



**CORPORATE OFFICE:** NSIC Complex, Maa Anandmayee Marg, Okhla Industrial Estate, Phase-III, New Delhi-110 020

Ph: +91 11 41516171 Fax: +91 11 26382728 e-mail: [surendra.chhalani@groupmega.in](mailto:surendra.chhalani@groupmega.in)

**REGD. OFFICE:** Plot No. 550, Nayak Mohalla, Behind Golak Dham Mandir, Bijwasan, New Delhi- 110061 Ph: +91 11 28061588



ANNUAL REPORT 2009 - 2010

**Mr. Hemanshu R Mehta**  
Whole Time Director

**Mr. Surendra Chhalani**  
Whole Time Director

**AVM K.S. Venkataraman (Retd.)**  
Director

**Mr. Manish Dhariwal**  
Director

**Mr. Anil Kumar Soni**  
Director

**Mr. Hulas Mal Lalani**  
Director

**Mr. Sachin Mehra**  
Director

**Mr. Ajay Chopra**  
Director

**Mr. Ramanath Sahoo**  
Company Secretary

**Auditors**

M/s Sipani & Associates, Delhi  
(Chartered Accountants)

**Registrar and Transfer Agent**  
(Electronic & Physical)

M/s Link Intime India Pvt. Limited  
A-40, 2nd Floor,  
Naraina Industrial Area, Phase-II,  
New Delhi-110 028  
Ph.: 011- 41410592, 93, 94  
Fax: 011 - 41410591  
E-mail: delhi@linkintime.co.in

**Registered Office**

Plot No-550, Nayak Mohalla, Behind Golak Dham Mandir,  
Bijwasan, New Delhi-110061  
Ph.: 011-41516171  
Fax: 011-26382728  
**Email:** surendra.chhalani@groupmega.in

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To  
The Members,  
Mega Corporation Limited

The Director's have pleasure in presenting the Twenty-Fifth Annual Report with Audited Statement of Accounts of the Company for the financial year ended 31st March, 2010.

**FINANCIAL RESULTS****(Rs. In lacs)**

Particulars	Year Ended 31.03.2010	Year Ended 31.03.2009
<b>Income from Operation</b>	<b>955.93</b>	<b>1189.69</b>
Other Income	4.94	169.17
Total Income	<b>960.87</b>	<b>1358.86</b>
Profit before Interest & Depreciation	<b>340.03</b>	<b>612.34</b>
Less: Interest	104.93	128.92
Depreciation	272.57	345.89
Profit before Taxation	<b>(37.47)</b>	<b>137.53</b>
Less: Provision for Taxation	1.70	3.29
Deferred Tax	(16.07)	33.49
Profit after Tax	(23.10)	100.75
<b>Less: Extra Ordinary items:-</b>		
Loss on sale of Radio Taxi Business	(248.41)	-
Add: Amount brought forward From previous year	2327.99	2227.24
Balance carried forward to balance sheet	<b>2056.48</b>	<b>2327.99</b>

**DIVIDEND**

Due to loss, no dividend is proposed by your Directors.

**PUBLIC DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956, and the rules made there under.

**MATERIAL CHANGES**

There is no material change between the date of the Balance Sheet and the date of this report affecting the affairs of the Company.

**OPERATIONS AND FUTURE PROSPECTS**

During the year 2009-10 the Company earned the revenue of Rs. 960.87 Lacs as compared to Revenue of Rs. 1358.86 Lacs in Financial Year 2008-09. Profit before Interest, Depreciation, tax and Exceptional items is Rs. 340.03 Lacs as against Rs. 612.34 Lacs in the previous financial year.

During the year under review, Company has transferred its Radio Taxi Division to its Associate Company through Slump Sale as it intends to specialize and concentrate in the development of its core business activity i.e. Finance and Investment Business.

Diversion of such business activities into separate Company would enable the Company to carry on its core business activity more competitively.

**SUBSIDIARIES**

The Audited statement of Accounts along with Directors' Report for the year ended 31st March 2010 of M/s Mega Airways Ltd. and M/s Mega Holidays Ltd., as well as the extent of holdings therein are annexed to this Account pursuant to Section 212 of the Companies Act, 1956.

**CORPORATE GOVERNANCE**

As per Clause 49 of the Listing Agreement with Stock Exchange, Management Discussion and Analysis Report and Corporate Governance Report together with Auditors Certificate regarding Compliance of the SEBI Code of Corporate Governance is annexed herewith.

**DIRECTORS**

Mr. Ajay Chopra, Mr. Anil Kumar Soni and Mr. Himanshu R Mehta were appointed as an Additional Directors of the company and would cease to hold office at the ensuing Annual General Meeting. The Company having received notice under section 257 of the Companies Act, 1956 from some members along with the requisite deposit, signifying their intention to propose them as Directors of the Company.

Mr. Kunal Lalani resigned from the post of Managing Director w.e.f. 31st December 2009 and also resigned from the post of Directorship as well as from the post of Chairman on 15th June 2010. The Board placed on record his deep appreciation of the services rendered by Mr. Kunal Lalani during his tenure of office.

Mr. Manish Dhariwal resigned from the post of Whole Time Director on 28th February 2010 but continue to be the Director of the Company.

The Board of Directors has appointed Mr. Himanshu R Mehta as the Whole Time Director of the Company on 15th June 2010 for a period of three years w.e.f. 15th June 2010 subject to the shareholders' approval at the ensuing AGM.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Manish Dhariwal and Mr. H. M. Lalani, Directors of the company retire by rotation and being eligible, offer themselves for re-appointment. Your directors recommend their re-appointment. Brief resumes of the Directors offering themselves for re-appointment are furnished in the Corporate Governance Report.

**AUDIT COMMITTEE**

The audit committee has met and reviewed the financial statements for the financial year ended 31.03.2010 and has not given any adverse observations. It has also recommended the re-appointment of M/s Sipani & Associates, Chartered Accountants, as statutory auditors of the Company.

**AUDITORS**

M/s Sipani & Associates, Chartered Accountants, Statutory Auditors of the Company who retire at the forthcoming Annual General Meeting are eligible for re-appointment and have expressed their willingness to accept office, if re-appointed. They have given a certificate to the effect that the re-appointment, if made, would be within the limits prescribed under Section 224(1-B) of the Companies Act, 1956. The Board recommends their re-appointment.

**AUDITORS' REPORT**

The auditors have not given any adverse observation in their report.

**PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURES:**

Your Directors are of the opinion that particulars with respect to conservation of Energy and technology Absorption as per Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are not relevant in view of the nature of business activities of the company and hence are not required to be given.

The Foreign exchange earning during the year is Rs. 2,57,376/- (Previous Year Nil) and outflow during the year was Rs. 88,55,124/- (Previous year Rs. 40,64,288/-).

**LISTING**

Presently the Company's equity shares are listed on the following Stock Exchanges: Delhi Stock Exchange Ltd. and Bombay Stock Exchange Ltd. (BSE)

Listing fee has been paid to Bombay Stock Exchange Ltd. (BSE)

**PARTICULARS OF EMPLOYEES**

None of the employees of your company is drawing remuneration exceeding limits laid down under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As required under section 217(2AA) pursuant to the Companies (Amendment) Act, 2000, the Board of Directors confirms:

- a) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure.
- b) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the Financial year and of the Profit of the Company for that period.
- c) That the directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records, in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the directors had prepared the annual accounts on a going concern basis.

**EMPLOYEE RELATIONS**

The industrial relations continued to be cordial and harmonious. Your directors wish to place on record the appreciation for the devoted services rendered by the workers, staff and executives of the Company at all levels and other employees who have contributed to the efficient and successful management of the Company.

**ACKNOWLEDGMENTS**

Your directors place on record their thanks for the dedicated services rendered by all the employees in its offices and also acknowledge the co-operation, assistance and support extended by the company's banker, financial institutions, customers, suppliers, regulatory & government authorities.

Your directors value your involvement as shareholders and look forward to your continuing support.

For and on behalf of Board of Directors

Place: New Delhi  
Date: 30-06-2010

(SURENDRA CHHALANI)  
Whole Time Director

**1. INDUSTRY**

This chapter on Management Discussion and Analysis forms a part of the compliance report on Corporate Governance.

The financial sector of our country has mirrored the developments in the Indian economy as booming this year. The investment pipeline and demand for credit from corporate continues to be robust. Inflation conditions, global developments and external inflows will be key factors imparting liquidity and interest rates during the current year. This sector has in fact, exhibited stability over the last few years although several other markets were going through turmoil. With the opening up of the financial market, a variety of products and services have been introduced to suit the needs of the customer. Banks, capital market participants and insurers have developed a wide range of products and services as well to suit varied customer requirements.

**We Endeavour to Fly Higher**

Safe, secure, comfortable and confidential, Air Mega is the answer to all Air Charter needs. We provide services similar to all those available on a commercial flight, but have better flight services.

Our exclusive nationwide air charter services are available 24 hours a day & 7 days a week. We have aircraft that is equipped to fly any place on the globe and serve our customers anytime that they need us. Our goals are personalised service and complete safety, and we have been committed to fulfilling these goals ever since our entry in the aviation industry.

The mission of Air Mega is to provide the highest quality of Customer Service delivered with a sense of warmth, friendliness and respect for the individual. We aim to minimise extensive geographical distances for customers by offering efficient business and private air charter services in and out of India. With an appealing combination of convenience and cost-efficiency, Air Mega is all set to provide the perfect air travelling experience. Overall, we are determined to go beyond what customers desire and offer them the services they deserve.

**2. Opportunities and Threats**

**2.1 Opportunities**

Financial Sector is an ever green market. Increase in incomes with potentially high penetration of both banking and Share Market products to increase the market size, will be the powerful drivers of growth in the sector.

Air Taxi Services has a lot of potential in India, which has not so far been tapped by big corporate, big hospitals and tourism. There are very few organization which offers special Charter Service to Explore India for a group up to 5-6 persons to travel as per their schedule. There is always a shortage of Charters. This has never been marketed by any one in India till date. The increasing growth in world-class medical facilities provided by leading hospitals, there has emerged a great opportunity in this sector. And with only a few players in the field, it further presents big potential for growth.

**2.2 Threats**

Regulatory decisions and changes: On the regulatory front, changes in policies by the regulatory authority may impact on the profitability of the company. The Company may face competitive pressure from other players in the market, which may emerge due to the lucrative market in future.

Since the Air Charter industry is new in India, most people are unaware of its services and benefits. People might be uncertain of using this service due to high costs, and the very affluent are naturally of a limited number. Frequent changes in policies by regulatory authorities come as a hurdle for the Air Chartered Industry. Since a large number of Airways companies have come into the business, your company may face competitive pressures from existing and new players in the market.

So the Government must promote Air Chartered Services and thus help in the growth of this convenient and reliable mode of transportation. Government support is necessary if the Airways industry is to grow at an incredible rate. Rising fuel prices is another threat to the air charter industry. This along with a limited number of passengers will cause companies to increase their fare and service charges, thus negatively impacting the industry. So, government participation is important to take Indian air charter industry to a world-class level.

However, In spite of all the challenges the Air Chartered industry is facing, the future still looks very bright.

**3. Segment-wise performance**

During the Year 2009-10 Your Company operated in three Segments i.e. Taxi Hire Services, Air Chartered Services and Finance & Investments:

	(Rs. In Lacs)	
	Year ended 31.03.2010	Year Ended 31.03.2009
(a) Radio Taxi	512.76	810.47
(b) Air Chartered Services	329.59	379.21
(c) Finance / Investments	113.58	162.72
	<b>955.93</b>	<b>1352.40</b>

Note: During the year, Company sold its Radio Taxi Division by way of Slump sale.

**4. Outlook**

During the year 2009-2010 the Company has transferred its whole Radio taxi Business to one of its Associate Company i.e. Mega Cabs Limited so that it can concentrate its focus on its finance and investment business and also its Air Chartered Business.

**5. Risks and Concerns**

For a company to grow, necessary risks are always involved. Risks indicate progress, but they are never fixed. They may vary from the industry type to planning strategies and various other factors. Some of the threats concerning this company are:

- Changes in Government policies may affect the company significantly
- Any crises in Gulf countries may pose a major problem for fuel
- Natural Calamities
- Business of Air Chartered service is substantially dependent on foreign tourist
- Though it is an organized sector, it still faces stiff competition from other service providers

**6. Internal Control systems and their adequacy**

Effective governance consists of competent management; implementation of standard policies and processes; maintenance of an appropriate audit programme and internal control environment and effective risk monitoring and management information systems.

Mega Corporation Limited (MCL) has both external and internal audit systems in place. Auditors have access to all records and information of the company. The Board and the management periodically review the findings and recommendations of the Auditors and take necessary corrective actions wherever necessary. The Board recognizes the work of Auditors as an independent check on the information received from the management on the operations and performance of the Company.

The company maintains a system of internal controls designed to provide reasonable assurance regarding the achievement of objectives in following categories:

- Effectiveness and efficiency of operations;
- Adequacy of safeguarding of assets;
- Reliability of financial controls and
- Compliance with applicable laws and regulations.

The internal control system provides for well documented policies/guidelines, authorizations and approval procedures .The Company has effective internal audit system, which reviews internal controls periodically to ensure their adequacy and effectiveness

**7. Financial Outlook**

Complete financial performance of the company has been reviewed and it is found in good financial health. With the expansion plan in place the coming year is expected to be even better.

**8. Human Resources**

**The Backbone of your Company**

Human resource department is the main force behind the success and growth of any company. People who give hundred percent at work take the company to greater heights and are considered the most valuable resource. The dedication and passion that our employees display at work is commendable. As for the staff at operations centres, finding well trained and well educated employees is not a problem anymore. We have some of the most experienced and the best work force in the air charter industry. Various training programmes and workshops are arranged for employees regularly to keep them updated and improve their skills. This also helps staff in improving their performance levels and keeps them motivated at work. Air Cabs are not mass transportation vehicles. It costs much more to the commuter and is also more personal. Therefore, offering quality services becomes a top priority. Since the Staff is the face of the company, it is crucial to select the best. As on 31.03.2010, the total number of employees were 16

**9. Risks Management**

The Risks Management policies of the Company ensure that all the moveable and immovable assets of the Company are adequately covered. Strategic plans for the company's businesses take into account likely risks in the industrial environment from competition, changing customer needs, obsolescence and technological changes. The annual plans that are drawn up consider the risks that are likely to impact the company's objectives in that year, and the counter – measures put in place. To manage operational risks, MCL has well documented policies and procedures, which are followed in its day-to-day working. Besides the Company is prone to usual risks of the business like change in demand, any change in export policy of the Government, International agreements on trade and tariffs etc.

**Cautionary Statement:**

This report contains forward looking statements, which may be identified by use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product, development, market position, expenditures and financial results are forward looking statements. Forward – looking statements are based on certain assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to public amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

**Company's philosophy on code of Corporate Governance**

**Mega Corporation Ltd. (MCL)** defines Corporate Governance as a systematic process by which companies are directed and controlled keeping in mind the long-term interest of shareholders. The company emphasizes on transparency, independence, accountability, fairness and social responsibility. It focuses on equitable treatment of all shareholders and reinforces that it is "Your Company" and it belongs to you, the shareholders. The Chairman and the Board of Directors are your trustees pushing the business forward in maximizing long-term value for its shareholders.

MCL's Corporate Governance is based on two core principles:

- I. Management must have the executive freedom to drive the enterprise forward without undue restraints; and
- II. This freedom of management should be exercised within a framework of effective accountability.

MCL believes that any meaningful policy on Corporate Governance must empower the Executive Management of the company. At the same time Governance must create a mechanism of checks and balances to ensure that the decision-making powers vested in the Executive Management are used with care and responsibility to meet the shareholders aspirations and societal expectations.

The above belief and core principles of Corporate Governance adopted by MCL leads the company's governance philosophy, trusteeship, transparency, accountability and responsibility which in turn is the basis of public confidence in the corporate system.

**Board of Directors**

**Composition and size of the Board**

The strength of Board of Directors as at March 31, 2010 was Eight. The Board of directors of the company comprise of Executive Directors and Non Executive Directors including Independent Directors. The Board is headed by an Executive Chairman. There are Four Non-Executive Directors and all are Independent Directors as on 31st March 2010.

The following table gives the details of designation, category of directors, number of board meetings attended, attendance at last Annual General Meeting (AGM) and the number of other directorships as at March 31, 2010 held by them in domestic companies.

Name	Category	Designation	No. of Meetings Held during The last fin. Year	No. of Meetings Attended	No. of Membership In Boards of other Companies	Attendance of each Director At last AGM
Mr. Kunal Lalani	Executive Director	Chairman	15	10	16	No
Mr. Surendra Chhalani	Executive Director	Whole Time Director	15	15	2	Yes
Mr. Manish Dhariwal	Executive Director	Director	15	14	4	Yes
Mr. Sachin Mehra	Non-Executive & Independent	Director	15	10	6	No
AVM K.S. Venkataraman (Retd.)	Non-Executive & Independent	Director	15	5	1	Yes
Mr. Hulas Mal Lalani	Non-Executive & Independent	Director	15	12	7	No
Mr. Ajay Chopra	Non-Executive & Independent	Director	15	6	1	No
Anil Kumar Soni	Non-Executive & Independent	Director	15	5	2	No

**Board Meetings**

During the financial year 2009-10, 15 meetings of Board of Directors were held on 30.04.2009, 04.06.2009, 26.06.2009, 30.06.2009, 29.07.2009, 04.09.2009, 31.10.2009, 05.11.2009, 08.12.2009, 24.12.2009, 31.12.2009, 30.01.2010, 26.02.2010, 28.02.2010 & 26.03.2010.

**Board's Procedures**

It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, collaborations, material investment proposals in joint venture/promoted companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations, etc. are regularly placed before the Board. This is in addition to information with regard to actual operations; major litigation feed back reports, information on senior level appointments just below the Board level and minutes of all Committee Meetings.

**Committees of the Board**

**(a) Audit Committee**

The Audit committee of the company meets before the finalisation of accounts each year and also meets every quarter before the results of that quarter is published in the newspaper and is also informed to the stock exchanges as required under Clause 41 of the listing Agreement. The Audit committee may also meet from time to time if called by the chairman.

The details of members and their attendance record at the Audit Committee meeting held during the year under review are as follows:

S.No.	Name of Directors	Status	Category of Membership
1.	Sachin Mehra	Chairman	Non Executive Independent Director
2.	AVM K.S. Venketaraman (Retd)	Member	Non Executive Independent Director
3.	Surendra Chhalani	Member	Executive Director

During the year 2009-10, the Audit Committee met 5 times as per details given below;

Sr. No.	Date of Meeting	No of Members Present
1.	30.06.2009	3
2.	29.07.2009	3
3.	31.10.2009	3
4.	30.01.2010	3
5.	26.03.2010	3

The Audit Committee has been vested with the following powers:

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee;
- c) to obtain outside legal or other professional advice;
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary.

**Term of reference**

The Audit Committee reviews the Report of the internal Auditor with the Statutory Auditors' periodically and discusses their findings. The role of the Audit Committee is as follows:

- A) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- B) Recommending to the Board the appointment, re-appointment and if required the replacement or removal of the statutory auditor and the fixation of audit fees.
- C) Approval of payments to statutory auditors for any other services rendered by the statutory auditors.
- D) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
- Changes, if any, in accounting policies and practices and reasons for the same major accounting entries involving estimates based on the exercise of judgment by management
- Significant adjustments made in the financial statements arising out of audit findings
- Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Qualifications in the draft audit report.

- E) Reviewing with the management, the quarterly financial statements before submission to the Board for approval
- F) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- G) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit departments, staffing and seniority of the official heading department, reporting structure coverage and frequency of internal audit.
- H) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- I) To look into the reasons for substantial defaults in the payment to depositors, debenture holders, share holders and creditors
- J) To review the functioning of Whistle blower mechanism, in case the same is existing.
- K) Carrying out any other function as is mentioned in the terms of reference of the Audit committee.

The audit committee also reviews the following:-

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
- Management letters / Letters of internal control weakness issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses.

**(b) Remuneration Committee**

Remuneration Committee was constituted to consider and fix from time to time the remuneration payable to the Managing / Whole time Directors. The Committee comprises of three Directors, all of whom are Non-Executive Independent Directors. The committee comprises of Mr. Sachin Mehra, AVM K.S. Venkataraman (Retd.) and Mr. Hulas Mal Lalani. Presently the company does not pay any remuneration to any Non-Executive Directors except the payment of sitting fees. During the year, two meetings of the Committee were held on **31st December, 2009 & 28th February, 2010** to consider the resignation of Mr. Kunal Lalani from the Post of Managing Director and of Mr. Manish Dhariwal as Whole Time Director respectively.

Details of remuneration paid to the executive director(s) for the period 01.04.2009 to 31.03.2010 are as under:

Name of Director	Salary	Perquisites & Allowances	Terms of appointment
1. Kunal Lalani	18,00,000/-	Nil	Resigned from the Post of MD w.e.f. 31.12.2009.
2. Surendra Chhalani	3,84,000/-	1,08,000/-	27.03.2009 to 26.03.2012
3. Manish Dhariwal	5,17,000/-	4,53,707/-	Resigned from the post of Whole Time Director w.e.f 28.02.2010.

The Company does not have a stock option scheme.

**Remuneration Policy**

Remuneration Policy of Mega Corporation Limited is based on the following objectives.

- To determine and recommend to the Board of Directors the remuneration package of the Managerial Personnel;
- To approve in the event of loss or inadequate profits in any year the minimum remuneration payable to the Managerial Personnel considering the limits and subject to the parameters as prescribed under the provisions of the Companies Act, 1956;
- To create a performance oriented culture in the company which is beneficial to its employees and the business as well;
- To ensure that reward, benefit and increment system is performance based and motivational to employees;
- To encourage and support learning and development by identifying the scope and need of the same;
- Such other functions as required or recommended by Board of Directors or under the provisions of the Listing Agreement.

**(c) Share Transfer and Shareholders /Investor Grievance Committee:**

In compliance with the requirement of corporate Governance under the Listing agreement with the stock exchanges, the company has constituted a "Transfer and Shareholders"/Investors' Grievance committee to look into the redressal of Investors' complaints. The committee approves requests for transfer and/or transmission of shares, splitting and consolidation of shares, issue of duplicate share certificates.

**Constitution of the Committee**

Name of the Members	Composition of the Committee
Mr. Sachin Mehra	Chairman
Mr. Surendra Chhalani	Member
Mr. Kunal Lalani	Member

**General Body meetings (Details about last three years Annual General Meetings are as under)**

Sr. No.	Date	Place	Time	Special Resolution
1.	29.09.2007	Royal Park Hall, Masjid Moth, Greater Kailash, Part- II, New Delhi-110048	10.00 A.M	No Special resolution was passed.
2.	30.09.2008	Royal Park Hall, Masjid Moth, Greater Kailash, Part- II, New Delhi-110048	11.30 A.M	No Special resolution was passed.
3.	30.09.2009	Royal Park Hall, Masjid Moth, Greater Kailash, Part- II, New Delhi-110048	11.30 A.M	No Special resolution was passed.

No Extra-Ordinary General Meeting was held during the financial year under review

**POSTAL BALLOT**

One special resolution was passed as mentioned below, was passed during the financial year 2009-10 through postal ballot the results of which was declared on 08.12.2009:

For sale of Radio Taxi business and Air chartered business to its Associate concern by way of slump sale.

The resolutions were passed though postal ballot for which Mr. Vijay Sipani, Chartered Accountant was appointed as Scrutinizer. Mr. Surendra Chhalani, the whole time director and/or Mr. Kunal Lalani, the Managing Director and/or Mr. Ramanath Sahoo, Company Secretary were authorized by the Board to supervise the Postal Ballot process.

**Details of voting pattern:**

Total No of ballot forms received:	17
Invalid Postal ballot forms:	0
Net Valid Postal ballot forms:	17
Postal ballot forms with assent for the resolutions:	17
Postal ballot forms with dissent for the resolutions:	Nil

All the shareholders, who have submitted valid Postal Ballot forms casted their votes in favour of the resolution for sale of Radio Taxi business and Air chartered business to its Associate concern by way of slump sale, recommend that the resolution be declared as passed unanimously.

**Disclosures**

1. The details of transactions with related parties are disclosed in note No.23 under the head Notes to accounts in the Balance Sheet. The relevant details were placed before the audit committee from time to time.
2. Presently, the Company does not have a Whistle Blower Policy. However, no Personnel of the Company has been denied access to the Audit Committee.
3. The Company has complied with all the mandatory requirements of Clause 49. As regard the non-mandatory requirements, Company tries to implement them to the extent possible.

**Code of conduct****ANNUAL DECLARATION BY CEO PURSUANT TO CLAUSE 49(I) (D)  
(ii) OF STOCK EXCHANGE LISTING AGREEMENT**

As the Whole Time Director (Chief executive officer) of Mega Corporation Limited and as required by clause 49(I)(D)(ii) of the Stock Exchange Listing agreement, I hereby declare that all the Board members and senior management personnel of the company have affirmed compliance with the company's Code of business conduct and ethics for the Financial Year ending March 31,2010.

Place: New Delhi  
Date: 30-06-2010

Surendra Chhalani  
(Whole Time Director)



**Means of Communication**

The Quarterly Financial Results of the Company are published in Financial Express (English, Edition) and Jansatta (Hindi Edition). Management discussions and analysis forms a part of this report.

**Shareholder Information**

**Annual General Meeting**

Date: 30th September, 2010

Time: 11.30 A.M.

Venue: ROYAL PARK HALL, Masjid Moth, Greater Kailash Part-II, New Delhi -110048

**Financial year**

The financial year covers the period from 1st April to 31st March.

**Dividend Payment**

No dividend is declared for the Financial Year 2009-10

**Dates of Book Closure**

29th September, 2010 and 30th September 2010 (both days inclusive.)

**Financial Calendar**

Tentative calendar of events for the financial year 2010-11 (April to March) is as under:

**Adoption of Quarterly Financial Results for:**

First Quarter	July 2010	Third Quarter	January 2011
Second Quarter -	October 2010	Fourth Quarter	April/May 2011

**Listing at Stock Exchanges**

Stock Exchange	Stock Code
Bombay Stock Exchange Ltd.	531417
Delhi Stock Exchange Ltd.	22131

However the Company has made an application to Delhi Stock Exchange for de-listing of its Equity shares, which is still pending.

Listing Fee for the year 2009-10 has been paid to the Bombay Stock Exchange within the stipulated time.

Month	Bombay Stock Exchange		
	Low	High	Volume (No. of Shares)
April, 2009	0.57	0.86	568786
May, 2009	0.77	1.53	563873
June, 2009	0.93	1.63	565094
July, 2009	1.00	1.54	395878
August, 2009	1.23	1.79	1129903
September, 2009	1.81	2.65	1648992
October, 2009	1.77	2.49	668754
November, 2009	1.58	2.31	365689
December, 2009	1.76	2.24	365651
January, 2010	1.34	2.14	1031146
February, 2010	1.29	1.57	444015
March, 2010	1.01	1.40	944911

Source: www.bseindia.com

**Shareholders Complaints**

Company has not received any complaint during the financial year 2009-10. There is no complaint pending.

**Distribution of Shareholding**

Distribution of Shareholding as at 31.03.2010 is as under:

Shareholding	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Upto 2500	3630	77.55	2557818	2.56
2501- 5000	493	10.53	1958545	1.96
5001- 10000	248	5.30	1943616	1.95
10001- 20000	136	2.90	1981767	1.98
20001- 30000	42	0.90	1055173	1.05
30001- 40000	17	0.36	604367	0.60
40001- 50000	15	0.32	684821	0.69
50001-100000	30	0.64	2207832	2.21
100001 and above	70	1.50	87006061	87.00
	4681	100.00	100000000	100.00

Shareholding Pattern as at 31.03.2010 is as under:

Category	No. of Shares Held	% of Shareholding
Indian Promoters	52881419	52.89
Private Bodies Corporate	16105129	16.10
NRI/OCBs	179159	0.18
Indian Public	30834293	30.83
Total	100000000	100.00

**Registrar & Transfer Agent/Investor Correspondence**

Pursuant to the SEBI directive, the Company has appointed M/s Linkintime India Private Limited as Share Transfer Agent for maintaining all the work related to share registry in terms of both physical and electronic form. Shareholders can communicate with them for lodgment of transfer deeds and their queries at the following address:

**M/s Link Intime India Pvt. Ltd.**

A-40, 2nd Floor, Naraina Industrial Area,

Phase-II, New Delhi- 110 028

Ph. No.: 011-41410592, 93 & 94, Fax: 011-41410591

Email: delhi@linkintime.co.in

**Dematerialisation of Shares**

Pursuant to the SEBI directive, to enable the shareholders to hold their shares in electronic form, the Company has enlisted its shares with National Securities Depository Limited (NSDL) & Central Depository Services (India) Ltd. (CDSL). Company has been allotted ISIN No. INE804B01023. As at 31.03.2010, 52402198 number of Equity Shares (52.40 %) have been dematerialized.

**Compliance Officer**

Mr. Surendra Chhalani

Whole Time Director

NSIC Complex, Maa Anandmayee Marg,

Okhla Industrial Estate, Phase-III,

New Delhi-110020

Ph. No.: 011-41516171

Fax No: 011-26382728

Email: surendra.chhalani@groupmega.in

**Address for Correspondence**

Mega Corporation Limited  
NSIC Complex, Maa Anandmayee Marg,  
Okhla Industrial Estate, Phase-III,  
New Delhi-110020

**Email:** surendra.chhalani@groupmega.in

**Ph. No.:** 011-41516171

**Fax No:** 011- 26382728

**Registered Address of the company**

Mega Corporation Limited  
Plot No-550, Nayak Mohalla,  
Behind Golak Dham Mandir,  
Bijwasan, New Delhi-110061

**Ph. No.** 011-28061588

**Plant Location:**

The Company is not into any manufacturing activities. However, it mainly operates from its registered office the address of which is given above.

**Brief Resume of the Person to be appointed / reappointed as director**

Particulars	Name of Director
	Mr. Anil Soni
Age	56
Qualification	Pilot
Directorship in other Company	1. Kabir Heavy Engineering Pvt. Ltd. 2. Anil Wool Combers Pvt. Ltd.
Shareholdings in the Company as on 31.03.2010	1000
Experience	He has more than 32 years of experience in CIVILAVIATION

Particulars	Name of Director
	Mr. Ajay Chopra
Age	53
Qualification	Graduate
Directorship in other Company	Crayons Advertising Limited
Shareholdings in the Company as on 31.03.2010	1000
Experience	He has more than 29 years of experience in advertising sector

Particulars	Name of Director
	Mr. Hemanshu R Mehta
Age	46
Qualification	Graduate
Directorship in other Company	1. Alacrity Securities Limited 2. Odyssey Corporation Ltd.
Shareholdings in the Company as on 31.03.2010	55,00,000
Experience	He has more than 19 years of experience in steel business

Particulars	Name of Director
	Mr. Hulas Mal Lalani
Age	66
Qualification	Graduate
Directorship in other Company	1. Plasopan engineers (I) Pvt. Ltd. 2. Indication Instruments Ltd. 3. Aarham Engineers(I)Pvt. Ltd. 4. Duropan Engineers (India) Pvt. Ltd. 5. Duroprints Private Ltd. 6. Crayons Advertising Ltd. 7. Mega Cabs Ltd
Shareholdings in the Company as on 31.03.2008	786000
Experience	He has more than 42 years of experience in manufacturing Industry

Particulars	Name of Director
	Mr. Manish Dhariwal
Age	40
Qualification	Chartered Accountant
Directorship in other Company	1. Crayons Advertising Limited 2. Mega Cabs Limited 3. Jam India Private Limited 4. Ecotec Developers Private Limited
Shareholdings in the Company as on 31.03.2008	30664
Experience	He has more than 17 years of experience in Finance.

**CHAIRMAN CERTIFICATION OF THE COMPANY**

I, Kunal Lalani, Chairman of Mega Corporation Limited., to the best of my knowledge and belief hereby certify that:

- a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or volatile of the company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) I have disclosed based on my most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's board of directors (and persons performing the equivalent functions)
  - i. all deficiencies in the design or operation of internal controls, which could adversely affect the company's ability to record, process, summarize and report financial data, and have identified for the company's auditors, any material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies;
  - ii. Significant change in internal controls during the year covered by this report;
  - iii. all significant changes in accounting policies during the year if any that the same have been disclosed in the notes to the financial Statements.
  - iv. Instances of significant fraud of which we are aware, that involves management or other employees who have a significant role in the company's internal controls system;

Place: New Delhi  
Date: 29th May, 2010

(Kunal Lalani)  
Chairman

**CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED UNDER CLAUSE 49 OF  
THE LISTING AGREEMENT OF THE STOCK EXCHANGES IN INDIA**

**CERTIFICATE**

To The Shareholders,

We have examined the compliance of conditions of corporate governance by **MEGA CORPORATION LIMITED**, for the year ended on 31st March, 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and 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 according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders Grievance Committee.

We further state that such compliance is neither an 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.

Place: Delhi  
Dated: 29-05-2010

For SIPANI & ASSOCIATES  
Chartered Accountants

(Vijay Sipani)  
Proprietor  
Membership No-83850

Place: Delhi  
Date: 29-05-2010

## Sipani & Associates

**Chartered Accountants**

162, Wadhwa Complex, D-288/89, Street No. 10, Laxmi Nagar, Delhi-110092  
Phone: 22424942, 42418942 Cell: 9811017629 E-mail: vksipani@yahoo.com

**TO THE MEMBERS OF MEGA CORPORATION LIMITED**

We have audited the attached Balance Sheet of **Mega Corporation Limited**, as at 31st March, 2010 and also the Profit and Loss Account and 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.

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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to 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, the company has kept proper books of account as required by law so far as appears from our examination of those books.
- iii. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, subject to Note No. 15 of Schedule 19, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v. On the basis of written representations received from the directors as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 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 financial statements together with the notes thereon and attached thereto, 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, 2010
  - b) In the case of the Profit and Loss Account, of the Loss 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 SIPANI & ASSOCIATES  
Chartered Accountants

(VIJAY SIPANI)  
Prop.  
M. No. 83850  
Firm No. 007712N

## Sipani & Associates

Chartered Accountants

162, Wadhwa Complex, D-288/89, Street No. 10, Laxmi Nagar, Delhi-110092  
Phone: 22424942, 42418942 Cell: 9811017629 E-mail: vksipani@yahoo.com

### ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF MEGA CORPORATION LIMITED ON THE ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2010.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The company has a programme for physical verification on rotational basis, which is in our opinion, is reasonable having regard to the size of the company and nature of business. Accordingly, certain fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) The Company has disposed off all the Fixed Assets of its Radio Taxi Division during the year by way of Slump Sale which in our opinion constitute substantial part of the Fixed Assets of the Company. However such disposal has, in our opinion, not affected the going concern status of the Company as it has two other major business segments, namely Air Charter Services and Finance & Investment Business.
2. (a) The inventory of spare parts & miscellaneous items has been physically verified by the management during the year. In our opinion the frequency of such verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the Company is maintaining proper records of inventory. No significant discrepancies were noticed on such verification as compared with the book records.
3. (a) The Company has granted unsecured loans to two parties listed in the register maintained under Section 301 of the Companies Act, 1956. The total amount of loans granted to these parties was Rs. 100 Lacs. The Maximum amount outstanding during the year was Rs. 100 Lacs and the year-end balance of loan given to such parties was Rs. NIL.
- (b) Above loans were repayable on demand. In our opinion, the rate of interest and other terms and conditions of such loans were not prima facie prejudicial to the interest of the Company.
- (c) The receipt of principal amount and interest have been regular/ as per stipulations and there is no overdue amount.
- (d) The Company has taken loan from one party listed in the register maintained under Section 301 of the Companies Act, 1956. The total amount of loan taken during the year from such party was Rs. 50 Lacs which was repaid in full during the year. Year end outstanding balance of said loan was NIL.
- (e) According to the information and explanations given to us, we are of the opinion that the rate of interest and other terms and conditions of unsecured loans taken by the Company were not prima facie prejudicial to the interest of the Company.
4. In our opinion and 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. 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.
5. In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956.
  - (a) Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that needed to be entered into the register maintained under Section 301 have been so entered.
  - (b) According to the information and explanations given to us, the transactions with parties with whom transactions exceeding the value of Rs. 5,00,000 have been entered into during the financial year, are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public within the meaning of section 58A & 58AA of the Companies Act, 1956 and the rules framed there under.
7. In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size of the company and the nature of its business.
8. As informed to us by the company, the maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956.
9. (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, Employees State Insurance, Income Tax, Customs Duty, Service Tax and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Investor Education & Protection Fund, Excise Duty, Sales Tax & Wealth Tax.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Customs Duty, Service Tax, Cess and other material statutory dues were outstanding at the year end for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and records of the Company, the company has not deposited disputed Income tax demand of Rs. 396.57 Lacs relating to A.Y. 2006-07 which has been created on account of assessment made u/s 143(3) of the Income Tax Act. The company has filed an appeal with Commissioner of Income Tax which is pending for adjudication.
10. The Company does not have accumulated losses at the end of the year and the company has not incurred cash losses during current and the immediately preceding financial year.
11. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions, banks and debentures & other securities.
12. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other similar securities during the year.
13. In our opinion, the Company is not a Chit Fund, Nidhi or Mutual Benefit Society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
14. During the period covered by our report the Company was not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
15. According to the information and explanations given to us, the Company has given guarantee for loans taken by M/s Mega Cabs Ltd, an associate concern, for loans taken by it from Banks/Financial Institutions/NBFCs, which in our opinion is not prejudicial to the interest of the Company.
16. The Term Loans taken by the Company have been applied for the purpose for which they were obtained. The company has availed Term Loan/Deferred Payment Credits from different Banks & Financial Institutions for purchase of commercial cars on terms generally followed by such banks and institutions hence they are not prima facie prejudicial to the interest of the Company.
17. According to the information and explanations given to us and overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investments.
18. The company has not issued any fresh share capital hence the question of neither the preferential allotment nor the end use thereof arises.
19. The company has not issued any debentures and hence requirements of reporting regarding creation of securities in respect of debentures issued does not arise.
20. The company has not raised any money by public issue during the year.
21. 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.

For SIPANI & ASSOCIATES  
Chartered Accountants

(VIJAY SIPANI)  
Prop.  
M. No. 83850  
Firm No. 007712N

Place: Delhi  
Date: 29-05-2010

## BALANCE SHEET FOR THE PERIOD 31ST MARCH, 2010

(Amount in Rs.)

PARTICULARS	SCHEDULE	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS FUNDS:</b>			
Share Capital	1	100,000,000.00	100,000,000.00
Reserves & Surplus	2	205,647,754.13	232,799,492.62
		305,647,754.13	332,799,492.62
<b>LOAN FUNDS:</b>			
Secured Loans	3	47,453,496.80	103,366,845.58
DEFERRED TAX LIABILITY (NET)		7,778,886.00	9,385,843.00
<b>TOTAL</b>		<b>360,880,136.93</b>	<b>445,552,181.20</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS:</b>			
	4		
a) Gross Block		131,785,388.39	269,977,713.34
b) Less : Depreciation		21,398,738.00	66,720,509.00
<b>NET BLOCK</b>		<b>110,386,650.39</b>	<b>203,257,204.34</b>
<b>INVESTMENTS</b>	5	73,143,315.19	73,134,215.19
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
a) Inventories	6	0.00	348,326.00
b) Sundry Debtors	7	3,915,758.87	12,124,866.40
c) Cash & Bank Balances	8	8,990,155.69	13,840,289.49
d) Loans & Advances	9	167,594,734.29	151,791,332.32
		180,500,648.85	178,104,814.21
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>			
a) Current Liabilities	10	2,359,678.50	7,601,291.54
b) Provisions	11	790,799.00	1,602,861.00
		3,150,477.50	9,204,152.54
<b>NET CURRENT ASSETS</b>		<b>177,350,171.35</b>	<b>168,900,661.67</b>
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	12	0.00	260,100.00
<b>TOTAL</b>		<b>360,880,136.93</b>	<b>445,552,181.20</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>			
	19		

The Schedules referred to above and the notes thereon form an integral part of accounts

As per our Report of even date annexed

For **Sipani & Associates**  
Chartered Accountants**(VIJAY SIPANI)**  
Prop.  
M. No. 83850  
Firm No. 007712N  
Place : Delhi  
Dated : 29-05-2010

For and on behalf of the Board

**KUNAL LALANI**  
Chairman**SURENDRA CHHALANI**  
Whole time Director**MANISH DHARIWAL**  
Director**RAMA NATH SAHOO**  
Company Secretary

## PROFIT &amp; LOSS ACCOUNT FOR THE PERIOD ENDED 31st MARCH, 2010

(Amount in Rs.)

PARTICULARS	SCHEDULE	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>INCOME</b>			
Radio Taxi Services		51,275,581.32	81,047,487.50
Aircraft Charter Services		32,958,909.00	37,921,488.00
Profit on Sale of Assets		17,851.00	0.00
Other Income	13	11,835,145.06	16,917,506.26
<b>TOTAL</b>		<b>96,087,486.38</b>	<b>135,886,481.76</b>
<b>EXPENDITURE</b>			
Radio Taxi Operation Expenses	14	13,360,302.38	15,297,128.17
Aircraft Charter Operation Expenses	15	18,043,121.25	21,333,120.68
Administrative Expenses	16	29,029,341.24	36,332,201.96
Selling & Distribution Expenses	17	1,392,066.30	1,162,780.80
Interest & Finance Charges	18	10,493,257.13	12,892,467.78
Loss on Sale of Assets		-	267,171.00
Share Issue Exp. Written off		260,100.00	260,100.00
Depreciation		27,256,576.00	34,588,568.00
<b>TOTAL</b>		<b>99,834,764.30</b>	<b>122,133,538.39</b>
<b>Profit before Non-Recurring Items &amp; Taxation</b>		<b>(3,747,277.92)</b>	<b>13,752,943.37</b>
Less: <b>Provision For Taxation</b>			
-- Previous Year		170,348.00	0.00
-- Current Year (MAT)		0.00	1,558,200.00
-- Adjustment for MAT Credit		0.00	(2,162,650.00)
-- Deferred Tax		(1,606,957.00)	3,348,638.00
-- Fringe Benefit Tax		0.00	933,503.00
		(1,436,609.00)	3,677,691.00
<b>Net Profit/(Loss) for the year after Taxation</b>		<b>(2,310,668.92)</b>	<b>10,075,252.37</b>
Less: <b>Non-Recurring Items</b>			
Loss on Sale of Radio Taxi Business		24,841,069.57	0.00
<b>Profit after Non-Recurring Items &amp; Taxation</b>		<b>(27,151,738.49)</b>	<b>10,075,252.37</b>
Add: Surplus B/F from Previous Year		232,799,492.62	222,724,240.25
<b>Balance Carried To Balance Sheet</b>		<b>205,647,754.13</b>	<b>232,799,492.62</b>
Earning Per Share- Basic & Diluted (Refer to Note 19 of Schedule 19)		(0.27)	0.10

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

19

The Schedules referred to above and the notes thereon form an integral part of the accounts

As per our Report of even date annexed

For **Sipani & Associates**  
Chartered Accountants**(VIJAY SIPANI)**  
Prop.  
M. No. 83850  
Firm No. 007712N  
Place : Delhi  
Dated : 29-05-2010

For and on behalf of the Board

**KUNAL LALANI**  
Chairman**SURENDRA CHHALANI**  
Whole time Director**MANISH DHARIWAL**  
Director**RAMA NATH SAHOO**  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010**

PARTICULARS	(Rs. In Lacs)	
	31.03.2010	31.03.2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before Tax	(37.47)	137.53
Adjustment for :-		
- Depreciation	272.57	345.89
- Loss/(Profit) on Sale of Investment (Net)	(0.18)	0.00
- Loss/(Profit) on sale of cab division business	248.41	0.00
- Loss/(Profit) on Fixed Assets Sold/Discarded	0.00	2.67
- Interest Income	(113.59)	(162.72)
- Interest and Finance charges	102.77	128.06
- Amortisation of Misc. Expenses	2.60	2.60
<b>Operating Profit Before Working Capital Change</b>	<b>475.11</b>	<b>454.03</b>
Adjustment for changes in working capital :-		
- Inventories	3.48	(2.73)
- Trade & Other Receivables	96.66	(33.69)
- Trade Payables & Other Provisions	(49.47)	(0.25)
- Other Liabilities	(9.98)	8.03
	40.69	(28.64)
<b>Cash Generated From Operations</b>	<b>515.79</b>	<b>425.39</b>
Adjustment for :-		
- Interest paid (Including Capitalised)	(102.77)	(128.06)
- Taxation	(2.78)	(36.86)
<b>Net Cash Flow From Operating activities (A)</b>	<b>410.25</b>	<b>260.47</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
- Purchase of Fixed assets	(237.29)	(260.25)
- Proceeds from sale of Fixed Assets	21.78	20.22
- Purchase of Investments	(0.09)	(134.19)
- Proceeds from sale of Cab Div business	375.00	0.00
- Refund/(Payment) of Share Application Money	20.00	(18.00)
- Loan & Advances Given/(received bak)	(192.60)	250.85
- Interest income	113.59	162.72
<b>Net Cash used in Investing activities (B)</b>	<b>100.39</b>	<b>21.35</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
- Repayment of Long Term Borrowings	(559.13)	(441.21)
- Proceeds from Long Term Borrowings	0.00	184.43
<b>Net Cash From Financing Activities (C)</b>	<b>(559.13)</b>	<b>(256.78)</b>
<b>Net (Decrease) / Increase in Cash &amp; Cash Equivalents D= (A+B+C)</b>	<b>(48.49)</b>	<b>25.04</b>
<b>Cash &amp; Cash Equivalents as at beginning of the year (E)</b>	<b>138.40</b>	<b>113.36</b>
<b>Cash &amp; Cash equivalents as at the end of the year (D+E)</b>	<b>89.90</b>	<b>138.40</b>

**Notes:**  
 1. The Cash Flow Statement has been prepared under the indirect method as set out in accounting standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.  
 2. Negative figures have been shown in brackets.  
 3. Previous years figures have been regrouped/re-arranged, where ever required, to conform to the current year's classification.

As per our Report of even date annexed

For and on behalf of the Board

For **Sipani & Associates**  
Chartered Accountants

**KUNAL LALANI**  
Chairman

**SURENDRA CHHALAN**  
Whole time Director

**(VIJAY SIPANI)**  
Prop.  
M. No. 83850  
Firm No. 007712N  
Place : Delhi  
Dated : 29-05-2010

**MANISH DHARIWAL**  
Director

**RAMA NATH SAHOO**  
Company Secretary

**SCHEDULES FORMING PART OF THE ACCOUNTS**

PARTICULARS	(Amount in Rs.)	
	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL AUTHORISED</b>		
30,00,00,000 (30,00,00,000) Equity Shares of Rs.1/- each	<b>300,000,000.00</b>	<b>300,000,000.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
10,00,00,000 Equity Shares of Rs.1/- each fully paid up	<b>100,000,000.00</b>	<b>100,000,000.00</b>
<b>SCHEDULE - 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
Profit & Loss Account A/C	205,647,754.13	232,799,492.62
<b>TOTAL</b>	<b>205,647,754.13</b>	<b>232,799,492.62</b>
<b>SCHEDULE - 3</b>		
<b>SECURED LOANS (Note No. 4 of Schedule 19)</b>		
(a) Vehicle Finance from Banks	379,065.80	9,998,127.23
(b) Vehicle Finance from NBFCs & Others	429,245.00	33,497,932.35
(c) Term Loan from State Bank of India	46,645,186.00	59,870,786.00
<b>TOTAL</b>	<b>47,453,496.80</b>	<b>103,366,845.58</b>
<b>SCHEDULE - 4</b>		
<b>FIXED ASSETS</b>		

Description of Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 01.04.2009	Addition during the Year	Deduction & Adjustment	As on 31.03.2009	Opening Balance 01.04.09	Deduction & Adjustment	For the Year	As on 31.03.2010	As on 31.03.2010	As on 31.03.2009
Plant & Machinery	95,42,990.90	18,53,494.23	1,12,87,914.90	1,08,570.23	26,42,850.00	32,65,155.00	6,42,130.00	19,825.00	88,745.23	69,00,140.90
Computer System	50,14,815.62	9,24,912.52	58,18,731.14	1,20,997.00	34,35,074.00	38,94,199.00	5,30,817.00	71,692.00	49,305.00	15,79,741.62
Cars (Non Commercial)	19,76,896.00	0.00	1,20,000.00	18,56,896.00	3,49,799.00	37,851.00	4,10,818.00	7,22,766.00	11,34,130.00	16,27,097.00
Traveller Motorhome	0.00	75,20,248.00	0.00	75,20,248.00	0.00	0.00	0.00	0.00	75,20,248.00	0.00
Cars (Commercial)	12,90,09,949.06	1,27,90,086.00	14,18,00,035.06	0.00	4,85,29,341.00	6,37,53,519.00	1,52,24,178.00	0.00	0.00	8,04,80,608.06
Air Craft (Commercial)	12,18,64,077.16	0.00	0.00	12,18,64,077.16	1,02,66,297.00	0.00	1,02,66,297.00	2,05,32,594.00	10,13,31,483.16	11,15,97,780.16
Furniture & Fixtures	25,68,984.60	6,39,803.00	28,94,187.60	3,14,600.00	14,97,148.00	16,27,623.00	1,82,336.00	51,861.00	2,62,739.00	10,71,836.60
<b>Total</b>	<b>26,99,77,713.34</b>	<b>2,37,28,543.75</b>	<b>16,19,20,868.70</b>	<b>13,17,85,388.39</b>	<b>6,67,20,509.00</b>	<b>7,25,78,347.00</b>	<b>2,72,56,576.00</b>	<b>2,13,98,738.00</b>	<b>11,03,86,650.39</b>	<b>20,32,57,204.34</b>
Previous Year	24,36,81,593.36	3,17,20,286.98	54,24,167.00	26,99,77,713.34	3,52,66,937.00	31,34,996.00	3,45,88,568.00	6,67,20,509.00	20,32,57,204.34	20,84,14,656.36

Note: No depreciation has been claimed on Traveller Motor home Mini Buses as the same were not put to use upto 31-03-2010.

**SCHEDULE -5 INVESTMENTS**

**Long Term - (Trade, Quoted At Cost)**

<b>(a) Investment in Equity Shares</b>		
6,000 (6,000) Equity Shares of Rs. 10/- each fully paid up of Intense Technology Ltd.	292,490.19	292,490.19
100 (NIL) Equity Shares of Rs. 2/- each fully paid up of Ambuja Cement Ltd	9,100.00	0.00
<b>Aggregate Book Value of Quoted Investments (A)</b>	<b>301,590.19</b>	<b>292,490.19</b>
<b>Long Term - (Non Trade, Unquoted At Cost)</b>		

PARTICULARS	(Amount in Rs.)	
	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>(a) Investment in Equity Shares of Subsidiary Companies</b>		
59,99,300 (59,99,300) Equity Shares of Rs. 10/- each fully paid up of Mega Airways Ltd.	59,993,000.00	59,993,000.00
2,99,300 (2,99,300) Equity Shares of Rs. 10/- each fully paid up of Mega Holidays Ltd.	2,993,000.00	2,993,000.00
<b>(b) Investment in Equity Shares of other Companies</b>		
4,55,200 (4,55,200) Equity Shares of Rs. 10/- each fully paid up of Mega Cabs Ltd.	4,562,200.00	4,562,200.00
1,50,000 (1,50,000) Equity Shares of Rs. 10/- each fully paid up of Anand Power Ltd.	1,500,000.00	1,500,000.00
37,500 (37,500) Equity Shares of Rs. 10/- each fully paid up of Plasopan Engineers (I) Pvt. Ltd.	375,000.00	375,000.00
62,000 (62,000) Equity Shares of Rs. 10/- each fully paid up of Mediaware Infotech P. Ltd	3,418,525.00	3,418,525.00
<b>Aggregate Book Value of Unquoted Investments (B)</b>	<b>72,841,725.00</b>	<b>72,841,725.00</b>
<b>Aggregate Book Value of Total Investments</b>	<b>73,143,315.19</b>	<b>73,134,215.19</b>
<b>Market value of Quoted Investments</b>	<b>59,665.00</b>	<b>66,600.00</b>
<b>SCHEDULE - 6</b>		
<b>INVENTORIES</b>		
(As taken, valued and certified by the management)		
Stores & Spare Parts in hand (Valued at Cost)	0.00	348,326.00
<b>TOTAL</b>	<b>0.00</b>	<b>348,326.00</b>
<b>SCHEDULE - 7</b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured & Considered Good)		
Debts outstanding for a period exceeding 6 months	0.00	248,744.00
Other Debts	3,915,758.87	11,876,122.40
<b>TOTAL</b>	<b>3,915,758.87</b>	<b>12,124,866.40</b>
<b>SCHEDULE - 8</b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash on hand (As Certified by the Management)	2,038,904.00	5,722,891.00
Foreign Currency in Hand (As Certified by the Management)	79,816.85	0.00
Balances with the Scheduled Banks in Current Accounts	6,871,434.84	8,117,398.49
<b>TOTAL</b>	<b>8,990,155.69</b>	<b>13,840,289.49</b>
<b>SCHEDULE - 9</b>		
<b>LOANS &amp; ADVANCES</b>		
(Unsecured & Considered Good)		
Advances recoverable in Cash or in kind or for value to be received		
(a) Prepaid Expenses	1,505,865.00	654,091.00
(b) T.D.S Recoverable from Financiers	2,886.00	51,405.00
(c) Other Advances	172,344.00	911,263.42
Service Tax Cenvat	0.00	289,351.42
Advance Income Tax/TDS	6,166,564.29	5,693,966.61
MAT Credit Carried Forward	1,558,200.00	0.00

PARTICULARS	(Amount in Rs.)	
	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
Custom Duty Deposit	23,682,303.00	23,682,303.00
Securities & Deposits	1,117,780.00	4,380,375.87
Share Application Money	0.00	2,000,000.00
<b>Loans &amp; Advances given to:-</b>		
(a) Body Corporates	120,483,812.00	32,850,707.00
(b) Others	12,904,980.00	81,277,869.00
<b>TOTAL</b>	<b>167,594,734.29</b>	<b>151,791,332.32</b>
<b>SCHEDULE - 10</b>		
<b>CURRENT LIABILITIES</b>		
<b>Sundry Creditors:</b>		
- For Goods/Services	1,471,403.00	4,286,631.50
- For Salaries and Employee Benefits	306,531.00	1,182,671.00
- Provision for Outstanding Expenses	159,380.50	603,007.00
<b>Other Current Liabilities:</b>		
- Insurance claim Refundable	153,180.00	153,180.00
- TDS payable	73,194.00	100,465.00
- FBT payable	0.00	108,188.00
- PF & ESI payable	5,111.00	115,153.00
- Bonus payable	0.00	34,746.00
- Provision For Leave Encashment	110,879.00	249,290.00
- Bank (Book O/D)	0.00	630,507.35
- Service Tax payable	0.00	57,452.69
- Others (Delhi Stock Exchange)	80,000.00	80,000.00
<b>TOTAL</b>	<b>2,359,678.50</b>	<b>7,601,291.54</b>
<b>SCHEDULE - 11</b>		
<b>PROVISIONS</b>		
Provision for Gratuity	790,799.00	1,602,861.00
<b>TOTAL</b>	<b>790,799.00</b>	<b>1,602,861.00</b>
<b>SCHEDULE - 12</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off or adjusted)		
<b>Share Issue Expenses</b>		
As per last year	260,100.00	520,200.00
Less : Written off during the year	260,100.00	260,100.00
<b>Total A</b>	<b>0.00</b>	<b>260,100.00</b>
<b>Pre- Operative Expenses (Pending Capitalisation)</b>		
As per last year	0.00	5,695,179.16
Add: Incurred during the year	0.00	0.00
	0.00	5,695,179.16
Less: Capitalised during the year	0.00	5,695,179.16
<b>Total B</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL A+B</b>	<b>0.00</b>	<b>260,100.00</b>

(Amount in Rs.)

PARTICULARS	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>SCHEDULE - 13</b>		
<b>OTHER INCOME</b>		
<b>Interest Receipts</b>		
(Gross, TDS Rs.9,82,549/-, Previous Year TDS Rs. 29,33,672/-)	11,358,964.06	16,272,055.17
Bad Debts Recovered	0.00	48,644.00
Miscellaneous Income	476,181.00	596,807.09
<b>TOTAL</b>	<b>11,835,145.06</b>	<b>16,917,506.26</b>
<b>SCHEDULE - 14</b>		
<b>RADIO TAXI OPERATION EXPENSES</b>		
Fuel, Parking Charges & Toll Tax	7,825,112.43	7,032,528.00
Insurance & Taxes	348,507.00	614,247.00
Repair & Maintenance	4,955,134.95	7,377,344.43
Uniform Expenses	231,548.00	182,767.00
Taxi/Cab Hiring Charges	0.00	90,241.74
<b>TOTAL</b>	<b>13,360,302.38</b>	<b>15,297,128.17</b>
<b>SCHEDULE - 15</b>		
<b>CHARTERED AIRCRAFT OPERATION EXPENSES</b>		
Fuel Consumed	5,481,019.25	6,834,796.38
Air Craft Repair & Maintenance Exp.	6,580,648.00	7,820,734.50
Landing & Parking Exp.	1,782,335.25	1,330,883.00
Salary & Professional Charges to Pilots	3,285,336.00	4,040,377.00
Catering Exp.	508,945.75	456,905.00
Loading & Unloading Charges	0.00	88,562.80
Licence Fees	0.00	101,289.00
Flight Hiring Charges	0.00	118,556.00
Training & Uniform Expenses	0.00	85,410.00
Insurance of Aircraft	404,837.00	455,607.00
<b>TOTAL</b>	<b>18,043,121.25</b>	<b>21,333,120.68</b>
<b>SCHEDULE - 16</b>		
<b>ADMINISTRATIVE EXPENSES</b>		
Salaries & Allowances	12,005,992.00	16,563,864.00
Employers Contribution to PF, ESI and administrative Charges	455,049.00	717,913.00
Directors Remuneration	3,283,250.00	4,001,050.00
Auditors Remuneration	172,060.00	150,000.00
Staff Welfare	402,654.00	497,525.00
Conveyance	782,719.00	645,370.00
Rent	4,467,765.10	5,364,093.79
Books & Periodicals	13,605.00	19,513.00
Legal & Professional Charges	3,916,075.00	3,789,191.00
Fees & Subscription	121,650.50	55,205.00
Telephone & Mobile Expenses	1,469,012.74	1,946,472.06
Directors Sitting Fee	15,000.00	30,000.00
Debit Balance W/off	210,877.12	1,978.00
Electricity & Water	309,754.00	172,124.00
Provision for Gratuity	37,633.00	334,861.00
Filing Fees	17,250.00	5,550.00
Insurance	16,823.00	172,066.28

(Amount in Rs.)

PARTICULARS	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
Meeting (AGM) Expenses	68,533.00	54,983.00
Misc Expenses	11,328.61	5,259.00
Postage & Telegram	202,272.26	92,763.66
Printing & Stationery	387,967.74	543,931.29
Repair & Maintenance.	557,156.17	1,168,488.88
Security Guard Exp	64,683.00	0.00
Drivers Recruitment Exp	40,231.00	0.00
<b>TOTAL</b>	<b>29,029,341.24</b>	<b>36,332,201.96</b>
<b>SCHEDULE - 17</b>		
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Advertisement & Website	209,583.50	191,147.09
Business Promotion & Diwali Exp	502,507.00	241,323.00
General Expenses	316,242.80	290,180.33
Traveling (including Rs. 35,859/- for Directors, Previous Year Rs. 51,820/-)	363,733.00	440,130.38
<b>TOTAL</b>	<b>1,392,066.30</b>	<b>1,162,780.80</b>
<b>SCHEDULE - 18</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
Bank Charges	216,288.05	86,164.11
Interest on Loans	10,276,969.08	12,806,303.67
<b>TOTAL</b>	<b>10,493,257.13</b>	<b>12,892,467.78</b>

**SCHEDULE : 19****NOTES TO FINANCIAL STATEMENTS****1. SIGNIFICANT ACCOUNTING POLICIES:****a) METHOD OF ACCOUNTING:**

The financial statements have been prepared under the historical cost convention and materially comply with the mandatory Accounting Standard issued by "The Institute of Chartered Accountants of India". The Company follows Mercantile System of accounting and recognised Income and Expenditures on Accrual basis.

**b) USE OF ESTIMATES:**

The presentation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

**c) FIXED ASSETS:**

Expenditure, which are of capital nature, are capitalised at acquisition cost, which comprises net purchases price, levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

**d) DEPRECIATION:**

Depreciation on Fixed Assets has been provided on Written Down Value Method as per the classification and on the basis of rates prescribed in Schedule XIV to the Companies Act, 1956 except that Commercial Cars & Commercial Aircraft are depreciated on the basis of Straight Line Method at the rates calculated on the basis of expected useful life of the said assets.

Fixed assets costing below Rs. 5000/- fully depreciated in the year of acquisition.

The depreciation charged for the assets which have been impaired are adjusted to allocate the assets revised carrying amount less its residual value, if any, over its remaining useful life.

Depreciation on fixed assets added/disposed off during the year is provided on pro-data basis.



**e) MISCELLANEOUS EXPENDITURE:**

Preliminary and Share issue expenses are written off over a period of Five years from the year of commencement of business. Deferred Revenue Expenditure is written off over a period of Three to Five years depending upon the nature and benefit of such expenditure in future.

**f) REVENUE RECOGNITION:**

The revenue & expenditure related to Radio Taxi Operations & Air Charter Services are accounted on going concern basis. Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and the then carrying value of the investment. Interest income/expense is recognised using the time proportion method based on the rates implicit in the transaction. Dividend income is recognised when the right to receive dividend is established.

**g) INVESTMENTS:**

Investments are either classified as current or long term based on the management's intention at the time of purchase. Long Term & Unquoted Current Investments are stated at cost and Quoted Current Investments at lower of cost or market value. 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 management.

Unquoted Investments in subsidiary companies being long term in nature are valued at cost and no loss is recognised in the fall in their net worth, if any, unless there is permanent fall in their value.

**h) INVENTORY VALUATION:**

Inventories of stores and spare parts and loose tools in stock are valued cost and net realisable value. Obsolete, defective and unserviceable stocks are provided for, wherever required.

**i) FOREIGN CURRENCY TRANSACTIONS:**

All income & expenditure items are accounted for on the basis of exchange rate prevailing on the date of transaction. The net exchange difference arising from realization of foreign currency & transaction amount has been dealt with in the profit & loss account and capitalized where it relates to fixed assets. Current Assets & Current Liabilities in foreign currency are accounted for at the rate prevailing as on the date of Balance Sheet.

**j) EMPLOYEES BENEFITS:**

The liability for Gratuity is provided on the basis of Valuation carried out at the end of each financial year internally by the Company. Retirement benefits in the form of Provident Fund are charged to the Profit and Loss Account for the year when the contributions to the respective funds are due. Leave encashment benefit is accounted for on basis of valuation made at the end of each financial year by the company.

**k) BORROWING COSTS:**

Borrowing costs that are allocated to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**l) PROVISIONS:**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**m) INTANGIBLE ASSETS:**Computer Software acquired for internal use

Costs relating to computer software which is acquired, are capitalized and amortized/ depreciated on a written down value basis on the basis of rates provided in schedule XIV to the Companies Act.

**n) IMPAIRMENT:**

The carrying value of intangible assets is reviewed for impairment at each Balance Sheet date to ascertain if there is any indication of impairment based on internal/external factors. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**o) TAXATION:**

Provision for current Tax is made and retained in accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961 including provisions regarding minimum alternate tax and considering Assessment orders and decisions of the appellate authorities in company's case.

Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred Tax assets are recognized to the extent there is reasonable certainty that these assets can be realised in future.

**p) CONTINGENT LIABILITY:**

Liabilities, though contingent, are provided for is there are reasonable prospects of such liabilities maturing. Other contingent liabilities, barring frivolous claims not acknowledged as debt, are disclosed by way of note.

**q) EARNING PER SHARE (BASIS & DILUTED)**

Basis & diluted earnings (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity share outstanding during the year.

**2. Contingent liabilities not provided for:**

Particulars	As at 31-03-2010	As at 31-03-2009
a) Income Tax Matters*	396.57 Lacs	396.57 Lacs
b) Custom Duty on Import of Commercial Aircraft (Amount paid under protest Rs. 236.82 Lacs**)	236.82 Lacs	236.82 Lacs
c) Un-Expired Bank Guarantees and Letters of Credit	NIL	15.00 Lacs

\*The Company has been assessed U/S 143(3) for the A.Y. 2006-07 by the Income Tax Department and the assessing officer has made certain additions to the returned income of the assessee resulting in creation of additional demand of Rs. 396.57 Lacs. The company has filed appeal against above referred demand with appellate authority which is pending for disposal. The management of the company has been advised that the order of the assessing officer shall not be tenable before income tax appellate authorities hence there will be no liability towards income tax.

\*\*The company was issued an enquiry notice by the Superintendent of Customs (Preventive) in F.Y. 2008-09 in connection with Custom duty on import of Commercial Aircraft by the Company in the F.Y. 2007-08. During the course of proceedings before above said authority the Company was asked to deposit a sum of Rs. 236.82 Lacs as additional Custom Duty. The company had deposited the said amount in F.Y. 2008-09 under protest to safeguard its interest. The matter is still pending for disposal before the Customs Authorities. The company has been advised that the contention of the Customs Authorities is not tenable hence there shall be no liability for payment of additional customs duty.

**3. Capital Commitments:**

Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for amounts to Rs. NIL (Previous Year: NIL)

**4. Secured Loans:**

- Loans from banks amounting to Rs. 3,79,066/- (Previous Year Rs. 99,98,127/-) and from NBFCs/Others amounting to Rs. 4,29,245/- (Previous Year Rs. 3,34,97,932/-) are secured by way of hypothecation of commercial/non-commercial vehicles acquired out of loan proceeds received by the Company.
- Term Loan of Rs. 4,66,45,186/- (Previous Year Rs. 5,98,70,786/-) taken from State Bank of India, Nehru Place, New Delhi is secured by way of hypothecation of company's air craft and its present/future accessories, spares & parts, etc purchased out of term loan proceeds. The Term Loan is further secured by way of Equitable Mortgage of properties belonging to a relative of a Director and Associate Company. The said loan is also secured by way of personal guarantee of Mr. Kunal Lalani, Chairman & Managing Director of the Company, Mrs. Vimi Lalani wife of Mr. Kunal Lalani and corporate guarantee of M/s Crayons Advertising Limited.

- In the opinion of Board of Directors the "Current Assets, Loans and Advances" have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- During the year the Company has transferred its Radio Taxi Services Division along with all of its assets and liabilities to M/s Mega Cabs Limited on a going concern basis with effect from 01-11-2009 under a Business Transfer Agreement (BTA) at a consideration of Rs. 375 Lacs.
- Balances of Debtors, Creditors, Loans & Advances and Unsecured Loans are subject to confirmation and reconciliation adjustment, if any.
- The Board has certified that all the income accrued to the company has been taken into consideration and belong entirely & exclusively to the business of the Company.
- The total Share Capital of the subsidiary, Mega Holidays Ltd. Rs. 30 Lacs and accumulated losses said subsidiary as at 31-03-2010 is Rs. 29.87 Lacs (Previous Year 29.39 Lacs). The investment made by the Company is strategic in nature and in the opinion of Board of Directors of the Company the subsidiary is expected to make profits going forward. As such, above diminution, in the opinion of management being temporary in the nature does not require to be recognised in the accounts.

## 10. Loans and Advances in the nature of Loans given to Subsidiaries and Associates etc:

## Loans and Advances in the nature of Loans (Amount in Lacs)

Name of the Company	As at 31-3-2010	As at 31-3-2009	Maximum Balance during the year
M/S Plasopan Engineers (I) P. Ltd	NIL	32.54	32.54

**Notes:**

- Loans and Advances shown above, to associate fall under the category of Loans and Advances in the nature of Loans where there is no repayment schedule and are re-payable on demand.
- Inter Company deposits are not considered as they are re-payable on demand and interest is charged at market rates.
- In the absence of receipt of information regarding small scale industrial status from the parties, the details of names of small scale industrial undertaking to which the company owe any sum together with interest outstanding for more than 30 days could not be ascertained.
- Sundry Debtors of the Company includes a sum of Rs. 39,15,778/- (Previous Year Rs. 2,76,945/-) due from Companies in which Directors of the Company/their relatives are interested as Directors. Maximum amount due during the year was Rs. 39,15,778/- (Previous Year Rs. 3,90,396/-)
- Advertising Expenses includes a sum of Rs. 1,17,013/- (Previous Year Rs. 1,43,695/-) paid to a company in which directors of the Company are interested as Directors.
- The Company's main business activity during the year was operation of Radio Taxi & Air Charter Services. Owing to the nature of operations of the Company it is not possible to give the quantitative details of sales & services and certain other information which is required under paragraph 3, 4C & 4D of part II of Schedule VI to the Companies Act, 1956.
- Employee Benefits:**

The company is in process of adopting AS -15 (Revised) issued by the Institute of Chartered Accountants of India in respect of recognition of Retirement Benefits in the Financial Accounts. So far no actuarial valuation has been carried out in respect of Gratuity Liability or liabilities in respect of other retirement benefits payable by the Company therefore any impact thereof on the Profit or Loss of the Company for the year, if any, is not quantifiable.

Presently as per the policies of the company the following benefits are being provided to the employees:

Provident Fund – Contributions made by the company are periodically deposited with appropriate authorities and charged to Profit & Loss Account

Gratuity -Gratuity Liability is provided on the basis of in house calculation made in accordance with the provisions of Payment of Gratuity Act, 1972 at end of each financial year.

Leave Encashment – Provision for Leave Encashment payable to the employees is provided on the basis of in house calculation made by the Company and charged to Profit & Loss Account.

## 16. Auditors Remuneration Paid/Payable for the year:

(Amount in Rs.)

Particulars	Current Year	Previous Year
Statutory Audit Fees*	1,00,000	1,00,000
Tax Audit*	50,000	50,000
Other Services*	21,000	NIL
Fee paid to Internal Auditors	20,000	NIL

\*Service Tax/Cess Excluded

## 17. Payments to whole time &amp; other directors:

(Amount in Rs.)

Particulars	Current Year	Previous Year
<b>Managing and whole time directors:</b>		
Salary	27,01,000	33,48,000
Bonus	51,700	56,400
HRA and Other allowances	5,30,550	5,96,650
<b>Total</b>	<b>32,83,250</b>	<b>40,01,050</b>
The Managerial Remuneration as computed above does not include the liability in respect of leave & gratuity accrued by the Company		
<b>Non Executive Directors:</b>		
Board Sitting Fee	15,000	30,000

## 18. Foreign exchange earned and used during the year:

(Amount in Rs.)

Particulars	Current Year	Previous Year
Foreign Exchange earned	Rs. 2,57,376/-	NIL
Foreign Exchange used	Rs. 88,55,124/-	Rs. 40,64,288

## 19. Earning Per Share has been calculated as under :

(Amount in Rs.)

Particulars	Current Year	Previous Year
Net profit after Tax as per Profit & Loss Account	(23,10,669)	1,00,75,252
Less: Non Recurring & Extra Ordinary Items	2,48,41,070	0
Net profit after tax available for Equity Shareholders (In Rupees)	(2,71,51,738)	1,00,75,252
Number of Shares outstanding at the beginning and end of the year (Face value Rs. 1/- each)	10,00,00,000	10,00,00,000
Weighted average number of Shares outstanding during the Year (Face value Rs. 1/- each)	10,00,00,000	10,00,00,000
<b>Basic &amp; Diluted Earning per share (in Rupees)</b>	<b>(0.27)</b>	<b>0.10</b>

## 20. SEGMENT REPORTING POLICIES:-

## (a) Identification of segments

## (i) Primary Segments

Business Segment: The Company's operating businesses are organised and managed separately according to the nature of operations with each segment representing a strategic business unit that carries out different operations. The Company has three identified segments comprising of Radio Taxi Operations, Aircraft Charter Services and Finance & Investments.

## (ii) Secondary Segment

Geographical Segment: The Company does not have any identified segment on the basis of geographical locations as company's operations are mainly confined to single location.

## (b) Unallocable Items

Corporate income, expenses, capital & reserves are considered as part of unallocable items which are not identifiable to any business segment.

## A. PRIMARY BUSINESS SEGMENTS

## Segment Revenues, Results and other information

Particulars	Taxi Hire Services	Finance/ Investment	Air Chartered Services	Total
Revenue	51,275,581	11,376,815	32,958,909	95,611,305
Identified Operating Exp.	28,584,480	130,889	28,309,418	57,024,788
<b>Profit/(Loss) before interest &amp; tax from each segment</b>	<b>22,691,101</b>	<b>11,245,926</b>	<b>4,649,491</b>	<b>38,586,518</b>
Less: Interest & Finance Charges				10,493,257
Less: Other unallocable Expenses net of Income				31,840,539
<b>Net profit before tax</b>				<b>(3,747,278)</b>
Income tax & other taxes				(1,436,609)
<b>Net profit after tax</b>				<b>(2,310,669)</b>
<b>Segment Assets</b>	-	<b>233,794,654</b>	<b>130,235,960</b>	<b>364,030,614</b>
<b>Segment Liabilities</b>	-	<b>10,146,860</b>	<b>48,236,001</b>	<b>58,382,860</b>
<b>Capital Employed</b>	-	<b>223,647,795</b>	<b>81,999,959</b>	<b>305,647,754</b>
(Assets - Liabilities)				
<b>Depreciation</b>	<b>16,683,726</b>	<b>130,889</b>	<b>10,441,961</b>	<b>27,256,576</b>

**B. SECONDARY SEGMENTS (Geographical Segments)**

The sales/services of the company are mainly in India, there are no reportable Geographical segments.

**21. Deferred Tax Liability (Net) :-**

As per Accounting Standard (AS-22) on Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India, the deferred tax liability as on 31st March, 2009 comprise of the following:

Particulars	Tax Liability/ (Assets) as at 01.04.2009	Current Year Charge/ (Credit)	Tax Liability/ (Assets) as at 31.03.2010
<b>Deferred Tax Liabilities :</b>			
Difference between Book & - Tax Depreciation	17,010,703	30,309	17,041,012
	<u>17,010,703</u>	<u>30,309</u>	<u>17,041,012</u>
<b>Deferred Tax Assets :</b>			
Provision For Gratuity	(490,475)	246,118	(244,357)
Unabsorbed Depreciation	(7,134,385)	(1,883,384)	(9,017,769)
	<u>(7,624,860)</u>	<u>(1,637,266)</u>	<u>(9,262,126)</u>
<b>Deferred Tax Liability (Net)</b>	<b><u>9,385,843</u></b>	<b><u>(1,606,957)</u></b>	<b><u>7,778,886</u></b>

The Deferred tax liability up to 31st March, 2009 was measured at the tax rates applicable under the Income Tax Act, 1961. The same has been revised to Rs. 78,79,834/- and the difference of Rs. 15,06,009/- has been Credited to the Profit & Loss Appropriation Account.

**22. Disclosures in respect of Related Parties as defined in Accounting Standard (AS) 18, with whom transactions were carried out in the ordinary course of business during the year as given below:**

**A. Subsidiary Companies (Direct Holding)**

Mega Airways Ltd. and Mega Holidays Ltd.

**B. Other Associate Concern where common control exists and with whom the Company had transaction during the year**

Crayons Advertising Ltd., Plasopan Engineers (I) Pvt. Ltd., Omni Media Communications Pvt. Ltd, Mega Cabs Ltd., Tabasko Hospitality Pvt. Ltd., Kolkata Call Taxi Pvt. Ltd., Indication Instruments Ltd. and Vimi Investments & Finance Pvt. Ltd.

**C. Directors, Key Management Personnel and their relatives**

Mr. Kunal Lalani	Chairman & Managing Director
Mr. Manish Dhariwal	Whole Time Director
Mr. Surendra Chhalani	Whole Time Director
Mr. H. M. Lalani, Capt A. K. Soni, Mr. Sachin Mehra, and AVM K. S. Venkataraman (Retd.)	Directors
Mr. T. M. Lalani & Mr. Vishal Lalani	Relatives of Directors

Detail of Transactions	Subsidiaries		Associates		Key Management Personnel & Their Relatives		Total	
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
<b>Receiving of Services</b>			117,013	155,612			117,013	155,612
Crayons Advertising Ltd.			117,013	155,612			117,013	155,612
<b>Rendering of Services</b>			535,228	5,041,943			535,228	5,041,943
Omni Media Communications Pvt. Ltd.			413,549	4,679,007			413,549	4,679,007
Tabasko Hospitality P. Ltd.			12,217	2,190			12,217	2,190
Indication Instruments Ltd.			13,875	214,686			13,875	214,686
Crayons Advertising Ltd.			95,587	146,060			95,587	146,060
<b>Rent Paid</b>			3,025,000	4,500,000			3,025,000	4,500,000
Crayons Advertising Ltd.			3,025,000	4,500,000			3,025,000	4,500,000
<b>Remuneration &amp; Sitting Fees</b>					3,277,707	4,031,050	3,277,707	4,031,050
Mr. Surendra Chhalani					492,000	492,000	492,000	492,000
Mr. Kunal Lalani					1,800,000	2,400,000	1,800,000	2,400,000
Mr. Manish Dhariwal					970,707	1,109,050	970,707	1,109,050
Mr. Sachin Mehra					0	15,000	0	15,000
Capt. A.K.Soni					0	15,000	0	15,000
AVM K. S. Venkataraman (Retd.)					15,000	0	15,000	0
<b>Sale of Fixed Assets</b>			89,420,839	0			89,420,839	0
Mega Cabs Ltd.			89,420,839	0			89,420,839	0
<b>Share Application Money Paid</b>	0	10,000,000	13,200,000	1,500,000			13,200,000	11,500,000
Kolkata Call Taxi Pvt. Ltd.			13,200,000	1,500,000			13,200,000	1,500,000
Mega Airways Ltd.	0	10,000,000					0	10,000,000
<b>Share Application Money Received back</b>	0	200,000	13,200,000	0			13,200,000	200,000
Kolkata Call Taxi Pvt. Ltd.			13,200,000	0			13,200,000	0
Mega Holidays Ltd.	0	200,000					0	200,000
<b>Security Paid Against Rent</b>			300,000	1,125,000			300,000	1,125,000
Crayons Advertising Ltd.			300,000	1,125,000			300,000	1,125,000
<b>Investment In Equity</b>	0	10,000,000					0	10,000,000
Mega Airways Ltd.	0	10,000,000					0	10,000,000
<b>Equity Share Purchase from</b>			0	3,418,525			0	3,418,525
Vimi Investments & Finance P. Ltd.			0	3,418,525			0	3,418,525
<b>Loans Taken</b>			5,000,000	1,500,000			5,000,000	1,500,000
Omni Media Communications Pvt. Ltd.			0	1,500,000			0	1,500,000
Indication Instruments Ltd.			5,000,000	0			5,000,000	0
<b>Loans Refunded</b>			5,000,000	1,500,000			5,000,000	1,500,000
Omni Media Communications Pvt. Ltd.			0	1,500,000			0	1,500,000
Indication Instruments Ltd.			5,000,000	0			5,000,000	0
<b>Loans &amp; Deposits Given</b>			0	15,200,000			0	15,200,000
Mega Cabs Ltd.			0	14,100,000			0	14,100,000
Tabasko Hospitality P. Ltd			0	1,000,000			0	1,000,000
Kolkata Call Taxi Pvt. Ltd.			0	100,000			0	100,000
Shri T. M. Lalani					5,000,000	0	5,000,000	0
Shri Vishal Lalani					5,000,000	0	5,000,000	0
<b>Loans &amp; Deposits Received back</b>	0	8,300,000	3,000,000	15,968,889			3,000,000	24,268,889
Mega Cabs Ltd.			0	14,100,000			0	14,100,000
Tabasko Hospitality P. Ltd.			0	1,000,000			0	1,000,000
Kolkata call taxi Pvt Ltd.			0	100,000			0	100,000
Plasopan Engineers (I) Pvt. Ltd.			3,000,000	768,889			3,000,000	768,889
Mega Airways Ltd.	0	8,300,000					0	8,300,000
Shri T. M. Lalani					5,000,000	0	5,000,000	0
Shri Vishal Lalani					5,000,000	0	5,000,000	0
<b>Interest Received on Deposits</b>			175,890	329,179			175,890	329,179
Plasopan Engineers (I) Pvt. Ltd.			175,890	329,179			175,890	329,179
Shri T. M. Lalani					526,323	0	526,323	0
Shri Vishal Lalani					342,411	0	342,411	0
<b>Balances outstanding as at the year end</b>	<b>62,986,000</b>	<b>62,986,000</b>	<b>3,915,778</b>	<b>3,531,532</b>			<b>66,901,778</b>	<b>66,517,532</b>
Investments in subsidiaries	62,986,000	62,986,000					62,986,000	62,986,000
Loans, Advances & other receivables			3,915,778	3,531,532			3,915,778	3,531,532

24. Previous Year Figures have been regrouped, reworked and reclassified wherever necessary.

Information pursuant to the provision of part IV of schedule VI to the Companies Act, 1956.  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

<b>I REGISTRATION DETAILS</b>		
Registration No.	LO1120DL1985PLC092375	
State Code	55	
Balance Sheet Date	31.03.2010	
<b>II CAPITAL RAISED DURING THE YEAR</b>		
Public Issue	NIL	
Right Issue	NIL	
Bonus Issue	NIL	
Private Placement	NIL	
<b>III POSITION OF MOBILISATION &amp; DEPLOYMENT OF FUNDS</b>		
	(Amt. In Rs. In '000)	
Total Liabilities	360,880	
Total Assets	360,880	
<b>Sources of Fund</b>		
Paid up Capital	100,000	
Reserve & Surplus	205,648	
Unsecured Loans	NIL	
Secured Loans	47,453	
Deferred Tax Liability	7,779	
<b>Application of Fund</b>		
Net Fixed Assets	110,387	
Investments	73,143	
Net Current Assets*	177,350	
Misc. Expenditure	-	
*Net of Rs.9,385,843 on account of Deferred Tax Liability.		
<b>IV PERFORMANCE OF THE COMPANY</b>		
Turnover (including other income)	96,087	
Total Expenditure	99,835	
Profit/Loss before Tax	(3,747)	
Profit/Loss after Tax	(2,311)	
Dividend	NIL	
Earning per Share (On shares of Rs.1/- each)	(0.27)	

<b>V GENERIC NAME OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY</b>		
	(As per monetary terms)	
Item Code	Not Applicable	
Product Description	1. Radio Taxi Services (Upto 31-10-2009) 2. Aircraft Charter Services 3. Finance & Investment	

As per our Report of even date annexed

For Sipani & Associates  
Chartered Accountants

(VIJAY SIPANI)  
Proprietor  
M. No. 83850

Place : Delhi  
Dated : 29-05-2010

For and on behalf of the Board

KUNAL LALANI  
Chairman

SURENDRA CHHALANI  
Whole Time Director

MANISH DHARIWAL  
Director

RAMA NATH SAHOO  
Company Secretary

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING  
TO SUBSIDIARY COMPANIES

MEGA CORPORATION LIMITED

1. Name of the Company	Mega Holidays Ltd.	Mega Airways Ltd.
2. Financial year of the subsidiary company ended on	31-03-2010	31-03-2010
3. Extent of interest in subsidiary company	100%	100%
4. Net aggregate amount of the profits of the Subsidiary company as far as it concerns the members of the Company		
(a) Dealt with in the Company's Accounts:		
i) for the financial year of the subsidiary	NIL	NIL
ii) for the previous financial years of the subsidiary since it become the subsidiary of the Company	NIL	NIL
(b) Not dealt with in the Company's Accounts:		
i) for the financial year of the subsidiary	(Rs. 48,201/-)	NIL
ii) for the previous financial years of the subsidiary since it become the subsidiary of the Company	(Rs. 2,938,525/-)	

Note : Figures in brackets denotes losses

For and on behalf of the Board

KUNAL LALANI  
Chairman

SURENDRA CHHALANI  
Whole Time Director

Place : New Delhi  
Dated : 29-05-2010

MANISH DHARIWAL  
Director

RAMA NATH SAHOO  
Company Secretary

To  
The Members,  
Mega Airways Limited

**DIRECTOR REPORT:**

Your Directors have pleasure in presenting the 5th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2010.

**FINANCIAL RESULTS:**

During the year under review, the Company could not commence any activity. Your Directors are hopeful that the Company would start its main activity in very near future and for this purpose various options are being considered.

**DIVIDEND:**

In view of funds needs for expansion of Company's business activities your Directors are not recommending any dividend.

**DIRECTORS:**

Mr. Surendra Chhalani retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment.

**AUDITORS:**

M/s Sipani & Associates, Chartered Accountants, Auditor's of the Company, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**AUDITORS' REPORT:**

The Auditors' Report together with the significant accounting policies and notes thereon is self-explanatory and therefore does not call for any further comments.

**REPORT ABOUT CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:**

Information required by section 217 (1) (e) of the Companies Act, 1956, read with the Companies Disclosure of Particulars in the report of Board of Directors, Rules 1988 :-

- (a) Provisions regarding disclosure of Particulars with respect to conservation of Energy and Technology Absorption are not applicable to the company.
- (b) Foreign Exchange Earned & used:
- |        |         |
|--------|---------|
| Earned | Rs. NIL |
| Used   | Rs. NIL |

**PARTICULARS OF EMPLOYEES:**

During the financial year, the Company had no employee in receipt of or entitled to receive emoluments attracting the provisions of Section 217(2A) of the Companies Act, 1956.

**FIXED DEPOSITS:**

The Company did not accept/renew any fixed deposit during the year under review. There were no outstanding deposits as on 31st March, 2010.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Your Directors confirm;

- That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and the Profit and Loss Account for the year ended on 31st March, 2010;
- That the Directors had 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;
- That the Directors had prepared the annual accounts on a going concern basis.

**APPRECIATION:**

Your Directors wish to place on record sincere appreciation for the devoted and dedicated services rendered by the employees at all levels towards your Company's success during the year under review. The Directors also thank the Company's Clients, Vendors and Bankers for their continued support.

For and on behalf of Board of Directors

Place: New Delhi  
Date: 29-05-2010

(KUNAL LALANI)  
Director

(SURENDRA CHHALANI)  
Director

## Sipani & Associates

Chartered Accountants

162, Wadhwa Complex, D-288/89, Street No. 10, Laxmi Nagar, Delhi-110092  
Phone: 22424942, 42418942 Cell: 9811017629 E-mail: vksipani@yahoo.com

**TO THE MEMBERS OF MEGA AIRWAYS LIMITED**

We have audited the attached Balance Sheet and Cash Flow Statement of **Mega Airways Limited**, as at 31st March, 2010. 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.

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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- 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.
- 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.
- The Balance Sheet and Cash Flow Statement dealt with by this report is in agreement with the books of account;
- In our opinion, the Balance Sheet dealt and Cash Flow Statement with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- On the basis of written representations received from the directors as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Cash Flow Statement, read together with the notes thereon and attached thereto give, in the prescribed manner the information required by the Companies Act, 1956, and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010; and
  - In the case of the Cash Flow Statement, of the cash flows of the Company for the period ended on that date.

For Sipani & Associates  
Chartered Accountants

(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712N

Place : Delhi  
Dated : 29-05-2010

## Sipani & Associates

Chartered Accountants

162, Wadhwa Complex, D-288/89, Street No. 10, Laxmi Nagar, Delhi-110092  
Phone: 22424942, 42418942 Cell: 9811017629 E-mail: vksipani@yahoo.com

### ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF MEGA AIRWAYS LIMITED ON THE ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2010.

1. The Company had no fixed assets and as such clause (i) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 is not applicable.
2. The Company had no Inventory and as such clause (ii) of paragraph 4 of the Companies (Auditor Report) Order, 2003 is not applicable.
3. We are informed that the Company has not taken/granted any loans, secured or unsecured, from/to the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and 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. 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.
5. In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956.
  - (a) Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that needed to be entered into the register maintained under Section 301 have been so entered.
  - (b) According to the information and explanations given to us, the transactions with parties with whom transactions exceeding the value of Rs. 5,00,000 have been entered into during the financial year, are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public within the meaning of section 58A & 58AA of the Companies Act, 1956 and the rules framed there under.
7. In our opinion and according to the 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. We are informed that the nature of the business of the Company is such that clause (viii) of paragraph 4 of the Companies (Auditor Report) Order, 2003 is not applicable to the Company.
9.
  - (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 have been regularly deposited during the year by the company with the appropriate authorities. As explained to us, the Company did not have any dues on accounts of Employees State Insurance, Provident Fund, Investors Education & Protection Fund, Excise Duty, Service Tax, Wealth Tax, Sales Tax Customs Duty and Cess.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Cess, other material statutory dues were outstanding at the year end for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us, there are no dues of Income Tax, Provident fund, Cess other material statutory dues which have not been deposited on account of any dispute.
10. The Company has not completed five years from its registration hence the requirements of Clause (x) of paragraph 4 of the Order is not applicable to the Company.
11. According to the information and explanations given to us and based on the documents and records produced to us, the company did not have any borrowing from a financial institution or bank or debenture holders and hence clause 4(xi) of the Order is not applicable to the Company.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other similar securities during the year.
13. The Provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Society are not applicable to the Company.

14. According to the information and explanations given to us the Company is not dealing or trading in shares, securities, debentures and other investments. However, the Company has invested a part of its spare funds in equity shares and share application for which it has kept adequate records. The equity shares are held in the name of the Company.
15. 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.
16. The Company has not taken any term loans hence requirement of reporting regarding application of term loans does not arise.
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-term basis have been used for long-term investment.
18. We are informed that the company has not made any preferential allotment of shares to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued any debentures and hence requirements of reporting regarding creation of securities in respect of debentures issued do not arise.
20. The company has not raised any money by public issue.
21. According to the information and explanations given to us, a fraud on or by the company has not been noticed or reported during the year.

For Sipani & Associates  
Chartered Accountants

Place : Delhi  
Dated : 29-05-2010

(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712N

## BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	SCHEDULE	(Amount in Rs.)	
		FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>SOURCES OF FUNDS</b>			
SHAREHOLDERS FUNDS:			
Share Capital	1	60,000,000.00	60,000,000.00
<b>TOTAL</b>		<b>60,000,000.00</b>	<b>60,000,000.00</b>
<b>APPLICATION OF FUNDS</b>			
<b>INVESTMENTS</b>			
CURRENT ASSETS, LOANS & ADVANCES			
a) Cash & Bank Balances	3	166,537.55	47,490.35
b) Loans & Advances	4	35,150,000.00	35,350,000.00
		35,316,537.55	35,397,490.35
LESS: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	5	12,000.00	12,000.00
<b>NET CURRENT ASSETS</b>		<b>35,304,537.55</b>	<b>35,385,490.35</b>
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)			
	6	1,939,362.45	1,858,409.65
<b>TOTAL</b>		<b>60,000,000.00</b>	<b>60,000,000.00</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>			
	7		
The Schedules referred to above and the notes thereon form an integral part of accounts			

As per our Report of even date annexed

For Sipani & Associates  
Chartered Accountants(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712NPlace : Delhi  
Dated : 29-05-2010(KUNAL LALANI)  
Director(SURENDRA CHHALANI)  
Director

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010

PARTICULARS	(Amount in Rs.)	
	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before Tax and Extra-ordinary Items	0	0
Adjustment for :-		
- Depreciation	0	94,600
<b>Operating Profit Before Working Capital Change</b>	<b>0</b>	<b>0</b>
Adjustment for :-		
- Other Liabilities	0	3,573
	0	3,573
<b>Cash Generated From Operations</b>	<b>0</b>	<b>(91,027)</b>
Adjustment for :-		
- Pre Operative Expenses	(80,953)	(4,45,458)
<b>Net Cash Flow From Operating activities</b>	<b>(80,953)</b>	<b>(5,36,485)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
- Proceeds from Investments	0	(8,000,000)
- Share Application Money paid/received back	(50,000)	6,400,000
<b>Net Cash used in Investing activities</b>	<b>(50,000)</b>	<b>(1,600,000)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
- Proceeds/Refund of Share Application Money	0	10,000,000
- Proceeds from Deposits Given	250,000	(250,000)
- Repayment Of Short Term Borrowings ( Net )	0	(8,300,000)
<b>Net Cash From Financing Activities</b>	<b>250,000</b>	<b>1,450,000</b>
<b>Net (Decrease)/Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>119,047</b>	<b>(686,485)</b>
Cash & Cash Equivalents as at beginning of the year	47,491	733,976
Cash & Cash Equivalents as at the end of the year	<b>166,538</b>	<b>47,491</b>
<b>Notes:</b>		
1 The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.		
2 Negative figures have been shown in brackets.		

As per our Report of even date annexed

For Sipani & Associates  
Chartered Accountants(VIJAY SIPANI)  
Proprietor  
M. No. 83850Place : Delhi  
Dated : 29-05-2010(KUNAL LALANI)  
Director(SURENDRA CHHALANI)  
Director

## SCHEDULES FORMING PART OF THE ACCOUNTS

PARTICULARS	(Amount in Rs.)	
	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>SCHEDULE - 1 : SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
100,00,000 Equity Shares of Rs.10/- each	100,000,000.00	100,000,000.00
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
60,00,000 (60,00,000) Equity Shares of Rs.10/- each fully paid up (All the shares are held by the Holding Company Mega Corporation Ltd & its nominees)	60,000,000.00	60,000,000.00
	<b>60,000,000.00</b>	<b>60,000,000.00</b>
<b>SCHEDULE - 2 : INVESTMENTS (LONG TERM)</b>		
<b>Non Trade - At Cost:</b>		
<b>Equity Shares - (Unquoted, Fully Paid up)</b>		
3,40,000 (3,40,000) Equity Shares of Rs. 10/- each at a premium of Rs. 20/- per share of Sahyog Properties Pvt. Ltd.	10,200,000.00	10,200,000.00
3,02,000 (3,02,000) Equity Shares of Rs. 10/- each of Tabasko Hospitality Pvt. Ltd.	4,556,100.00	4,556,100.00
2,00,000 (2,00,000) Equity Shares of Rs. 10/- each at a premium of Rs. 30/- per share of Jam India Pvt. Ltd.	8,000,000.00	8,000,000.00
<b>Total</b>	<b>22,756,100.00</b>	<b>22,756,100.00</b>
<b>SCHEDULE - 3 : CASH &amp; BANK BALANCES</b>		
Cash on hand (As Certified By the Management)	59,193.00	19,193.00
Balances in Current Accounts with Banks:-		
- Citi Bank N.A.	77,089.15	15,286.15
- HDFC Bank Ltd.	30,255.40	13,011.20
<b>Total</b>	<b>166,537.55</b>	<b>47,490.35</b>
<b>SCHEDULE - 4 : LOANS &amp; ADVANCES</b>		
(Unsecured & Considered Good)		
Advances recoverable in Cash or in kind or for value to be received		
Loans & Advances	0.00	250,000.00
Share Application Money (Pending Allotment)	35,150,000.00	35,100,000.00
<b>Total</b>	<b>35,150,000.00</b>	<b>35,350,000.00</b>
<b>SCHEDULE - 5 : CURRENT LIABILITIES</b>		
Audit Fee Payable	12,000.00	12,000.00
<b>Total</b>	<b>12,000.00</b>	<b>12,000.00</b>
<b>SCHEDULE - 6 : MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off or adjusted)		
<b>A. Pre - Operative Expenses (Pending Capitalisation):</b>		
Balance Brought Forward from previous year	1,070,489.65	540,431.23

## Add: Expenses Incurred during the year:

- Auditors Remuneration	12,000.00	12,000.00
- Fees & Subscription	51,000.00	0.00
- Filing Fee	2,000.00	3,010.00
- Printing & Stationery	0.00	605.00
- Salary	0.00	358,823.00
- Professional Charges	3,900.00	0.00
- Misc. Expenses	1,881.50	623.42
- Depreciation	0.00	94,600.00
- Loss on Sale of Assets	0.00	60,400.00
- Bank Charges	11,530.30	2,050.00
	1,152,801.45	1,072,542.65
<b>Less : Bank Interest</b>	1,359.00	2,053.00
	1,151,442.45	1,070,489.65
<b>B. Preliminary Expenses</b>	187,420.00	187,420.00
<b>C. Share Issue Expenses</b>	600,500.00	600,500.00
<b>Total</b>	<b>1,939,362.45</b>	<b>1,858,409.65</b>

## SCHEDULE : 7 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

## SIGNIFICANT ACCOUNTING POLICIES

## A. Method of Accounting:

The financial statements have been prepared under the historical cost convention and materially comply with the mandatory Accounting Standard issued by "The Institute of Chartered Accountants of India". The Company follows Mercantile System of accounting and recognised Income and Expenditures on Accrual basis.

## B. Use of Estimates:

The presentation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

## C. Miscellaneous Expenditure:

- Preliminary and Share issue expenses are written off over a period of Ten years from the year of commencement of business.
- Deferred Revenue Expenditure is written off over a period of Three to Five years depending upon the nature and benefit of such expenditure in future.

## D. Investments:

Investments are either classified as current or long term based on the management's intention at the time of purchase. Long Term & Unquoted Current Investments are stated at cost and Quoted Current Investments at lower of cost or market value. 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 management.

## E. Employees Benefits:

During the period under review the Company had no employee at the end of the year. However the Company has decided to provide Gratuity liabilities & other retirement benefits payable to employees on accrual basis wherever required.

## F. Foreign Currency Transactions:

All income & expenditure items are accounted for on the basis of exchange rate prevailing on the date of transaction. The net exchange difference arising from realization of foreign currency & transaction amount has been dealt with in the profit & loss account and capitalized where it relates to fixed assets. Current Assets & Current Liabilities in foreign currency are accounted for at the rate prevailing as on the date of Balance Sheet.

## G. Borrowing Costs:

Borrowing costs that are allocated to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.



**H. Provisions**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**NOTES ON ACCOUNTS:** (Annexed to and forming part of the Balance Sheet for the year ended 31st March, 2010.)

- i. No Profit and Loss Account has been prepared for the year as the Company could not commence any business activity upto the close of the year 2009-10.
- ii. There was no contingent liability.
- iii. Estimated amount of contracts remaining to be executed on Capital Account ( net of advances) and not provided for Rs. NIL (Previous Year - NIL).
- iv. Balances of Creditors, Loans & Advances and Unsecured Loans are subject to confirmation and reconciliation adjustment, if any. In the opinion of Board of Directors the "Current Assets, Loans and Advances" have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- v. The Subscribed & Paid up Capital of the Company includes 59,99,300(Previous Year 59,99,300) Equity Shares of Rs. 10/- each fully paid up allotted to its holding company M/S Mega Corporation Ltd.
- vi. Loans and Advances includes a sum of Rs. 351.50/- Lacs (Previous Year 351 Lacs) being Share Application Money given by the Company which was pending for allotment of equity shares as on 31-03-2010. Amount of Share Application Money pending for allotment as on 31-03-2010 is subject to confirmation by respective entities.
- vii. Details of expenditure on employees in respect of remuneration of not less than Rs. 24,00,000/- per annum or not less than Rs. 2,00,000/- per month where employed for a part of the year – NIL (Prev. Year NIL)
- viii. Based on the information available with the Company there are no overdues to Small Scale Undertakings outstanding for more than 30 days ( Previous Year – NIL ).
- ix. As the Company has not commenced any business activity during the year 2008-09 no quantitative details of sales & services and certain other information which is required under paragraph 3, 4C & 4D of part II of Schedule VI to the Companies Act, 1956 are being given.
- x. Segment Reporting**  
As the Company has not commenced any business activity, the segment information as per AS 17 is not required to be disclosed.
- xi. Auditors Remuneration Paid/Payable for the year:**  
**Audit Fee -- Rs. 12,000/-\* (Prev. Year Rs. 12,000/-)**  
\*Service Tax/Cess Excluded
- xii. Foreign exchange earned and used during the year:**  
Foreign Exchange earned / Used during the year : NIL
- xiii. Earning Per Share is not being given as no Profit & Loss Account has been prepared for the year as there was no business activity during the year under review.
- xv. Disclosures in respect of Related Parties as defined in Accounting Standard (AS) 18, with whom transactions were carried out in the ordinary course of business during the year as given below:**

**A. Related parties & their Relationship**

**i. Holding Company**

Mega Corporation Ltd.

**ii. Fellow Subsidiaries Companies**

Mega Holidays Ltd.

**iii. Directors, Key Management Persons & their relative**

Mr. Kunal Lalani, Mr. Surendra Chhalani & AVM K.S. Venkataraman (Retired) (Directors)

**iv. Other related parties where common control exists and with whom the company had transactions during the year**

M/s Crayons Advertising Ltd.

M/s Kolkata Call Taxi Pvt. Ltd.

M/s Tabasko Hospitality Pvt. Ltd.

M/s Mega Cabs Ltd.

M/s Jam India Pvt. Ltd.

M/s Maxim Radio Cabs Ltd.

M/s Mega Infotel Pvt. Ltd.

Detail of transactions	Amount in Lacs							
	Holding Company		Fellow Subsidiaries & Associates Company		Key Management Personnel & Relatives		Total	
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
<b>Share Application Money Given/refunded</b>								
Jam India Pvt. Ltd.		-	50.50	27.00		-	50.50	27.00
Kolkata Call Taxi Pvt Ltd.			-	1.50			-	1.50
Mega Cabs Ltd.			12.00	52.00			12.00	52.00
Mega Infotel Pvt. Ltd.	-		-	25.00			-	25.00
Tabasko Hospitality Pvt. Ltd.		-	-	12.00		-	-	12.00
<b>Share Application Money Received/refunded</b>								
Mega Corporation Ltd.	-	63.00					-	63.00
Omni Media Communications Pvt. Ltd.			-	30.00			-	30.00
<b>Share allotted</b>								
Mega Corporation Ltd.	-	100.00					-	100.00
<b>Asset Purchase</b>								
Crayons Advertising Ltd.	-	-	-	4.25	-	-	-	4.25
<b>Share Applicatio Money Received Back</b>								
Kolkata Call Taxi Pvt. Ltd.			-	1.50			-	1.50
Mega Cabs Ltd.			61.00	3.00			61.00	3.00
Tabasko Hospitality Pvt. Ltd.		-	-	72.00		-	-	72.00
Maxim Radio Cabs Ltd.		-	0.50	-		-	0.50	-
Mega Infotel Pvt. Ltd.			0.50	25.00			0.50	25.00
<b>Deposits Repaid</b>								
Mega Corporation Ltd.	-	46.00	-	-	-	-	-	46.00
<b>Investments in Equity Shares</b>								
Jam India Pvt. Ltd.	-	-	-	80.00	-	-	-	80.00

xv. Previous Year Figures have been regrouped, reworked and reclassified wherever necessary.

Information pursuant to the provision of part IV of schedule VI to the Companies Act, 1956.  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

<b>I REGISTRATION DETAILS</b>		
Registration No.		<b>U62100DL2005PLC136054</b>
State Code		55
Balance Sheet Date		31.03.2010
<b>II CAPITAL RAISED DURING THE YEAR</b>		<b>(Amt. In Rs. In `000)</b>
Public Issue		NIL
Right Issue		NIL
Bonus Issue		NIL
Private Placement		NIL
<b>III POSITION OF MOBILISATION &amp; DEPLOYMENT OF FUNDS</b>		
Total Liabilities		60,000
Total Assets		60,000
<b>Sources of Fund</b>		
Paid up Capital		60,000
Reserve & Surplus		NIL
Unsecured Loans		NIL
Secured Loans		NIL
Share Application Money		NIL
<b>Application of Fund</b>		
Net Fixed Assets		NIL
Investments		22,756
Net Current Assets*		35,305
Misc. Expenditure		1,939
<b>IV PERFORMANCE OF THE COMPANY</b>		
Turnover (including other income)		NIL
Total Expenditure		NIL
Profit/Loss before Tax		NIL
Profit/Loss after Tax		NIL
Dividend		NIL
Earning per Share (On shares of Rs. 10/- each)		NIL
<b>V GENERIC NAME OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY</b>		
		(As per monetary terms)
Item Code		Not Applicable
Product Description		N. A. (Business not yet commenced)

As per our Report of even date annexed

**For Sipani & Associates**  
**Chartered Accountants**

**(VIJAY SIPANI)**  
Proprietor  
M. No. 83850

Place : Delhi  
Dated : 29-05-2010

**For and on behalf of the Board**

**(KUNAL LALANI)**  
Director

**(SURENDRA CHHALANI)**  
Director

To  
The Members  
Mega Holidays Limited

Your Directors have pleasure in presenting the 5<sup>TH</sup> Annual Report together with the Audited Accounts of the Company for the period ended 31st March, 2010.

**FINANCIAL RESULTS:**

PARTICULARS	(In Rs.)	
	YEAR ENDED 31-03-2010	YEAR ENDED 31-03-2009
Income from operation & other income	0	0
Profit/Loss before tax	(48201.50)	(54720.28)
Provision for Income tax/Deferred Tax	0	0
Profit/Loss after Tax	(48201.50)	(54720.28)
Add: Balance B/F from previous year	(2938525.31)	(2883805.03)
Net Surplus/Deficit Carried over to next year	(2,986,726.81)	(2,938,525.31)

During the year under review, the Company has not carried any operation. Your directors are hopeful that the Company would perform better in the coming years.

**DIVIDEND:**

In view of losses suffered by the Company and need of funds for expansion of Company's business activities your directors are not recommending any dividend.

**DIRECTORS:**

Mr. Vishal Lalani retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment.

**AUDITORS:**

M/s Sipani & Associates, Chartered Accountants, Auditor's of the Company, retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**AUDITORS' REPORT:**

The Auditors' Report together with the significant accounting policies and notes thereon is self-explanatory and therefore does not call for any further comments.

**SECRETARIAL COMPLIANCE CERTIFICATE:**

A Secretarial Compliance certificate furnished by Practicing Company Secretaries, pursuant to section 383A of the Companies Act, 1956 and in accordance with Companies (Compliance Certificate) Rules, 2001 has been obtained.

**REPORT ABOUT CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:**

Information required by section 217 (1) (e) of the Companies Act, 1956, read with the Companies Disclosure of Particulars in the report of Board of Directors, Rules 1988:-

- (a) Provisions regarding disclosure of Particulars with respect to conservation of Energy and Technology Absorption are not applicable to the company:
- (b) Foreign Exchange Earned & used:
- |        |         |
|--------|---------|
| Earned | Rs. NIL |
| Used   | Rs. NIL |

**PARTICULARS OF EMPLOYEES:**

During the financial year, the Company had no employee in receipt of or entitled to receive emoluments attracting the provisions of Section 217(2A) of the Companies Act, 1956.

**FIXED DEPOSITS:**

The Company did not accept/renew any fixed deposit during the year under review. There were no outstanding deposits as on 31st March, 2010.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Your Directors confirm;

- i) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and the Profit and Loss Account for the year ended on 31st March, 2010;
- iii) That the directors had 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) That the directors had prepared the annual accounts on a going concern basis.

**APPRECIATION:**

Your Directors wish to place on record sincere appreciation for the devoted and dedicated services rendered by the employees at all levels towards your Company's success during the year under review. The Directors also thank the Company's Clients, Vendors.

For and on behalf of the Board

Place: New Delhi  
Dated: 29.05.2010

(Kunal Lalani)  
Director

(Sachin Mehra)  
Director

**Sipani & Associates**

Chartered Accountants

162, Wadhwa Complex, D-288/89, Street No. 10, Laxmi Nagar, Delhi-110092  
Phone: 22424942, 42418942 Cell: 9811017629 E-mail: vksipani@yahoo.com

**TO THE MEMBERS OF MEGA HOLIDAYS LIMITED**

We have audited the attached Balance Sheet of **Mega Holidays Limited**, as at 31st March, 2010 and also the Profit and Loss Account and Cash Flow Statement for the period 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.

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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to 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, the company has kept proper books of account as required by law so far as appears from our examination of those books.
- iii. The Balance Sheet, Profit and 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 mandatory Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v. On the basis of written representations received from the directors as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 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 financial statements together with the notes thereon and attached thereto, 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, 2010.
  - b) In the case of the Profit and Loss Account, of the Loss for the period ended on that date; and.
  - c) In the case of the Cash Flow Statement, of the cash flows of the Company for the period ended on that date.

For Sipani & Associates  
Chartered Accountants

Place : Delhi  
Dated : 29-05-2010

(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712N

## Sipani & Associates

Chartered Accountants

162, Wadhwa Complex, D-288/89, Street No. 10, Laxmi Nagar, Delhi-110092  
Phone: 22424942, 42418942 Cell: 9811017629 E-mail: vksipani@yahoo.com

### ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF MEGA HOLIDAYS LIMITED ON THE ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2010.

1. The Company had no fixed assets and as such clause (i) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 is not applicable.
2. The Company had no Inventory and as such clause (ii) of paragraph 4 of the Companies (Auditor Report) Order, 2003 is not applicable.
3. we are informed that the Company has not taken/granted any loans, secured or unsecured, from/to the companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and 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. 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.
5. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 5,00,000 or more in respect of any party.
6. The Company has not accepted any deposits from the public within the meaning of section 58A & 58AA of the Companies Act, 1956 and the rules framed there under.
7. In our opinion and according to the information and explanations given to us, the requirements under clause (vii) of paragraph 4 of CARO 2003 in respect of internal audit system are not applicable to the Company.
8. As informed to us by the company, the maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956.
9. (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 have been regularly deposited during the year by the company with the appropriate authorities. As explained to us, the Company did not have any dues on accounts of Employees State Insurance, Provident Fund, Investors Education & Protection Fund, Excise Duty, Service Tax, Wealth Tax, Sales Tax Customs Duty and Cess.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Cess, other material statutory dues were outstanding at the year end for a period of more than six months from the date they became payable.  
(c) According to the information and explanations given to us, there are no dues of Income Tax, Provident fund, Cess other material statutory dues which have not been deposited on account of any dispute.
10. The Company has not completed five years from its registration hence the requirements of Clause (x) of paragraph 4 of the Order is not applicable to the Company.
11. According to the information and explanations given to us and based on the documents and records produced to us, the company did not have any borrowing from a financial institution or bank or debenture holders and hence clause 4(xi) of the Order is not applicable to the Company.
12. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other similar securities during the year.
13. In our opinion, the Company is not a Chit Fund, Nidhi or Mutual Benefit Society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
14. According to the information and explanations given to us the Company is not dealing or trading in shares, securities, debentures and other investments.
15. 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.
16. Based on information and explanations given to us by the management, the company does not have any term loans outstanding during the year.
17. According to the information and explanations given to us and overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investments.
18. The company has not issued any fresh share capital hence the question of neither the preferential allotment nor the end use there of arises.
19. The company has not issued any debentures and hence requirements of reporting regarding creation of securities in respect of debentures issued does not arise.
20. The company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, a fraud on or by the company has not been noticed or reported during the course of our audit.

For Sipani & Associates  
Chartered Accountants

(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712N

Place : Delhi  
Dated : 29-05-2010

**BALANCE SHEET AS AT 31ST MARCH, 2010**

(Amount in Rs.)			
PARTICULARS	SCHEDULE	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS FUNDS:</b>			
Share Capital	1	3,000,000.00	3,000,000.00
<b>TOTAL</b>		<b>3,000,000.00</b>	<b>3,000,000.00</b>
<b>APPLICATION OF FUNDS</b>			
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
a) Cash & Bank Balances	2	37,813.19	48,430.69
b) Loans & Advances	3	15,791.00	15,791.00
		53,604.19	64,221.69
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>			
Current Liabilities	4	40,331.00	40,331.00
		40,331.00	40,331.00
<b>NET CURRENT ASSETS</b>		<b>13,273.19</b>	<b>23,890.69</b>
<b>MISCELLANEOUS EXPENDITURE</b>			
(To the extent not written off or adjusted)			
Preliminary Expenses	5	0.00	37,584.00
Profit & Loss Account		2,986,726.81	2,938,525.31
		2,986,726.81	2,976,109.31
<b>TOTAL</b>		<b>3,000,000.00</b>	<b>3,000,000.00</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>			
	8		
The Schedules referred to above and the notes thereon form an integral part of accounts			

As per our Report of even date annexed

For Sipani & Associates  
Chartered Accountants

For and on behalf of the Board

(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712N

Place : Delhi  
Dated : 29-05-2010

(KUNAL LALANI)  
Director

(SACHIN MEHRA)  
Director

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010**

(Amount in Rs.)			
PARTICULARS	SCHEDULE	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>INCOME</b>			
Miscellaneous Income		0.00	0.00
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>
<b>EXPENDITURE</b>			
Administrative Expenses	6	10,617.50	16,861.00
Interest & Finance Charges	7	0.00	275.28
Preliminary Expenses Written off		37,584.00	37,584.00
<b>TOTAL</b>		<b>48,201.50</b>	<b>54,720.28</b>
Profit/(Loss) Before Taxation		(48,201.50)	(54,720.28)
Provision For Taxation		0.00	0.00
Profit After Taxation		(48,201.50)	(54,720.28)
Add: Profit/(Loss) B/F from Previous Year		(2,938,525.31)	(2,883,805.03)
<b>Profit/(Loss) Carried To Balance Sheet</b>		<b>(2,986,726.81)</b>	<b>(2,938,525.31)</b>
<b>Basic Earning/Loss Per Share (Refer to Note xiii of Schedule 8)</b>			
		(0.16)	(0.18)
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>			
	8		
The Schedules referred to above and the notes thereon form an integral part of the accounts			

As per our Report of even date annexed

For Sipani & Associates  
Chartered Accountants

For and on behalf of the Board

(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712N

Place : Delhi  
Dated : 29-05-2010

(KUNAL LALANI)  
Director

(SACHIN MEHRA)  
Director

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010

(Amount in Rs.)

PARTICULARS	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before Tax and Extra-Ordinary Items	(48,202)	(54,720)
Adjustment for :-		
- Amortisation of Misc. Expenses	37,584	37,584
<b>Operating Profit Before Working Capital Change</b>	<b>(10,618)</b>	<b>(17,136)</b>
Adjustment for :-		
- Trade & Other Receivables	0	22,940
	0	22,940
<b>Net Cash Flow From Operating activities</b>	<b>(10,618)</b>	<b>5,804</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
- Disposal of Fixed assets	0	0
<b>Net Cash used in Investing activities</b>	<b>0</b>	<b>0</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
- Proceeds from Share Application Money	0	(200,000)
<b>Net Cash From Financing Activities</b>	<b>0</b>	<b>(200,000)</b>
<b>Net (Decrease) / Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(10,618)</b>	<b>(194,196)</b>
Cash & Cash Equivalents as at beginning of the year	48,431	242,627
Cash & Cash Equivalents as at the end of the year	<b>37,813</b>	<b>48,431</b>

**Notes:**

- The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- Negative figures have been shown in brackets.

As per our Report of even date annexed

For Sipani & Associates  
Chartered Accountants(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712NPlace : Delhi  
Dated : 29-05-2010

For and on behalf of the Board

(KUNAL LALANI)  
Director(SACHIN MEHRA)  
Director

## SCHEDULES FORMING PART OF THE ACCOUNTS

(Amount in Rs.)

PARTICULARS	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>SCHEDULE - 1</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
10,00,000 Equity Shares of Rs.10/- each	<b>10,000,000.00</b>	<b>10,000,000.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
3,00,000 Equity Shares of Rs.10/- each fully paid up	<b>3,000,000.00</b>	<b>3,000,000.00</b>
<b>SCHEDULE - 2</b>		
<b>CASH &amp; BANK BALANCES</b>		
- Cash on hand (As Certified by the Management)	22,146.00	27,146.00
- Bank Balance in Current Accounts with Scheduled Bank: HDFC Bank, New Delhi	15,667.19	21,284.69
<b>TOTAL</b>	<b>37,813.19</b>	<b>48,430.69</b>
<b>SCHEDULE - 3</b>		
<b>LOANS &amp; ADVANCES</b>		
(Unsecured & Considered Good) Advances recoverable in Cash or in kind or for value to be received Advance Income Tax/TDS (2005-06)	15,070.00	15,070.00
Advance Income Tax/TDS (2006-07)	721.00	721.00
<b>TOTAL</b>	<b>15,791.00</b>	<b>15,791.00</b>
<b>SCHEDULE - 4</b>		
<b>CURRENT LIABILITIES</b>		
Creditors for Expenses (Audit Fees Payable)	40,331.00	40,331.00
<b>TOTAL</b>	<b>40,331.00</b>	<b>40,331.00</b>
<b>SCHEDULE - 5</b>		
<b>Preliminary Expenses:</b>		
Balance B/F from last year	37,584.00	75,168.00
Less : Amount Written Off for the year	37,584.00	37,584.00
<b>TOTAL</b>	<b>0.00</b>	<b>37,584.00</b>
<b>SCHEDULE - 6 : ADMINISTRATIVE EXPENSES</b>		
Audit Fees	4,412.00	4,495.00
Fees & Subscription	1,500.00	2,000.00
Legal & Professional Charges	4,050.00	2,000.00
Misc Exp	655.50	571.80
Service tax Cenvat W/off	0.00	7,794.00
<b>TOTAL</b>	<b>10,617.50</b>	<b>16,861.80</b>
<b>SCHEDULE - 7 : INTEREST &amp; FINANCE CHARGES</b>		
Bank Charges	0.00	275.28
<b>TOTAL</b>	<b>0.00</b>	<b>275.28</b>

**SCHEDULE : 8 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****SIGNIFICANT ACCOUNTING POLICIES****A. Method Of Accounting:**

The financial statements have been prepared under the historical cost convention and materially comply with the mandatory Accounting Standard issued by "The Institute of Chartered Accountants of India". The Company follows Mercantile System of accounting and recognised Income and Expenditures on Accrual basis.

**B. Use Of Estimates:**

The presentation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

**C. Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In case of sale of Air Tickets, revenue is recognized when the significant risks and rewards of ownership of rights to travel have passed to the buyer, which generally coincides with delivery of tickets. In case of other services revenue is recognised on accrual basis.

**D. Fixed Assets:**

Expenditure, which are of capital nature, are capitalised at acquisition cost, which comprises purchases price (net of rebates and discounts), levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

**E. Intangible assets:**Computer Software acquired for internal use

Costs relating to computer software which is acquired, are capitalized and amortized/depreciated on a written down value basis on the basis of rates provided in schedule XIV to the Companies Act.

**F. Depreciation:**

Depreciation on Fixed Assets has been provided on Written Down Value Method as per the classification and on the basis of rates prescribed in Schedule XIV to the Companies Act, 1956.

Fixed assets costing below Rs. 5000/- fully depreciated in the year of acquisition .

The depreciation charge for the assets which have been impaired are adjusted to allocate the assets revised carrying amount less its residual value , if any, over its remaining useful life.

Depreciation on fixed assets added. Disposed off during the year is provided on pro-rata basis.

**G. Impairment:**

The carrying value of intangible assets is reviewed for impairment at each Balance Sheet date to ascertain if there is any indication of impairment based on internal/external factors. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**H. Investments:**

Investments are either classified as current or long term based on the management's intention at the time of purchase. Long Term & Unquoted Current Investments are stated at cost and Quoted Current Investments at lower of cost or market value. 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 management.

**I. Miscellaneous Expenditure:**

- Preliminary and Share issue expenses are written off over a period of Five years from the year of commencement of business.
- Deferred Revenue Expenditure is written off over a period of Three to Five years depending upon the nature and benefit of such expenditure in future.

**J. Retirement And Other Employee Benefits:**

- The liability for Gratuity and Pension is Provided on the basis of Valuation carried out at the end of each financial year internally by the Company. The liability so provided is represented substantially by creation of separate provision and is considered sufficient to meet the liability as and when it accrues for payment in future:
- Retirement benefits in the form of Provident Fund are charged to the Profit and Loss Account for the year when the contributions to the respective funds are due.
- Leave encashment benefit is accounted for on basis of valuation made at the end of each financial year by the company.

**K. Foreign Currency Transactions:**

All income & expenditure items are accounted for on the basis of exchange rate prevailing on the date of transaction. The net exchange difference arising from realization of foreign currency & transaction amount has been dealt with in the profit & loss account and capitalized where it relates to fixed assets. Current Assets & Current Liabilities in foreign currency are accounted for at the rate prevailing as on the date of Balance Sheet.

**L. Borrowing Costs:**

Borrowing costs that are allocated to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**M. Provisions:**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**N. Earning per share (Basis & Diluted):**

Basis & diluted earnings (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity share outstanding during the year.

**NOTES ON ACCOUNTS:**

(Annexed to and forming part of the Balance Sheet for the year ended 31st March, 2010.)

- There was no contingent liability.
- Estimated amount of contracts remaining to be executed on Capital Account (Net of advances) and not provided for Rs. NIL (Previous Year - NIL).
- In the opinion of Board of Directors the "Current Assets, Loans and Advances" have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- The Subscribed & Paid up Capital of the Company includes 2,99,300 Equity Shares of Rs. 10/- each fully paid up allotted to its holding company M/S Mega Corporation Ltd.
- The Company follows Accounting Standard (AS-22) "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. The Company has timing difference between accounting and tax profits on account of losses incurred and depreciation. Since there is no convincing evidence which demonstrates the virtual certainty of realisation of such "deferred tax assets". The Company has prudently decided not to recognise any deferred tax assets. There is no case for accounting for deferred tax liability either.
- Details of expenditure on employees in respect of remuneration of not less than Rs. 24,00,000/- per annum or not less than Rs. 2,00,000/- per month where employed for a part of the year – NIL (Prev. Year NIL)
- Based on the information available with the Company there are no overdues to Small Scale Undertakings outstanding for more than 30 days (Previous Year – NIL).
- As the Company's had no business activity during the year the quantitative details of Sales & Services and certain other information which are required under Paragraph 3, 4C & 4D of Part II of Schedule VI to the Companies Act, 1956 are not being given.

**ix. Segment Reporting:**

As the Company's had no business activity during the year the Segment Information as per AS 17 is not required to be disclosed.

**x. Related Party Disclosures:**

The company had no transaction with Related Parties as defined in Accounting Standard (AS) 18.

**xi. Auditors Remuneration paid/payable for the year :**

	F. Y. 2009-10	F. Y. 2008-09
Statutory Audit Fees*	4,000	4,000
Other Services*	NIL	NIL

\* Service Tax/Cess Excluded

**xii. Foreign exchange earned and used during the year:**

Foreign Exchange earned : Rs. NIL (Prev. Year NIL)

Foreign Exchange used : Rs. NIL (Prev. Year NIL)

**xiii. Earning Per Share (EPS):-**

	31.03.2010	31.03.2009
Profit/(loss) as per Profit & loss Account (Rs.)	(48,201.50)	(54,720)
Weighted average Number of Equity Shares`	3,00,000	3,00,000
Basic and Diluted Earning Per Share (Rs.)	(0.16)	(0.18)
Nominal Value of Share (Rs.)	10	10

Information pursuant to the provision of part IV of schedule VI to the Companies Act, 1956.  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

<b>I REGISTRATION DETAILS</b>	
Registration No.	U63040DL2005PLC135471
State Code	55
Balance Sheet Date	31.03.2010
<b>II CAPITAL RAISED DURING THE YEAR (Amt. In Rs. In `000)</b>	
Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
<b>III POSITION OF MOBILISATION &amp; DEPLOYMENT OF FUNDS</b>	
Total Liabilities	3,000
Total Assets	3,000
<b>Sources of Fund</b>	
Paid up Capital	3,000
Reserve & Surplus	NIL
Unsecured Loans	NIL
Secured Loans	NIL
Share Application Money	NIL
<b>Application of Fund</b>	
Net Fixed Assets	NIL
Investments	NIL
Net Current Assets*	13
Misc. Expenditure	2,987
<b>IV PERFORMANCE OF THE COMPANY</b>	
Turnover (including other income)	-
Total Expenditure	48
Profit/Loss before Tax	(48)
Profit/Loss after Tax	(48)
Dividend	NIL
Earning per Share (On shares of Rs. 10/- each)	(0.16)
<b>V GENERIC NAME OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY</b> (As per monetary terms)	
Item Code	Not Applicable
Product Description	Tours & Travel Related Services

As per our Report of even date annexed

For Sipani & Associates  
Chartered Accountants

(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712N

Place : Delhi  
Dated : 29-05-2010

(KUNAL LALANI)  
Director

(SACHIN MEHRA)  
Director

For and on behalf of the Board

MEGA CORPORATION LIMITED, MEGA HOLIDAYS LIMITED AND MEGA AIRWAYS LIMITED

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF MEGA CORPORATION LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MEGA CORPORATION LIMITED AND ITS SUBSIDIARIES

We have audited the attached Consolidated Balance Sheet of **Mega Corporation Limited and its subsidiaries**, as at 31st March, 2010 and also the Consolidated Profit and Loss Account and Consolidated 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.

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.

We report that the consolidated financial statements have been prepared by Mega Corporation Limited's management in accordance with the requirements of Accounting Standard (AS) 21 **Consolidated Financial Statements** issued by the Institute of Chartered Accountants of India.

Based on our Audit of subsidiary companies and to the best of our information and according to the explanations given to us, the said consolidated financial statements together with the notes thereon and attached thereto, give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Consolidated Balance Sheet, of the State of Affairs of Mega Corporation Limited and its subsidiaries as at 31st March, 2010.
- In the case of the Consolidated Profit and Loss Account, of the Loss for the year ended on that date; and.
- In the case of the Consolidated Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For Sipani & Associates  
Chartered Accountants

(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712N

Place : Delhi  
Dated : 29-05-2010



## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	SCHEDULE	(Amount in Rs.)	
		FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS FUNDS:</b>			
Share Capital	1	100,000,000.00	100,000,000.00
Reserves & Surplus	2	202,675,027.32	229,874,967.31
		<b>302,675,027.32</b>	<b>329,874,967.31</b>
<b>LOAN FUNDS:</b>			
Secured Loans	3	47,453,496.80	103,366,845.58
<b>DEFERRED TAX LIABILITY (NET)</b>			
		7,778,886.00	9,385,843.00
<b>TOTAL</b>		<b>357,907,410.12</b>	<b>442,627,655.89</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS:</b>			
	4		
a) Gross Block		131,785,388.39	269,977,713.34
b) Less : Depreciation		21,398,738.00	66,720,509.00
<b>NET BLOCK</b>		<b>110,386,650.39</b>	<b>203,257,204.34</b>
<b>INVESTMENTS</b>			
	5	32,913,415.19	32,904,315.19
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
a) Inventories	6	0.00	348,326.00
b) Sundry Debtors	7	3,915,758.87	12,124,866.40
c) Cash & Bank Balances	8	9,194,506.43	13,936,210.53
d) Loans & Advances	9	202,760,525.29	187,157,123.32
		<b>215,870,790.59</b>	<b>213,566,526.25</b>
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>			
a) Current Liabilities	10	2,412,009.50	7,653,622.54
b) Provisions	11	790,799.00	1,602,861.00
		3,202,808.50	9,256,483.54
<b>NET CURRENT ASSETS</b>		<b>212,667,982.09</b>	<b>204,310,042.71</b>
<b>MISCELLANEOUS EXPENDITURE</b>			
(To the extent not written off or adjusted)	12	1,939,362.45	2,156,093.65
<b>TOTAL</b>		<b>357,907,410.12</b>	<b>442,627,655.89</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>			
	19		

The Schedules referred to above and the notes thereon form an integral part of accounts

As per our Report of even date annexed

For Sipani & Associates  
Chartered Accountants(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712NPlace : Delhi  
Dated : 29-05-2010

For and on behalf of the Board

KUNAL LALANI  
ChairmanSURENDRA CHHALANI  
Whole Time DirectorMANISH DHARIWAL  
DirectorRAMA NATH SAHOO  
Company Secretary

## CONSOLIDATED PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010

PARTICULARS	SCHEDULE	(Amount in Rs.)	
		FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>INCOME</b>			
Taxi Hire Services (Net)		51,275,581.32	81,047,487.50
Aircraft Charter Services		32,958,909.00	37,921,488.00
Income from Sale of Assets		17,851.00	0.00
Other Income	13	11,835,145.06	16,917,506.26
<b>TOTAL</b>		<b>96,087,486.38</b>	<b>135,886,481.76</b>
<b>EXPENDITURE</b>			
Radio Taxi Operation Expenses	14	13,360,302.38	15,297,128.17
Aircraft Charter Operation Expenses	15	18,043,121.25	21,333,120.68
Administrative Expenses	16	29,039,958.74	36,349,062.96
Selling & Distribution Expenses	17	1,392,066.30	1,162,780.80
Interest & Finance Charges	18	10,493,257.13	12,892,743.06
Loss on Sale of Assets		0.00	267,171.00
Preliminary Expenses Written Off		37,584.00	37,584.00
Share Issue Expenses Written Off		260,100.00	260,100.00
Depreciation		27,256,576.00	34,588,568.00
<b>TOTAL</b>		<b>99,882,965.80</b>	<b>122,188,258.67</b>
<b>Profit before Non-Recurring Items &amp; Taxation</b>		<b>(3,795,479.42)</b>	<b>13,698,223.09</b>
<b>Less: Provision For Taxation</b>			
-- Previous Year		170,348.00	1,558,200.00
-- Adjustment for MAT Credit		0.00	(2,162,650.00)
-- Deferred Tax		(1,606,957.00)	3,348,638.00
-- Fringe Benefit Tax		0.00	933,503.00
<b>Net Profit/(Loss) for the year after Taxation</b>		<b>(2,358,870.42)</b>	<b>10,020,532.09</b>
<b>Less: Non-Recurring Items</b>			
Loss on Sale of Radio Taxi Business		24,841,069.57	0.00
<b>Profit after Non-Recurring Items &amp; Taxation</b>		<b>(27,199,939.99)</b>	<b>10,020,532.09</b>
Add: Surplus B/F from Previous Year		229,860,967.31	219,840,435.22
<b>Balance Carried To Balance Sheet</b>		<b>202,661,027.32</b>	<b>229,860,967.31</b>
Earning Per Share -Basic & Diluted (Refer to Note No. 17 of Schedule 19)		<b>(0.27)</b>	<b>0.10</b>
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>			
	19		

The Schedules referred to above and the notes thereon form an integral part of the accounts

As per our Report of even date annexed

For Sipani & Associates  
Chartered Accountants(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712NPlace : Delhi  
Dated : 29-05-2010

For and on behalf of the Board

KUNAL LALANI  
ChairmanSURENDRA CHHALANI  
Whole Time DirectorMANISH DHARIWAL  
DirectorRAMA NATH SAHOO  
Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2010

PARTICULARS	(Rs. In Lacs)	
	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before Tax and Extra-Ordinary Items	(37.95)	136.98
Adjustment for :-		
- Depreciation	272.57	345.89
- Loss/(Profit) on Sale of Investment (Net)	(0.18)	0.00
- Loss on sale of Radio Taxi business	248.41	0.00
- Loss on Fixed Assets Sold/Discarded	0.00	2.67
- Interest Income	(113.59)	(162.72)
- Interest and Finance Charges	106.25	128.06
- Amortisation of Misc. Expenses	2.98	2.98
<b>Operating Profit Before Working Capital Change</b>	<b>478.49</b>	<b>453.86</b>
Adjustment for changes in Working Capital :-		
- Inventories	3.48	(2.73)
- Trade & Other Receivables	99.16	(35.97)
- Trade Payable & Other Provisions	(49.47)	(0.21)
- Other Liabilities	(9.98)	8.03
	43.19	(30.88)
<b>Cash Generated From Operations</b>	<b>521.67</b>	<b>422.98</b>
Adjustment for :-		
- Interest paid (Including Capitalised)	(106.25)	(128.06)
- Taxation	(2.78)	(36.86)
<b>Net Cash Flow From Operating Activities (A)</b>	<b>412.64</b>	<b>258.06</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
- Purchase of Fixed Assets	(237.29)	(260.25)
- Proceeds from sale of Fixed Assets	21.78	20.22
- Purchase of Investments	(0.09)	(114.19)
- Proceeds from Slump Sale of Radio Taxi Business	375.00	0.00
- Misc. Expenditure	(0.81)	(5.40)
- Proceeds from Share Application Money received	19.50	46.00
- Refund of Share Application Money	0.00	(2.00)
- Loan & Advances Given/(received back)	(192.60)	167.85
- Interest Income	113.59	162.72
<b>Net Cash used in Investing Activities (B)</b>	<b>99.08</b>	<b>14.95</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
- Deposits Given/ Proceeds from Deposits	0.00	0.00
- Repayment of Long Term Borrowings	0.00	(441.21)
- Proceeds from Long Term Borrowings	(559.13)	184.43
<b>Net Cash From Financing Activities (C)</b>	<b>(559.13)</b>	<b>(256.78)</b>
<b>Net (Decrease) / Increase in Cash &amp; Cash Equivalents D = (A+B+C)</b>	<b>(47.42)</b>	<b>16.23</b>
<b>Cash &amp; Cash Equivalents as at beginning of the year (E)</b>	<b>139.36</b>	<b>123.13</b>
<b>Cash &amp; Cash Equivalents as at the end of the year (D+E)</b>	<b>91.94</b>	<b>139.36</b>

## Notes:

- The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- Negative figures have been shown in brackets.

As per our Report of even date annexed

For Sipani & Associates  
Chartered Accountants(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712NPlace : Delhi  
Dated : 29-05-2010

For and on behalf of the Board

KUNAL LALANI  
ChairmanSURENDRA CHHALANI  
Whole Time DirectorMANISH DHARIWAL  
DirectorRAMA NATH SAHOO  
Company Secretary

## SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(Amount in Rs.)

PARTICULARS	FIG. AS AT	
	31.03.2010	31.03.2009
<b>SCHEDULE - 1 : SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
30,00,00,000 (30,00,00,000) Equity Shares of Rs.1/- each	300,000,000.00	300,000,000.00
	<b>300,000,000.00</b>	<b>300,000,000.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
10,00,00,000 Equity Shares of Rs.1/- each fully paid up	100,000,000.00	100,000,000.00
	<b>100,000,000.00</b>	<b>100,000,000.00</b>
<b>SCHEDULE - 2 : RESERVES &amp; SURPLUS</b>		
Profit & Loss Account	202,661,027.32	229,860,967.31
Add : Minority Interest in Subsidiary Companies	14,000.00	14,000.00
<b>TOTAL</b>	<b>202,675,027.32</b>	<b>229,874,967.31</b>
<b>SCHEDULE - 3 : SECURED LOANS</b>		
(a) Vehicle Finance from Banks	379,065.80	9,998,127.23
(b) Vehicle Finance from NBFCs & Others	429,245.00	33,497,932.35
(c) Term Loan From State Bank of India	46,645,186.00	59,870,786.00
<b>TOTAL</b>	<b>47,453,496.80</b>	<b>103,366,845.58</b>
<b>SCHEDULE - 4 : FIXED ASSETS</b>		

Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 31.03.2009	Addition during the Year	Deduction & Adjustment	As on 31.03.2010	As on 31.03.2009	Deduction & Adjustment	For the Year	As on 31.03.2010	As on 31.03.2010	As on 31.03.2009
Plant & Machinery	9,542,990.90	1,853,494.23	1,12,87,914.90	1,08,570.23	26,42,850.00	32,65,155.00	6,42,130.00	19,825.00	88,745.23	69,00,140.90
Computer System	5,014,815.62	924,912.52	58,18,731.14	1,20,997.00	34,35,074.00	38,94,199.00	5,30,817.00	71,692.00	49,305.00	15,79,741.62
Cars (Non Commercial)	1,976,896.00	0.00	1,20,000.00	18,56,896.00	3,49,799.00	37,851.00	4,10,818.00	7,22,766.00	11,34,130.00	16,27,097.00
Traveller Motorhome	0.00	75,20,248.00	0.00	75,20,248.00	0.00	0.00	0.00	0.00	75,20,248.00	0.00
Cars (Commercial)	129,009,949.06	1,27,90,086.00	14,18,00,035.06	0.00	4,85,29,341.00	6,37,53,519.00	1,52,24,178.00	0.00	0.00	8,04,80,608.06
Air Craft	121,864,077.16	0.00	0.00	12,18,64,077.16	1,02,66,297.00	0.00	1,02,66,297.00	2,05,32,594.00	10,13,31,483.16	11,15,97,780.16
Furniture & Fixtures	2,568,984.60	6,39,803.00	28,94,187.60	3,14,600.00	14,97,148.00	16,27,623.00	1,82,336.00	51,861.00	2,62,739.00	10,71,836.60
<b>Total</b>	<b>269,977,713.34</b>	<b>2,37,28,543.75</b>	<b>16,19,20,868.70</b>	<b>13,17,85,388.39</b>	<b>6,67,20,509.00</b>	<b>7,25,78,347.00</b>	<b>2,72,56,576.00</b>	<b>2,13,98,738.00</b>	<b>11,03,86,650.39</b>	<b>20,32,57,204.34</b>
Previous Year	243,681,593.36	3,17,20,286.98	54,24,167.00	26,99,77,713.34	3,52,66,937.00	31,34,996.00	3,45,88,568.00	6,67,20,509.00	20,32,57,204.34	20,84,14,656.36

Note: No depreciation has been claimed on Traveller Motor Home Mini Buses as the same were not put to use upto 31-03-2010.

## SCHEDULE - 5 : INVESTMENTS (LONG TERM - AT COST)

Trade Investments (Quoted) :		
6,000 (6,000) Equity Shares of Rs. 10/- each fully paid up of Intense Technology Ltd.	292,490.19	292,490.19
100 (NIL) Equity Shares of Rs. 10/- each fully paid up of Ambuja Cement Ltd.	9,100.00	0.00
<b>Aggregate Book value of Quoted Investment</b>	<b>301,590.19</b>	<b>292,490.19</b>
<b>Non Trade Investments (Unquoted) :</b>		
4,55,200 (4,55,200) Equity Shares of Rs. 10/- each fully paid up of Mega Cabs Ltd.	4,562,200.00	4,562,200.00
1,50,000 (1,50,000) Equity Shares of Rs. 10/- each fully paid up of Anand Power Ltd.	1,500,000.00	1,500,000.00

PARTICULARS	(Amount in Rs.)	
	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
37,500 (37,500) Equity Shares of Rs. 10/- each fully paid up of Plasopan Engineers (I) Pvt. Ltd.	375,000.00	375,000.00
62,000 (62,000) Equity Shares of Rs. 10/- each fully paid up of Mediaware Infotech Pvt. Ltd.	3,418,525.00	3,418,525.00
3,40,000 (3,40,000) Equity Shares of Rs. 10/- each fully paid up at a premium of Rs. 20/- Per Share of Sahyog Properties Pvt. Ltd.	10,200,000.00	10,200,000.00
3,02,000 (3,02,000) Equity Shares of Rs. 10/- each fully paid of Tabasko Hospitality Pvt. Ltd.	4,556,100.00	4,556,100.00
2,00,000 (2,00,000) Equity Shares of Rs. 10/- each at a premium of Rs. 30/- per share of Jam India Pvt. Ltd.	8,000,000.00	8,000,000.00
<b>Aggregate Book value of Unquoted Investment</b>	<b>32,611,825.00</b>	<b>32,611,825.00</b>
<b>Aggregate Book value of Total Investment</b>	<b>32,913,415.19</b>	<b>32,904,315.19</b>
<b>Market Value of Quoted Investment</b>	<b>59,665.00</b>	<b>66,600.00</b>
<b>SCHEDULE - 6 : INVENTORIES</b>		
(As taken, valued and certified by the management)		
Stores & Spare Parts (Valued at Cost)	0.00	348,326.00
<b>TOTAL</b>	<b>0.00</b>	<b>348,326.00</b>
<b>SCHEDULE - 7 : SUNDRY DEBTORS</b>		
(Unsecured & Considered Good)		
Debts outstanding for a period exceeding 6 months	0.00	248,744.00
Other Debts	3,915,758.87	11,876,122.40
<b>TOTAL</b>	<b>3,915,758.87</b>	<b>12,124,866.40</b>
<b>SCHEDULE - 8 : CASH &amp; BANK BALANCES</b>		
Cash on hand (As Certified by the Management)	2,120,243.00	5,769,230.00
Foreign Currency	79,816.85	0.00
Balances with the Scheduled Banks in Current Accounts	6,994,446.58	8,166,980.53
<b>TOTAL</b>	<b>9,194,506.43</b>	<b>13,936,210.53</b>
<b>SCHEDULE - 9 : LOANS &amp; ADVANCES</b>		
(Unsecured & Considered Good)		
Advances recoverable in Cash or in kind or for value to be received		
(a) Prepaid Expenses	1,505,865.00	654,091.00
(b) Others	175,230.00	1,212,668.42
Income Tax Refund Due	15,791.00	15,791.00
Service Tax Cenvat	0.00	289,351.42
Advance Income Tax/TDS	6,166,564.29	5,693,966.61
MAT Credit Receivable	1,558,200.00	0.00
Custom Duty Deposit	23,682,303.00	23,682,303.00
Securities & Deposits	1,117,780.00	4,380,375.87
Share Application Money (Pending Allotment)	35,150,000.00	37,100,000.00
<b>Loans &amp; Advances to: -</b>		
(a) Body Corporates	120,483,812.00	32,850,707.00
(b) Others	12,904,980.00	81,277,869.00
<b>TOTAL</b>	<b>202,760,525.29</b>	<b>187,157,123.32</b>

PARTICULARS	(Amount in Rs.)	
	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>SCHEDULE - 10 : CURRENT LIABILITIES</b>		
<b>Sundry Creditors</b>		
- For Goods/Services	1,523,734.00	4,338,962.50
- For Salaries and other Expenses	459,711.00	1,182,671.00
- Provision For Outstanding Expenses	159,380.50	756,187.00
<b>Others Liabilities</b>		
- TDS Payable	73,194.00	100,465.00
- FBT Payable	0.00	108,188.00
- PF & ESI Payable	5,111.00	115,153.00
- Service Tax Payable	0.00	57,452.69
- Bonus Payable	0.00	34,746.00
- Leave Encashment payable	110,879.00	249,290.00
- Bank (Book O/D)	0.00	630,507.35
- Others	80,000.00	80,000.00
<b>TOTAL</b>	<b>2,412,009.50</b>	<b>7,653,622.54</b>
<b>SCHEDULE - 11 : PROVISIONS</b>		
Provision for Gratuity	790,799.00	1,602,861.00
<b>TOTAL</b>	<b>790,799.00</b>	<b>1,602,861.00</b>
<b>SCHEDULE - 12 : MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off or adjusted)		
<b>Preliminary Expenses</b>		
As per last year	225,004.00	262,588.00
Less : Written off during the year	37,584.00	37,584.00
<b>Total A</b>	<b>187,420.00</b>	<b>225,004.00</b>
<b>Share Issue Expenses</b>		
As per last year	860,600.00	1,110,700.00
Add: Incurred during the year	-	10,000.00
Less : Written off during the year	260,100.00	260,100.00
<b>Total B</b>	<b>600,500.00</b>	<b>860,600.00</b>
<b>Pre- Operative Expenses (Pending Allocation)</b>		
As per last year	1,070,489.65	6,235,610.39
Add: Incurred during the year	80,952.80	530,058.42
Less : Capitalised during the year	0.00	5,695,179.16
<b>Total C</b>	<b>1,151,442.45</b>	<b>1,070,489.65</b>
<b>TOTAL A+B+C</b>	<b>1,939,362.45</b>	<b>2,156,093.65</b>
<b>SCHEDULE - 13 : OTHER INCOME</b>		
Interest Receipts		
(Gross, TDS Rs.9,82,549/-, Prev. Year TDS Rs. 29,33,672/-)	11,358,964.06	16,272,055.17
Bad Debts Recovered	0.00	48,644.00
Miscellaneous Income	476,181.00	596,807.09
<b>TOTAL</b>	<b>11,835,145.06</b>	<b>16,917,506.26</b>
<b>SCHEDULE - 14 : TAXI OPERATION EXPENSES - DIRECT</b>		
Fuel, Parking Charges & Other Expenses	7,825,112.43	7,122,769.74
Uniform Expenses	231,548.00	182,767.00
Insurance & Taxes	348,507.00	614,247.00
Repair & Maintenance	4,955,134.95	7,377,344.43
<b>TOTAL</b>	<b>13,360,302.38</b>	<b>15,297,128.17</b>

(Amount in Rs.)

PARTICULARS	FIG. AS AT 31.03.2010	FIG. AS AT 31.03.2009
<b>SCHEDULE - 15 : CHARTERED AIRCRAFT OPERATION EXPENSES</b>		
Air Craft Repair & Maintenance Exp.	6,580,648.00	7,820,734.50
Salary & Professional Charges to Pilots	3,285,336.00	4,040,377.00
Catering Exp.	508,945.75	456,905.00
Loading & Unloading Charges	0.00	88,562.80
Landing & Parking Exp.	1,782,335.25	1,330,883.00
Licence Fees	0.00	101,289.00
Flight Hiring Charges	0.00	118,556.00
Fuel Consumed	5,481,019.25	6,834,796.38
Training & Uniform Expenses	0.00	85,410.00
Insurance of Aircraft	404,837.00	455,607.00
<b>TOTAL</b>	<b>18,043,121.25</b>	<b>21,333,120.68</b>
<b>SCHEDULE - 16 : ADMINISTRATIVE EXPENSES</b>		
Audit Fees	176,472.00	154,495.00
Books & Periodicals	13,605.00	19,513.00
Fees & Subscription	123,150.50	57,205.00
Conveyance	782,719.00	645,370.00
Directors Fees	15,000.00	30,000.00
Directors Remuneration	3,283,250.00	4,001,050.00
Debit Balance W/off	210,877.12	1,978.00
Electricity & Water	309,754.00	172,124.00
Provision for Gratuity	37,633.00	334,861.00
Filing Fees	17,250.00	5,550.00
Insurance	16,823.00	172,066.28
Legal & Professional Charges	3,920,125.00	3,791,191.00
Meeting (AGM) Expenses	68,533.00	54,983.00
Misc Expenses	11,984.11	13,625.00
Postage & Telegram	202,272.26	92,763.66
Printing & Stationery	387,967.74	543,931.29
Rent	4,467,765.10	5,364,093.79
Repair & Maintenance	557,156.17	1,168,488.88
Salaries & Other Benefits	12,005,992.00	16,563,864.00
Employers Contribution to PF, ESI and Administrative Charges	455,049.00	717,913.00
Staff Welfare	402,654.00	497,525.00
Security Guard Exp	64,683.00	0.00
Driver recruitment Exp	40,231.00	0.00
Telephone & Internet Charges	1,469,012.74	1,946,472.06
<b>TOTAL</b>	<b>29,039,958.74</b>	<b>36,349,062.96</b>
<b>SCHEDULE - 17 : SELLING &amp; DISTRIBUTION EXPENSES</b>		
Advertisement & Website Expenses	209,583.50	191,147.09
Business Promotion & Diwali Expenses	502,507.00	241,323.00
General Expenses	316,242.80	290,180.33
Travelling Expenses (including Rs. 35,859/- for Directors)	363,733.00	440,130.38
<b>TOTAL</b>	<b>1,392,066.30</b>	<b>1,162,780.80</b>
<b>SCHEDULE - 18 : INTEREST &amp; FINANCE CHARGES</b>		
Bank Charges	216,288.05	86,439.39
Interest on Loans	10,276,969.08	12,806,303.67
<b>TOTAL</b>	<b>10,493,257.13</b>	<b>12,892,743.06</b>

**SCHEDULE: 19 - NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****1. SIGNIFICANT ACCOUNTING POLICIES****a) Basis of preparation**

The consolidated Financial Statements relate to Mega Corporation Limited (Parent Company) and its two Subsidiary Companies (hereinafter referred to as the "Group").

The Group prepares its accounts on accrual basis in accordance with generally accepted accounting principles and under Historical Cost Convention ( modified by revaluation / impairment of fixed assets).

**b) Principles of Consolidation**

The consolidated Financial Statements have been prepared on the following basis :

i. The financial statements of the Parent of Company and its Subsidiary Companies have been combined on a line by line by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions resulting in unrealized profits or losses, if any, as per Accounting Standard - 21, Consolidated financial statements, issued by the institute of Chartered Accountants of India.

ii. The financial Statements of the Subsidiary Companies used in the consolidation are drawn for the same period as that of the Parent Company i.e. year ended March 31, 2010.

iii. List of Subsidiaries considered for Consolidation:

Sl. No.	Name of the Company	Nature of relationship	Country of Incorporation	Extent of Holding/ Voting power as on 31-03-2010
1	Mega Airways Ltd.	Subsidiary	India	100
2	Mega Holidays Ltd.	Subsidiary	India	100

iv. As far as possible, the Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements. Differences in the accounting policies have been disclosed separately.

**c) INVESTMENTS:**

Investments are either classified as current or long term based on the management's intention at the time of purchase. Long Term Quoted Investments are stated at cost unless there is a permanent fall in their value as at the date of Balance Sheet. Quoted Current Investments are stated at lower of cost or market value. Provision for diminution in the value of Long Term Investments is made only if such a decline is other than temporary in the opinion of management.

Unquoted investments in subsidiaries being of long term nature are valued at cost and no loss is recognised in the fall in their net worth, if any, unless there is permanent fall in their value.

**d) FIXED ASSETS:**

Expenditure, which are of capital nature, are capitalised at acquisition cost, which comprises purchase price (net of rebates and discounts), levies and any directly attributable cost of bringing the assets to its working condition for the intended use.

The carrying amount is reviewed at each Balance Sheet date when required to assess whether they are recorded in excess of their recoverable amounts and where carrying value exceeds this estimated recoverable amount, assets are written down to their recoverable amount.

**e) DEPRECIATION:**

Depreciation on Fixed Assets has been provided on Written Down Value Method as per the classification and on the basis of rates prescribed in Schedule XIV to the Companies Act, 1956 except that commercial cars are depreciated on the basis of Straight Line Method at the rates calculated on the basis of expected useful life of the said assets.

Fixed assets costing below Rs. 5000/- fully depreciated in the year of acquisition .

The depreciation charge for the assets which have been impaired are adjusted to allocate the assets revised carrying amount less its residual value, if any, over its remaining useful life.

Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis.

**f) MISCELLANEOUS EXPENDITURE:**

Preliminary and Share issue expenses are written off over a period of five years from the year of commencement of business.

Deferred Revenue Expenditure is written off over a period of Three to Five years depending upon the nature and benefit of such expenditure in future.

**g) REVENUE RECOGNITION:**

The revenue & expenditure related to Radio Taxi Operations and Tour & Travel Related Services are accounted on going concern basis.

Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and the then carrying value of the investment.

Interest income/expense is recognised using the time proportion method based on the rates implicit in the transaction.

Dividend income is recognised when the right to receive dividend is established.

**h) INVENTORY VALUATION:**

The company has inventories in the form of spare parts of Commercial Vehicle which are valued at lower of cost and net realisable value.

Obsolete, defective and unserviceable stocks are provided for, wherever required.

**i) FOREIGN CURRENCY TRANSACTIONS:**

All income & expenditure items are accounted for on the basis of exchange rate prevailing on the date of transaction. The net exchange difference arising from realization of foreign currency & transaction amount has been dealt with in the profit & loss account and capitalized where it relates to fixed assets. Current Assets & Current Liabilities in foreign currency are accounted for at the rate prevailing as on the date of Balance Sheet.

**j) EMPLOYEES BENEFITS:**

The liability for Gratuity is provided on the basis of valuation carried out at the end of each financial year internally by the Company.

Retirement benefits in the form of Provident Fund are charged to the Profit and Loss Account for the year when the contributions to the respective funds are due.

Leave encashment benefit is accounted for on basis of valuation made at the end of each financial year by the company.

**k) BORROWING COSTS:**

Borrowing costs that are allocated to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**l) PROVISIONS:**

A provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**m) INTANGIBLE ASSETS:**Computer Software acquired for internal use

Costs relating to computer software which is acquired, are capitalized and amortized/ depreciated on a written down value basis on the basis of rates provided in schedule XIV to the Companies Act.

**n) IMPAIRMENT:**

The carrying value of intangible assets is reviewed for impairment at each Balance Sheet date to ascertain if there is any indication of impairment based on internal/external factors. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**o) TAXATION:**

Provision for current Tax is made and retained in accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961 and considering assessment orders and decisions of the appellate authorities in company's case.

Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred Tax Assets are recognized to the extent there is reasonable certainty that these assets can be realised in future.

**p) EARNING PER SHARE (BASIC & DILUTED):**

Basic & diluted earnings (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity share outstanding during the year.

**q) CONTINGENT LIABILITY:**

Liabilities, though contingent, are provided for is there are reasonable prospects of such liabilities maturing. Other contingent liabilities, barring frivolous claims not acknowledged as debt, are disclosed by way of note.

**2. Contingent liabilities not provided for:**

Particulars	As at 31-03-2010	As at 31-03-2009
a) Income Tax Matters*	396.57 Lacs	396.57 Lacs
b) Custom Duty on Import of Commercial Aircraft (Amount paid under protest Rs. 236.82 Lacs**)	236.82 Lacs	236.82 Lacs
c) Un-Expired Bank Guarantees and Letters of Credit	NIL	15.00 Lacs

\*The parent Company has been assessed U/S 143(3) for the A.Y. 2006-07 by the Income Tax Department and the assessing officer has made certain additions to the returned income of the Company resulting in creation of additional demand of Rs. 396.57 Lacs. The company has filed appeal against above referred demand with Appellate Authority which is pending for disposal. The management of the company has been advised that the order of the assessing officer shall not be tenable before income tax appellate authorities hence there will be no liability towards income tax.

\*\*The parent Company was issued an enquiry notice by the Superintendent of Customs (Preventive) in F.Y. 2008-09 in connection with Custom duty on import of Commercial Aircraft by the Company in the F.Y. 2007-08. During the course of proceedings before above said authority the Company was asked to deposit a sum of Rs. 236.82 Lacs as additional Custom Duty. The company had deposited the said amount in F.Y. 2008-09 under protest to safeguard its interest. The matter is still pending for disposal before the Customs Authorities. The company has been advised that the contention of the Customs Authorities is not tenable hence there shall be no liability for payment of additional customs duty.

**3. Capital Commitments:**

Estimated amount of contracts remaining to be executed on Capital Account ( Net of Advances ) and not provided for amounts to Rs. NIL (Previous Year: NIL).

**4. Secured Loans:**

a) Loans from banks amounting to Rs. 3,79,066/- (Previous Year Rs. 99,98,127/-) and from NBFCs/Others amounting to Rs. 4,29,245/- (Previous Year Rs. 3,34,97,932/-) are secured by way of hypothecation of Commercial/Non-Commercial Vehicles acquired out of loan proceeds received by the Company.

b) Term Loan of Rs. 4,66,45,186/- (Previous Year Rs. 5,98,70,786/-) taken from State Bank of India, Nehru Place, New Delhi is secured by way of hypothecation of company's air craft and its present/future accessories, spares & parts, etc purchased out of term loan proceeds. The Term Loan is further secured by way of Equitable Mortgage of properties belonging to a relative of a Director and Associate Company. The said loan is also secured by way of personal guarantee of Mr. Kunal Lalani, Chairman & Managing Director of the Company, Mrs. Vimi Lalani wife of Mr. Kunal Lalani and corporate guarantee of M/s Crayons Advertising Limited.

5. Sundry Debtors of the group companies includes a sum of Rs. 39,15,778/- ( Previous Year Rs. 2,76,945/- ) due from Companies in which Directors of the Company/their relatives are interested. Maximum amount due during the year was Rs. 39,15,778/- (Previous Year Rs. 3,90,396/-)

6. Advertising Expenses includes a sum of Rs. 1,17,013/- (Previous Year Rs. 1,55,612/-) paid to a company in which Directors of the Company are interested as Directors.

7. In the opinion of Board of Directors the "Current Assets, Loans and Advances" have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

8. During the year the Parent Company has transferred its Radio Taxi Services Division along with all of its assets and liabilities to M/s Mega Cabs Limited on a going concern basis with effect from 01-11-2009 under a Business Transfer Agreement (BTA) at a consideration of Rs. 375 Lacs.

9. The Board has certified that all the income accrued to the company has been taken into consideration and belong entirely & exclusively to the business of the Company.

10. Balances of Debtors, Creditors, Loans & Advances and Unsecured Loans are subject to confirmation and reconciliation adjustment, if any.

11. The Total Share Capital of one of the Subsidiary, namely Mega Holidays Ltd. is Rs. 30.00 Lacs and accumulated losses of this company as at 31-03-2010 is Rs. 29.87 Lacs (Previous Year 29.39 Lacs). The investment made by the Parent is strategic in nature and the subsidiary is expected to make profits going forward. As such, above diminution, in the opinion of management being temporary in the nature, does not require to be recognised in the accounts.

12. The group's main business activity is operation of Radio Taxi Service, Aircraft Charter Services and Investment & Finance related business. Owing to the nature of operations of the Company it is not possible to give the quantitative details of sales & services and certain other information which is required under paragraph 3, 4C & 4D of part II of Schedule VI to the Companies Act, 1956.

**13. Employee Benefits:**

The group is in process of adopting AS -15 (Revised) issued by the Institute of Chartered Accountants of India in respect of recognition of Retirement Benefits in the Financial Accounts. So far no actuarial valuation has been carried out in respect of Gratuity Liability or liabilities in respect of other retirement benefits payable by the group therefore any impact thereof on the Profit or Loss of the group for the year, if any, is not quantifiable.

Presently as per the policies of the group following benefits are being provided to the employees:

Provident Fund – Contributions made by the group companies are periodically deposited with appropriate authorities and charged to Profit & Loss Account

Gratuity - Gratuity Liability is provided on the basis of in house calculation made in accordance with the provisions of Payment of Gratuity Act, 1972 at end of each financial year.

Leave Encashment – Provision for Leave Encashment payable to the employees is provided on the basis of in house calculation made by the group and charged to Profit & Loss Account.

## 14. Foreign exchange earned and used during the year:

Particulars	Current Year	Previous Year
Foreign Exchange earned	Rs. 2,57,376/-	NIL
Foreign Exchange used	Rs. 88,55,124/-	Rs. 40,64,288

## 15. Auditors Remuneration Paid/Payable for the year:

Particulars	Current Year	Previous Year
Statutory Audit Fees*	Rs. 1,16,000/-	Rs. 1,16,500
Tax Audit*	Rs. 50,000/-	Rs. 50,000
Other Services*	Rs. 21,000/-	Rs. NIL
Fee paid to Internal Auditors	Rs. 20,000/-	Rs. NIL

\*Service Tax/Cess excluded

## 16. Payments to whole time &amp; other directors:

a) Managing and whole time directors:	Current Year	Previous Year
Salary	Rs. 27,01,000/-	Rs. 33,48,000
Bonus	Rs. 51,700/-	Rs. 56,400
HRA and Other allowances	Rs. 5,30,550/-	Rs. 5,96,650
<b>Total</b>	<b>Rs. 32,83,250/-</b>	<b>Rs. 40,01,050</b>

**Note:** The Managerial Remuneration as computed above does not include the liability in respect of leave & gratuity accrued by the Company.

## b) Non Executive Directors:

Board Sitting Fee Rs. 15,000 (Previous Year .... Rs. 30,000)

## 17. Earning Per Share has been calculated as under :

Particulars	Current Year	Previous Year
Net profit after Tax as per Profit & Loss Account	(23,58,870)	10,00,20,532
Less: Non Recurring & Extra Ordinary Items	2,48,41,070	0
Net profit after tax available for Equity Shareholders (In Rupees)	(2,71,99,940)	10,00,20,532
Number of Shares outstanding at the beginning and end of the year (Face value Rs. 1/- each)	10,00,00,000	10,00,00,000
Weighted average number of Shares outstanding during the Year (Face value Rs. 1/- each)	10,00,00,000	10,00,00,000
<b>Basic &amp; Diluted Earning per share (in Rupees)</b>	<b>(0.27)</b>	<b>0.10</b>

## 18. SEGMENT REPORTING POLICIES:-

## (a) Identification of Segments

## Primary Segments

## Business Segment:

The Group's operating businesses are organised and managed separately according to the nature of operations with each segment representing a strategic business unit that carries out different operations. The Group has three identified segments comprising of Radio Taxi Operations, Air Chartered services and Finance & Investments.

## Secondary Segment

Geographical Segment: The Group does not have any identified segment on the basis of geographical locations as group's operations are mainly confined to single location.

## (b) Unallocable Items

Corporate Income, Expenses, Capital & Reserves are considered as part of unallocable items which are not identifiable to any business segment.

## A. PRIMARY BUSINESS SEGMENTS

## Segment Revenues, Results and other information

Particulars	Radio Taxi Services	Finance/ Investment	Air Charter Services	Total
Revenue	51,275,581	11,376,815	32,958,909	<b>95,611,305</b>
Identified Operating Exp.	28,584,480	130,889	28,309,418	<b>57,024,788</b>
<b>Profit/(Loss) before interest &amp; tax from each segment</b>	<b>22,691,101</b>	<b>11,245,926</b>	<b>4,649,491</b>	<b>38,586,518</b>
Less : Interest & Finance Charges				<b>10,493,257</b>
Less : Other unallocable Expenses-net of Income				<b>31,888,741</b>
Net profit before tax				<b>(3,795,480)</b>
Income tax & Other Taxes				<b>(1,436,609)</b>
<b>Net profit after tax</b>				<b>(2,358,871)</b>
<b>Segment Assets</b>	0	291,905,105	130,235,960	<b>422,141,065</b>
<b>Segment Liabilities</b>	0	10,187,191	48,248,001	<b>58,435,192</b>
<b>Segment Capital Employed</b> (Assets - Liabilities)	0	281,717,914	81,987,959	<b>363,705,873</b>
<b>Add : Unallocable Asset Less Liability</b>				<b>1,151,442</b>
<b>Total Capital Employed</b>				<b>364,857,315</b>
<b>Depreciation</b>	16,683,728	130,889	10,441,961	<b>27,256,578</b>

## 19. Disclosures in respect of Related Parties as defined in Accounting Standard (AS) 18, with whom transactions were carried out in the ordinary course of business during the year as given below:

## A. Directors, Key Management Personnel and their relatives

Mr. Kunal Lalani - Chairman

Mr. Surendra Chhalani & Mr. Manish Dhariwal - Whole Time Director

Mr. H. M. Lalani, Mr. Sachin Mehra, & AVM K.S. Venkataraman (Retired) - Directors

## B. Other Associate Concerns where common control exists and with whom the Company had transaction during the year

Crayons Advertising Ltd., Plasopan Engineers (I) Pvt. Ltd., Vimi Investments & Finance Pvt. Ltd., Sahyog Properties Pvt. Ltd., Tabasko Hospitality P. Ltd., Crayons Global Finance Pvt. Ltd., Omni Media Communications Pvt. Ltd., Jam India Pvt. Ltd., Mega Infotel Pvt. Ltd. and Mega Cabs Ltd.

## NOTE

Detail of transactions	Associates		Key Management Personnel & Their Relatives	
	2009-2010	2008-2009	2009-2010	2008-2009
Receiving of Services	117,013	155,612		
Rendering of Services	535,228	5,041,943		
Rent Paid	3,025,000	4,500,000		
Remuneration & Sitting Fees			3,277,707	4,031,050
Sale of Fixed Assets	89,420,839	0		
Share Application Money Paid	19,450,000	9,400,000		
Share Application Money Received back	19,400,000	2,800,000		
Security Paid Against Rent	300,000	1,125,000		
Purchase of Equity Shares	0	3,418,525		
Loans Taken	5,000,000	1,500,000		
Loans Refunded	5,000,000	1,500,000		
Loans & Deposits Given	0	15,200,000	10,000,000	
Loans & Deposits Received back	3,000,000	15,968,889	10,000,000	
Interest Received on Deposits	175,890	329,179	868,734	
<u>Balances outstanding as at the year end</u>	3,915,778	3,531,532		
Loans, Advances & other receivables	3,915,778	3,531,532		

20. Previous Year Figures have been regrouped, reworked and reclassified wherever necessary.

As per our Report of even date annexed

**For Sipani & Associates**  
Chartered Accountants

(VIJAY SIPANI)  
Proprietor  
M. No. 83850  
Firm No. 007712N

Place : Delhi  
Dated : 29-05-2010

**For and on behalf of the Board**

KUNAL LALANI  
Chairman

SURENDRA CHHALANI  
Whole Time Director

MANISH DHARIWAL  
Director

RAMA NATH SAHOO  
Company Secretary

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