

Sipani & Associates

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MEGA CORPORATION LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Mega Corporation Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

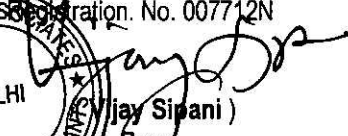
Opinion

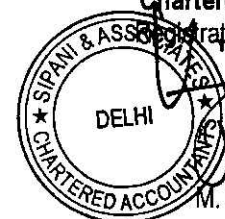
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (hereinafter referred to the "Order"), and on the basis of such checks of books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31st Mach, 2015 on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Delhi
Date : 29-05-2015

For Sipani & Associates
Chartered Accountants
Registration. No. 007712N

(Vijay Sipani)
Prop.
M. No. 083850



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ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of M/s Mega Corporation Limited on the standalone financial statements as of and for the year ended March 31, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) All fixed assets have been physically verified by the Management at reasonable intervals and as informed to us, no material discrepancies were noticed on such verification.
- II. The Company had no Inventory and as such Clause (ii) of the Companies (Auditor Report) Order, 2015 is not applicable.
- III. The company has granted unsecured loans to three companies covered in the register maintained under section 189 of the Companies Act. The company has not granted any secured/ unsecured loans to firms or other parties covered in the register maintained under section 189 of the Companies Act.
(a) In respect of the aforesaid loans, the parties are repaying principal amounts, as stipulated, and are also regular in payment of interest as applicable.
(b) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lakh.
- IV. In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for purchase of inventory and fixed assets and for sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- V. The company has not accepted any deposits as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- VI. As informed to us, the maintenance of Cost Records has not been prescribed by the Central Government under Section 148(1) (d) of the Companies Act, 2013.



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- VII. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of Undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and any other statutory dues have been generally regularly deposited with the appropriate authorities during the year.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax and cess, etc were outstanding as at March 31, 2015 for a period of more than six months from the date of their becoming payable.
- (c) *According to the information and explanations given to us and records of the Company examined by us, the Company has not deposited disputed Income Tax demand of Rs. 133.34 Lacs relating to A.Y. 2006-07. The Company's appeal is pending for adjudication before ITAT, Delhi.*
- (d) According to the information and explanations given to us, the Company is not required to be transfer any amount to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- VIII. The Company does not have accumulated losses at the end of the year and the company has not incurred any cash losses during current year. The Company has incurred cash loss of Rs. 19,26,119/- during the immediately preceding financial year.
- IX. In our opinion and on the basis of information and explanations given to us, the Company has not defaulted in the repayment of dues to Financial Institutions and Banks.
- X. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- XI. Based on information and explanations given to us by the Management, the term loans were applied for the purpose for which the loans were obtained.
- XII. Based upon the audit procedures performed for the purpose of reporting the 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 course of our audit.

Place: Delhi
Date : 29-05-2015



For Sipani & Associates
Chartered Accountants
Registration. No. 007712N

(Signature)
(Vijay Sipani)
Prop.
M. No. 083850