200,272.00
Legal & Professional Charges	643,999.00	1,133,611.00
Postage & Telephone	229,624.67	425,489.61
Printing & Stationary	123,493.00	288,817.00
Electricity & Water Charges	235,159.00	226,218.00
Stock Exchange Charges	1,040,831.60	3,031,166.83
Repair & Maintenance	452,149.34	469,053.80
Auditors Remuneration		
- Audit Fees	16,000.00	16,000.00
- Tax Audit Fees	4,000.00	4,000.00
- Other Matters	31,500.00	11,500.00
Connectivity Charges	45,152.00	191,833.00
Miscellaneous Expenses	144,546.28	415,112.68
F.O. Clearing Charges (NSE)	75,386.04	292,918.48
Bad Debts w/off	336,159.89	659,361.00
Guest House Expenses	-	150,000.00
Advertising Expenses	31,989.00	143,039.64
Club Expenses	2,074.00	-
Charity & Donation	31,000.00	-
Rent	1,297,200.00	522,000.00
Business Promotion Expenses	71,179.71	41,189.00
Vehicle Running & Maintenance	317,490.55	237,844.34
SEBI Turnover Fees	25,707.00	750.00
Directors's Sitting Fee	1,000.00	-
Securities Transaction Tax	536,172.00	2,151,237.00
T O T A L	<u>6,337,431.61</u>	<u>11,419,634.35</u>

(Vijay Mehta)
Mg. Director

(T.R. Khare)
Director

**Schedule forming part of the Profit & Loss Account for the
year ended 31st March, 2009**

PARTICULARS	FOR THE YEAR ENDED 31.03.2009	FOR THE YEAR ENDED 31.03.2008
SCHEDULE - 17 FINANCIAL CHARGES		
Interest Paid	22,406.77	20,133.44
Bank Charges	106,899.87	116,968.68
TOTAL	129,306.64	137,102.12
SCHEDULE - 18 PRIOR PERIOD ADJUSTMENT (NET)		
Prior Period Adjustment (Net)	45,679.89	8,046.06
Tax paid for earlier Years	81,109.00	-
Excess Provision Written back	(5,134.00)	-
TOTAL	121,654.89	8,046.06

(Vijay Mehta)
Mg. Director

(T.R. Khare)
Director

Schedules attached to and forming part of Balance Sheet And Profit & Loss Account for the year ended 31st March, 2009

SCHEDULE - 19

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

a) ACCOUNTING CONVENTIONS

1. The accounts and the Financial Statements have been prepared on the historical cost basis of accounting and on the basis of a going concern.

2. Fixed Assets

All Fixed Assets are valued at historical cost less accumulated depreciation.

3. Investments

Long term Investments are stated at cost.

Current Investments are stated at the lower of cost and fair market value.

Any diminution in the value of long term investments is charged off, only if, such a decline is other than temporary, in the opinion of the management.

4. Inventories

Investments in shares/bonds acquired with the intention of short-term holding are considered as stock-in-trade, classified as Current Assets, and valued at cost or net realisable value whichever is lower.

5. Revenue Recognition

a) Brokerage Income from Secondary Market is recognised on completion of issuance of bill.

b) Brokerage Income from Primary Market are recognised at the stage of completion of assignments / as per the terms of related agreements.

c) Interest Income is accounted for on accrual basis.

d) Dividend Income is accounted for on receipt basis.

e) Profit / Loss on purchase / sale of shares and securities is recognised on FIFO method.

f) Expenses : All expenses are provided on accrual basis except Gratuity payable to employees.

6. Amortisation of Miscellaneous Expenditure

Preliminary Expenses / Deferred Revenue Expenses are written-off over a period of ten years.

7. Retirement Benefits

a) Contribution to Provident Fund and Family Pension Fund are provided for on accrual basis and deposited in Employees Provident Fund Account(s) administered by the Central Government.

b) Gratuity is accounted for on cash basis.

c) The value of unutilised leaves due to employees at the end of the year has been provided for / paid.

8. Depreciation

The depreciation on fixed assets are provided at the rates and in the manner specified in Schedule - XIV of the Companies Act, 1956 under W.D.V. Method except on Stock

Exchanges Membership, on which no depreciation has been charged.

9. Taxes on Income

a) Provision for Income-tax has been made in accordance with the provision of Income-Tax Act, 1961.

b) Deferred tax assets and liabilities are measured using the tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only if there is a reasonable / virtual certainty of its realisation.

c) Fringe Benefit Tax

Tax on Fringe Benefit is measured as per the specified rates on the value of Fringe Benefit in accordance with the provision of the section 115WC of the Income Tax Act, 1961. Accounting for the Fringe Benefit Tax is done as per the guidance note issued by ICAI.

b) NOTES FORMING PART OF ACCOUNTS

1. Contingent Liabilities

For guarantees given by Banks to Stock Exchanges for Rs. 70,00,000/- (Previous Year Rs.70,00,000/-) against pledging of FDRs of Rs.35,26,452.15 (Previous Year Rs. 35,26,813.79).

2. In the absence of information from the suppliers with regard to their registration with the specified authority, despite the Company calling for such information, the Company is unable to furnish the information, as required under the Companies Act, 1956 and the Micro, Small and Medium Enterprises Development Act, 2006.

3. Quantitative details of securities held as stock in trade

a) Details of Opening & Closing Stock

Particulars	Opening Stock		Closing Stock	
	Qty. Nos.	Value Rs.	Qty. Nos.	Value Rs.
Equity Shares	16,655 (3,653)	31,67,821 (6,79,906)	285 (16,655)	41,025 (31,67,821)

b) Details of Purchases and Sales during the year

Particulars	Purchases / Allotment		Sales / Adjustment	
	Qty. Nos.	Value Rs.	Qty. Nos.	Value Rs.
Equity Shares	27,827 (1,15,849)	29,12,179 (1,80,92,789)	44,377 (1,02,847)	84,84,381* (2,53,50,773*)

* Including Profit (Net) on trading in shares without effecting deliveries Rs. 15,39,554.69 (Previous Year Rs 93,11,452.10).

4. Income / (Loss) from sale of shares and securities comprises of:

Profit from trading in shares / securities (Net) :
Rs. 24,45,404.34 (Previous Year : Rs. 97,45,899.29)

Including Profit (Net) on trading in shares without effecting deliveries Rs.15,39,554.69 (Previous Year Rs. 93,11,452.10).

5. Sundry Creditors includes Rs.55,80,164.72 (Previous year Rs.2,03,21,934.37) due to companies/firms in which directors are interested.
6. Sundry debtors include Rs. 78,65,498.07 (Previous Year Rs.97,27,660.84) due from subsidiary company.
7. In the opinion of the Board of Directors, Current Assets, loans and advances have a value on realization in ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and provision for all known liabilities have been made and Contingent Liabilities have been disclosed properly.
8. The Company has identified that there is no material impairment of assets and as such, no provision is required in terms of Accounting Standard-28 issued by the Institute of Chartered Accountants of India
9. No provision has been made in respect of accruing liability under the payment of Gratuity Act, 1972. The same will be charged to account as and when paid. Exact liability on actuarial basis has not been determined by the company.
10. Prior Period Adjustments' represents:

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
Debits relating to earlier years	1,26,788.89	8,046.06
Credit relating to earlier years	5,134.00	Nil

Segment wise information is as under:-

Particulars	Share Investment (Rs.)	Trading in Shares / Securities (Rs.)	Brokerage (Rs.)	Total (Rs.)
- Segment Revenues / (Profit)	-	26,11,386.99	53,82,695.00	79,94,081.99
	1,82,58,624.50	98,48,614.54	1,71,97,568.80	4,53,04,807.84
- Segment Results	-	11,65,857.74	(21,09,858.64)	(9,44,000.90)
	1,82,58,624.50	26,07,302.57	46,60,710.53	2,55,26,637.60
- Unallocable Expenses Net of Unallocable Incomes	-	-	-	(1,391,193.67)
	-	-	-	14,70,228.39
- Net Profit / (Loss)	-	-	-	(23,35,194.57)
	-	-	-	2,69,96,865.99
- Segment Assets	1,71,84,801.00	41,024.64	6,65,89,668.72	8,38,15,494.36
	1,71,84,801.00	31,67,821.49	8,54,49,650.40	10,58,02,272.89
- Segment Liabilities	-	-	3,03,56,007.95	3,03,56,007.95
	-	-	4,12,81,381.14	4,12,81,381.14
- Unallocable Assets	-	-	-	65,96,806.73
	-	-	-	28,46,624.09
- Unallocable Liabilities	-	-	-	6,90,447.13
	-	-	-	54,59,320.37

15. Related Party Disclosure in accordance with the Accounting Standards (AS-18) "Related Party Disclosures" issued by the Institute of Chartered Accountant of India are as under:-

11. Expenditure in Foreign Currency :
Travelling Expenses Rs. 1,36,982.37 (Previous Year Rs. Nil)
12. Payment to Auditors:

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
As Auditors	16,000.00	16,000.00
As Tax Audit	4,000.00	4,000.00
For other matters	31500.00	11,500.00

13. Managerial Remuneration :

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
Remuneration to Whole-time Directors (included in Schedule-15)	4,39,839.00	5,40,000.00
Director's Sitting Fee (No sitting fee was paid to Whole - time Directors)	1,000.00	Nil

14. Segment Reporting :

The company has considered business segment as the primary segment. Segments have been identified taking into account the nature of the activities, the differing risks and returns, the organization structure and internal reporting system. There are no reportable geographical segments.

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amount identifiable to each segment and also amount allocated on a reasonable basis. Assets, Liabilities, Incomes and Expenses that can not be allocated between the segments are shown as part of Unallocable Assets, Liabilities, Incomes and Expenses respectively.

a. Related Parties :

Related Parties		
Key Management Personnel		Holding Company
Mr. Vijay Mehta - Managing Director		Mefcom Capital Markets Ltd.
Mr. T.R. Khare - Whole Time Director		Subsidiary
Mr. Karan Mehta - Director, Son of Managing Director		Mefcom Commodity Brokers Ltd.
Relatives		Associates
Mrs. Indu Mehta - Wife of Managing Director		Mefcom Infrastructure Projects Ltd. Subsidiary of Mefcom Capital Markets Ltd.
Ms. Priyanka Mehta - Daughter of Managing Director		Entities over which key management personnel can exercise significant influence
		Vijay Mehta & Son - HUF
		IKMA Estate Private Ltd.

Note : Related party relationship is as identified by the Company and relied upon by the Auditors

ii. Summary of Transaction :

Nature of Transaction	Key Personnel	Subsidiary	Associates	Relatives	Holding Company	Entities over which key management personnel can exercise significant influence	Total
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Remuneration							
- Mr. Vijay Mehta	-	-	-	-	-	-	-
	[300,000.00]	-	-	-	-	-	[300,000.00]
- Mr. T.R. Khare	334,839.00	-	-	-	-	-	334,839.00
	[240,000.00]	-	-	-	-	-	[240,000.00]
- Mr. Karan Mehta	90,000.00	-	-	-	-	-	90,000.00
	-	-	-	-	-	-	-
Rent Paid							
- Mr. Vijay Mehta	1,042,200.00	-	-	-	-	-	1,042,200.00
	[420,000.00]	-	-	-	-	-	[420,000.00]
Security Deposit (Rent)							
- Mr. Vijay Mehta	2,750,000.00	-	-	-	-	-	2,750,000.00
	-	-	-	-	-	-	-
Profit / (Loss) on Sale of Shares (Net)-Non-Delivery							
- Mefcom Capital Mkts. Ltd.	-	-	-	-	18,107.40	-	18,107.40
	-	-	-	-	[113,645.55]	-	[113,645.55]
- Mr. Karan Mehta	5,016.46	-	-	-	-	-	5,016.46
	[646.40]	-	-	-	-	-	[646.40]
- Mefcom Commodity Brokers Ltd.	-	71,653.62	-	-	-	-	71,653.62
	-	[22,949.99]	-	-	-	-	[22,949.99]
Profit / (Loss) on Dealing in derivatives							
- Mefcom Capital Mkts. Ltd.	-	-	-	-	(3,729,856.18)	-	(3,729,856.18)
	-	-	-	-	[(14,653,236.06)]	-	[(14,653,236.06)]
- Mefcom Commodity Brokers Ltd.	-	(980,845.36)	-	-	-	-	(980,845.36)
	-	[(4,043,850.32)]	-	-	-	-	[(4,043,850.32)]
- Mr. Vijay Mehta	[(598,591.41)]	-	-	-	-	-	[(598,591.41)]
Purchase of Shares							
- Mefcom Capital Mkts. Ltd.	-	-	-	-	16,214,980.16	-	16,214,980.16
	-	-	-	-	[170,468,634.00]	-	[170,468,634.00]
- Mefcom Commodity Brokers Ltd.	-	13,501,183.35	-	-	-	-	13,501,183.35
	-	[13,664,035.82]	-	-	-	-	[13,664,035.82]
- Mr. Vijay Mehta	549,600.00	-	-	-	-	-	549,600.00
	[1,319,598.23]	-	-	-	-	-	[1,319,598.23]
- Mrs. Indu Mehta	-	-	-	330,925.45	-	-	330,925.45
	-	-	-	[415,068.31]	-	-	[415,068.31]
- Ms. Priyanka Mehta	-	-	-	22,430.00	-	-	22,430.00
	-	-	-	[4718,868.25]	-	-	[4,718,868.25]
- Mr. Karan Mehta	513,067.58	-	-	-	-	-	513,067.58
	[4,599,585.25]	-	-	-	-	-	[4,599,585.25]
- Mefcom Infrastructure Projects Ltd.	-	-	134,128.90	-	-	-	134,128.90
	-	-	-	-	-	-	-
- IKMA Estate Private Ltd.	-	-	-	-	-	29,560.00	29,560.00
	-	-	-	-	-	-	-

Sale of Shares							
- Mefcom Capital Mkts. Ltd.	-	-	-	-	22484189.10	-	22484189.10
- Mr. Vijay Mehta	[1667306.42]	-	-	-	[163421402.20]	-	[163421402.20]
- Mefcom Commodity Brokers Ltd.	-	10216573.56	-	-	-	-	[1667306.42]
- Mefcom Infrastructure Projects Ltd.	-	[17166717.33]	-	-	-	-	10216573.56
- IKMA Estate Private Ltd.	-	-	[349,639.50]	-	-	-	[17166717.33]
- Mrs. Indu Mehta	-	-	-	-	-	[90,503.05]	[349,639.50]
- Ms. Priyanka Mehta	-	-	-	[1,164,092.80]	-	-	[90,503.05]
- Mr. Karan Mehta	432095.25	-	-	[2455200.36]	-	-	[1,164,092.80]
	[565933.33]	-	-	-	-	-	[2455200.36]
Loan Received							
- Ms. Priyanka Mehta	-	-	-	3,750,000.00	-	-	3,750,000.00
- Mefcom Capital Markets Ltd.	-	-	-	-	500,000.00	-	500,000.00
Loan Repayment							
- Ms Priyanka Mehta	-	-	-	3,750,000.00	-	-	3,750,000.00
- Mefcom Capital Markets Ltd.	-	-	-	-	500,000.00	-	500,000.00
Loan Given							
- Mefcom Capital Markets Ltd.	-	-	-	-	8,00,000.00	-	8,00,000.00
Refund of loan Given							
- Mefcom Capital Markets Ltd.	-	-	-	-	8,00,000.00	-	8,00,000.00
Balance as on 31.03.2009							
- Mefcom Capital Mkts. Ltd.	-	-	-	-	Cr. 5,580,164.72	-	Cr. 5,580,164.72
- Mefcom Commodity Brokers Ltd.	-	-	Dr. 7,865,498.07	-	[Cr. 20,321,934.37]	-	[Cr. 20,321,934.37]
- Mr. Vijay Mehta (Security Deposit)	Dr. 27,50,000.00	-	[Dr.9,727,660.84]	-	-	-	Dr. 7,865,498.07
- Mr. Karan Mehta	-	-	-	-	-	-	[Dr.9,727,660.84]
	[Cr.1,250.00]	-	-	-	-	-	Dr. 27,50,000.00
	-	-	-	-	-	-	[Cr.1,250.00]

iii. There is no provision for doubtful or amounts written off or written back during the year in respect of dues from or to related parties.

16. Particulars of Earning per Share (As per AS-20) :

	Year Ended on 31.03.2009 (Rs.)	Year Ended on 31.03.2008 (Rs.)
Net Profit / (Loss) for the year	(2,546,849.46)	24,962,819.93
Number of Equity Shares	50,00,000	50,00,000
Nominal Value of the Shares	10/-	10/-
Earning per Share	(0.51)	4.99

17. In accordance with Accounting Standard - 22, "Accounting for Taxes on Income" since the company has carry forward losses under the applicable tax law, deferred tax asset have not been recognized since there is no certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized.

18. Balances of parties are subject to confirmation.

19. Previous year figures have been regrouped/rearranged wherever considered necessary.

20. Figures in brackets pertain to previous year.

Signature to Schedules 'I' to '19'

Schedules referred to above form integral part of this Balance Sheet and Profit & Loss Account.

As per our Report of even date attached

for S.M. Gulati & Co.

Chartered Accountants

(S.M. Gulati)
Partner
M. No. - 8849

(Vijay Mehta)
Mg. Director

(T.R. Khare)
Director

Place : New Delhi
Dated : August 21, 2009

**Information pursuant to Part IV of Schedule VI of the
Companies Act, 1956**

Balance Sheet abstract and Company's General Business Profile

I. Registration Details

Registration No.	:	8476	State Code	:	55
Balance Sheet Date	:	31.03.2009			

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue	:	Nil	Rights Issue	:	Nil
Bonus Issue	:	Nil	Private Placement	:	Nil

III. Position of Mobilization and Deployment of Funds (Amount in Rs. thousands)

Total Liabilities	:	59738	Total Assets	:	59738
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Sources of Funds

Paid up Capital	:	50000	Reserve & Surplus	:	9366
Secured Loans	:	372	Unsecured Loans	:	Nil

Application of Funds

Net Fixed Assets	:	3315	Investments	:	17185
Net Current Assets	:	39238	Misc. Expenditure	:	Nil
Accumulated Losses	:	Nil			

IV. Performance of Company (Amount in Rs. thousand)

Turnover (including other Income)	:	9872	Total Expenditure	:	12207
Profit / (Loss) before tax	:	(2335)	Profit / (Loss) after tax	:	(2547)
Earning per share (In Rs.)	:	(0.51)	Dividend Rate (%)	:	Nil

V. General Names of three Principal Products / Services of Company

(As per monetary terms)

Product Description :	Item Code No.
Share & Stock Broking	N.A.

(Vijay Mehta)
Mg. Director

(T.R. Khare)
Director

Mefcom Commodity Brokers Limited



NOTICE

Notice is hereby given that the 14th Annual General Meeting of the Company will be held on Monday, the 31st August, 2009 at 2.00 P.M. at 'IKMA Estate, E-15, Ansal Villas, Satbari, New Delhi - 110030 to transact the following business:

ORDINARY BUSINESS: -

1. To consider and adopt the Audited Balance Sheet as at and Profit and Loss Account for the year ended 31st March, 2009 along with the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Karan Mehta, who retires by rotation at the conclusion of this Annual General Meeting and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110 019

By order of the Board
for Mefcom Commodity Brokers Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : July 23, 2009

NOTES: -

- a) A Member entitled to attend and vote 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. Proxies in order to be effective must be received at the Registered Office of the Company not less than forty-eight hours before this Annual general Meeting.
- b) Members desiring information / clarification on the accounts are requested to write to the Company at its Registered Office at least seven days before the date of the Annual General Meeting so that the same may be responded well in advance.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110 019

By order of the Board
for Mefcom Commodity Brokers Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : July 23, 2009

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 14th Annual Report together with the Audited Accounts of the company for the year ended 31st March, 2009.

FINANCIAL RESULTS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2009 (Rs.)	FOR THE YEAR ENDED 31ST MARCH, 2008 (Rs.)
Gross Income	(1,821,656.07)	(2,946,691.36)
Profit / (Loss) before Interest, Depreciation and Tax	(2,619,886.66)	(7,700,966.74)
Depreciation	163,417.73	223,943.36
Provision for Tax (incl. Fringe Benefit Tax)	1,351.00	2,930.00
Prior period expenses	45,190.68	-
Profit / (Loss) after tax	(2,829,846.07)	(7,927,840.10)

OPERATIONS AND FUTURE OUTLOOK

Your company had invested its funds in shares and incurred heavy losses due to extreme fall in the stock markets in January, 2008. In view of the same your Company has temporarily suspended its operations due to certain technical and commercial reasons. Now, in current year, your Company is gearing up to recommence its operations.

DIVIDEND

In view of losses, your Directors regret their inability to recommend any dividend.

DIRECTORS

Mr. Karan Mehta, Director of the Company, is liable to retire by rotation at the conclusion of this Annual General Meeting and being eligible, offers himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with Section 217 (2AA) of the Companies Act, 1956, your Directors state that:

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- The Directors have selected such accounting policies and applied them consistently and made judgement 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 ended 31st March, 2009 and of the loss of the Company for that year.

- The Directors have taken proper and sufficient care for the maintenance of Adequate Accounting Records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the Annual Accounts on a going concern basis.

PUBLIC DEPOSITS

The company does not have any public deposits.

AUDITORS

M/s Bhatia & Associates, Chartered Accountants, Gurgaon, retire at the conclusion of this Annual General Meeting, and being eligible for re-appointment, have expressed their willingness to be reappointed as statutory auditor of the Company. Your directors recommend their appointment.

AUDIT REPORT

Observation of the Auditors received together with relevant notes to the accounts are self explanatory and do not call for further clarification.

COMPLIANCE CERTIFICATE

As required by Companies (Compliance Certificate) Rules, 2001 read with Section 383A (1) of the Companies Act 1956, a Secretarial Compliance Certificate given by M/s Kapahi & Associates, Company Secretaries in whole time practice in the prescribed form is annexed hereto and form part of this report.

PARTICULARS OF EMPLOYEES

Particulars of employees pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended, and forming part of this Directors' Report are Nil.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Your Company has no activity relating to conservation of energy or technology absorption.

During the year under review, the Company did not have any foreign exchange earning and expenditure of Rs.50,520/- has been incurred for the business purpose.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110 019

By order of the Board
for Mefcom Commodity Brokers Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : July 23, 2009



COMPLIANCE CERTIFICATE

To,
The Members

M/S. MEFCOM COMMODITY BROKERS LTD.

We have examined the registers, records, books and papers of M/S. MEFCOM COMMODITY BROKERS LTD. as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31ST MARCH, 2009. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. Subject to our note at Annexure 'B', the company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The company, being a public limited company, comments are not required.
4. The Board of Directors duly met SIX TIMES on 04.04.2008, 07.06.2008, 03.09.2008, 30.09.2008, 26.12.2008 and 28.03.2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members or Debenture holders during the financial year.
6. The Annual General Meeting for the financial year ended on 31.03.2008 was held on 30.09.2008 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Books maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The company has not advanced any loans to its Directors or persons or firms or Companies referred to under Section 295 of the Act.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section, during the Financial Year under review.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The company has not issued any duplicate share certificate during the financial year.
13. The company has :
 - (i) Delivered all the certificates on allotment of securities and on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - (ii) The company has not deposited any amount in a separate Bank account as no dividend was declared during the financial year.
 - (iii) The company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - (iv) No amount was transferred, as none was due.
 - (v) Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted and no appointment of Directors, Additional Directors, Alternate Directors and Directors to fill casual vacancies have been made.
15. The Company has not appointed any Managing Director, whole time Director, Manager during the financial year.
16. The Company has not appointed any Sole Selling Agent during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any Shares/Debentures/other Securities during the financial year.
20. The company has not bought back any Shares during the financial year.
21. There was no redemption of Preference Shares or Debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to Dividend, Rights Shares and Bonus Shares pending registration of transfer of shares.
23. The company has not invited/accepted any Deposits including any unsecured loans falling within the purview of section 58A and 58AA during the financial year under review.
24. The amount borrowed by the Company is within the borrowing limits of the Company.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for that purposes.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its articles of association during the year under scrutiny.
31. There were no prosecutions initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

FOR KAPAH I AND ASSOCIATES
COMPANY SECRETARIES
(S. K. KAPAH I)
PROPRIETOR
FCS NO. 1407
C.P. NO. 1118

Dated : July 23, 2009
Place : New Delhi

**ANNEXURE - 'A'**

**STATUTORY REGISTERS MAINTAINED BY
M/S. MEFCOM COMMODITY BROKERS LTD.**

1. Register of Members under Section 150 and Index of Members under Section 151
2. Registers and Returns under Section 163
3. Minutes Book of Meetings
4. Books of Accounts under section 209.
5. Register of Particulars of contracts in which Directors are interested under Section 301
6. Register of Directors, Managing Director, Manager and Secretary under Section 303
7. Register of Directors' Shareholdings under Section 307
8. Register of Investments or Loans made, Guarantee given or Security Provided under Section 372A.

ANNEXURE - 'B'

Forms and Returns as filed by M/S. MEFCOM COMMODITY BROKERS LTD. with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2009.

S. No.	Form No. /Return	Filed under Section	Date of Filing	Subject
1	23 AC & ACA	220	08.12.2008	Annual Accounts for the Financial year ended 31st March, 2008
2	66	383A	22.11.2008	Relevant to Directors Report dated 3rd September, 2008
3	20B	159	29.11.2008	Annual Return relevant to Annual General Meeting held on 30th September, 2008

Note : The Returns mentioned at S. Nos. 1 and 2 were filed with additional fee

FOR KAPAHI AND ASSOCIATES
COMPANY SECRETARIES

(S. K. KAPAHI)
PROPRIETOR
FCS NO. 1407
C.P. NO. 1118

Dated : July 23, 2009
Place : New Delhi



AUDITORS' REPORT

To
The Members of
MEFCOM COMMODITY BROKERS LIMITED

1. We have audited the attached Balance Sheet of MEFCOM COMMODITY BROKERS LIMITED as at 31st March 2009 the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, the evidences supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004, issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of the books and the records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
4. Further to our comments in the annexure referred to in paragraph (3) above:
 - a) We have 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 appears from our examination of those books.
- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956.
- e) On the basis of the written representations received from the directors as on 31st March, 2009, we report that none of the directors is, prima facie, disqualified as on 31st March, 2009, from being appointed as a director in term of Clause (g) of Sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the accounts, and read with notes thereon, given in Schedule 'L' give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - i. In case of Balance Sheet, of the State of Affairs of the Company as at 31st March, 2009, and
 - ii. In case of Profit and Loss Account, of the Loss of the Company for the year ended on that date.
 - iii. In case of the Cash Flow Statement of the cash flow for the year ended on that date.

for Bhatia & Associates
Chartered Accountants
(Sunil Bhatia)
Proprietor
M. No. 016821

Place : New Delhi
Dated : July 23, 2009

ANNEXURE TO THE AUDITORS REPORT

Referred to in Paragraph (3) of our Report of Even Date on the Accounts of Mefcom Commodity Brokers Limited for the year ended on 31st March, 2009

- 1) (a) Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The Fixed assets have been physically verified by the management periodically in a phased manner and no material discrepancies have been noticed on physical verification as confirmed by the management
 - (c) No Substantial part of fixed assets has been disposed off during the year, which may affect the going concern.
- 2) The stock of shares is held in dematerialized form and are confirmed on the basis of the statement of holding from depository participant.
 - 3) The company has not granted or taken any loan, secured or unsecured loan from companies, firms or other parties as covered in the Register maintained under Section 301 of the Companies Act, 1956.
 - 4) There is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory, and with regard to sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system.

- 5) (a) According to the information and explanation given to us, we are of opinion that the transaction that need to be entered into the register maintained u/s 301 have been so entered.
- (b) In our opinion and according to the information given to us the transaction entered in the registers maintained under Section 301 of the Companies Act 1956, have been made at price which are reasonable having regard to prevailing market price where available or the price at which the transaction for the similar item have been made with other parties where comparable.
- 6) The company has not accepted any deposit during the year covered by section 58A and section 58AA of the Companies Act, 1956 and companies (Acceptance of deposit) Rules 1975 with regard to the deposit accepted from the public.
- 7) The management does not consider necessity of internal audit in view of the quantum and value of transaction being low. As explained to us the company is not required to maintain the cost records u/s 209(1) (d) of the Companies Act 1956.
- 8) (a) According to the records of the company, the company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income-tax, cess, service tax and other statutory dues applicable to it.
- (b) According to the records of the Company and information and explanations given to us, details of the dues of income tax, sales tax, custom duty, excise duty and cess which have not been deposited on account of any dispute are given below:-

Name of the Statute	Nature of dues	Amount (Rs in Lakhs)	Financial Year to which the Matter Pertains	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	6.87 Lakhs	2005-2006	Income Tax Officer

- 9) The company is in existence for more than five years and accumulated losses at the end of current financial year are in excess of its share capital.
- 10) The company has not defaulted in repayment of dues to a financial institution, bank. The company has not issued any debenture.
- 11) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 12) The company is not a chit fund / nidhi / mutual benefit fund / society so the said clause L4 (xiii) of Companies (Auditor's Report) order 2003 are not applicable.
- 13) Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transactions and contract of dealing or trading in shares, securities and other investments and timely entries have been made in records.
- 14) The company has not given any guarantee for loans taken by others from banks or financial institutions
- 15) The company do not have any term loans during the year so the said clause is not applicable.
- 16) The company has taken unsecured loans to fund the day to day working of the company..
- 17) The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Company Act, 1956.
- 18) The company has not issued any debenture during the financial year covered by our audit report.
- 19) The company has not raised any money by Public Issues during the year.
- 20) Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit for the year ended 31st March, 2009.

for Bhatia & Associates
Chartered Accountants
(Sunil Bhatia)
Proprietor
M. No. 016821

Place : New Delhi
Dated : July 23, 2009

Balance Sheet as at 31st March, 2009

PARTICULARS	SCHEDULE	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
SOURCE OF FUNDS			
SHAREHOLDERS' FUND			
Share Capital	A	10,000,000.00	10,000,000.00
TOTAL		10,000,000.00	10,000,000.00
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	B	1,355,393.00	1,456,478.00
Less : Depreciation		630,001.53	466,583.80
Net Block		725,391.47	989,894.20
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	C	48.80	4,185,320.00
Sundry Debtors	D	-	56,148.52
Cash & Bank Balances	E	100,199.14	501,884.92
Loans & Advances	F	806,838.45	715,896.46
Other Current Assets	G	166,500.00	166,500.00
		1,073,586.39	5,625,749.90
Less : CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	H	7,879,010.90	9,865,943.07
Provisions	I	1,710.00	1,598.00
		7,880,720.90	9,867,541.07
Net Current Assets		(6,807,134.51)	(4,241,791.17)
PROFIT AND LOSS ACCOUNT			
TOTAL		16,081,743.04	13,251,896.97
		10,000,000.00	10,000,000.00
Significant Accounting Policies & Notes to Accounts	L		

Schedules referred to above form integral part of this Balance Sheet

As per our Report of even date attached for Bhatia & Associates
Chartered Accountants

(Sunil Bhatia)
Proprietor
M. No. 016821

(Vijay Mehta)
Director

(T.R. Khare)
Director

Place : New Delhi
Dated : July 23, 2009

Profit and Loss Account for the year ended 31st March, 2009

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
INCOME			
Income from Operations	J	(1,837,708.47)	(2,984,488.64)
Dividend Received		16,052.40	-
Other Income		-	37,797.28
TOTAL		<u><u>(1,821,656.07)</u></u>	<u><u>(2,946,691.36)</u></u>
EXPENDITURE			
Administrative & Other Expenses	K	797,948.83	1,371,896.98
Provision for Diminution in value of Inventories		281.76	3,382,378.40
Depreciation		163,417.73	223,943.36
TOTAL		<u><u>961,648.32</u></u>	<u><u>4,978,218.74</u></u>
Profit / (Loss) before Tax		(2,783,304.39)	(7,924,910.10)
Less: Prior Period Expenses		45,190.68	-
- Provision for Taxation-Current		-	-
- Provision for Fringe Benefits Tax		1,351.00	2,930.00
Profit / (Loss) after Tax		<u>(2,829,846.07)</u>	<u>(7,927,840.10)</u>
Surplus / (Deficit) trfd. from Previous Year		<u>(13,251,896.97)</u>	<u>(5,324,056.87)</u>
Balance carried to Balance Sheet		<u><u>(16,081,743.04)</u></u>	<u><u>(13,251,896.97)</u></u>
Significant Accounting Policies	L		
& Notes to Accounts			

Schedules referred to above form integral part of this Profit & Loss Account

As per our Report of even date attached for Bhatia & Associates
Chartered Accountants

(Sunil Bhatia)
Proprietor
M. No. 016821

(Vijay Mehta)
Director

(T.R. Khare)
Director

Place : New Delhi
Dated : July 23, 2009

Cash Flow Statement For The Year Ended 31st March, 2009

	CURRENT YEAR (Rs)	PREVIOUS YEAR (Rs)
A. <u>Cash Flow Form Operating Activities</u>		
Net(Loss) Profit before Tax	(2,783,304.39)	(7,924,910.10)
Adjustment for		
Loss/Profit on sale of Inventories	1,837,708.47	3,185,684.14
Dividend Income	(16,052.00)	-
Provision for Taxation (Including Prior Period)	(46,541.68)	(2,930.00)
Depreciation	163,417.73	223,943.36
Provision for Diminution of Inventories	281.76	3,382,378.40
Operating Profit before working capital change	(844,490.11)	(1,135,834.20)
Adjustment for:		
Inventories	2,347,280.97	(7,523,582.54)
Sundry Debtors	56,148.52	(56,148.52)
Advances Recoverable	(90,941.99)	(134,270.24)
Current Liabilities	(1,986,820.17)	9,703,249.34
Cash generated form Operations	325,667.33	1,989,248.04
Net Cash from Operating Activities	(518,822.78)	853,413.84
B. <u>CASH FLOW FORM INVESTING ACTIVITIES</u>		
Sale/Adjustment of Fixed Assets	101,085.00	-
Dividend Received	16,052.00	-
Net Cash from Investing Activities	117,137.00	-
C. <u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Payment of Unsecured Loans	-	(500,000.00)
Net Cash from Financial Activities	-	(500,000.00)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)	(401,685.78)	353,413.84
CASH AND CASH EQUIVALENT-OPENING BALANCE	501,884.92	148,471.08
CASH AND CASH EQUIVALENT-CLOSING BALANCE	100,199.14	501,884.92

As per our Report of even date attached
for **Bhatia & Associates**
Chartered Accountants

(Sunil Bhatia)
Proprietor
M. No. 016821

(Vijay Mehta)
Director

(T.R. Khare)
Director

Place : New Delhi
Dated : July 23, 2009

**Schedule forming part of the Balance Sheet as at
31st March, 2009**

	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
SCHEDULE 'A' - SHARE CAPITAL		
AUTHORISED CAPITAL		
10,000,00 Equity Shares of Rs.10/- each		
ISSUED, SUBSCRIBED & PAID UP	10,000,000.00	10,000,000.00
10,000,00* Equity Shares of Rs.10/- each fully paid-up	<u>10,000,000.00</u>	<u>10,000,000.00</u>
TOTAL	<u>10,000,000.00</u>	<u>10,000,000.00</u>

* Includes 9,99,500 Shares held by Mefcom Securities Ltd. (Holding Company)

SCHEDULE 'B' - FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	ASON 01.04.2008 (Rs.)	ADDITIONS DURING THE YEAR (Rs.)	SALES/ADJ. DURING THE YEAR (Rs.)	TOTAL ASON 31.03.2009 (Rs.)	UP TO 31.03.2008 (Rs.)	FOR THE YEAR (Rs.)	ADJUSTMENT FOR THE YEAR (Rs.)	TOTAL ASON 31.03.2009 (Rs.)	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
Furniture & Fixtures	1435005.00	-	101,085.00	1333920.00	456723.88	158772.50	-	615496.38	718423.62	978281.12
Software	21473.00	-	-	21473.00	9859.92	4645.23	-	14505.15	6967.85	11613.08
TOTAL	1456478.00	-	101,085.00	1355393.00	466583.80	163417.73	-	630001.53	725391.47	989894.20
PREVIOUS YEAR	1456478.00	-	-	1456478.00	242,640.44	223943.36	-	466583.80	989894.20	-

SCHEDULE 'C' - INVENTORIES

(at lower of cost or market value)

(As taken, verified and valued by the management)

Shares (Quoted)

Alembic Ltd.(Face value Rs.10/-)

Appollo Tyres Ltd.(Face value Rs.10/-)

Dhampur Sugar Mills Ltd.(Face value Rs.10/-)

Fortis Health Care Ltd.(Face value Rs.10/-)

IL & FS Invest-Mers Ltd.(Face value Rs.10/-)

Indraprastha Medical Ltd.(Face value Rs.10/-)

Raymond Ltd.(Face value Rs.10/-)

Religare Enterprises Ltd.(Face value Rs.10/-)

Royal Orchid Hotels Ltd.(Face value Rs.10/-)

Torrent Power Ltd.(Face value Rs.10/-)

Srei Infrastructure Finance Ltd. (Face value Rs.10/-)

UCO Bank(Face value Rs.10/-)

Total

Aggregate Cost

Aggregate Market Value

As At 31.03.2009		As At 31.03.2009	
Qty.	Amount	Qty.	Amount
(Nos.)	Rs.	(Nos.)	Rs.
-	-	5,000	277,250.00
-	-	5,000	206,000.00
-	-	9,900	465,795.00
-	-	5,000	406,000.00
-	-	2,000	238,400.00
-	-	10,000	310,000.00
-	-	1,500	446,475.00
-	-	2,000	741,100.00
-	-	5,000	459,250.00
-	-	4,000	450,800.00
2	48.80	-	-
-	-	5,000	184,250.00
<u>2</u>	<u>48.80</u>	<u>54,400</u>	<u>4,185,320.00</u>
-	330.56	-	7,567,698.00
-	48.80	-	4,185,320.00

(Vijay Mehta)
Director

(T.R. Khare)
Director

**Schedule forming part of the Balance Sheet as at
31st March, 2009**

	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
<u>SCHEDULE 'D' - SUNDRY DEBTORS</u>		
(Unsecured Considered Good)		
- Debts outstanding for a period exceeding six months	-	-
- Other Debts	-	56,148.52
TOTAL	-	56,148.52
<u>SCHEDULE 'E' - CASH & BANK BALANCES</u>		
- Cash in hand	-	13,987.00
- Balance with Scheduled Banks in Current Account	100,199.14	487,897.92
TOTAL	100,199.14	501,884.92
<u>SCHEDULE 'F' - LOANS & ADVANCES</u>		
(Unsecured Considered Good)		
- Advances Recoverable in cash or in kind or for value to be reced.	98,272.00	33,403.68
- Security Deposit	639,079.02	661,239.70
- Advance Tax Paid/TDS	69,487.43	21,253.08
TOTAL	806,838.45	715,896.46
<u>SCHEDULE 'G' - OTHER CURRENT ASSETS</u>		
- V-sat	166,500.00	166,500.00
TOTAL	166,500.00	166,500.00
<u>SCHEDULE 'H' - CURRENT LIABILITIES</u>		
- Expenses Payable	12,945.83	17,197.23
- Other Liabilities	567.00	-
- Sundry Creditors		
- Due to Small Scale Industrial Undertaking	-	-
- Due to Holding Company	7,865,498.07	9,727,660.84
- Others	-	121,085.00
TOTAL	7,879,010.90	9,865,943.07
<u>SCHEDULE 'I' - PROVISIONS</u>		
- For Fringe Benefits Tax	1,710.00	1,598.00
TOTAL	1,710.00	1,598.00

(Vijay Mehta)
Director

(T.R. Khare)
Director

**Schedule forming part of the Profit and Loss Account
for the year ended 31st March, 2009**

PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
<u>SCHEDULE 'I' - INCOME FROM OPERATIONS</u>		
Profit /Loss on Sale of Stocks /Securities (Net)	(1,837,708.47)	(3,185,684.14)
Brokerage Income	-	201,195.50
TOTAL	(1,837,708.47)	(2,984,488.64)
<u>SCHEDULE 'K' - ADMINISTRATIVE & OTHER EXPENSES</u>		
Salary	-	193,080.00
Director Remuneration	65,000.00	180,000.00
Fee & Subscription	114,596.00	107,502.00
Rent Paid	175,000.00	300,000.00
<u>Auditor's Remuneration</u>		
- As Auditor	4,000.00	4,000.00
-Tax Audit Fee	2,000.00	2,000.00
- For Other Matters	-	750.00
Bank Charges	225.00	1,599.32
Business Promotion Expenses	-	1,096.38
Bad debts Written Off	26,148.52	14,584.02
Depository Charges	1,934.78	2,099.50
Electricity Charges	63,822.00	143,681.00
Internet Charges	7,844.03	15,043.52
Meeting & Seminar	-	6,000.00
Insurance Charges	632.00	-
Interest Paid	148.00	-
Penalty Charges	300.00	25,464.00
Printing & Stationery	-	35,584.00
Professional Charges	154,900.00	243,961.00
Securities Transaction Tax	109,733.00	53,642.00
Telephone Charges	19,882.40	35,812.24
Transaction Charges	25,000.00	-
Travelling Exp.	-	5,998.00
VSAT Upgradation Charges	26,783.10	-
TOTAL	797,948.83	1,371,896.98

(Vijay Mehta)
Director

(T.R. Khare)
Director

SCHEDULE 'L'

Significant Accounting Policies and Notes on Account For the year ended 31st March, 2009

A) ACCOUNTING POLICIES**1. Basis of Accounting**

The Financial Statement are prepared under historical cost convention and on accrual basis of accounting in accordance with the applicable accounting standards issued by ICAI.

2. Investment

Current Investments are carried at the lower of cost and quoted/fair value, computed category wise. Long term investments are stated at cost. Provision for diminution in the value of long term investment is made only if, such a decline is other than temporary in the opinion of the management.

3. Inventories

Shares held as Stock-in-Trade representing Investment in Shares and Securities intended to be held for less than one year is valued at lower of cost or market price. Where no market quotes are available value is taken at Rupee one per company. Cost is arrived on FIFO basis. Cost of Bonus Shares acquired is taken as Nil.

Other Stocks is valued at cost or net realizable value, whichever is lower.

B) NOTES ON ACCOUNTS

1. No deferred tax assets have been recognized in books of accounts in view of perception of the management that such assets may not be realized within the applicable time limit.

2. Income / (Loss) from sale of Shares and Securities comprises

of :

• Income from trading in Shares / Securities and Derivatives (Net): (Rs.18,37,708.47)(Previous Year : Rs. (31,85,684.14)

3. In the opinion of the Board of Directors, Current Assets, Loans and Advances shall have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and provision for all known liabilities have been made and contingent liabilities have been disclosed properly.

4. Contingent Liabilities:

Disputed demand under Income Tax Act 1961: Rs. 6,87,000/- A.Y. 06-07(Previous Year Rs. 6,87,000/-)

5. Segment Reporting :

The company has considered business segment as the primary segment. Segments have been identified taking into account the nature of the activities, the differing risks and returns, the organization structure and internal reporting system. There are no reportable geographical segments

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amount identifiable to each segment and also amount allocated on a reasonable basis. Assets, Liabilities, Incomes and Expenses that can not be allocated between the segments are shown as part of Unallocable Assets, Liabilities, Incomes and Expenses respectively.

Segment wise information is as under:-

Particulars	Short Term Trading in Shares / Securities (Rs.)	Dealing in Commodity Exchange (Rs.)	Total (Rs.)
- Segment Revenues / (Loss)	(18,21,656) <i>(31,85,684)</i>	- <i>2,38,993</i>	(18,21,656) <i>(29,46,691)</i>
- Segment Results	(20,82,606) <i>(36,91,331)</i>	(2,41,370) <i>(3,69,802)</i>	(23,23,976) <i>(40,61,131)</i>
- Unallocable Expenses net of Unallocable Incomes	-	-	(5,05,870) <i>(9,20,016)</i>
- Net Profit / (Loss)	-	-	(28,29,846) <i>(79,27,840)</i>
- Segment Assets	49 <i>41,85,320</i>	9,80,647 <i>13,83,619</i>	9,80,696 <i>55,68,939</i>
- Segment Liabilities	78,66,194 <i>97,27,661</i>	6,817 <i>843</i>	78,73,011 <i>97,28,503</i>
- Unallocable Assets	-	-	8,,18,282 <i>10,46,705</i>
- Unallocable Liabilities	-	-	7,710 <i>1,39,038</i>

Figures in italics pertain to previous year.

6. Related Party Disclosure:

Related Party Disclosure in accordance with the Accounting Standards (AS-18) on Related Party Disclosures' issued by the Institute of Chartered Accountant of India are as under:

i) Related Parties:

Key Management Personnel Mr. Vijay Mehta - Director Mr. Karan Mehta - Director	Holding Company M/s Mefcom Securities Ltd. Associates M/s Mefcom Capital Market Ltd
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ii) Summary of Transactions with Related Parties :

Nature of Transactions	Key Personnel (Rs.)	Holding Company (Rs.)	Associates (Rs.)	Total (Rs.)
Remuneration - Mr. Karan Mehta	65,000 <i>1,80,000</i>	- -	- -	65,000 <i>1,80,000</i>
Rent Paid - Mr. Vijay Mehta	1,75,000 <i>3,00,000</i>	- -	- -	1,75,000 <i>3,00,000</i>
Loan Received - Mefcom Capital Markets Ltd.	- -	- <i>2,00,000</i>	- -	- <i>2,00,000</i>
Loan Paid - Mefcom Capital Markets Ltd.	- -	- <i>7,00,000</i>	- -	- <i>7,00,000</i>
Profit / (Loss) on Sale of Shares (Net) - Non-Delivery - Mefcom Securities Ltd.	- -	71,654 <i>(22,950)</i>	- -	71,654 <i>(22,950)</i>
Profit / (Loss) on dealing in derivatives - Mefcom Securities Ltd.	- -	(9,99,309) <i>(40,43,850)</i>	- -	(9,99,309) <i>(40,43,850)</i>
Purchase of Shares - Mefcom Securities Ltd.	- -	1,02,26,247 <i>1,71,66,718</i>	- -	1,02,26,247 <i>1,71,66,718</i>
Sale of Shares - Mefcom Securities Ltd.	- -	1,35,01,183 <i>1,36,64,036</i>	- -	1,35,01,183 <i>1,36,64,036</i>
Profit / (Loss) on Dealing in Commodity Exchange (Non-Delivery) - Mefcom Capital Markets Limited	- -	- <i>(38,604)</i>	- -	- <i>(38,604)</i>
Balance payable as on 31.03.2009 - Mefcom Securities Ltd.	- -	78,65,498 <i>97,27,661</i>	- -	78,65,498 <i>97,27,661</i>

Figures in italics pertain to previous year.

- iv) There is no provision for bad and doubtful debt or amounts written off or written back during the year in respect of dues from or to related parties.

7. Earning Per Share:

In accordance with Accounting Standard - 20 on 'Earning Per Share' issued by The Institute of Chartered Accountants of India, the Earning Per Share has been computed as under:

Particulars		2008-09	2007-08
a) Net Profit / (Loss) for the year	(Rs.)	(28,29,846.07)	(79,27,840.10)
b) Number of Equity Shares	(Nos.)	10,00,000	10,00,000
c) Nominal Value per Equity Shares	(Rs.)	10.00	10.00
d) Earning Per Share (Basic & Diluted)	(Rs.)	(2.83)	(0.79)

8. Expenditure in Foreign Currency:

- Fee & Subscription Rs.50,520.00 (Previous Year Rs.Nil)

9. Additional information pursuant to the provision of paragraph 3 of Part - II of Schedule - VI to the Companies Act, 1956:

		Opening Stock		Purchase	
Traded Goods	Unit	Qty.	Value (Rs.)	Qty.	Value (Rs)
Shares	Nos.	54,400	41,85,320.00	1,34,782	1,02,26,246.64
		(52,000)	(32,29,800.00)	(1,50,200)	(1,71,66,718.03)
		Sales		Closing Stock	
Shares	Nos.	1,89,180	1,25,73,527.60*	2	48.80
		(1,47,800)	(96,43,135.49*)	(54,400)	(41,85,320.00)

* Including Profit/(Loss) (Net) on trading in Shares without effecting deliveries Rs.71,653.62 {Previous Year (Rs. 22,949.99)} and profit (Net) on trading in derivatives Rs. (9,99,309.36) {Previous Year Rs. (40,43,850.32)}.

10. Previous year figures have been regrouped/rearranged wherever considered necessary.
11. Figures in brackets pertain to previous year.
12. Schedule A to L form the integral part of Balance Sheet & Profit & Loss Account.

Signatures to Schedules 'A' to 'L'

As per our Report of even date attached
for **Bhatia & Associates**
Chartered Accountants

(Sunil Bhatia)
Proprietor
M. No. 016821

(Vijay Mehta)
Director

(T.R. Khare)
Director

Place : New Delhi
Dated : July 23,2009

Mefcom Commodity Brokers Limited

Information pursuant to Part IV of Schedule VI of the Companies Act, 1956

Balance Sheet Abstract And Company's General Business Profile

I. Registration Details

Registration No.	:	66895	State Code	:	55
Balance Sheet Date	:	31.03.2009			

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue	:	Nil	Rights Issue	:	Nil
Bonus Issue	:	Nil	Private Placement	:	Nil

III. Position of Mobilization and Deployment of Funds (Amount in Rs. thousands)

Total Liabilities	:	10,000	Total Assets	:	10,000
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Sources of Funds

Paid up Capital	:	10,000	Reserve & Surplus	:	Nil
Secured Loans	:	Nil	Unsecured Loans	:	0

Application of Funds

Net Fixed Assets	:	725	Investments	:	Nil
Net Current Assets	:	(6807)	Misc. Expenditure	:	Nil
Accumulated Losses	:	16082			

IV. Performance of Company (Amount in Rs. thousand)

Turnover (including other Income)	:	(1822)	Total Expenditure	:	1006
Profit / (Loss) before tax	:	(2828)	Profit / (Loss) after tax	:	(2830)
Earning per share (In Rs.)	:	(2.83)	Dividend Rate (%)	:	Nil

V. General Names of three Principal Products / Services of Company

(As per monetary terms)

Product Description :	Item Code No.
i) Investment & Sale / Purchase of Shares	N.A.
ii) Commodity Broking	N.A.

(Vijay Mehta)
Director

(T.R. Khare)
Director

Mefcom Infrastructure Projects Limited



NOTICE

Notice is hereby given that the 3rd Annual General Meeting of the Company will be held on Monday, the 31st August, 2009 at 1.30 P.M. at "IKMA Estate, E-15, Ansal Villas, Satbari, New Delhi - 110030 to transact the following business:

ORDINARY BUSINESS: -

1. To consider and adopt the Audited Balance Sheet as at and Profit and Loss Account for the year ended 31st March, 2009 along with the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Mr. Karan Mehta, who retires by rotation at the conclusion of this Annual General Meeting and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

Regd. Office:
Sanchi Bldg.,
77, Nehru Place,
New Delhi-110019

By order of the Board
for Mefcom Infrastructure Projects Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : July 23, 2009

NOTES: -

- a) A Member entitled to attend and vote 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. Proxies in order to be effective must be received at the Registered Office of the Company not less than forty-eight hours before this Annual general Meeting.
- b) Members desiring information / clarification on the accounts are requested to write to the Company at its Registered Office at least seven days before the date of the Annual General Meeting so that the same may be responded well in advance.

Regd. Office:
Sanchi Bldg.,
77, Nehru Place,
New Delhi-110019

By order of the Board
for Mefcom Infrastructure Projects Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : July 23, 2009

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 3rd Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2009.

FINANCIAL RESULTS

PARTICULARS	YEAR ENDED 31ST MARCH, 2009 (Rs.)	YEAR ENDED 31ST MARCH, 2008 (Rs.)
Gross Income	(215,554.40)	Nil
Profit / (Loss) before Interest, Depreciation and Tax	1,331.06	(239,489.38)
Depreciation	Nil	Nil
Provision for Tax (incl. Fringe Benefit Tax)	Nil	Nil
Prior period expenses	Nil	Nil
Profit / (Loss) after tax	1,331.06	(239,489.38)

OPERATIONS AND FUTURE OUTLOOK

There were no significant activities during the year under review. Your directors are looking for suitable business opportunities for the Company.

DIVIDEND

In view of losses, your Directors regret their inability to recommend any dividend.

DIRECTORS

Mr. Karan Mehta, Director of the Company, is liable to retire by rotation at the conclusion of this Annual General Meeting and being eligible, offers himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with Section 217 (2AA) of the Companies Act, 1956, your Directors state that:

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- The Directors have selected such accounting policies and applied them consistently and made judgement 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 ended 31st March, 2009 and of the profit of the Company for that year.

- The Directors have taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the Annual Accounts on a going concern basis.

PUBLIC DEPOSITS

The company does not have any public deposits.

AUDITORS

M/s Bhatia & Associates, Chartered Accountants, Gurgaon, retire at the conclusion of this Annual General Meeting, and being eligible for re-appointment, have expressed their willingness to be reappointed as statutory auditor of the Company. Your directors recommend their appointment.

PARTICULARS OF EMPLOYEES

Particulars of employee pursuant to Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees), Rules, 1975, as amended, and forming part of this Directors' Report are Nil.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Your Company has no activity relating to conservation of energy or technology absorption.

During the year under review, the Company did not have any foreign exchange earning and outgo.

Regd. Office:
Sanchi Bldg.,
77, Nehru Place,
New Delhi-110019

By order of the Board
for Mefcom Infrastructure Projects Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : July 23, 2009



AUDITORS' REPORT

To
The Members of
Mefcom Infrastructure Projects Limited

1. We have audited the attached Balance Sheet of Mefcom Infrastructure Projects Limited as at 31st March, 2009 and also the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, the evidences supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditors' Report) Order, 2003, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the company.
4. Further we report that :
 - a) We have 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 appears from our examination of those books.
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956.
 - e) On the basis of the written representations received from the directors as on 31st March, 2009, we report that none of the directors is, prima facie, disqualified as on 31st March, 2009, from being appointed as a director in term of Clause (g) of Sub-section (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the accounts, and read with notes thereon, given in Schedule 'A' give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i in case of Balance Sheet, of the State of Affairs of the Company as at 31st March, 2009, and
 - ii in case of Profit and Loss Account, of the Profit of the Company for the year ended on that date.
 - iii in case of Cash Flow Statement , of the cash flows for year ended on that date.

for Bhatia & Associates
Chartered Accountants
(Sunil Bhatia)
Proprietor
M.No. 016821

Place : New Delhi
Dated : July 23, 2009

Balance Sheet as at 31st March, 2009

PARTICULARS	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
SOURCE OF FUNDS		
SHAREHOLDERS' FUND		
Share Capital		
- Authorised		
100000 Equity Shares of Rs.10/- each	1,000,000.00	1,000,000.00
- Issued, Subscribed and Paid-up		
50000 Equity Shares of Rs.10/- each fully paid-up in cash (Includes 49940 Equity Shares held by Mefcom Capital Markets Ltd. The holding Company)	500,000.00	500,000.00
TOTAL	500,000.00	500,000.00
APPLICATION OF FUNDS		
Investments:		
Current Investments		
Nil (Previous Year 18000 shares of Jenson & Nicholson Ltd). (At cost or market value, which ever is lower)	-	119,520.00
- Current Assets		
- Cash-in-hand	-	65,000.00
- Balance with Scheduled Bank in Current Account	225,213.48	34,851.50
	225,213.48	99,851.50
Less : Current Liabilities & Provisions		
- Other Liabilities	3,286.20	3,037.08
Net Current Assets	221,927.28	96,814.42
- Miscellaneous Expenditure		
(To the extent not written off or adjusted)		
- Preliminary Expenses	29,832.60	34,094.40
- Profit & Loss Account	248,240.12	249,571.18
TOTAL	500,000.00	500,000.00
Significant Accounting Policies & Notes to Accounts - Schedule 'A'		

Schedules referred to above form integral part of this Balance Sheet

As per our Report of even date attached
for **Bhatia & Associates**
Chartered Accountants

(Sunil Bhatia)
Proprietor
M.No. 016821

(Vijay Mehta)
Director

(T. R. Khare)
Director

Place : New Delhi
Dated : July 23, 2009

Profit & Loss Account for the year ended 31st March , 2009

PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
INCOME		
-Profit/(Loss) on sale of Investments	(215,554.40)	0.00
TOTAL [A]	(215,554.40)	0.00
EXPENDITURE		
- Audit Fee	3,000.00	3,000.00
- Filing Fees	3,600.00	1,334.00
- Legal & Professional Charges	1,500.00	-
- Depository & Securities Tranx.Tax	872.24	774.08
- Preliminary Expenses written off	4,261.80	4,261.80
- Diminuation in value of Current Investments	(230,119.50)	230,119.50
TOTAL [B]	(216,885.46)	239,489.38
Profit / (Loss) for the year [A - B]	1,331.06	(239,489.38)
Balance brought forward from previous years	(249,571.18)	(10,081.80)
Balance carried to Balance Sheet	(248,240.12)	(249,571.18)

**Significant Accounting Policies
& Notes to Accounts - Schedule 'A'**

Schedules referred to above form integral part of this Profit & Loss Account

As per our Report of even date attached for Bhatia & Associates Chartered Accountants

(Sunil Bhatia)
Proprietor
M.No. 016821

(Vijay Mehta)
Director

(T. R. Khare)
Director

Place : New Delhi
Dated : July 23, 2009

Cash Flow statement for the Year ended 31st March, 2009

PARTICULARS	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
[A] CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss) / Profit before Tax	1,331.06	(239,489.38)
Adjustment for:		
Loss/(Profit) on Sale of Investments (Net)	215,554.40	-
Diminuation in value of Inventories	(230,119.50)	230,119.50
- Misc expenses written off	4,261.80	4,261.80
Operating Profit Before Working Capital Change	(8,972.24)	(5,108.08)
Adjustment For:		
- Other Liabilities	249.12	(7,462.92)
Net Cash From Operating Activities	(8,723.12)	(12,571.00)
[B] CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale of Investments	134,085.10	-
Purchase of Investments	-	(349,639.50)
Net Cash from Investing Activities	134,085.10	(349,639.50)
[C] CASH FLOW FROM FINANCING ACTIVITIES	-	-
Net Increase (Decrease) In Cash and Cash Equivalents (A+B+C)	125,361.98	(362,210.50)
Opening Cash & Cash Equivalent	99,851.50	462,062.00
Closing Cash & Cash Equivalent	225,213.48	99,851.50

As per our Report of even date attached
for **Bhatia & Associates**
Chartered Accountants

(Sunil Bhatia)
Proprietor
M.No. 016821

(Vijay Mehta)
Director

(T. R. Khare)
Director

Place : New Delhi
Dated : July 23, 2009

**Schedules annexed to and forming part of Balance Sheet as at
and Profit & Loss Account for the Year ended
31st March, 2009**

SCHEDULE - 'A'**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS****SIGNIFICANT ACCOUNTING POLICIES****a) Basis of Preparation of Financial Statements :**

The financial statements are prepared under the historical cost convention on accrual basis in accordance with the applicable Accounting standards.

b) Amortisation of Miscellaneous Expenditure :

Preliminary Expenses are written off over a period of ten years.

NOTES TO ACCOUNTS**a) Related Party Disclosure in accordance with the Accounting Standards (AS-18) "Related Party Disclosures" issued by the Institute of Chartered Accountant of India are as under :****i. Related Parties :**

Key Management Personnel Mr. Vijay Mehta - Director Mr. T.R. Khare - Director Mr. Karan Mehta - Director Associates Memcom Securities Ltd	Holding Company Mefcom Capital Markets Ltd. Relatives Ms. Priyanka Mehta - Daughter of Mr. Vijay Mehta, Director
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Note : Related party relationship is as identified by the Company and relied upon by the Auditors

ii) Summary of Transactions with Related Parties :

Nature of Transactions	Key Personnel (Rs.)	Relatives (Rs.)	Holding Company (Rs.)	Associates (Rs.)	Total
Sale of Shares - Mefcom Securities Ltd.	-	-	-	134085	134085
	(-)	(-)	(-)	(-)	(-)
Purchase of Shares - Mefcom Securities Ltd.	-	-	-	-	-
	(-)	(-)	(-)	(349640)	(349640)
Balance as on 31.03.2009	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)

iii) There is no provision for bad and doubtful debt or amounts written off or written back during the year in respect of dues from or to related parties

b) In the opinion of the Board, Current Assets, Loans & Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in Balance Sheet.

c) Current Investment:

Quoted - At Lower of Cost or Market Price - Fully Paid up Shares

Particulars	As at 31.03.2009			As at 31.03.2008		
	FACE VALUE	Qty. (Nos.)	Amount (Rs.)	FACE VALUE	Qty. (Nos.)	Amount (Rs.)
Jenson & Nicholson Ltd.	-	-	-	10	18000	349,639.50
Less: Diminution in Value	-	-	-	-	-	230,119.50
			-			119,520.00

d) Previous Year's figures have been regrouped/rearranged wherever considered necessary.

e) Figures in brackets pertain to previous year.

As per our Report of even date attached
for Bhatia & Associates
Chartered Accountants

(Sunil Bhatia)
Proprietor
M.No. 016821

(Vijay Mehta)
Director

(T. R. Khare)
Director

Place : New Delhi

Dated : July 23, 2009

Mefcom Infrastructure Projects Limited

Information pursuant to Part IV of Schedule VI of the Companies Act, 1956 Balance Sheet abstract and Company's General Business Profile

I. Registration Details

Corporate Identification No.	:	155436	State Code	:	55
Balance Sheet Date	:	31.03.2009			

II. Capital raised during the year (Amount in Rs. thousands)

Public Issue	:	Nil	Rights Issue	:	Nil
Bonus Issue	:	Nil	Private Placement	:	0

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. thousands)

Total Liabilities	:	500	Total Assets	:	500
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Sources of Funds

Paid up Capital	:	500	Reserve & Surplus	:	Nil
Secured Loans	:	Nil	Unsecured Loans	:	Nil

Application of Funds

Net Fixed Assets	:	Nil	Investments	:	Nil
Net Current Assets	:	222	Misc. Expenditure	:	30
Accumulated Losses	:	248			

IV. Performance of Company (Amount in Rs. thousand)

Turnover (including other Income)	:	(216)	Total Expenditure	:	(217)
Profit / (Loss) before tax	:	1	Profit / (Loss) after tax	:	1
Earning per share (In Rs.)	:	Nil	Dividend Rate (%)	:	Nil

V. General Names of three Principal Products / Services of Company

(As per monetary terms)

Product Description :	Item Code No.
N.A.	N.A.

(Vijay Mehta)
Director

(T.R. Khare)
Director



**AUDITORS REPORT TO THE BOARD OF DIRECTORS ON THE
CONSOLIDATED FINANCIAL STATEMENTS OF
MEFCOM CAPITAL MARKETS LIMITED AND ITS SUBSIDIARIES**

To
The Board of Directors
MEFCOM CAPITAL MARKET LIMITED

1. We have audited the attached Consolidated Balance Sheet of Mefcom Capital Markets Ltd. (the Company), its subsidiaries collectively referred to as 'the Group' as at 31st March, 2009 and also the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit of the financial statements of the subsidiaries which have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiaries is based solely on the reports of the other auditors. The financial statements of subsidiaries reflect total assets of Rs. 924.34 lacs as at 31st March, 2009 and total revenues of Rs. 78.34 lacs and net cash outflows amounting to Rs. 56.37 lacs for the year ended 31st March, 2009.
4. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS)-21 on 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.
5. We also report that **provision has not been made for accruing liability for gratuity, in the accounts of Mefcom Capital Markets Limited and Mefcom Securities Limited, the effect of which on consolidated financial statements is not ascertained.**
6. Subject to our comment in para 5 above, we report that on the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the Group, we are of the opinion that the said consolidated financial statements and read with notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in case of Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2009;
 - ii) in case of Consolidated Profit & Loss Account, of the loss of the Group for the year ended on that date; and
 - iii) in case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

for **V.K. Dhingra & Co.**
Chartered Accountants

(V.K. Dhingra)
Partner
M.No. 14467

Place : New Delhi
Dated : August 31, 2009

Consolidated Balance Sheet of Mefcom Capital Markets Ltd. and its Subsidiaries as at 31st March, 2009



SCHEDULE	AS AT 31.03.2009		AS AT 31.03.2008	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
SOURCES OF FUNDS				
SHARE HOLDERS' FUND				
a) Share Capital	A	81,401,680.00		81,401,680.00
b) Reserve and Surplus	B	<u>122,441,299.83</u>	203,842,979.83	<u>122,441,299.83</u>
			<u>19,444,863.94</u>	21,595,542.15
MINORITY INTEREST				
LOAN FUNDS				
a) Secured Loans	C		<u>372,578.00</u>	186,293.92
TOTAL			<u><u>223,660,421.77</u></u>	<u><u>225,624,815.90</u></u>
APPLICATION OF FUNDS				
1			10,477,701.54	10,477,701.54
GOODWILL				
-Arised from Consolidation				
2				
FIXED ASSETS				
Gross Block				
		20,312,666.48		20,386,598.48
Less : Depreciation				
		<u>13,509,329.61</u>	6,803,336.87	<u>11,752,813.27</u>
3			26,363,197.98	45,286,238.45
INVESTMENTS				
4				
CURRENT ASSETS, LOANS & ADVANCES				
a) CURRENT ASSETS				
- Stock-in-Trade				
		41,073.44		7,353,141.49
- Sundry Debtors				
		25,181,973.09		24,420,535.50
- Cash & Bank Balances				
		27,921,572.40		24,266,316.64
- Other Current Assets				
		166,500.00		3,754,991.00
b) LOANS & ADVANCES				
		<u>33,706,928.69</u>		<u>37,716,293.52</u>
		<u>87,018,047.62</u>		97,511,278.15
Less : CURRENT LIABILITIES & PROVISIONS				
	G	<u>25,576,975.72</u>	61,441,071.90	<u>27,963,428.93</u>
5			29,832.60	38,594.40
MISCELLANEOUS EXPENDITURE				
(To the extent not written off or adjusted)				
6			118,545,280.88	91,640,647.08
TOTAL			<u><u>223,660,421.77</u></u>	<u><u>225,624,815.90</u></u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS				
	N			

Schedules referred to above form integral part of this Balance Sheet

As per our report of even date

for V.K. Dhingra & Co.
Chartered Accountants

(V.K. Dhingra)
Partner

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Place : New Delhi
Dated : August 31, 2009

**Consolidated Profit and Loss Account of
Mefcom Capital Markets Ltd. and its Subsidiaries for the
year ended 31st March, 2009**

	SCHEDULE	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
INCOME			
Income from Operation	J	(2,480,495.00)	60,300,162.56
Other Income	K	3,372,590.80	5,333,615.31
TOTAL (A)		892,095.80	65,633,777.87
EXPENSES			
Personnel, Administrative and Other Expenses	L	19,665,704.58	32,559,778.23
Provisions & Write off	M	7,617,513.02	13,277,628.23
Interest Paid		247,881.47	366,234.99
Miscellaneous Expenditure Written off		8,761.80	8,761.80
Depreciation		2,096,893.37	2,478,657.84
TOTAL (B)		29,636,754.24	48,691,061.09
Profit/(Loss) Before the Taxation (A-B)		(28,744,658.44)	16,942,716.78
Less : -Provision for Income Tax - Current Tax		-	2,770,000.00
-Provision for Fringe Benefit Tax		131,351.00	160,625.00
Profit/(Loss) after taxation but before Prior Period Adjustments		(28,876,009.44)	14,012,091.78
Adjustments			
Less : Prior Period Adjustments		166,845.57	8,046.06
Tax Paid for earlier year		12,457.00	236,442.00
Profit/(Loss) after Prior Period Adjustments		(29,055,312.01)	13,767,603.72
Less: Minority interest		2,150,678.21	6,813,991.93
Profit after Tax & Minority Interest		(26,904,633.80)	6,953,611.79
Profit/(Loss) brought forward		(92,740,647.08)	(99,694,258.87)
Balance Carried to Balance Sheet		(119,645,280.88)	(92,740,647.08)
Earnings per Share		(3.31)	0.85
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS			
	N		

Schedules referred to above form integral part
of this Profit & Loss Account

As per our report of even date

for **V.K. Dhingra & Co.**
Chartered Accountants

(V.K. Dhingra)
Partner

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Place : New Delhi
Dated : August 31, 2009

Consolidated Cash Flow Statement of Mefcom Capital Market Ltd. and Its Subsidiaries and Associates for the year ended 31st March, 2009

	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
[A] CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Taxation, Extra ordinary item and minority interests	(28,744,658.44)	16,942,716.78
Adjustment for		
- Depreciation	2,096,893.37	2,478,657.84
- Miscellaneous Expenditure Written Off	8,761.80	8,761.80
- Loss/ (Profit) on Sale of Investments (Net)	7,526,958.36	(36,612,348.29)
- Write off / Diminution in value of Investments and Stock-in-Trade (Net)	11,206,004.02	13,255,449.27
- Dividend Income on Investments	(805,068.75)	(976,156.75)
- Provision / (Write back of provision) for Sub-Std Asset	(3,588,491.00)	(207,940.54)
- Interest Paid	247,881.47	324,268.00
- Profit/ Loss on sale of fixed assets/Inventories	(25,699.03)	(95,333.60)
	16,667,240.24	(21,824,642.27)
Prior Period Expenses & Extraordinary Items	(166,845.57)	(8,046.06)
Operating Profit before Working Capital Changes	(12,244,263.77)	(4,889,971.55)
Adjustment for		
- Stock of Shares & Securities	7,311,786.29	(9,743,581.35)
- Trade and Other Receivables	10,978,594.46	(17,365,336.57)
- Trade and Other Payables	(523,823.21)	(4,170,204.44)
	17,766,557.54	(31,279,122.36)
	5,522,293.77	(36,169,093.91)
Less : Direct Tax Paid	(2,560,123.82)	(5,274,041.00)
NET CASH FROM OPERATING ACTIVITIES	2,962,169.95	(41,443,134.91)
[B] CASH FLOW FROM INVESTING ACTIVITIES		
- Purchase of Fixed Assets	(650,907.00)	(1,769,282.00)
- Purchase of Investments	(22,484,189.45)	(229,199,629.91)
- Sale of Investments	22,674,549.90	262,058,677.07
- Dividend Received on Investments	805,068.75	976,156.75
- Sale of Fixed Assets	410,161.00	2,500,600.00
NET CASH FROM INVESTING ACTIVITIES	754,683.20	3,456,652.91
[C] CASH FLOW FROM FINANCING ACTIVITIES		
- Secured Loan Taken/(Repaid)	186,284.08	(3,965,190.74)
- Unsecured Loan Taken/(Repaid)	-	(500,000.00)
- Interest Paid	(247,881.47)	(324,268.00)
NET CASH FROM FINANCING ACTIVITIES	(61,597.39)	(4,789,458.74)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	3,655,255.76	(11,666,071.74)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	24,266,316.64	35,932,388.38
CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR	27,921,572.40	24,266,316.64

NOTES:-

Figures in brackets represent cash outflows.

As per our report of even date for V.K. Dhingra & Co. Chartered Accountants

(V.K. Dhingra)
Partner

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Place : New Delhi
Dated : August 31, 2009

**Schedules Annexed to and forming part of
Consolidated Balance Sheet of Mefcom Capital Markets Ltd. and its
Subsidiaries as at 31st March, 2009**

	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
SCHEDULE 'A' - SHARE CAPITAL		
Authorised		
1,00,00,000 Equity Shares of Rs. 10/- each	<u>100,000,000.00</u>	<u>100,000,000.00</u>
Issued and Subscribed Capital		
81,40,168 Equity Shares of Rs. 10/- each	<u>81,401,680.00</u>	<u>81,401,680.00</u>
Paid-up Capital		
81,40,168 Equity Shares of Rs. 10/- each fully paid up	<u>81,401,680.00</u>	<u>81,401,680.00</u>
T O T A L	<u><u>81,401,680.00</u></u>	<u><u>81,401,680.00</u></u>
SCHEDULE 'B' - RESERVES AND SURPLUS		
- Capital Reserve	12,916,689.50	12,916,689.50
- Profit on reissue of forfeited shares	26,771.33	26,771.33
- Arised on Consolidation	108,797,839.00	108,797,839.00
- Share Premium Account	700,000.00	700,000.00
- Special Reserve	<u>122,441,299.83</u>	<u>122,441,299.83</u>
T O T A L	<u><u>122,441,299.83</u></u>	<u><u>122,441,299.83</u></u>
SCHEDULE 'C' - SECURED LOANS		
- From Bank	372,578.00	186,293.92
(Secured against Hypothecation of vehicle)		
T O T A L	<u><u>372,578.00</u></u>	<u><u>186,293.92</u></u>

SCHEDULE 'D' - FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS ON 01.04.2008 (Rs.)	ADDITIONS DURING THE YEAR (Rs.)	SALES/ADJ. DURING THE YEAR (Rs.)	TOTAL ASON 31.03.2009 (Rs.)	UPTO 31.03.2008 (Rs.)	FORTHE YEAR (Rs.)	ADJUSTMENT FOR THE YEAR (Rs.)	TOTAL ASON 31.03.2009 (Rs.)	AS AT 31.03.2009 (Rs.)	AS AT 31.03.2008 (Rs.)
Stock Exchange Membership*	210,000.00	-	-	210,000.00	-	-	-	-	210,000.00	210,000.00
Computers	8,585,146.61	-	-	8,585,146.61	6,444,532.23	848,503.67	-	7,293,035.90	1,292,110.71	2,140,614.38
Furniture & Fixtures	4,141,290.88	11,100.00	360,161.00	3,792,229.88	1,559,220.27	381,368.99	-	1,940,589.26	1,851,640.62	2,582,070.61
Office Equipments	3,076,032.82	65,200.00	-	3,141,232.82	1,648,536.12	206,000.76	-	1,854,536.88	1,286,695.94	1,427,496.70
Vehicles	2,637,000.00	540,407.00	364,678.00	2,812,729.00	1,691,875.45	280,672.04	340,377.03	1,632,170.46	1,180,558.54	945,124.55
Software	812,730.00	34,200.00	-	846,930.00	190,635.88	279,435.91	-	470,071.79	376,858.21	622,094.12
Leased Premises Development	924,398.17	-	-	924,398.17	218,013.32	100,912.00	-	318,925.32	605,472.85	706,384.85
TOTAL	20,386,598.48	650,907.00	724,839.00	20,312,666.48	11,752,813.27	2,096,893.37	340,377.03	13,509,329.61	6,803,336.87	8,633,785.21
Previous Year	38,288,356.12	1,769,282.00	19,671,039.64	20,386,598.48	10,826,226.67	2,478,657.84	1,552,071.24	11,752,813.27	8,633,785.21	27,462,129.45

* Refer Accounting Policy 3(c) (iii) in Schedule 'N'.

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

**Schedules Annexed to and forming part of
Consolidated Balance Sheet of Mefcom Capital Markets Ltd. and its
Subsidiaries as at 31st March, 2009**

SCHEDULE 'E' - INVESTMENTS OTHER THAN TRADE

	FACE VALUE	AS AT 31.03.2009		FACE VALUE	AS AT 31.03.2008	
		QTY.	AMOUNT (Rs.)		QTY.	AMOUNT (Rs.)
Long Term Investments:						
Unquoted - At Cost - Fully Paid up shares						
Delhi Stock Exchang Asso. Ltd.	1	40,000	40,000.00	1	40,000	40,000.00
Bombay Stock Exchange Ltd.	1	70,694	7,074,838.00	1	5,438	7,074,838.00
Jaipur Stock Exchange Limited	1	324,500	5,841,000.00	1	324,500	5,841,000.00
Total (A)			12,955,838.00			12,955,838.00
Current Investments:						
Quoted - At Lower of Cost or Market Price - Fully Paid up shares						
Banswara Syntex Ltd.	10	199,150	10,243,275.00	10	199,150	10,243,275.00
Bartronics India Ltd.	10	1,250	280,911.60		-	-
Dhanus Technologies Ltd.	10	2,000	353,060.00		-	-
Dhampur Sugar Ltd.	10	9,900	428,526.00		-	-
DCM Shriram Consolidated Ltd	2	9,000	943,617.40	2	10,000	1,048,463.78
Gujarat Borosil Ltd.	5	15,000	399,742.95	5	50,000	1,267,361.07
GSS America Infotech Ltd.	10	1,000	264,322.30		-	-
HEG Ltd.	10	1,500	394,111.88		-	-
Himachal Futuristic Ltd.	10	100,000	5,133,156.30	10	100,000	5,133,156.30
ILFS Investmart Ltd.	10	1,000	198,100.00		-	-
Indraprastha Medical Corp. Ltd.	10	6,000	165,780.00		-	-
Jay Pee Hotels Ltd.	10	10,000	2,370,625.65	10	10,000	2,370,625.65
Jenson & Nicholson Ltd.	2	30,000	635,662.00	2	68,000	1,356,031.47
Jindal Saw Ltd.		-	-	10	2,000	1,815,305.40
Jindal Stainless Ltd.	10	8,000	1,771,760.00	10	10,000	2,214,700.00
Kaveri Telecom Products Ltd.	10	750	173,422.50		-	-
Lakshmi Vilas Bank Ltd.		-	-	10	5,000	690,145.30
LKP Merchant Fin. Ltd.	10	52,827	6,630,917.95	10	52,827	6,630,917.95
Manglam Cement Ltd.	10	10,000	2,008,903.88	10	10,000	2,008,903.88
Mercator Lines Ltd.	1	10,000	1,506,567.20	1	10,000	1,506,567.20
Mega Soft Ltd.	10	2,500	219,600.00		-	-
The Motor & General Finance Ltd.	10	2,000	82,279.10		-	-
MIC Electronics Ltd.	2	1,500	208,254.35		-	-
Mysore Cements Ltd.	10	31,614	2,022,880.04	10	50,000	3,134,724.70
Jayaswal Neco Ind. Ltd.	10	8,000	558,482.05	10	20,000	1,396,204.95
Nocil Ltd.	10	20,000	999,790.35	10	40,000	1,731,371.05
Orbit Corporation Ltd.	10	750	398,460.00		-	-



	AS AT 31.03.2009			AS AT 31.03.2008		
	FACE VALUE	QTY.	AMOUNT (Rs.)	FACE VALUE	QTY.	AMOUNT (Rs.)
Oswal Chemicals Ltd.	10	10,000	654,231.68	10	20,000	1,308,463.35
Petronet LNG Ltd.		-	-	10	10,000	1,135,044.00
Royal Orchid Hotels Ltd.	10	4,800	426,672.00		-	-
Satyam Computers Services Ltd.	2	20,000	1,032,264.60		-	-
Shaw Wallace Ltd.	10	5,000	2,273,477.45	10	8,000	3,637,563.92
Sonata Software Ltd.	1	5,000	155,150.00		-	-
Tanla Solutions Ltd.	1	1,000	209,110.00		-	-
Tata Steel Ltd.(CCPS)	100	5,220	522,000.00	100	5,220	522,000.00
Tata Steel Ltd.		-	-	10	1,069	320,700.00
Tata Tele Ltd.		-	-	10	20,000	1,079,629.05
Tele Data Info Ltd.		-	-	2	1,250	39,378.75
UCO. Bank Ltd.		-	-	10	10,000	482,923.50
Vipul Ltd.		-	-	2	2,000	481,146.17
Zenith Infotech Ltd.	10	500	172,170.00		-	-
			<u>43,837,284.23</u>			<u>51,554,602.44</u>
Unquoted - At Cost - Fully Paid up shares						
Tele Data Marine Solutions Ltd.	10	625	19,689.37	10	625	19,689.37
Tele Data Technology Solutions Ltd.	10	625	19,689.38	10	625	19,689.38
Sub Total			<u>43,876,662.98</u>			<u>51,593,981.19</u>
Less: Provision for Diminution in value of Current Investments			<u>30,469,303.00</u>			<u>19,263,580.74</u>
Total (B)			<u>13,407,359.98</u>			<u>32,330,400.45</u>
Total (A+B)			<u>26,363,197.98</u>			<u>45,286,238.45</u>
A. Aggregate of Quoted Investments						
- At Cost Price			43,837,284.23			51,554,602.44
- At Market Price			13,367,981.70			33,309,784.10
B. Aggregate of Unquoted Investments						
- At Cost Price			12,995,216.75			12,995,216.75

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

**Schedules Annexed to and forming part of
Consolidated Balance Sheet of Mefcom Capital Markets Ltd. and its
Subsidiaries as at 31st March, 2009**

		AS AT 31.03.2009		AS AT 31.03.2008	
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
SCHEDULE 'F' - CURRENT ASSETS, LOANS AND ADVANCES					
1	CURRENT ASSETS				
	a) Stock in Trade				
	- Shares and Securities		41,073.44		7,353,141.49
	(At cost or market value, whichever is lower)				
	(As taken, verified and valued by the management)				
	(As per Schedule F-1)				
	TOTAL		<u>41,073.44</u>		<u>7,353,141.49</u>
	b) Sundry Debtors				
	(Unsecured consider good)				
	- Debts Outstanding for a period exceeding six months	19,678,882.98		157,408.46	
	- Other Debts	5,503,090.11	25,181,973.09	24,263,127.04	24,420,535.50
	TOTAL		<u>25,181,973.09</u>		<u>24,420,535.50</u>
	c) Cash & Bank Balances				
	- Cash in Hand		151,933.73		569,895.73
	- Balances with Scheduled Bank				
	- in Current Accounts	22,571,613.58		20,081,597.12	
	- in Fixed Deposit including interest accrued thereon (Under Bank Lien)	5,198,025.09	27,769,638.67	3,614,823.79	23,696,420.91
	TOTAL		<u>27,921,572.40</u>		<u>24,266,316.64</u>
	d) Other Current Assets				
	- Properties acquired in satisfaction of Loans & Advances (At Cost)	-		7,176,982.00	
	Less : Provision for diminution in value	-		3,588,491.00	3,588,491.00
	- Others		166,500.00		166,500.00
	TOTAL		<u>166,500.00</u>		<u>3,754,981.00</u>
2	LOANS & ADVANCES				
	(Unsecured Considered Good)				
	- Advances Recoverable in cash or in kind or for value to be received		5,707,433.15		3,646,186.66
	- Other Advances		5,892,733.04		11,848,419.18
	- Security Deposits				
	- Due from Director (For Lease Premises)		5,500,000.00		-
	- Due from Others		11,839,510.59		18,008,120.99
	- Advance Tax /Tax Deducted at Source		4,767,251.91		4,213,566.69
	TOTAL		<u>33,706,928.69</u>		<u>37,716,293.52</u>

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

**Schedules Annexed to and forming part of
Consolidated Balance Sheet of Mefcom Capital Markets Ltd. and its
Subsidiaries as at 31st March, 2009**

SCHEDULE 'F-1' - SHARES & SECURITIES HELD AS STOCK-IN-TRADE

(at lower of cost or market value)

	AS AT 31.03.2009		AS AT 31.03.2008	
	Qty.	(Rs.)	Qty.	(Rs.)
Shares (Quoted)				
State Bank of Bikaner & Jaipur	200	39,230.00	20	47,200.00
Astral Poly Techil Ltd.	-	-	500	79,750.00
Compact Disc India Ltd.	-	-	2,750	178,062.50
Karuturi Global Ltd.	-	-	1,000	177,550.00
Kaveri Telecom Products Ltd.	-	-	1,650	182,789.08
Kemrock Industries & Exp. Ltd.	-	-	250	124,244.70
KLG Systel Ltd.	-	-	500	280,100.00
Vishvas Projects Ltd.	50	115.50	50	467.50
Megasoft Ltd.	-	-	2,250	196,987.50
Mold Tek Technologies Ltd.	-	-	2,250	168,637.50
Orbit Corporation Ltd.	-	-	1,900	611,212.21
Refex Refrigerants Ltd.	-	-	750	109,900.50
Shiv-Vani Oil & Gas Exploration Services Ltd.	-	-	500	261,975.00
Tata Steel Ltd.	3	617.70	3	900.00
Tata Steel Ltd. CCPS	32	1,061.44	32	3,200.00
Tanla Solutions Ltd.	-	-	1,000	478,082.50
Tilak Nagar Industries Ltd.	-	-	750	110,587.50
Zenith Infotech Ltd.	-	-	500	156,175.00
Alebic Ltd.	-	-	5,000	277,250.00
Appollo Tyres Ltd.	-	-	5,000	206,000.00
Dhampur Sugar Mills Ltd.	-	-	9,900	465,795.00
Fortis Health Care Ltd.	-	-	5,000	406,000.00
IL & FS Invest - Marts Ltd.	-	-	2,000	238,400.00
Indraprastha Medical Ltd.	-	-	10,000	310,000.00
Raymond Ltd.	-	-	1,500	446,475.00
Religare Enterprises Ltd.	-	-	2,000	741,100.00
Royal Orchid Hotels Ltd.	-	-	5,000	459,250.00
Srei Infrastructure Finance Ltd.	2	48.80	-	-
Torrent Power Ltd.	-	-	4,000	450,800.00
UCO Bank	-	-	5,000	184,250.00
TOTAL	287	41,073.44	71,055	7,353,141.49
Aggregate Cost (Quoted)		52,098.06		11,478,482.91
Aggregate Market Value of Quoted Shares		41,073.44		7,353,141.49

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

**Schedules Annexed to and forming part of
Consolidated Balance Sheet of Mefcom Capital Markets Ltd. and its
Subsidiaries as at 31st March, 2009**

	AS AT 31.03.2009		AS AT 31.03.2008	
	Qty.	(Rs.)	Qty.	(Rs.)
<u>SCHEDULE 'G' - CURRENT LIABILITIES AND PROVISIONS</u>				
A CURRENT LIABILITIES				
a) Sundry Creditors				
- Due to Micro & Small Enterprises		-		-
- Others	<u>17,314,848.74</u>	17,314,848.74	<u>11,962,511.41</u>	11,962,511.41
b) Other Liabilities		3,508,950.62		5,280,490.25
c) Advance from Customer		149,760.00		399,760.00
c) Expenses Payable		288,094.87		674,863.16
d) Security Deposit		4,183,611.49		7,651,464.11
TOTAL (A)		<u><u>25,445,265.72</u></u>		<u><u>25,969,088.93</u></u>
B PROVISIONS				
For Taxation		131,710.00		1,994,340.00
TOTAL (B)		<u><u>131,710.00</u></u>		<u><u>1,994,340.00</u></u>
TOTAL (A + B)		<u><u>25,576,975.72</u></u>		<u><u>27,963,428.93</u></u>
<u>SCHEDULE 'H' - MISCELLANEOUS EXPENDITURE</u>				
(To the extent not written off or adjusted)				
Preliminary Expenses		29,832.60		34,094.40
Deferred Revenue Expenditure		-		4,500.00
TOTAL		<u><u>29,832.60</u></u>		<u><u>38,594.40</u></u>
<u>SCHEDULE 'I' - PROFIT & LOSS ACCOUNT</u>				
Debit Balance in Profit & Loss Account		119,645,280.88		92,740,647.08
Less: Balance in General Reserve		1,100,000.00		1,100,000.00
TOTAL		<u><u>118,545,280.88</u></u>		<u><u>91,640,647.08</u></u>

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

**Schedule Annexed to and forming Part of Consolidated
Profit And Loss Account of Mefcom Capital Markets Ltd. and its
Subsidiaries and Associates for the year ended 31st March, 2009**

	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
<u>SCHEDULE 'I' - INCOME FROM OPERATION</u>		
Merchant Banking Fee Received	2,025,000.00	38,131,350.00
Less: Merchant Banking Fee Paid	-	24,613,195.00
Profit on Sale of Share and Securities	(10,156,238.54)	13,518,155.00
Brokerage Income from Primary Market	13,352.54	2,251.05
Brokerage Income from Secondary Market	4,832,321.85	13,153,624.10
Dividend Income	805,069.15	976,156.75
Profit/(Loss) on Trading in Commodity Derivatives	-	(6,818.60)
Brokerage from Dealing in Commodity Exchange	-	198,896.05
T O T A L	<u>(2,480,495.00)</u>	<u>60,300,162.56</u>
<u>SCHEDULE 'K' - OTHER INCOME</u>		
Recovery from bad debts written-off	525,765.28	600,000.00
Interest Earned (Gross) (TDS: Rs2,77,674.98) (P.Y. : Rs.97,388.47)	1,300,511.59	661,278.54
Unclaimed Liabilities written back	-	351.69
Misc. Income	1,520,614.90	3,903,401.48
Profit / Loss on sale of Fixed Assets	25,699.03	95,333.60
Profit on Maturity of Chit	-	73,250.00
T O T A L	<u>3,372,590.80</u>	<u>5,333,615.31</u>
<u>SCHEDULE 'L' - PERSONNEL, ADMINISTRATIVE & OTHER EXPENSES</u>		
Salaries & Allowances	4,325,839.00	6,995,192.00
Contribution to PF and other Funds	95,257.00	100,403.00
Bank Charges	111,757.89	129,250.72
Travelling and Conveyance	342,934.79	1,167,618.26
Fees and Subscription	762,402.61	838,627.00
Professional & Consultancy Charges	1,791,571.95	6,139,534.00
Auditor's Remuneration (including Service Tax wherever applicable)		
- Audit Fee	78,800.00	78,800.00
- Tax Audit Fee	11,700.00	11,700.00
- Other Matters	44,364.00	15,324.00
Printing and Stationary Expenses	159,973.30	740,053.00
Postage & Telephone Expenses	366,874.20	667,539.41
Advertisement & Marketing Expenses	68,678.00	651,228.64
Business Promotion Expenses	118,969.24	135,061.49
Electricity & Water Expenses	502,093.00	612,842.00
Rent	2,731,813.00	1,543,560.00
Insurance Expenses	69,081.30	80,915.00
Other Expenses	755,962.63	1,327,318.02
Repair and Maintenance (General)	1,143,811.39	1,006,139.64

**Schedule Annexed to and forming Part of Consolidated
Profit And Loss Account of Mefcom Capital Markets Ltd. and its
Subsidiaries and Associates for the year ended 31st March, 2009**

	FOR THE YEAR ENDED 31.03.2009 (Rs.)	FOR THE YEAR ENDED 31.03.2008 (Rs.)
Director's Remuneration	3,504,839.00	2,284,000.00
Directors' Sitting Fees	5,000.00	3,000.00
Depository Charges	64,483.89	540,250.10
Stock Exchange Charges	1,040,831.60	3,031,166.83
Staff Welfare	142,515.00	95,261.00
Securities Transaction Tax	797,515.24	2,762,498.08
Donations	66,000.00	-
Connectivity Charges	45,152.00	191,833.00
Sebi Turnover fees	25,707.00	750.00
Penalty Charges	2,300.00	27,164.00
Bad Debts Written off	362,308.41	781,885.56
Guest House Expenses	-	150,000.00
Pledge Charges	-	32,945.00
Claims & Settlements	-	125,000.00
Commodity Exchange Charges	51,783.10	-
F.O Clearing Charges (NSE)	75,386.04	292,918.48
T O T A L	<u>19,665,704.58</u>	<u>32,559,778.23</u>

SCHEDULE 'M' - PROVISIONS & WRITE OFFS

Provision for Diminution in value of		
- Stock in Trade	281.76	3,382,378.40
-Current Investments	11,205,722.26	11,077,015.98
-Long Term Investments	-	(973,825.61)
Provision for Substandard Assets	(3,588,491.00)	(207,940.54)
T O T A L	<u>7,617,513.02</u>	<u>13,277,628.23</u>

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Schedule Annexed to and forming part of Consolidated Financial Statements of Mefcom Capital Markets Limited and its Subsidiaries for the year ended on 31st March, 2009

SCHEDULE 'N' - SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. Group Companies

Consolidated financial statements comprise the financial statements of Mefcom Capital Markets Ltd. being parent company and its three subsidiaries, all incorporated in India, as listed below:-

S. No.	Name of Company	Relationship	Proportion (%) of shareholding as on 31.03.2009	Proportion (%) of shareholding as on 31.03.2008
1.	Mefcom Securities Ltd.	Subsidiary	60.00	60.00
2.	Mefcom Infrastructure Projects Ltd.	Subsidiary	100.00	100.00
3.	Mefcom Commodity Brokers Ltd.	Wholly owned Subsidiary of Mefcom Securities Ltd.	60.00	60.00

2. Principles applied for Consolidation of Financial Statements

- a) The Financial Statements of the parent company and the subsidiaries have been combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions including unrealised profits in full as per Accounting Standard-21 on 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India (ICAI).
- b) Accounting Policies between group companies are consistent.
- c) The excess of cost to parent company of its investment in subsidiaries, over its portion of equity is recognised in the financial statements as Goodwill. The excess of parent company's portion of equity of the subsidiaries and associates, over cost of its investment is treated as Capital Reserve. This has been calculated, presuming such investments being made on the last date of the respective years, irrespective of the actual date of such investments.
- d) The results of operations of a subsidiary are included in the consolidated statements of Profit and Loss until the date of cessation of the parent-subsidiary relationship. Wherever it is impracticable it is presumed that the cessation of such relation has taken place on the first day of the accounting period.

3. Significant Accounting Policies

a) Basis for Preparation of Financial Statements

The Consolidated Financial Statements of the group have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the mandatory accounting standards and the provisions of the Companies Act, 1956 and other applicable laws.

b) Fixed Assets

All fixed assets are valued at historical cost less accumulated depreciation.

c) Depreciation

- i) Software are amortised in three years on straight line method on pro-rata basis.
- ii) Depreciation on other assets has been provided on the written down value basis at rates provided by Schedule XIV to the Companies Act, 1956 on pro-rata basis.

iii) No depreciation is provided on Stock Exchange Membership.

d) Investments

- i) Investments in shares, debentures and other securities are classified into 'Current Investments' and 'Long Term Investments'.
- ii) Long Term Investments are valued at cost. Adequate provision is made for a decline, other than temporary, in the value of Long Term Investments.
- iii) Current Investments i.e. the investments, which are not intended to be held for more than one year, are carried at lower of cost or market price. Where no market quotes are available the investments are valued at rupee one per company. Shortfall in the book value as compared to market value of investments, in each category, is charged to Profit & Loss Account.
- iv) Cost is arrived at on FIFO basis.
- v) Costs of Bonus Shares acquired are taken as 'Nil'.

e) Inventories

- i) Stock of Shares and Securities
Shares and securities intended to be held for less than one year and considered as stock-in-trade are valued at lower of cost or market price. Where no market quotes are available, value is taken at rupee one per Company.
Cost is arrived on FIFO basis. Costs of Bonus Shares acquired are taken as Nil.
- ii) Stock on Hire Purchase
Stock on hire purchase is stated at total amount due as per respective agreements less unaccrued financial charges.
- iii) Commodities
Stock of commodities are valued at cost or net realizable value, whichever is lower.

f) Provision for sub-standard and Doubtful Advances

Provision for sub-standard and doubtful advances, leased assets and sundry debtors has been made in accordance with the prudential norms prescribed by Reserve bank of India.

g) Revenue Recognition

- i) In accordance with the prudential norms prescribed by the Reserve Bank of India, the Hire Purchase Income,

- Leasing Income and interest on loans and advances are not recognised on non-performing assets (NPA) unless the same are actually realised.
- ii) Brokerage income from Secondary Market operations is recognised on completion of issuance of bill.
 - iii) Brokerage Income from Primary Market Operations is recognised of the stage of completion of assignments / as per the terms of related agreements.
 - iv) Portfolio management service incomes are recognized on the basis of agreements entered into with clients and when the right to receive the income is established.
- h) Amortisation of Miscellaneous Expenditure**
Share Issue Expenses, Preliminary Expenses and Deferred Revenue Expenses are written off over a period of ten years.
- i) Retirement Benefits**
 - i) Contribution to Provident Fund and Family Pension Fund are provided for on accrual basis and deposited in the Employees Provident Fund Account(s) administrated by the Central Government.
 - ii) Gratuity is accounted for on cash basis.
 - iii) The value of unutilised leaves due to employees at the end of the year has been provided for / paid.
 - j) Taxes on Income**
 - i) Current Tax is provided in accordance with the applicable provisions of Income Tax Act, 1961.
 - ii) Deferred Tax Assets and Liabilities are measured using the tax rates and laws that have enacted or substantively enacted by the Balance Sheet Date. Deferred Tax Assets are recognised and carried forward only if there is a reasonable / virtual certainty of its realisation.
- 4. Contingent Liabilities**
- a) Unpaid calls on Investments : Rs. 1,25,02,500/- (Previous Year: Rs.1,25,02,500/-)
 - b) Disputed demand under Income Tax Act, 1961 : Rs. 9,05,848/- (Previous Year :Rs 9,05,848/-).
 - c) Corporate Guarantee issued to the banker of Mefcom Securities Ltd. (subsidiary company) for securing guarantee issued by their banker : Rs. 1,00,00,000/- (Previous Year : Rs.1,00,00,000/-).
 - d) Guarantees given by Banks to Stock Exchanges for Rs. 70,00,000/- (Previous Year: Rs.70,00,000/-) against pledging of FDRs of Rs. 35,26,452.15 (Previous Year: Rs. 35,26,813.79).
5. In the opinion of the management, Current Assets, Loans and Advances shall have a value on realisation in the ordinary course of business atleast equal to the amount at which they are stated in the Balance Sheet and provision for all known liabilities have been made and contingent liabilities have been disclosed properly.
- 6. Provision for Taxation**
- a) Provision for income-tax has been made in accordance with provisions of the Income-tax Act, 1961.
 - b) The group companies have unabsorbed depreciation and carry forward losses under tax laws. In absence of virtual certainty of sufficient future taxable income, net deferred tax asset has not been recognised in accordance with the Accounting Standard-22 on Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India.
7. Balances of some of the parties are subject to confirmation.
8. Income / (Loss) from sale of Shares and Securities comprises of :
- i) Profit/(Loss) on trading in Shares/Securities(Net): Rs. 16,68,269.27 (Previous Year Rs.1,07,17,711.02)
 - ii) Profit/(Loss) on sale of Long Term Investments (Net) Rs. Nil (Previous Year: Rs. 1,44,93,459.39)
 - iii) Profit/(Loss) on sale of Current Investments (Net) (Rs.75,26,958.36) (Previous Year: Rs. 2,59,43,814.18)
 - iv) Profit/ (Loss) on trading in Equity/Index derivatives (Net) : Rs.(42,97,549.45) (Previous Year Rs.(1,86,97,086.38))
 - v) Dividend Income comprises of, dividend received on shares held as:
 - a) Long Term Investments : Rs. 1,63,140.00 (Previous Year : Rs . Nil)
 - b) Current Investments : Rs. 6,23,034.10 (Previous Year : Rs. 8,73,441.50)
 - c) Stock-in-Trade : Rs. 18,895.05 (Previous Year : Rs. 1,02,715.25)
9. 'Special Reserve' represent, the reserve created as per the provisions of Section 45-IC of the Reserve Bank of India (Amendment) Act, 1998.
10. In the absence of information from the suppliers with regard to their registration with the specified authority, despite the Company calling for such information, the Company is unable to furnish the information as required under the Companies Act, 1956 and the Micro, Small and Medium Enterprises Development Act, 2006.
- 11. Directors' Remuneration**
- a) Rs. 35,04,839/- (Previous Year: Rs22,84,000/-) has been paid to the directors of group companies as a minimum remuneration in terms of resolution passed by shareholders read with the provisions of Schedule XIII to the Companies Act, 1956.
 - b) Some of the directors have waived-off their right to Sitting Fee.
- 12. Segment Reporting**
The company has considered business segment as the primary segment. Segments have been identified taking into account the nature of the activities, the differing risks and returns, the organisation structure and internal reporting system. There are no reportable geographical segment. Segment Revenue, Segment Results, Segment Assets and Segment Liabilities includes the respective amount identifiable to each segment and also amount allocated on a reasonable basis. Assets, Liabilities, Income and Expenses that can not be allocated between the segments are shown as part of Unallocable Assets, Liabilities, Incomes and Expenses respectively. Segment wise information is as under:-

Particulars	Investments in Share & Securities (Rs.)	Trading in Shares / Securities (Rs.)	Equity/ Index Derivatives (Rs.)	Dealing in Commodity Exchange (Rs.)	Financing (Rs.)	Brokerage (Rs.)	Merchant Banking Service (Rs.)	Total (Rs.)
Revenue								
External revenue	(6903923)	1834252	(4297549)	-	1456083	4845674	2052089	(1013374)
	40959078	11171703	(18697086)	236694	867038	13155875	13528155	61221458
Result								
Segment Result	(18465334)	143825	(4396576)	(241370)	5011574	(2646880)	1270727	(19324034)
	31054362	(1657944)	(18697086)	(133109)	842039	3983672	7767834	23159768
Unallocated Exp. net of unallocated income	-	-	-	-	-	-	-	(9551975)
	-	-	-	-	-	-	-	9147676
Net Profit / (Loss) before Prior Period Adjustments	-	-	-	-	-	-	-	(28876009)
	-	-	-	-	-	-	-	14012092
Other Information								
Segment Assets	31363198	41074	-	980647	-	58724171	132093	91241183
	65503620	7353141	-	1383619	4644463	55518648	499909	134903400
Unallocated Assets	-	-	-	-	-	-	-	39450935
	-	-	-	-	-	-	-	27044195
Segment Liabilities	1351	696	-	6817	-	24775843	179760	24964467
	-	-	-	843	-	21078040	874391	21953274
Unallocated Liabilities	-	-	-	-	-	-	-	685086
	-	-	-	-	-	-	-	6196449

Figures in Bold indicates Current Year.

13. **Related Party Disclosure**

Related Party Disclosure in accordance with the Accounting Standards (AS-18) on 'Related Party Disclosures' issued by the Institute of Chartered Accountant of India are as under :

i) **Related Parties :**

Key Management Personnel	Entities over which Key Management Personnel can exercise significant influence
Mr. Vijay Mehta - Chairman	IKMA Infoway Pvt. Ltd. Vijay Mehta & Son (HUF)
Mr. T.R. Khare - Director	
Relatives:	
Ms. Priyanka Mehta - Daughter of Mr. Vijay Mehta	
Mr. Karan Mehta - Son of Mr. Vijay Mehta	
Mrs. Indu Mehta - Wife of Mr. Vijay Mehta	

ii) **Summary of Transactions with Related Parties :**

Nature of Transaction	Key Personnel (Rs.)	Relatives (Rs.)	Entities over which key management personnel can exercise significant influence (Rs.)	Total (Rs.)
Remuneration Paid				
-Mr. Vijay Mehta	30,00,000	-	-	30,00,000
	18,64,000	-	-	18,64,000
-Mr. T.R. Khare	3,34,839	-	-	3,34,839
	2,40,000	-	-	2,40,000
-Mr. Karan Mehta	-	1,55,000	-	1,55,000
	-	1,80,000	-	1,80,000
Rent Paid				
-Mr. Vijay Mehta	24,76,813	-	-	24,76,813
	14,41,560	-	-	14,41,560

Nature of Transaction	Key Personnel (Rs.)	Relatives (Rs.)	Enterprise over which key management personnel can exercise significant influence (Rs.)	Total (Rs.)
Security Deposit (Rent) - Mr. Vijay Mehta	55,00,000	-	-	55,00,000
Interest Earned on Loan - Mr Vijay Mehta	21,473	-	-	21,473
Advances Given - Vijay Mehta & Son (HUF)	-	-	2,45,000	2,45,000
Refund of Advances Given - Vijay Mehta & Son (HUF)	-	-	2,45,000	2,45,000
Unsecured Loan Given -Mr Vijay Mehta	30,00,000	-	-	30,00,000
Loan Refund -Mr Vijay Mehta	30,00,000	-	-	30,00,000
Loan Received - Ms. Priyanka Mehta	-	37,50,000	-	37,50,000
Loan Repayment - Ms. Priyanka Mehta	-	37,50,000	-	37,50,000
Profit/(Loss) on Sale of Shares (Net) Non-Delivery -Mr. Karan Mehta	-	5,016 646	-	5,016 646
Profit/(Loss) on Dealing in Derivatives -Mr. Vijay Mehta	(5,98,591)	-	-	(5,98,591)
Purchase of Shares -Mr. Vijay Mehta	5,49,600 13,19,598	-	-	5,49,600 13,19,598
-Mrs. Indu Mehta	-	3,30,925 4,15,068	-	3,30,925 4,15,068
-Ms. Priyanka Mehta	-	22,430	-	22,430
-Mr. Karan Mehta	-	47,18,868	-	47,18,868
-IKMA Estate Pvt. Ltd.	-	5,13,067 45,99,589	29,560	5,13,067 45,99,589 29,560
Sale of Shares -IKMA Estate Pvt. Ltd.	-	-	90,504	90,504
-Mr. Vijay Mehta	16,67,306	-	-	16,67,306
Mrs. Indu Mehta	-	11,64,093	-	11,64,093
-Ms. Priyanka Mehta	-	24,55,200	-	24,55,200
-Mr. Karan Mehta	-	4,32,095 5,65,933	-	4,32,095 5,65,933
Balances payable	-	1,250	-	1,250
Balance Receivable	55,00,000	-	-	55,00,000

Figures in Bold indicates Current Year.

iii) There is no provision for bad and doubtful debt or amounts written off or written back during the year in respect of dues from or to related parties.

14. Earning per Share

In accordance with Accounting Standard - 20 on 'Earning Per Share' issued by The Institute of Chartered Accountants of India, the Earning Per Share has been computed as under :

			2008-09	2007-08
a)	Net Profit / (Loss) @	(Rs.)	(2,69,04,633.80)	69,53,611.79
b)	Number of Equity Shares *	(Nos.)	8140168	8140168
c)	Nominal Value per Equity Shares	(Rs.)	10.00	10.00
d)	Earning Per Share (Basic & Diluted)	(Rs.)	(3.31)	0.85

@ After taking into account share of Profit/Loss of associate and minority interest in subsidiary company's Profits/(Losses).

* There were no potential equity shares and there was no change in Share Capital during the year.

15. Employees Benefits :

i. **Defined Contribution Plan**

Contribution to Provident Fund : Rs. 95,257/- (Previous Year : Rs. 1,00,403/-)

ii. **Defined Benefit Plan**

a) As per consistent practice, gratuity is provided on cash basis. During the year no gratuity was paid.

b) The company has a practice of making payments against encashment of unavailed leaves on annual basis. No unavailed leaves were outstanding as at the beginning and at the end of the year. No payment of leave encashment has been made to any employee during the year.

16. Previous year figures have been regrouped/rearranged wherever considered necessary.

Signatures to Schedules 'A' to 'N'.

for V.K. Dhingra & Co.
Chartered Accountants

(V.K. Dhingra)
Partner
M.No. : 014467

(Vijay Mehta)
Chairman

(T.R. Khare)
Director

Place : New Delhi
Dated : August 31,2009



ANNUAL GENERAL MEETING
MEFCOM CAPITAL MARKETS LIMITED

Regd. Office : 5th Floor, Sanchi Building, 77, Nehru Place, New Delhi-110019

Proxy Form

L.F. No. _____

No. of shares held. _____

DP. Id. _____

Client Id.* _____

I/We ;

Name(s) in full

Father's/Husband's

**Name & Address as Regd.
with the Company**

1. _____

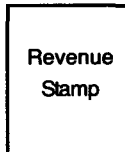
2. _____

3. _____

being a member/members of Mefcom Capital Markets Limited appoint _____ or falling him/her of _____ as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday, 30th September, 2009 at 11.30 A.M. at "IKMA Estate" E-15, Ansal Villas, Satbari, New Delhi - 110030 and at any adjournment thereof.

Signature of Proxy

Affix One Rupee Revenue Stamp.



Signature of the shareholder

Note : This Proxy Form, in order to be effective, should be duly stamped, completed and signed and must be deposited at the registered office of the Company, not less than 48 hours before the meeting.

MEFCOM CAPITAL MARKETS LIMITED

Regd. Office : 5th Floor, Sanchi Building, 77, Nehru Place, New Delhi-110019

Attendance Slip

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

Name(s) in full

Father's/Husband's

**Name & Address as Regd.
with the Company**

1. _____

2. _____

3. _____

I/We certify that I/we am/are member/Proxy for the Member of Mefcom Capital Markets Limited. I/We hereby record my/our presence at the Annual General Meeting of the Company on Wednesday, 30th September, 2009 at 11.30 A.M. at "IKMA Estate" E-15, Ansal Villas, Satbari, New Delhi - 110030

Signature of the shareholder/proxy**

1. _____

2. _____

3. _____

* Applicable for investors holding shares in electronic form.

** Strike out whichever is not applicable.

NO GIFT & SNACKS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING

Mefcom Capital Markets Limited

BOARD OF DIRECTORS	: Vijay Mehta, Chairman P. K. Rajgarhia Sham Nijhawan T. R. Khare R. K. Pandey Priyanka Mehta
AUDITORS	: V. K. Dhingra & Co. Chartered Accountants 1E/15, Jhandewalan Extn. New Delhi - 110 055
BANKERS	: HDFC Bank Oriental Bank of Commerce
SHARE REGISTRARS & TRANSFERS AGENTS	: Beetal Financial Computer Services Pvt. Ltd. 99, Beetal House, Madangir, New Delhi - 110 019
REGISTERED OFFICE	: 5th Floor, Sanchi Building 77, Nehru Place, New Delhi - 110 019

Mefcom Securities Limited

BOARD OF DIRECTORS	: Vijay Mehta, Chairman Shalendra Haruray T. R. Khare Karan Mehta
AUDITORS	: S. M. Gulati & Co. Chartered Accountants 307, Essel House, Asaf Ali Road, New Delhi - 110 002
BANKERS	: Bank of India HDFC Bank Oriental Bank of Commerce
REGISTERED OFFICE	: 5th Floor, Sanchi Building 77, Nehru Place, New Delhi - 110 019

Mefcom Commodity Brokers Limited

BOARD OF DIRECTORS	: Vijay Mehta T. R. Khare Karan Mehta
AUDITORS	: Bhatia & Associates Chartered Accountants Q-4/9, DLF Phase-II, Gurgaon, Haryana - 122 002
BANKERS	: HDFC Bank Oriental Bank of Commerce
REGISTERED OFFICE	: 5th Floor, Sanchi Building 77, Nehru Place, New Delhi - 110 019

Mefcom Infrastructure Projects Limited

BOARD OF DIRECTORS	: Vijay Mehta T. R. Khare Karan Mehta
AUDITORS	: Bhatia & Associates Chartered Accountants Q-4/9, DLF Phase-II, Gurgaon, Haryana - 122 002
BANKERS	: Oriental Bank of Commerce
REGISTERED OFFICE	: 5th Floor, Sanchi Building 77, Nehru Place, New Delhi - 110 019

MEFCOM

Group Companies

Mefcom Capital Markets Ltd.

Mefcom Securities Ltd.

Mefcom Commodity Brokers Ltd.

Mefcom Infrastructure Projects Ltd.

Group Memberships

NSE, BSE, DSE, MCX, NMCE, DGCX, AMFI, MBD

Registered and Corporate Office :

5th Floor, Sanchi Building, 77, Nehru Place, New Delhi-110 019

Phone : +91(11) 46500500 Fax : +91(11) 46500550, E-mail: invest@mefcom.in

Website : www.mefcom.in