

NOTES FORMING INTEGRAL PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018**1. CORPORATE INFORMATION**

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

2. BASIS OF PREPARATION OF ACCOUNTS

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified under section 133 of the companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statements has been prepared on the accrual basis and under the historical cost convention. The managements evaluate all recently issued or revised accounting standards on a going-concern basis.

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

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

During the year ended 31st March 2018, the Schedule III notified under the Companies Act, 2013, has become applicable to the company for the preparation and presentation of its Financial Statements. The adoption of revised Schedule III does not impact recognition and measurement principles followed for preparation of Financial Statements. However it has significant impact on the presentation and disclosures made in Financial Statements.

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

ii) USE OF ESTIMATES

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

iii) FIXED ASSETS**Tangible fixed assets**

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

The assets have been depreciated as per the Schedule-II, Part-C of The Companies Act, 2013 and life of assets has been taken as follows:-

Description of Asset	Estimated useful life as per schedule II
Air Conditioner	15
Computer & Hardware	3
Refrigerator	5

Intangible assets

The Company has neither acquired nor having any Intangible Assets as on the date of Balance Sheet.

iv) INVESTMENT

Investments are valued at cost.

v) REVENUE RECOGNITION

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

vi) TAX EXPENSES

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

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

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

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

vii) EVENTS OCCURRING AFTER BALANCE SHEET DATE:-

No significant events which could affect the financial position as on 31-03-2018 to a material extent have been reported by the assessee, after the balance sheet date till the signing of report.

viii) PRIOR PERIOD AND EXTRAORDINARY ITEMS:-

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

ix) EARNINGS PER SHARE

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

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

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

CONTINGENT LIABILITIES

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

CONTINGENT ASSETS

Contingent Assets are neither recognized nor disclosed.

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

xi) AUDITOR'S REMUNERATION

(In Rs.)

PARTICULARS	2017-18	2016-17
Auditors' Remuneration		
Statutory Audit Fee	25,000	25,000
In other capacity	-	-
TOTAL	25,000	25,000

xii) EARNING PER SHARE

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

PARTICULARS	2017-18	2016-17
Net Profit after Tax attributable to Equity Shareholders (Rs.)	2,34,694	2,56,784
Weighted Average number of Equity Shares	31,00,700	31,00,700
Basic Earnings per Share (Face Value Rs. 10) (Rs.)	0.0757	0.0828

xiii) RELATED PARTY DISCLOSURE

I. NAMES OF RELATED PARTIES:

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

Name	Designation
Mr. Apoorve Bansal	Managing Director
Mr. Manoj Kumar	Chief Financial Officer
Ms. Radhika Kathuria	Company Secretary

xiv) Segment information for the year ended 31st March, 2018 as per accounting standard issued by the institute of Chartered Accountants of India is as under. Previous year's figures are indicated in brackets.

Segment reporting	Rs. In Lacs			
	Sale	Loan	Unallocable	Total
Segment Revenue [External]	0 (0)	0 (0)	51.42 (50.61)	51.42 (50.61)
Segment Revenue [Internal]	-	-	-	-
Total Revenue	0 (0)	0 (0)	51.42 (50.61)	51.42 (50.61)
Segment Result [Profit/Loss before Depreciation, Amortization, Interest, Tax and Unallocable, Overheads, Financial Charges]	0 (0)	0 (0)	5.30 (3.68)	5.30 (3.68)
Less: Depreciation and Amortization	0 (0)	0 (0)	.29 (0)	.29 (0)
Less: Interest and Financial charges	0 (0)	0 (0)	0.01 (0.01)	0.01 (0.01)
Profit/Loss before taxation	0 (0)	0 (0)	5.00 (3.67)	5.00 (3.67)
Provision for taxation (Current)	0 (0)	0 (0)	1.25 (1.10)	1.25 (1.10)
Provision for Taxation (Deferred)	0 (0)	0 (0)	1.39 (0)	1.39 (0)
Net Profit after Tax	0 (0)	0 (0)	2.35 (2.57)	2.35 (2.57)

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

xv) In the opinion of the directors, current assets and advances have a value on realization in the ordinary course of the business at least equal to the amount at which these have been stated in the Balance Sheet.

xvi) Balances of Sundry Creditors/Debtors are subject to confirmation/reconciliation, which in the opinion of the management is not significant, adjustments, if any will be carried out as and when settled. However accounts have been reconciled on the basis of materiality.

xvii) There is no contingent liability as Certified by the management of the company.

xviii) All the known liabilities have been provided for and there are no disputed liabilities as confirmed by the management of the company.

In terms of our attached report of even date

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

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

Place: New Delhi
Dated: 18.05.2018

For and on behalf of

F Mec International Financial Services Limited

(Apoorve Bansal)
Managing Director
Din: 08052540

(Manoj Kumar)
Chief Financial Officer
PAN: AGOPT3174G

(Vishal Babbar)
Director
Din: 07772465

(Radhika Kathuria)
Company Secretary & Compliance Officer
M. No. : 53515