

30<sup>th</sup> September, 2021

The Listing Department  
Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400001  
Tel; 91-22-22721233/4

**Re: Company Code No. 531417 MEGACOR**

**Sub: Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Annual Report of Mega Corporation Limited for the Financial Year 2020 - 21.**

Respected Sir/ Madam,

We are submitting herewith the Annual Report of the Company for the Financial Year 2020-21 which was approved the shareholders in the Annual General Meeting on today the 30<sup>th</sup> September, 2021.

Further the annual report is also available on the website of the Company.

You are requested to kindly take the above information on record.

Thanking you,

Yours Faithfully,

**For Mega Corporation Limited**



**Surendra Chhalani**

**Director/ CFO**

**00002747**

**Mega Corporation Limited**

Regd. Office: NSIC Complex,

Maa Anandmayee Marg,

Okhla Ind. Estate-III,

New Delhi-110 020

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E info@megacorpltd.com

www.megacorpltd.com

CIN: L65100DL1985PLC092375

# ANNUAL REPORT 2020-21

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26,465.54

28,161.92

26,465.54

198.45

MegaCo₹p

# CORPORATE INFORMATION

**Mr. Kunal Lalani**  
Director

**Mr. Surendra Chhalani**  
Director and CFO

**Ms. Abhilasha Lalani**  
Director

**Mr. Surendra Kumar Pagaria**  
Independent Director

**Mrs. Anisha Anand**  
Whole Time Director

**Mr. Navratan Baid**  
Independent Director

**Mr. Shurab Kumar**  
Additional Director

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**Company Secretary**  
**Mr. Aagat Singh**

**Statutory Auditors**  
**Virendra Pradeep & Co.**  
(Chartered Accountants)

**Secretarial Auditors**  
**M/s Vikash Gupta & Co., Delhi**  
(Company Secretaries)

**Registrar and Transfer Agent**  
(Electronic & Physical)  
**M/s Link Intime India Pvt. Limited**  
E-mail: delhi@linkintime.co.in

**Registered Office**  
**NSIC Complex, Maa Anandmayee Marg,**  
**Okhla Industrial Area, Phase-III, Delhi-110020**  
Ph: +011-40531616  
[www.megacorppltd.com](http://www.megacorppltd.com)  
Email: [cs@megacorppltd.com](mailto:cs@megacorppltd.com)  
CIN: L65100DL1985PLC092375

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Mega Corporation Ltd.

## DIRECTOR'S REPORT FOR THE FINANCIAL YEAR ENDED 2020-2021

### TO THE MEMBERS OF MEGA CORPORATION LIMITED

Your Directors are pleased to present the 36th Annual Report on the business and operations of the Company together with the Audited Financial Statement for the year ended 31st March, 2021.

#### FINANCIAL PERFORMANCE

The Summarized financial results are:

(Amount in Lakhs)

Particulars	Standalone Financials	
	2020-21	2019-20
Income from Operations	275.31	270.41
Other Income	9.03	5.11
<b>Total Income</b>	<b>284.34</b>	<b>275.52</b>
Operating Expenses	23.09	26.23
Depreciation and Amortization	35.54	35.38
Interest	161.44	129.33
Other Expenses	22.67	42.89
<b>Exceptional Item</b>	<b>--</b>	<b>40.91</b>
<b>Profit/(Loss) before Tax</b>	<b>41.59</b>	<b>0.78</b>
Tax Expenses		
• Current Year	--	8.51
• Previous Year	(82.05)	--
• MAT Entitlement	--	8.51
• Deferred Tax	(11.48)	(7.81)
<b>Net Profit/ (Loss) for the Year</b>	<b>(28.98)</b>	<b>8.59</b>

The year gone by started with an unprecedented nation-wide lockdown due to pandemic which negatively impacted the economic activities across the globe. The Indian economy was already facing turbulence prior to the start of 2020 when the COVID-19 pandemic happened. The pandemic and subsequent containment measures to curb the spread of the virus posed one of the most formidable economic challenges to India and the world. Post relaxation of lockdown economic activities gradually started picking up from mid May 2020.

The stringent nation-wide lockdown imposed in March 2020 resulted in a 24.4% contraction of GDP in the first quarter of the Financial Year 2020. The situation has improved since then, with the measured opening up of the Indian economy.

Economic environment continues to remain uncertain and challenging owing to Covid and partial lockdowns across the country. However, we as an organization remain vigilant to the ground developments with confidence and optimism to manage emerging scenarios.

#### STATE OF COMPANY'S AFFAIRS

During the period under review the total Standalone Income of Company is Rs. 284.34 Lakhs as compared to previous year income of Rs. 275.52 Lakhs.

The company during the period earned standalone profit before tax of Rs. 41.59 Lakhs as compared to profit of Rs. 0.78 Lakhs in the previous year and Standalone Net loss of the company during reporting period is Rs. 28.98 Lakhs as compared to profit of Rs. 8.59 Lakhs in the previous year. The company has suffered losses due to adjustment of tax relating to earlier period of Rs. 82.05 Lakhs.

#### MATERIAL CHANGES AND COMMITMENTS AFTER THE DATE OF CLOSE OF FINANCIAL YEAR 2020-21

There are no material changes and commitment affecting the financial position of company after the close of financial year 2020-21 till the date of report.

### **DIVIDEND AND RESERVES**

Net loss suffered by the company due to adjustment of tax relating to earlier period, your management recommends no dividend for the year ended March 31, 2021 and will increase efforts to reduce the net loss in coming financial year. Further your Directors do not propose to transfer any amount to the general reserve.

### **FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

There are no such frauds reported by auditors, which are committed against the company by officers or employees of the company.

### **HUMAN RESOURCES DEVELOPMENT**

During the year under review, industrial relations remained harmonious. With an aim at enhancing employees' experience, the highest priority was given to people-focused measures and policies in areas of health, safety and wellness of employees and their families, especially in the wake of COVID-19. In order to drive employee motivation and performance, a structured culture and engagement framework was put in place with focus on three core pillars of Learning and Development, Communication and Connect, and Recognition.

We are committed to sustainable work practices and a transparent work culture. Our standing as an exciting and enriching workplace attracts some of the most talented people in the industry. The year gone by brought many challenges owing to Covid 19 disruptions which posed serious threats to the entire mankind. Amidst all these thought-provoking scenarios, we leveraged use of digital assets to connect with various stakeholders, including our employees. IT tools were optimally utilised for skills enhancement and training of employees when most of the business activities were standstill everywhere. Maintaining balance between safety of employees and business continuity, Work From Home (WFH) facility was accorded to people immediately post lockdown. As the things started to ease, proactive measures for employees were undertaken like, workplace SOPs, awareness sessions, roster facilities to suit the age and proximity related requirements of our workforce etc. Similarly, our office resumed operations with robust hygiene norms and considering all the social-distancing regulations.

Your Directors wish to place on record their appreciation for the commitment shown by the employees throughout the year.

### **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place an act "The Sexual Harassment of Women at Workplace" (Prevention, Prohibition and Redressal) Act, 2013 has been notified on December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Your Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up a Committee for implementation of said policy. During the year Company has not received any complaint under the said policy.

### **BUSINESS EXCELLENCE AND QUALITY INITIATIVES**

"Business Excellence" is an integral part of Business Management and is the application of quality management theory and tools to run our business more efficiently. Business Excellence is the culture of your company, which works as an enabler to our commitment to higher customer satisfaction, increase in stakeholder value & better process management through the never-ending cycle of continuous improvement. Innovation in services and business models is a key agenda of the Management along with a customer-focused culture towards building long-term customer relationships.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s Vikash Gupta & Co., Company Secretary in Practice to undertake the secretarial audit of the Company for FY 2020-21. The Secretarial Audit Report is appended as **Annexure A** to this Report. There are no adverse remarks / observations / qualifications / reservations / disclaimers in the Secretarial Audit Report.

## **DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES, AND HIGHLIGHTS OF THEIR PERFORMANCE AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY**

Your Company had a subsidiary namely M/s Mega Airways Limited and the same was merged with your company on 09th August, 2019 by the order of hon'ble National Company Law Tribunal of Delhi vide order no.1257. Further, there was no associate company within the meaning of Section 2(6) of the Companies Act, 2013 ("Act") and there has been no material change in the nature of business of the subsidiary. The said subsidiary is not a material subsidiary.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of financial statements of the subsidiary company in form AOC – 1 is not required to be attached as the subsidiary company M/s Mega Airways Limited has been merged with your company during the period under review.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Your Company has a proper and adequate system of Internal Controls, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and that transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive programme of internal, external audits and periodic review by the management. The system is designed to adequately ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. Audit Committee, facilitated a review of your company's risk management programme. The risks and mitigation measures were reviewed by your company's Audit Committee and corrective measures initiated. During the year, the Audit Committee carried out various reviews and provided assurance on compliances to lay down policies, processes and internal controls.

### **RISK MANAGEMENT**

The Company is exposed to inherent uncertainties owing to the sector in which it operates. A key factor in determining a Company's capacity to create sustainable value is the ability and willingness of the Company to take risks and manage them effectively and efficiently. Many types of risks exist in the Company's operating environment and emerge on a regular basis due to many factors such as changes in regulatory framework, economic fundamentals etc.

Macro-economic factors including economic and political developments, natural calamities which affect the industrial sector generally would also affect the businesses of your Company. Legislative changes resulting in a change in the taxes, duties and levies, whether local or central, also impact business performance and relative competitiveness of the businesses.

Your Company had put a risk management framework in place post a comprehensive review of its risk management process. Your Company has taken a fresh look at the risk management framework. The review involved understanding the existing risk management initiatives, zero-based identification and assessment of risks in the various businesses as also the relative control measures and arriving at the desired counter measures keeping in mind the risk appetite of the organization. The Management has periodically reviewed the risks in the various businesses and recommended appropriate risk mitigating actions.

Further, it is embedded across all the major functions and revolves around the goals and objectives of the Company. The development and implementation of Risk Management Policy adopted by the Company is discussed in detail in the Management Discussion and Analysis chapter, which forms part of this Annual Report.

### **CORPORATE GOVERNANCE**

Our shareholders are at the heart of our business, with this philosophy we have grown. At the core of our growth are our ethical beliefs. Your management as steward of governance has ensured that your Company not only contributes economically but also grows sustainably.

All business decisions are taken in adherence of the spirit of governance as it ensures that the core of our business built over years is kept intact. The virtues of governance generate the much-needed trust of our stakeholders. The Board reassesses its governance processes and controls to meet the stakeholders' expectations. The strategically scheduled meetings of directors and its committees foster truly frank discussions and informed decisions.

Parameters of Statutory compliances evidencing the standards expected from a listed entity have been duly observed and a Report on Corporate Governance as well as the Certificate from Statutory Auditors confirming compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Integrated Annual Report appended as **Annexure-B**.



Further, the Management Discussion and Analysis Report and CEO/ CFO Certificate as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are also presented in separate sections forming part of the Integrated Annual Report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, ("the Act") your Directors, based on the representations received from the Operating Management and after due enquiry, confirm that:

- i. In the preparation of the annual accounts for financial year ended 31st March, 2021, the applicable accounting standards have been followed and there are no material departures in adoption of these standards.
- ii. They have in consultation with the Statutory Auditors 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, 2021 and of the profit of the Company for the year ended on that date.
- iii. They have taken proper and sufficient care 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.
- iv. They have prepared the annual accounts for financial year ended 31st March, 2021 on a going concern basis.
- v. They have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls were operating effectively during the financial year ended 31st March, 2021.
- vi. They have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively during the financial year ended 31st March, 2021.

#### **BOARD EVALUATION**

In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees.

The nomination and remuneration committee has conducted Board evaluation for the year. The evaluation of all the directors, committees, Chairman of the Board, and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board evaluation process was completed during fiscal 2021.

For Independent Directors, evaluation is carried out based on the criteria viz. the considerations which led to the selection of the Director on the Board and the delivery against the same, contribution made to the Board/Committees, attendance at the Board/Committee Meetings, impact on the performance of the Board/ Committees, instances of sharing best and next practices, engaging with top management team of the Company, participation in Strategy Board Meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and nonexecutive directors.

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board committees, and executive / non-executive / independent directors through evaluation, excluding the director being evaluated. Independent directors have three key roles – governance, control and guidance. Some of the performance indicators, based on which the independent directors are evaluated, include:

- The ability to contribute to and monitor our corporate governance practices.
- The ability to contribute by introducing international best practices to address business challenges and risks.
- Active participation in long-term strategic planning.
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities; these include participation in Board and committee meetings.

The Company has formulated a Policy for performance evaluation of the Independent Directors, the Board, its Committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

As an outcome of the above exercise, it was noted that the Board as a whole is functioning as a cohesive body which is well engaged with different perspectives. The Board has a right balance of discussion between strategic and operational issues. The Board Members from different backgrounds bring about different complementarities and deliberations in the Board and Committee Meetings are enriched by such diversity and complementarities. The Board is actively engaged on the key issue concerning strategy, talent, risk and governance. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committees & Board was updated on the same. The Board also noted that given the changing external environment, more frequent sessions on strategy with emphasis on sustainability may be considered. There are specific areas that have been identified as part of the exercise for the Board to engage itself with and the same will be acted upon.

#### **MANAGEMENTS' DISCUSSION AND ANALYSIS REPORT**

Managements' Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming Annexure C of the Director's Report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 are given hereunder:

##### **Conservation of Energy**

- i.) Steps taken or impact on conservation of energy: Energy conservation efforts are ongoing activities. During the year under review further efforts were made to ensure optimum utilization of electricity.
- ii) Steps taken by the company for utilizing alternate sources of energy: Nil, as your company does not carry any manufacturing activities.
- iii) The Capital investment on energy conservation equipment's: Nil

##### **Technology Absorption, Adaption & Innovation and Research & Development**

No research & development or technical absorption or adaption & innovation taken place in the company during the Financial Year 2020-21, the details as per rule 8(3) of The companies (Accounts) Rules 2014 are as follows:

- i) Efforts made towards technology absorption: - Nil
- ii) Benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)-
  - a) Details of technology imported: Nil
  - b) Year of Import: Nil
  - c) Whether the technology been fully absorbed: Nil
  - d) Areas where absorption has not taken place and the reasons there of: Nil
- iv) Expenditure incurred on Research and Development: Nil

##### **Foreign Exchange Earnings and Outgo**

As your Company does not deal in Foreign Exchange, therefore the particulars relating to Foreign Exchange Earnings and Outgo are not applicable to your Company.

Foreign Exchange Earnings: Nil

Foreign Exchange Outgo: Nil

##### **FIXED DEPOSITS**

Your Company has not accepted any fixed deposits covered under Chapter V of the Company Act, 2013 and as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

##### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

###### **• Retirement by Rotation**

In accordance with the provisions of Section 152 of The Companies Act, 2013 Mr. Surendra Chhalani, Director of the

Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

• **Appointment / Re-appointment and Cessation of Directors & KMP**

Following are the Directors of the Company as on 31.03.2021

1. Mr. Kunal Lalani – Executive Director
2. Mr. Surendra Chhalani – Executive Director
3. Mrs. Anisha Anand – Whole Time Director
4. Mr. Navratan Baid – Non Executive Independent Director
5. Mr. Surendra Kumar Pagaria – Non Executive Independent Director
6. Mrs. Abhilasha Lalani – Non Executive Non Independent Director
7. Mr. Shurab Kumar – Non Executive Additional Director

During the period of under review Mr. Sachin Mehra, Non-Executive Independent Director had resigned from the position on 29th July, 2020 and Mr. Shurab Kumar was appointed as the Additional Director on 05th October, 2020 whose term expire on the ensuing Annual General Meeting and his appointment is required to be regularized subject to approval of members in the Annual General Meeting.

Further term of Mr. Navratan Baid has expired on 19th October, 2020 and he has offered himself for re-appointment for a further period of 4 years.

Pursuant to the provisions of Section 203 of the Act, your Company has following Key Managerial Personnel(s):

- Mr. Surendra Chhalani – Chief Financial Officer;
- Mr. Aagat Singh – Company Secretary;

**DECLARATION BY THE INDEPENDENT DIRECTORS**

All Independent Directors has given declarations to the company confirming that they meet the criteria of independence as laid down under Section 149(6) of The Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**AUDITORS AND AUDITOR'S REPORT**

Under Section 139 of the Companies Act, 2013 and the rules made thereunder it is mandatory to rotate Statutory Auditors on completion of the maximum term permitted under the provisions of Companies Act, 2013. In line with the requirement of the companies Act, 2013, M/s Virendra Pradeep & Co., Chartered Accountants, was appointed as the Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of 32nd Annual General Meeting of the Company held on 22nd September, 2017 till the conclusion of the 37th Annual General Meeting (AGM). However proprietor of our Statutory Auditor, Mr. Virendra Pradeep has been suffering from a major disease and is unable to continue as the Statutory Auditor of the company, in regards to which your management has decided to appointed AGMS & Co., Chartered Accountants as the new Statutory Auditor of the Company subject to approval of member in the ensuing Annual General Meeting.

New Statutory Auditor has confirmed that they satisfy the independence criteria required the Companies Act, 2013, code of ethics issued by Institute of Chartered Accountants India and U.S. Securities and Exchange Commission and the Public Company accounting Oversight Board.

The auditor report and notes on accounts referred to in the Auditors Report is self-explanatory and there are no adverse remarks or qualification in the Report.

**LISTING OF SECURITIES**

The Company's Equity Shares are listed on following stock exchanges:

- i. The Delhi Stock Exchange Limited
- ii. The Bombay Stock Exchange Limited\*

**\*Delhi Stock Exchange has been derecognized w.e.f. 19th November, 2014 vide SEBI order.**

**PARTICULARS OF EMPLOYEES**

None of the employees of your company is drawing remuneration exceeding limits laid down under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, the information required under the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure- D and forms part of this report.

### **MEETINGS OF THE BOARD OF DIRECTORS**

The Details of Meetings of the Board of Director Held during the Financial Year 2020-21:

As per the disclosures furnished none of the Directors are disqualified to act as directors of this Company or any other public Company under Section 164 and other applicable provisions of the Companies Act, 2013.

The requisite information as prescribed under Clause 49 of the Listing Agreement is placed before the Board from time to time and is generally provided as part of the Agenda papers of the Board Meeting and /or is placed at the table during the course of the meeting.

During the financial year ended March 31, 2021, Nine Board Meetings were held. The interval between two meetings was well within the maximum period mentioned under Section 173 of Companies Act, 2013 and Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board meeting was held on the following dates:-

27th May, 2020, 29th July, 2020, 28th August, 2020, 15th September, 2020, 05th October, 2020, 29th October, 2020, 11th November, 2020, 21st January, 2021 and 12th February, 2021

Attendance of Directors at the Meeting of Board of Directors for the Financial Year 2020-21.

### **COMPOSITION OF COMMITTEES**

#### **a) Audit Committee**

At 31st March, 2021 Audit Committee of the board comprises of three members with Independent Directors forming a majority, namely Mr. Navratan Baid as Chairperson and Mr. Surendra Kumar Pagaria, Mr. Surendra Chhalani as members of the Committee.

Presently Audit Committee comprises following members:

1. Mr. Navratan Baid– Non-Executive Independent Director
2. Mr. Surendra Kumar Pagaria – Non-Executive Independent Director
3. Mr. Surendra Chhalani- Executive Director

All the recommendations made by the Audit Committee were accepted by the board.

Further, the Roles and Responsibility and other related matters of Audit Committee forms an integral part of Corporate Governance Report as part of annual report.

#### **b) Nomination and Remuneration Committee**

At 31st March, 2021, Nomination and Remuneration Committee comprises of Mr. Navratan Baid as Chairperson, Mr. Surendra Kumar Pagaria and Mrs. Abhilasha Lalani as members.

Presently Nomination & remuneration Committee comprises following members:

1. Mr. Navratan Baid – Non-Executive Independent Director
2. Mr. Surendra Kumar Pagaria – Non-Executive Independent Director
3. Ms. Abhilasha Lalani – Non-Executive Non-Independent Director

All the recommendations made by the Nomination and Remuneration committee were accepted by the board.

Further, the terms of reference and other related matters of Nomination and Remuneration committee forms an integral part of Corporate Governance Report as part of annual report.

### **A) STAKEHOLDER RELATIONSHIP COMMITTEE**

Stakeholders Relationship Committee comprises of Mr. Surendra Kumar Pagaria as Chairperson with Mr. Navratan Baid and Mr. Surendra Chhalani as members of the Committee as on 31st March, 2021.

The Committee is set up to monitor the process of share transfer, issue of fresh Share Certificates as well as review of redressed of investors/shareholders grievances.

Further, the role and responsibility and other related matters of Stakeholders Relationship Committee forms an integral part of Corporate Governance Report as part of annual report.

### **RBI GUIDELINES**

The Company continues to comply with all the requirements prescribed by the Reserve Bank of India, from time to time.

## **POLICY FOR DIRECTORS' APPOINTMENT AND REMUNERATION**

The policy of the Company on Directors' appointment and remuneration, including criteria for determining qualification, positive attributes, independence of Director and other matters provided under sub-section 3 of section 178 of the Companies Act, 2013, adopted by the Board is annexed to this report as **Annexure E**.

## **RELATED PARTY TRANSACTIONS**

Your Company has historically adopted the practice of undertaking related party transactions only in the ordinary and normal course of business and at arm's length as part of its philosophy of adhering to highest ethical standards, transparency and accountability. In line with the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has approved a policy on related party transactions. An abridged policy on related party transactions has been placed on the Company's website <http://www.megacorpltd.com/>.

All related party transactions are placed on a quarterly basis before the Audit and before the Board for approval.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) and applicable rules of the Companies Act, 2013 in Form AOC-2 is provided as **Annexure F** to this Annual Report.

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed half yearly report on Related Party Transactions with the Stock Exchanges, for the year ended 31st March, 2021

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements as on 31st March, 2021

## **LISTING**

Equity Shares of your Company are listed on Bombay Stock Exchange Ltd. Your company has paid required listing fees to Stock Exchanges.

## **EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company in the prescribed Form MGT-9, is attached as **Annexure- G** to this Board's Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the obtaining such information may write to CFO & Company Secretary and the same will be furnished on request.

The full Annual Report including the aforesaid information is available on the company's website <http://www.megacorpltd.com/>.

## **RISK MANAGEMENT**

Your Company had put a risk management framework in place post a comprehensive review of its risk management process. Your Company has taken a fresh look at the risk management framework. The review involved understanding the existing risk management initiatives, zero-based identification and assessment of risks in the various businesses as also the relative control measures and arriving at the desired counter measures keeping in mind the risk appetite of the organization. The Risk Management Committee has periodically reviewed the risks in the various businesses and recommended appropriate risk mitigating actions.

The COVID-19 pandemic continues to challenge businesses in every possible way and has amplified existing risks. Operating in an uncertain and ever-changing environment, your company bring in considerable complexities and its robust enterprise risk management framework aids in ensuring the strategic objectives are achieved. This framework is supported by processes for risk identification, risk assessment, risk response planning and actions, risk monitoring and overall risk governance. Risks are assessed and managed at various levels with a top-down and bottom-up approach covering the enterprise, the business units, the geographies, the functions, the customer relationships and projects.

## POLICIES & DISCLOSURES

### Vigil Mechanism

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a "Whistle Blower Policy and Vigil Mechanism" and which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Company has adopted the Policy for Directors and employees to report genuine concerns and to provide for adequate safeguards against victimization of persons who may use such mechanism. The Whistle Blower policy can be accessed on the Company's Website at the link: <http://www.megacorpltd.com/>.

### Corporate Social Responsibility

Pursuant to Section 135 of the Companies Act, 2013 and rules made there under, every company having net worth of Rupees Five Hundred Crores or more, or turnover of Rupees One Thousand Crores or more or a net profit of Rupees Five Crores or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board.

However, it is not applicable in case of your Company. Hence there is no need to form Corporate Social Responsibility Committee and Corporate Social Responsibility Policy for the company as per the requirement of the Companies Act, 2013.

### GENERAL

Your Director states that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:-

- a) Details relating to deposits covered under Chapter V of the Act.
- b) Issue of the equity shares with differential rights as to dividend, voting or otherwise.
- c) Issue of shares (including sweat equity shares) to directors or employees of the Company
- d) Issue of Employee Stock Option Scheme to employees of the company
- e) CFO of the company does not receive any remuneration or commission from any of its subsidiary companies
- f) No significant or material orders were passed by the regulators or courts or tribunals, which impact the going concern status and Company's operations in future.
- g) Purchase of or subscription for shares in the company by the employees of the company.
- h) There is no **material subsidiary**\* of company, so no policy on material subsidiary is required to be adopted.

\* "**Material Subsidiary**" shall have the meaning as defined in Regulation 16(1)(c) of the LODR Regulations, pursuant to which a material subsidiary means a subsidiary, whose income or net worth exceeds 10% (ten percent) of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

Your Directors further state that:-

- a) The Company has zero tolerance for sexual harassment and during the year under review, there were no complaint received and no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- b) And there is no change in the nature of business of company during the year.

### INDUSTRIAL AND HUMAN RELATIONS

Since the Company is not into any kind of manufacturing activity, there is no matter to discuss about industrial relations and the Company is maintaining cordial relations with its staff members.

### CAUTIONARY STATEMENT:

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Important developments that could affect the Company's operations include a downtrend in the financial services industry – global or domestic or both, significant changes in the political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other factors. Actual results might differ substantially or materially from those expressed or implied.

This report should be read in conjunction with the financial statements included herein and the notes thereto.

**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**

S No.	Particulars	No. of Shareholders	No of Share
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	0	0
2	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	0	0
3	Number of shareholders to whom shares were transferred from suspense account during the year	0	0
4	Number of shareholders who have not claimed dividend for last 7 years, and whose shares have been transferred to IEPF account of MCA from Demat Suspense Account	0	0
5	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year. The voting rights on these shares shall remain frozen till the rightful owner of such shares claim the shares	0	0

**ACKNOWLEDGEMENTS**

Your Directors thank the Company's stakeholders in large including investors, customers, banks, financial institutions, rating agencies, debenture holders, debenture trustees and well-wishers for their continued support during the year. Your Directors place on record their appreciation of the contribution made by the employees of your Company, its subsidiaries and its associates at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, cooperation and support. The Board sincerely expresses its gratitude to Reserve Bank of India, Securities and Exchange Board of India and Ministry of Corporate Affairs for the guidance and support received from them including officials there at from time to time.

**For and on behalf of the Board of Directors  
Mega Corporation Limited**

**Sd/-  
Surendra Chhalani  
(Director and CFO)  
Din: 00002747**

**Sd/-  
Kunal Lalani  
(Director)  
Din: 00002756**

**Sd/-  
Aagat Singh  
(Company Secretary)**

**Place: New Delhi  
Date: 31/08/2021**

## ANNEXURES TO THE DIRECTORS' REPORT

<b>Annexure A</b>	Secretarial Audit Report
<b>Annexure B</b>	Report on Corporate Governance
<b>Annexure C</b>	Management Discussion and Analysis Report
<b>Annexure D</b>	Particulars of Employees
<b>Annexure E</b>	Policy for Directors Appointment and Remuneration
<b>Annexure F</b>	Particulars of Related Party Transaction in Form AOC-2
<b>Annexure G</b>	Extract of Annual Return in Form MGT-9



**FORM NO. MR-3 SECRETARIAL AUDIT REPORT****For The Financial Year Ended 31.03.2021***[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]***To****The Members,****M/s Mega Corporation Limited****CIN: L65100DL1985PLC092375****Address: NSIC Complex, Maa Anandmayee Marg****Okhla Industrial Area Phase-III New Delhi - 110020**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Mega Corporation Limited (hereinafter called "the Company"). The Company is a listed Company, having CIN: L65100DL1985PLC092375. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2021** according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder ('FEMA') to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; [The company has not raised any External Commercial Borrowings during the Audit Period].
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015;
  - b) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The SEBI (Prohibition of Insider Trading) Regulations, 1992;
  - d) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - e) The SEBI (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- VI. Other laws applicable to the Company as per the representations made by the Company:
  - a) Reserve Bank of India Act, 1934 and rules and regulations made there under (Company is a registered NBFC with RBI)
  - b) According to the information and explanation provided by the management the provisions related to labour laws are not applicable on the company.

Further I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards Issued by the Institute of Company Secretaries of India (ICSI) with respect to board and general meetings.
- ii. The Listing Agreements entered into by the company with National Stock Exchange of India Limited and Bombay Stock exchange Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the audit period, the company has complied with the provisions of the Act, Rules, regulations, guidelines, standards etc. mentioned above.

**We report that:**

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) The Compliance by the Company of applicable financial laws like direct taxes and indirect taxes and maintenance of financial records and books of accounts has not been reviewed in this Audit, since the same has been the subject to be review by statutory financial audit and designated professionals.
- d) Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

We have checked the compliance management system of the Company, to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further Information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All Decisions at Board Meeting and Committee Meeting are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committee of the Board, as the case may be.
- The compliances of applicable financial laws like, direct and indirect tax laws, have not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

**I further report that:**

- systems and processes in the Company need to be strengthened commensurate with the size and operations of the Company to monitor and ensure compliance with the Act and its applicable laws, rules, regulations and guidelines.
- The company has responded appropriately to the notices or letters (if any) received by the company from various department and authorities including initiating action for corrective measures wherever found necessary.

**I further report that, the Company has complied with the following laws specifically applicable to The Company:**

- a) Reserve Bank of India Act, 1934 and rules and regulations made there under;

I further report that, during the audit period the Company has not taken any actions/ decisions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**Vikash Gupta & Co.**  
(Practicing Company Secretaries)

Sd/-  
**Vikash Gupta**  
Proprietor

M. No.: F9198

C.P. No.: 10785

UDIN: F009198C000797744

Place: New Delhi

Date : 17/08/2021

**REPORT ON CORPORATE GOVERNANCE**

Your Company had aligned and have its corporate governance practice in a manner so as to achieve the objectives of principles as envisaged in SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (SEBI LODR).

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

This simple philosophy underlines our approach to Corporate Governance. So, if growth is our intention, how we achieve this growth is a part of our Corporate Governance. For us, Corporate Governance goes beyond philanthropy and compliance but actually deals with how we manage our triple bottom lines – economic, social and environmental impacts. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. To succeed, we believe, requires highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long-term value for our shareholders, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

**1. BOARD OF DIRECTORS**

- i. As on March 31, 2021, the Company has seven directors. Out of the seven directors, four are Non-Executive Directors out of which two are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- ii. None of the Directors on the Board:
  - holds directorships in more than ten public companies;
  - serves as Director or as Independent Directors (ID) in more than seven listed entities; and
  - who are the Executive Directors serves as IDs in more than three listed entities.

Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors. None of the Directors is related to each other except Mr. Kunal Lalani and Mrs. Abhilasha Lalani.

- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.
- iv. Nine Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days.

The said meetings were held on: 27th May, 2020, 29th July, 2020, 28th August, 2020, 15th September, 2020, 05th October, 2020, 29th October, 2020, 11th November, 2020, 21st January, 2021 and 12th February, 2021.

The necessary quorum was present for all the meetings.

**BOARD MEETING AND PROCEDURES**

Name	Category	Designation	No. of Meetings entitled to attend	No. of Meetings Attended	No. of Membership in Boards of Other Companies	Attendance of each Director At last AGM
Mr. Surendra Chhalani	Executive Director	Director and CFO	9	9	4	Yes
*Mr. Sachin Mehra	Non-Executive & Independent Director	Director	2	0	3	No
Mrs. Abhilasha Lalani	Non-Executive Director	Director	9	5	0	No
Mrs. Anisha Anand	Non-Executive & Independent Director	Director	9	5	1	No
Mr. Navratan Baid	Non-Executive & Independent Director	Director	9	5	3	No
Mr. Kunal Lalani	Executive Director-	Director & Chairman	9	5	11	Yes
*Mr. Shurab Kumar	Non-Executive Director	Director	5	3	0	Not Applicable
Mr. Surendra Pagaria	Non-Executive & Independent Director	Director	9	4	2	Yes

The detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed notes is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s). In some instances, documents are tabled at the meetings and the presentations are also made by the respective executives on the matters related to them at the Board or Committee Meetings. The information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration. The Directors are also provided the facility of video/tele conferencing to enable them to participate effectively in the Meeting(s), as and when required.

During the year under review, Nine (9) Board Meetings were held 27th May, 2020, 29th July, 2020, 28th August, 2020, 15th September, 2020, 05th October, 2020, 29th October, 2020, 11th November, 2020, 21st January, 2021 and 12th February, 2021. The necessary quorum was present for all the meetings. The maximum gap between any two meetings was not more than One Hundred and Twenty Days. As mandated by proviso under Regulation 17A(1) of the Listing Regulations as of March 31, 2021, none of the Independent Directors of the Company served as an Independent Director in more than seven listed entities and as per Regulation 26 of Listing Regulations none of Directors is a member of more than ten committees or acting as Chairperson of more than five committees across all listed companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

\*Mr. Sachin Mehra had given his resignation on 29th July, 2020 and to comply with the provisions of the Companies Act, 2013 and Listing Regulations Mr. Shurab Kumar was appointed as an Additional Director of the Company in the category of Non-Executive Director in the board meeting held on 05th October, 2020.

#### **COMPOSITION OF BOARD**

The Company's policy is to maintain an optimum combination of Executive and Non-Executive Directors. The composition of Board of Directors as on 31st March, 2021 is given in the table below and is in conformity with Regulation 17(1) of the Listing Regulations and other applicable regulatory requirements.

Committee position only of the Audit Committee and Stakeholder's Relationship Committee in Public Companies (whether listed or not) have been considered.

None of Independent Director is serving more than 7 listed companies and Managing Director of company is also not acting as independent director in more than 3 listed companies.

#### **PERFORMANCE EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:**

The Board of Directors has made formal annual evaluation of its own performance, and that of its committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed under the Listing Regulations.

Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as composition of committees, terms of reference of committees, effectiveness of the committee meetings, participation of the members of the committee in the meetings, etc.

The Board also carried out evaluation of the performance of Individual Directors on the basis of criteria such as attendance and effective participation and contributions at the meetings of the Board and its committees, exercise of his/her duties with due & reasonable care, skill and diligence, etc.

The Directors expressed their satisfaction with the evaluation process.

#### **FAMILIARISATION PROGRAMME**

The Company has in place a Familiarization Programme for its Independent Directors which shall be given to new Independent Directors upon joining and to existing Independent Directors on "need basis". The objective of the Familiarization Programme is to provide training to new Independent Directors at the time of their joining so as to enable them to understand the Company - its operations, business, industry and environment in which it functions and the regulatory environment applicable to it. Besides, the Independent Directors are made aware of their role and responsibilities and liabilities at the time of their appointment through a formal letter of appointment, which also stipulates their roles and responsibilities and various terms and conditions of their appointment. Additionally, regular updates on relevant statutory and regulatory changes are regularly circulated to all the Directors including Independent Directors.

During the Financial Year 2020-2021, there was no new Independent Director which was inducted on the Board. The detail of familiarization programme is available at the website of the Company at <http://www.megacorp Ltd.com/>.

## CODE OF CONDUCT

- (i) The board has laid down a "Code of Conduct" for all the board members and the senior management of the company and the Code of Conduct has been posted on the website of the company at <http://www.megacorp Ltd.com/>. Annual declaration confirming compliance of the code is obtained from every person covered by the code of conduct.
- (ii) The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March, 2021. The Annual Report of the Company contains a Certificate by the CFO in terms of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

## 2. AUDIT COMMITTEE

The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions in accordance with Section 177 of the Act, Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations and other regulations applicable to the Company and is reviewed from time to time. Given below is a gist of the responsibilities of the Audit Committee:

- i. Reviewing with the management, quarterly/annual financial statements before submission to the Board, focusing primarily on:
  - The Company's financial reporting process and the disclosure of its financial information, including earnings, press release, to ensure that the financial statements are correct, sufficient and credible;
  - Reports on the Management Discussion and Analysis of financial condition, results of operations and the Directors' Responsibility Statement;
  - Major accounting entries involving estimates based on exercise of judgment by Management;
  - Compliance with accounting standards and changes in accounting policies and practices as well as reasons thereof;
  - Draft Audit Report, qualifications, if any and significant adjustments arising out of audit;
  - Scrutinise inter corporate loans and investments;
  - Disclosures made under the CEO and CFO certification;

and

  - Approval or any subsequent modification of transactions with related parties, including omnibus related party transactions.
- ii. Reviewing with the management, external auditor and internal auditor, adequacy of internal control systems and recommending improvements to the management.
- iii. Review Management letters/Letters of internal control weakness issued by the statutory auditors.
- iv. Recommending the appointment/removal of the statutory auditor, cost auditor, fixing audit fees and approving non-audit/consulting services provided by the statutory auditors' firms to the Company and its subsidiaries; evaluating auditors' performance, qualifications, experience, independence and pending proceedings relating to professional misconduct, if any.
- v. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the chief internal auditor, coverage and frequency of internal audit, appointment, removal, performance and terms of remuneration of the chief internal auditor.
- vi. Discussing with the internal auditor and senior management, significant internal audit findings and follow-up thereon.
- vii. Reviewing the findings of any internal investigation by the internal auditor into matters involving suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board.
- viii. Discussing with the statutory auditor before the audit commences, the nature and scope of audit, as well as conduct post-audit discussions to ascertain any area of concern.
- ix. Establish and review the functioning of the Vigil Mechanism under the Whistle-Blower Policy of the Company.
- x. Reviewing the financial statements and investments made by subsidiary companies and subsidiary oversight, relating to areas such as adequacy of the internal audit structure and function of the subsidiaries, their status of audit plan and its execution, key internal audit observations, risk management and the control environment.
- xi. Look into the reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any.

- xii. Reviewing the effectiveness of the system for monitoring compliance with laws and regulations.
- xiii. Approving the appointment of CFO after assessing the qualification, experience and background etc. of the candidate.
- xiv. Review the system of storage, retrieval, display or printout of books of accounts maintained in electronic mode during the required period under law.
- xv. Approve all or any subsequent modification of transactions with related parties.
- xvi. To approve policies in relation to the implementation of the Code of Conduct for Prevention of Insider Trading.
- xvii. To note and take on record the status reports, detailing the dealings by Designated Persons in Securities of the Company, as submitted by the Compliance Officer on a quarterly basis and to provide directions on any penal action to be initiated, in case of any violation of the Code, by any person.

During the year, the Committee inter alia reviewed key audit findings covering operational, financial and compliance areas. The Chairman of the Audit Committee briefs the Board on significant discussions at Audit Committee meetings.

The Committee comprises of 3 Independent Directors, all of whom are financially literate and have relevant finance and/or audit exposure. The quorum of the Committee is two members or one-third of its members, whichever is higher.

The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company. During the period under review, 4 Audit Committee meetings were held on 26th May, 2020, 20th August, 2020, 03th November, 2020 and 01st February, 2021. Each Audit Committee meeting which consider financial results is preceded by a meeting of the Audit Committee members and the Auditors.

**(b) Composition, names of Members and Chairperson, its meetings and attendance:**

The composition of the Audit Committee as on 31st March, 2021 and number of meetings attended by the Members during the year are given below:

Name of Member	Status	No. of meetings entitled to attend during FY 2020-21	Meetings attended
Mr. Surendra Kumar Pagaria	Chairperson	2	2
Mr. Surendra Chhalani	Member	4	4
Mr. Sachin Mehra	Member	2	1
Mr. Navratan Baid	Member	4	1

During the year, 4 Audit Committee meetings were held on 26th May, 2020, 20th August, 2020, 03th November, 2020 and 01st February, 2021.

\*Mr. Sachin Mehra has resigned from his position on 29th July, 2020.

**3. NOMINATION AND REMUNERATION COMMITTEE**

**(A) Composition, names of Members and Chairperson, its meetings and attendance:**

The composition of the Nomination and Remuneration Committee and number of meetings attended by the Members during the year are given below:

Name of Member	Status	No. of Meetings entitled to attend during the FY 2020-21	Meetings attended
Mr. Surendra Kumar Pagaria	Chairperson	4	2
Mr. Navratan Baid	Member	4	2
Mrs. Abhilasha Lalani	Member	4	4

During the year, 4 Nomination and Remuneration Committee meetings were held on 25th May, 2020, 20th August, 2020, 07th October, 2020 and 02nd January, 2021.

**(B) Terms of reference**

The terms of the Committee are wide enough covering the matters specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and Terms of reference of the Committee briefly are as under:

The purpose of the committee is to screen and review individuals qualified to serve as executive directors, non-executive directors, key managerial personnel and independent directors, consistent with the criteria approved by the Board, and to recommend, for approval by the Board, nominees for election at the AGM.

It also designed benchmarks and continuously reviews the compensation program for the Board and the CEO & MD against the achievement of measurable performance goals. The committee also reviews and approves senior executive compensation to ensure that it is competitive in the global markets in which we operate, to attract and retain the best talent.

The committee makes recommendations to the Board on candidates for:

- i. Nomination for election or re-election by the shareholders and
- ii. Any Board vacancies that are to be filled.

It may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposal submitted by the Chairman of the Board. The committee annually reviews and approves for CEO and MD, the executive directors and executive officers:

- a. The annual base salary.
- b. The annual incentive bonus including the specific performance-based goal and amount.
- c. Equity Compensation.
- d. Employment agreements, severance agreements, and change in control agreements/provisions.
- e. Any other benefits, compensation or agreements.

It reviews and discusses all matters pertaining to candidates and evaluates the candidates, and coordinates and oversees the annual self-evaluation of the Board and of individual directors. It also reviews the performance of all the executive directors on a periodic basis and on such intervals as may be necessary on the basis of the detailed performance parameters set for each executive director at the beginning of the year. The committee may also regularly evaluate the usefulness of such performance and make necessary amendments.

**(C) Remuneration Policy**

Remuneration policy for the members of the Board of Directors of the Company takes into consideration their role and responsibilities. The salient features of the policy are highlighted below:

- The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors.
- The Nomination and Remuneration Committee decides the commission payable to the Non-Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 2013 and as approved by the shareholders at a General Meeting.
- Non-Executive Directors of the Company are eligible for sitting fees for attending meetings of the Board and meetings of Committees of the Board.
- The Company reimburses expenditure reasonably incurred by the Directors in the performance of their duties as per the provisions of the applicable laws Companies Act 2013 and in conjunction with the rules and policies of the Company.
- The Nomination and Remuneration Committee reviews and finalizes the remuneration of the key executives on an annual basis, or earlier if deemed necessary.

**4. STAKEHOLDER'S GRIEVANCE COMMITTEE**

The Stakeholders Relationship Committee of the Board of Directors was constituted in line with the provision of Regulation 20 of SEBI (LODR) Regulations 2015 read with section 178 of the Act to look after Shareholders'/Investors' Grievance like redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports etc.

**(A) Composition, Members, its meetings and attendance:**

During the year, 4 Stakeholder's Relationship Committee meetings were held on 26th May, 2020, 20th August, 2020,

01st October, 2020 and 02nd January, 2021.

The composition of the Stakeholders Relationship Committee and number of meetings attended by the Members during the year are given below:

Name of Member	Status	No. of meetings entitled to attend during FY 2020-21	Meetings attended
Mr. Surendra Kumar Pagaria	Chairman	4	4
Mr. Surendra Chhalani	Member	4	4
Mr. Navratan Baid	Member	4	4

There is no change in the composition of Stakeholder's Relationship Committee during the year.

#### **(B) Terms of Reference/Charter of Stakeholders Relationship Committee**

The Stakeholders Relationship Committee of the Board is constituted with powers and responsibilities including, but not limited to:

- i. Review statutory compliances relating to all security holders.
- ii. Consider and resolve the grievances of security holders of the Company, including complaints related to transfer of securities, non-receipt of annual report/ declared dividends/ notices/ balance sheet.
- iii. Oversee compliances in respect of dividend payments and transfer of unclaimed amounts and shares to and from the Investor Education and Protection Fund.
- iv. Oversee and review all matters related to the transfer of securities of the Company.
- v. Approve issue of duplicate certificates of the Company.
- vi. Review movements in shareholding and ownership structures of the Company.
- vii. Ensure setting of proper controls and oversee performance of the Registrar and Share Transfer Agent.
- viii. Recommend measures for overall improvement of the quality of investor services.

#### **Investor Grievance Redressal**

The number of complaints received and resolved to the satisfaction of investors during the year under review is as under:

Particulars	Complaint Received	Complaint Resolved	Complaint Balance
Complaints	Nil	Nil	Nil

As on 31st March, 2021 no complaints were outstanding.

#### **Compliance officer**

Ms. Aagat Singh, Company Secretary and Compliance Officer of the Company is responsible for complying with requirements of Securities Laws and Listing Agreements with Stock Exchanges.

#### **5. INDEPENDENT DIRECTOR'S MEETING**

During the year under review, the Independent Directors met on 16th March, 2021, inter alia, to discuss:

- i) Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole.
- ii) Evaluation of performance of the Chairman of the Company, taking into account the views of Executive & Non-Executive Directors.
- iii) Evaluation of quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.



## 6. GENERAL BODY MEETINGS

Details about Annual General Meetings held in last three years

For the Year	Venue	Day, Date & Time	Special Resolution*
2017-18	Hotel Capitol Hills, C-42, Greater Kailash, Part-I, New Delhi- 110048	Friday, 28th September, 2018 at 11.30 A.M.	Nil
*2017-18 (Meeting of Equity Shareholders by the Order of Hon'ble NCLT)	Hotel Capitol Hills, C-42, Greater Kailash, Part-I, New Delhi-110048	Tuesday, 20th March, 2018 at 11:00 A.M.	Nil
2018-19	Hotel Capitol Hills, C-42, Greater Kailash, Part-I, New Delhi- 110048	Wednesday, 25th September, 2019 at 11:30A.M.	Nil
2019-20	Through Video Conferencing ("VC") /Other Audio Visual Means ("OAVM")	Tuesday, 29th September, 2020 at 11:30 a.m.	Nil

**\* Meeting of Equity Shareholder was held on Tuesday, the 20th March, 2018 at 11:00 A.M. at Hotel Capitol Hills, C-42, Greater Kailash, Part-I, New Delhi- 110048, under the Supervision of National Company Law Tribunal, New Delhi bench for the purpose of Considering and, if thought fit, approving, the Scheme of Amalgamation of Mega Airways Limited and Mega Corporation Limited.**

**Meeting of Unsecured Creditors was held on Tuesday, the 20th March, 2018 at 02:00 P.M. at Hotel Capitol Hills, C-42, Greater Kailash, Part-I, New Delhi- 110048, under the Supervision of National Company Law Tribunal, New Delhi bench for the purpose of Considering and, if thought fit, approving, the Scheme of Amalgamation of Mega Airways Limited and Mega Corporation Limited.**

\* No Special Resolution has been passed during the year under review.

## 7. MEANS OF COMMUNICATION

The quarterly, half yearly and annual results were published in Business Standard (English, Edition) and Business Standard (Hindi Edition). The Company is also maintaining a functional website [www.megacorpltd.com](http://www.megacorpltd.com), wherein all the communications are updated including the quarterly financial results of the Company. The Annual reports containing the Audited Annual Accounts, Auditors' Reports, Boards' Report, the Management Discussion and Analysis Report forming part of Boards' Report and other material information are circulated to the members and others entitled thereto. Annual Reports of the Company are emailed to all shareholders who have provided their email IDs in the records of the Depository. All the disclosures and communications to be filed with the Stock Exchanges were submitted through e-filing platform/ email and there were no instances of non-compliances.

**As a matter of policy, the company will display the official news release at its website, whenever applicable. There were no instances during the year, which requires the company to make any presentation before institutional investor or to the analyst.**

## 8. GENERAL SHAREHOLDER INFORMATION

The Company is registered in the New Delhi, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is L65100DL1985PLC092375. The Company being Systemically Important Non-Deposit Taking NBFC is registered with Reserve Bank of India.

### A) Annual General Meeting

**Day, Date and Time:** Thursday the 30th Day of September 2021, at 11:30 a.m.

### B) Financial Year—01st April, 2020 to 31st March, 2021

### C) Dividend Payment Date

No dividend has been recommended for the year ended 31<sup>st</sup> March, 2021.

### D) Listing at Stock Exchanges

## EQUITY SHARES

Sr. No.	Name of Stock Exchange	Stock Code/Symbol
1.	The Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001	531417
2.	The Delhi Stock Exchange Ltd. 3/1, DSE House, Asaf Ali Road, New Delhi-110002	N.A.

**Delhi Stock Exchange has been derecognized w.e.f. 19th November, 2014 vide SEBI order.**

Listing Fee for the year 2020-21 has been paid to Bombay Stock Exchange.

**E) Stock Code - ISIN- INE804B01023**

**F) Market Price Data: High Low for the period April 2020 to March 2021**

Month	Low	High
April, 2020	0.31	0.40
May, 2020	0.38	0.42
June, 2020	0.32	0.38
July, 2020	0.31	0.48
August, 2020	0.31	0.47
September, 2020	0.27	0.52
October, 2020	0.49	0.94
November, 2020	0.56	0.81
December, 2020	0.63	0.72
January, 2021	0.63	0.97
February, 2021	0.58	0.76
March, 2021	0.69	1.18

Source: BSE Portal

\*\*The Company was placed in Stage VI of the Graded Surveillance Measure as one of the Suspected Shell Company by Securities & Exchange Board of India (SEBI) vide their letter dated 07th August, 2017 bearing no. SEBI/HO/ISD/ISD/OW/P/2017/18183.

**G) Performance in comparison to broad based indices such as BSE Sensex, CRISIL Index, etc.: Not Applicable.**

**H) REGISTRAR & SHARE TRANSFER AGENTS:**

Pursuant to the SEBI directive, the Company has appointed M/s Link Intime India Pvt. Ltd. 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.**

Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058

Phone No.: **+91 011- 4141 0593 & 594**

Email: **delhi@linkintime.co.in**

**I) SHARE TRANSFER SYSTEM:**

Securities lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. The Executives of the Registrar are empowered to approve transfer of shares and debentures and other investor related matters. Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 15 days. The following compliances pertain to share transfers, grievances, etc.:

- (1) Pursuant to Regulation 7(3) of the SEBI Listing Regulations, certificates are filed with the stock exchanges on half yearly basis by the Compliance Officer and the representative of the Registrar and Share Transfer Agent for maintenance of an appropriate share transfer facility.
- (2) Pursuant to Regulation 13(2) of the SEBI Listing Regulations, a statement on the pending investor complaints is filed with the stock exchanges and placed before the Board of Directors on a quarterly basis.
- (3) A Company Secretary-in-Practice carries out a Reconciliation of Share Capital Audit on a quarterly basis to reconcile the total admitted capital with depositories viz National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).
- (4) Pursuant to Regulation 61(4) read together with Regulation 40(9) of the SEBI Listing Regulations, a Certificate by the Company Secretary-in-Practice is filed with the stock exchanges within one month from the end of each half of the financial year, certifying that all certificates are issued within thirty days of the date of lodgement for transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/allotment monies.

**Shareholding Pattern as on 31st March, 2021**

Category	No. of Shares held	% of Shareholding
<b>A. PROMOTERS</b>		
Promoter and Promoter Group	5,43,12,095	54.31%
<b>B. PUBLIC</b>		
Bodies Corporate	1,28,14,028	12.81%
Individuals holding nominal share capital upto 2 lakh	1,64,83,678	16.48%
Individuals holding nominal share capital in excess of 2 lakh	1,53,89,443	15.40%
Others	1,000,756	01.00%
<b>Total</b>	<b>10,00,00,000</b>	<b>100%</b>

**J) Distribution of Shareholding as on 31st March, 2021**

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
1 to 500	3550	51.30	665193	0.6652
501 to 1000	1218	17.60	1125191	1.1252
1001 to 2000	751	10.85	1275931	1.2759
2001 to 3000	343	4.96	924072	0.9241
3001 to 4000	157	2.27	580928	0.5809
4001 to 5000	246	3.55	1203516	1.2035
5001 to 10000	320	4.62	2534679	1.2035
10001 & 100000000	335	4.84	91690490	91.6905
<b>TOTAL :</b>	<b>6920</b>	<b>100</b>	<b>100000000</b>	<b>100</b>

**K) Dematerialization of shares:**

The Company has arrangements with both National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to establish electronic connectivity of our shares for scripless trading 97.49 % of shares of the Company were held in dematerialized form as on 31st March, 2021.

**L) Outstanding GDR'S/ADR's/ Warrants or any Convertible instruments, conversion date and likely impact on equity.**

There are no Outstanding GDR'S/ADR's/ Warrants or any Convertible instruments.

**M) Commodity price risk or foreign exchange risk and hedging activities**

Not Applicable

**N) Plant Location**

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

**O) Address for correspondence:**

**Mega Corporation Limited**

Regd. Office: NSIC Complex, Maa Anadmayee Marg, Okhla Industrial Area, Phase-III, New Delhi-110020

**9. Other Disclosures**

**1. Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.**

During the period under review, the company had not entered into any material transaction with any of its related party. None of the transactions with any of related parties were in conflict with the company's interest. All related party transactions are on arm's length basis and are intended to further the company's interest.

**2. Details of non-compliance by the company, penalties and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

There has been no non-compliance by the Company nor were any penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets during the last three years.

**3. Whistle Blower policy and affirmation that no personnel have been denied access to the audit committee.**

Your Company has formulated a Whistle Blower Policy in compliance with Companies Act, 2013 and SEBI LODR as part of vigil mechanism of the Company. There is graded reporting structure under the Policy and also provides provision for direct access to Chairman of Audit Committee. Board of Directors affirms that no personnel have been denied access to the audit committee.

**4. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause**

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As regard the non-mandatory requirements, Company tries to implement them to the extent possible.

**5. Web link where policy for determining 'material' subsidiaries is disclosed;**

At present, your Company does not have a Material Subsidiary, so no policy for determining material subsidiary is required to be disclosed on the website of the company.

**6. Disclosure of commodity price risks and commodity hedging activities**

Not Applicable

7. Company has complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

8. Company try to adopt the discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**General**

A certificate duly signed by the Chief Financial Officer and Whole Time Director relating to financial statements and internal controls and internal control systems for financial reporting as per the format provided in Part B of Schedule II of SEBI (Listing Obligations Disclosure Requirement) Regulations, 2015 was placed before the Board, who took the same on record.

1. Profile and other information regarding the Directors being appointed/re-appointed as required under Regulations 36(3) of SEBI (Listing Obligations Disclosure Requirement) Regulations, 2015 have been given in the Notice of the Annual General Meeting annexed to this Annual Report.

2. The Company follows a formal management policy and system of legal compliance and reporting to facilitate periodical review by the Board of compliance status of laws applicable to the company and steps taken to rectify non-compliance, if any.

3. The Company's senior management has confirmed to the Board of Directors that they do not have any personal interest related to its material, financial and commercial transactions that may have a potential conflict with the interests of the Company at large.

4. Declarations by the Chief Financial Officer regarding compliance by board members and senior management personnel with the company's code of conduct

Mr. Surendra Chhalani, Chief Financial Officer of the Company has furnished the requisite declaration affirming compliance with the Code of Conduct by the board members and senior management personnel, for the financial year ended 31st March, 2021, which is attached with the report.

5. The company has complied with all the Accounting Standards applicable to the company.

6. The company has not come out with any Public Issue / Preferential Issue in the Financial Year 2020-21.

7. Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 is attached herewith as part of Annual Report.

**For and on behalf of the Board of Directors  
Mega Corporation Limited**

Sd/-  
**Surendra Chhalani**  
(Director and CFO)  
Din: 00002747

Sd/-  
**Kunal Lalani**  
(Director)  
Din: 00002756

Sd/-  
**Aagat Singh**  
Company Secretary  
Mem No: A51268

Place: New Delhi  
Date: 31/08/2021

### Management's Discussion & Analysis of Financial Condition and Results of Operations

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include determination of tariff and such other charges and levies by the regulatory authority, changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the "Act") and comply with the Accounting Standards notified under Section 133 of the Act. The management has used estimates and judgments relating to the financial statement on a prudent and reasonable basis, in order that the financial statement reflect in a true and fair manner, the state of affairs and profit for the year.

#### Indian Economy

An already slowing Indian economy was derailed from the growth track after a stringent shutdown was imposed in March 2020 to halt the spread of COVID-19. India's Gross Domestic Product (GDP), which slowed down to 4.2% in FY 2019-20, compared to 6.1% growth clocked in FY 2018-19, is set to contract anywhere between 5% and 10% this year – for the first time in four decades. Primary factors responsible for the deceleration in growth include global economic slowdown, subdued consumption and private investment, and liquidity constraints in the banking & financial services industry. The consequential credit squeeze severely affected economic growth and led to a sluggish pace of credit off-take as domestic spending and external demand lost momentum.

Concerns around lending to real estate increased owing to banks' and non-bank financial institutions' low appetite for lending to property developers. Overall, credit flow into the system remained sluggish, which impacted funding for consumption and investment and led to a continuing liquidity crunch and funding constraints for borrowers. While timely regulatory action by the Reserve Bank of India (RBI) helped contain the damage, the persistent liquidity pressures resulted in growth slowdown during the year.

The relatively fragile scenario received further setback with the untimely and unexpected outbreak of COVID-19, which has created unprecedented challenges for the Indian economy. Growing spread of the virus, social distancing measures and fears among consumers and businesses rose dramatically in India. Steps taken to contain the spread, such as the nationwide lockdown stalled economic activity and is expected to impact both consumption and investment, with the RBI estimating significant contraction in economic growth for FY 2020-21.

#### 1. INDUSTRY

The NBFC sector continued to grow its share in the financial services industry. Credit growth of scheduled commercial banks (SCBs) continued to moderate throughout FY2020. On 31 March 2019, growth in advances of SCBs was 13.2%. By 30 September 2019, this had reduced to 8.7% and on 27 March 2020, it was further down to 6.1%. SCBs also continued to face asset quality challenges in FY2020. Data published by the RBI in its Financial Stability Report dated 27 December 2019 show that NBFCs have outperformed SCBs on asset quality, as the figures below indicate.

#### Comparison of asset quality of NBFCs and SCBs

Particulars	31 March 2019		30 September 2019	
	SCBs	NBFCs	SCBs	NBFCs
Gross Non-Performing Assets	9.3%	6.1%	9.3%	6.3%
Net Non-Performing Assets	3.8%	3.4%	3.7%	3.4%

Source: Reserve Bank of India, Financial Stability Report, dated 27 June 2019 and 27 December 2019.

While the importance of NBFCs in credit intermediation continued to grow, repayment default by a systemically important NBFC in September 2018 brought to focus asset-liability mismatches of the sector — where some NBFCs were more impacted than the others. To strengthen the asset-liability profile of the sector, RBI introduced a liquidity coverage ratio (LCR) requirement for all NBFCs with AUM of H 5,000 crore and above. The LCR regulation mandates NBFCs to maintain

a minimum level of high-quality liquid assets to cover expected net cash outflows in a stressed scenario. The regulation also stipulates that NBFCs should attain LCR of 100% in a phased manner over a period of four years starting December 2020. It is a welcome regulatory change and will significantly strengthen ALM profile of the NBFC sector. BFL's liquidity buffer management framework exceeds these requirements even today — and demonstrates its strong orientation towards liquidity management.

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COVID-19 further accentuated ALM challenges of the NBFC sector. The RBI's moratorium measures for customers is likely to put additional stress on many NBFCs. There is an asymmetry. On one hand, NBFCs have to offer such moratoriums to their customers; while on the other, their market borrowings must be repaid on due dates.

To ease liquidity pressure on NBFCs, the RBI has taken multiple actions including a Targeted Long-Term Repo Operation (TLTRO) for the sector of H 50,000 crore and a special financing window through SIDBI, NABARD and National Housing Bank (NHB) of another H 50,000 crore to enable financing NBFCs. It remains to be seen whether the RBI will open a direct window to support the NBFC sector.

The COVID-19 pandemic is also expected to result in a deterioration in the asset quality of the financial sector. NBFCs too will face similar pressures. Early indicators of non-delinquent customers opting for moratoriums reflect a considerable level of anxiety from customers. It remains to be seen how this anxiety eases when economic activities resume. A long-drawn lockdown or frequent lockdowns of economic activities may require the RBI to frame forbearance policies for impacted borrowers like a comprehensive one-time restructuring of loans without impacting asset classification. Such a one-time restructuring framework would enable financial sector to continue to lend and also provide customers adequate time to recover from the economic crisis and honour their obligations.

## THE COVID-19 PANDEMIC

The outbreak of the novel Coronavirus (COVID-19) in the first quarter of 2020, which was declared as a global pandemic, posed fresh challenges to global economies and their activities. It spread with alarming speed, infecting millions and bringing economic activity to a near standstill, as countries imposed tight restrictions on movement to halt the spread of the virus. It plunged the world economy into a recession, worse than the global financial crisis witnessed a decade ago.

As a result of the pandemic and the lockdown, and with other containment measures, the global economy is likely to contract by 3% in 2020 – the steepest slowdown since the Great Depression of the 1930s. Central banks across the world eased monetary policies to mitigate the effects of the pandemic and stabilise financial markets. In addition, a series of stimulus packages were announced by major developed economies and financial institutions to limit the economic damage. Even as economic activity resumes gradually, consumer behaviour will change as a result of continued social distancing and uncertainty about how the pandemic will evolve. However, the IMF predicts that a combination of global monetary and fiscal actions will aid global growth to bounce back to 5.8% in calendar year 2021.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial statements have been prepared in accordance with the requirement of the Companies Act, 2013 and applicable Accounting Standards issued by the Institute of Chartered Accountant of India.

Particulars	Standalone	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>INCOME:</b>		
Revenue from Operations	2,75,31,114	2,70,40,704
Other Income	9,03,608	5,11,383
<b>Total Revenue</b>	<b>2,84,34,722</b>	<b>2,75,52,087</b>
<b>EXPENSES:</b>		
Loss From Future Option Trade	-	-
Employee Benefits Expense	23,09,149	26,23,289
Interest and Finance Costs	1,61,44,561	1,29,33,123
Depreciation and Amortization	35,54,456	35,38,455
Other Expenses	22,67,438	42,88,252
<b>Total Expenses</b>	<b>2,42,75,604</b>	<b>2,33,83,119</b>
<b>Profit From Operation Before Exceptional Item &amp; Tax :</b>	<b>41,59,118</b>	<b>41,68,968</b>
Exceptional Item	-	40,91,446
<b>Profit From Operation Before Tax :</b>		
Less: Tax Expenses:		
- Earlier Year	82,04,971	-
- Current Year	-	8,50,780
- Mat entitlement	-	8,50,780
- Deferred Tax Charge / (Credit )	(11,47,852)	(7,80,786)
<b>Profit/(Loss) for the Year before adjustment of Minority Interest</b>	<b>(28,98,001)</b>	<b>8,58,308</b>
Less: Minority Interest	-	-
<b>Net Profit/(Loss) for the Year</b>	<b>(28,98,001)</b>	<b>8,58,308</b>

**GROWTH OPPORTUNITIES**

- Low retail penetration of financial services / products in India
- Extensive distribution reach and strong brand recognition
- Opening of financial sector in India along with introduction of innovative products
- Opportunity to cross sell services

**RISK MANAGEMENT**

Your Company, in pursuit of its business objectives, is exposed to certain risks such as credit risk, market risk, liquidity risk and operational risk. These risks have the potential of impacting the financial strength, operations and reputation of your Company. Keeping this in mind, your Company has a Board-approved Risk Management Framework in place. The effectiveness of this framework is supervised periodically by the Management. The hallmark of your Company's Risk Management function can be attributed to its independence from the business with the convergence only at the MD level, to provide guidance during challenges, underscore oversight and balance the risk/reward decisions.

Your Company's risk appetite sets out the desired forward looking risk profile and provides an objective base to guide strategic decision-making. This helps ensure that planned business activities provide an optimised balance of return for the risk assumed, while remaining within acceptable risk level. The Management reviews your Company's risk appetite on a quarterly basis to make sure it remains fit for purpose.

## INTERNAL CONTROL

The Company has well-defined internal control systems commensurate with the size and industry in which it operates. The internal control framework is aimed at ensuring reliable and timely financial reporting and management information, safeguarding of assets and efficient conduct of business. These internal controls endorse ethical behaviour, sound corporate governance and effective risk management.

The Company has also adopted an Internal Financial Control framework in line with section 134(5)(e) of the Companies Act, 2013 for ensuring the orderly conduct of its business, including adherence to the Company's policies, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of financial information.

The Company has appointed M/s Vikash Gupta & Co. a Company Secretary firm as the Internal Auditor, for verifying the efficacy and effectiveness of internal financial controls as well as conducting an internal audit covering all business verticals. The internal audit function independently reviews the crucial areas based on audit plans, which are then examined and approved by the Audit Committee. These audit plans are formulated on the basis of a risk evaluation exercise to determine the critical areas which need to be reviewed. The internal audit findings are periodically reviewed by the Audit Committee of the Board. Corrective actions are, thereafter, suggested and are implemented by the process owner across the relevant functional areas to continuously strengthen the internal control framework.

## AS HEALTH SAFETY AND PANDEMIC RISK

In addition to serious implications for people's health and the healthcare services, coronavirus (COVID-19) is having a significant impact on the world-wide economy including India in terms of business growth and business models. The disruption has pushed the financial sector to adopt digital model for sustenance and growth. The company has been proactive enough to switch over to fully digital mode since the Covid-19 ensuring employees the best health safety measures and uninterrupted service to the stakeholders. However, the performance of the company be impacted in future because of the lasting effect of this disruption on the economy.

## FUTURE STRATEGY

The Board has determined the following medium-term and long term strategies to achieve its corporate goals over a period of next 3-5 years:

- To focus on digital initiatives and customer awareness
- Effective use and implementation of data analytics in the process of loan disbursement and loan recovery process
- Further strengthening the leadership position in financing Vehicles
- Further enhancing quality of loan portfolio
- Maintaining customer loyalty through winning relationship and customer satisfaction

## COMPLIANCE

Mega Corporation Limited observes compliance practices of the highest standard. The Compliance team closely monitors RBI and other notifications on NBFC's with special attention to those relevant to the Company. The Company follows all prudential norms laid down for NBFCs and submits all mandatory returns and statements in time. The Company has put in place a robust framework of internal controls that include precise delegation of authority and Standard Operating Processes which are available in all business segments and functions. The Company follows a practice of monitoring various internal control functions in-house as well as through external auditors whenever required or mandated. The Company also reviews risk management processes on a regular basis and documents the results.



## HUMAN RESOURCES

Mega Corporation prides itself in having a work culture that is transparent, solution-centric and growth oriented. The global pandemic had tested our resilience, bringing with it a lot of 'firsts' and we swiftly adapted to the 'new normals'. Given our high focus on digital transformation, our transition to remote working was seamless during times of the lockdown and disruptions. We moved many processes to the digital platform that not only engages employees more effectively but also helps our businesses to move up the curve faster.

At Mega Corporation we believe that our people are our biggest assets. The workforce at our Company has a right blend of youth & experience and the success of our organisation is based on the capability, passion & integrity of our people. There is a high premium placed on internal growth which has enabled us to have a stable mid and senior management team over the last many years. Your Company conducts an array of online engagement activities (given the Covid background), encourage our employees to acquire newer skills and create platforms to interact with peers across the country that enables growth by sharing of best practices and learnings. Your Company continues to attract and retain talent that focuses on sustained superior performance, provide them opportunities to learn, realise their true potential and contribute positively to the success of the Company. Our Senior Leadership Team, from time to time, shares the strategy and vision for the company through virtual town-halls that ensures that our employees are always cognizant of what is happening in the Company, thereby encouraging an interactive and engagement driven work culture.

For and on behalf of the Board of Directors  
Mega Corporation Limited

Sd/-  
(Surendra Chhalani)  
Director and CFO  
DIN: 00002747

Sd/-  
(Kunal Lalani)  
Director  
DIN: 00002756

Sd/-  
(Aagat Singh)  
Company Secretary  
Mem No: A51268

Place: New Delhi

Date: 31/08/2021

## Particulars of Employees

## DETAILS OF TOP EMPLOYEES IN TERMS OF REMUNERATION DRAWN AS PER PROVISIONS OF SECTION 197(12) OF THE ACT READ WITH RULES 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S. No	Name and Age of the Employee	Designation of the Employee	Remuneration Received (Amount in Rs.)	Nature of employment whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	The percentage of equity shares held by the employee within the meaning of clause (iii) of sub-rule (2) of rule 2 of Companies (Appointment and Remuneration) Rules, 2014	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	Surendra Chhalani 63 years	Director & CFO	6,46,000	Non Contractual	Graduate	27.03.1998	Nil	N.A.
2	Aagat Singh 28 years	Company Secretary	4,93,568	Non Contractual	Company Secretary	08.01.2020	Nil	N.A.

## DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Name of Director/KMP and designation	Remuneration of Director/KMP for financial year 2020-21	Ratio of remuneration of each Director/ KMP to median remuneration of employees	% increase in Remuneration of each director CFO, CEO, CS or Manager
Surendra Chhalani (Director & CFO)	6,46,000	1.13:1	Nil
Aagat Singh (Company Secretary)	4,93,568	0.86:1	Nil

The percentage increase in remuneration of Key Managerial Personnel (KMP) in the financial year and comparison of the remuneration of each Key Managerial Personnel (KMP) against the performance of the Company: NIL

The Number of permanent employees on the rolls of company:

There are four (4) regular employees on the rolls of Company as on 31st March, 2021.

**A. The explanation on the relation between average in remuneration and Company performance:**

There was no increase in the salaries of employees and managerial personnel in the financial year under review.

**B. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Since there is no increase in the remuneration of Director/Key Managerial Personnel and any employee of the company, therefore percentile calculation is not required.

**C. The key parameters for any variable component of remuneration availed by the Directors:**

None.

**D. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:**

None.

**E. Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms that remuneration is as per the remuneration policy of the Company's.

For and on behalf of the Board of Directors  
Mega Corporation Limited

Sd/-  
(Surendra Chhalani)  
Director and CFO  
DIN: 00002747

Sd/-  
(Kunal Lalani)  
Director  
DIN: 00002756

Sd/-  
(Aagat Singh)  
Company Secretary  
Mem No: A51268

Place: New Delhi

Date: 31/08/2021

## NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

### A. Definitions

1. **“The Policy”** means Nomination and Remuneration Policy.
2. **“The Board”** means Board of Directors of the Company.
3. **“The Act”** means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
4. **“The Committee”** means the Nomination and Remuneration Committee of the Company as constituted by the Board, in accordance with the Act and applicable listing agreements and/or regulations.
5. **“Directors”** means Directors of the Company.
6. **“Independent Director”** means a Director appointed as such in accordance with the requirements laid down by the Companies Act, 2013 and applicable rules and regulations of Clause 49 of the Listing Agreement, including amendments thereto.
7. **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;
8. **“Key Managerial Personnel”** means:
  - i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
  - ii) Chief Financial Officer;
  - iii) Company Secretary; and
  - iv) Such other officer as may be prescribed.
9. **“Senior Managerial Personnel”** mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 and Rules made there under as amended from time to time shall have the meaning respectively assigned to them therein.

### B. Objective

Nomination and Remuneration Committee of the Board shall recommend this policy to the Board, relating to the remuneration of the Directors, key Managerial Personnel and other employees. The object of this policy is to ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

### C. Appointment and Removal of Director, Key Managerial Personnel and Senior Management

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

**D. Term/Tenure of a Director****1. Managing Director/Whole-Time Director**

The Board shall appoint any person as a Managing Director and CEO or Whole-Time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of the term.

**2. Independent Director**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

**E. Evaluation**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

**F. Removal**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

**G. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**H. Policy for Remuneration to Directors/ KMP/ Senior Management Personnel****1. Remuneration to Executive Directors**

The Remuneration to be paid to Executive Directors shall be governed as per provisions of the Companies Act, 2013 and Rules made there under. The same shall be determined by the Committee and recommended to Board for approval.

- i. Remuneration structure of the Executive Directors shall include following components:
  - a. Fixed Pay
  - b. Perquisites and allowances
  - c. Commission
  - d. Stock options
- ii. The Committee may recommend an increase in existing remuneration structure to the Board, within the limits as approved by shareholders.
- iii. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

**2. Remuneration to Non-Executive/Independent Directors**

The Remuneration to be paid to Non-Executive/Independent Directors shall be governed as per provisions of the Companies Act, 2013 and Rules made there under. The same shall be determined by the Committee and recommended to Board for approval.

**i. Commission-based payment**

Non-Executive/ Independent Directors of the Company may be paid an amount not exceeding one percent of the net profits of the Company in terms of provisions of the Companies Act, 2013 and Rules made there under as amended from time to time, and as approved by the shareholders.

**ii. Sitting fee**

Non-Executive/ Independent Directors of the Company shall be paid a sitting fee for attending the Board as well as the Committee meetings as per the Companies Act, 2013 and Rules made there under as amended from time to time.

**iii Employee Stock Options (ESOP)**

An Independent Director shall not be entitled to stock option of the Company, if any.

**iv. Pension**

The Board of Directors of the Company are not covered by any pension scheme or any defined benefit pension scheme.

**v. Reimbursement of expenses**

The Company shall reimburse the Directors all traveling, hotel, and other incidental expenses properly and reasonably incurred by them in the performance of duties as per provisions of the Companies Act, 2013 in conjunction with the Company rules and policies.

**3. Remuneration of Key Managerial Personnel (KMP) and Senior Management Personnel**

Remuneration of KMP's (excluding the Managing Director and Executive Director, which is already covered above) and senior management personnel shall be reviewed /decided on a bi-annual basis, or earlier if deemed necessary, by the Nomination and Remuneration Committee.

The Remuneration shall consist of the following components:

- ❖ Fixed remuneration
- ❖ Variable pay
- ❖ Incentives if any
- ❖ Employee Stock Options (ESOP)
- ❖ Reimbursement of expenses

**I Policy Review**

This Policy is purely at the discretion of the Nomination and Remuneration Committee and it reserves its right to recommend modifications in this Policy to the Board, as per applicable laws and regulations, at any time without assigning any reason whatsoever.

**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2021 which were not at arm's length basis.

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

The material transactions entered into by the company with related party were at arm's length price and are in the normal course of the business of the company.

For and on behalf of the Board of Directors  
Mega Corporation Limited

Sd/-  
(Surendra Chhalani)  
Director and CFO  
DIN: 00002747

Sd/-  
(Kunal Lalani)  
Director  
DIN: 00002756

Sd/-  
(Aagat Singh)  
Company Secretary  
Mem No: A51268

Place: New Delhi

Date: 31/08/2021

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on Financial Year ended on 31<sup>st</sup> March, 2021**

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

**I. REGISTRATION AND OTHER DETAILS**

1.	CIN	L65100DL1985PLC092375
2.	Registration Date	26th March, 1985
3.	Name of the Company	Mega Corporation Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/Indian Non-Government Company
5.	Address of the Registered office & contact details	NSIC Complex, Maa Anandmayee Marg, Okhla Industrial Area-110020 Email Id: cs@megacorppltd.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>M/s Link Intime India Pvt. Ltd.</b> Reg Off.: C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai-400083 Phone No.: 022 - 4918 6270 Email: delhi@linkintime.co.in, rnt.helpdesk@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S. No.	Name and Description of main Products/services	NIC Code of the Product / Service	% to total turnover of the company
1	NBFC Activity	641	98.77%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	NIL	-	-	-	-



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(A) Category-wise Share Holding:-**

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2020				Shareholding at the end of the year - 2021				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals/Hindu Undivided Family	6293746	0	6293746	'6.2937	2898746	0	2898746	'2.8987	'-3.3950
(b)	Central Government/State Government(s)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Financial Institutions/Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Any Other (Specify)									
	Bodies Corporate	48018349	0	48018349	'48.0183	48018349	0	48018349	'48.0183	'0.0000
	Sub Total (A)(1)	54312095	0	54312095	'54.3121	50917095	0	50917095	'50.9171	'-3.3950
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Government	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Institutions	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	54312095	0	54312095	'54.3121	50917095	0	50917095	'50.9171	'-3.3950
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Venture Capital Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Alternate Investment Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Venture Capital Investors	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(f)	Financial Institutions/Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(g)	Insurance Companies	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	12465703 64	65622	12531325	'12.5313	14252391	65622	14318013	'14.3180	'1.7867

## SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### (A) Category-wise Share Holding:-

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2020				Shareholding at the end of the year - 2021				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	16894721	2439000	19333721	'19.3337	18511108	2439000	20950108	'20.9501	'1.6164
(b)	NBFCs registered with RBI	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)									
	Hindu Undivided Family	549987	0	549987	'0.5500	788705	0	788705	'0.7887	'0.2387
	Non Resident Indians (Non Repat)	19215	0	19215	'0.0192	45315	0	45315	'0.0453	'-0.0261
	Non Resident Indians (Repat)	117738	0	117738	'0.1177	115738	0	115738	'0.1157	'-0.0020
	Clearing Member	24100	0	24100	'0.0241	50998	0	50998	'0.0510	'0.0269
	Bodies Corporate	13110819	1000	13111819	'13.1118	12813028	1000	12814028	'12.8140	'-0.2978
	Sub Total (B)(3)	43182283	2505622	45687905	'45.6879	46577283	2505622	49082905	'49.0829	'3.3950
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	43182283	2505622	45687905	'45.6879	46577283	2505622	49082905	'49.0829	'3.3950
	Total (A)+(B)	97494378	2505622	100000000	'100.0000	97494378	2505622	100000000	'100.0000	'0.0000
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	Total (A)+(B)+(C)	97494378	2505622	100000000	'100.0000	97494378	2505622	100000000	'100.0000	

### (B) Shareholding of Promoter:

Sr No	Shareholder's Name	Shareholding at the beginning of the year - 2020			Shareholding at the end of the year - 2021			% change in shareholding during the year
		No. of Shares Held	% of total shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares Held	% of total shares of the company	% of Shares Pledged/encumbered to total shares	
1	Vimi Investments and Finance Pvt. Ltd.	46573000	'46.5730	'0.0000	46573000	'46.5730	'0.0000	'0.0000
2	Kunal Lalani	3395000	'3.3950	'0.0000	3395000	'3.3950	'0.0000	'0.0000
3	Crayons Advertising Private Limited	1445349	'1.4453	'0.0000	1445349	'1.4453	'0.0000	'0.0000
4	Hulas Mal Lalani	786000	'0.7860	'0.0000	786000	'0.7860	'0.0000	'0.0000
5	Vimi Lalani	541000	'0.5410	'0.0000	541000	'0.5410	'0.0000	'0.0000
6	Varsha Bengani	500000	'0.5000	'0.0000	500000	'0.5000	'0.0000	'0.0000
7	Hansraj Deepchand Jain	453160	'0.4532	'0.0000	453160	'0.4532	'0.0000	'0.0000
8	Seema Lalani	250000	'0.2500	'0.0000	250000	'0.2500	'0.0000	'0.0000
9	Smita Dhariwal	240000	'0.2400	'0.0000	240000	'0.2400	'0.0000	'0.0000
10	Mayank Lalani	128586	'0.1286	'0.0000	128586	'0.1286	'0.0000	'0.0000
	Total	54312095	'54.3121	'0.0000	54312095	'54.3121	'0.0000	'0.0000

**(C) Change in Promoters' Shareholding (please specify, if there is no change): No Change**

Particulars	Shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	--	--	--	--
Date wise Increase / Decrease in Shareholding during the year (Change in category of shareholder)	--	--	--	--
At the end of the year	--	--	--	--

**(D) Shareholding Pattern of top ten Shareholders:****(Other than Directors, Promoters and Holders of GDRs and ADRs):****MGT-9 IV. Shareholding Pattern of Top Ten Shareholders**

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2020		Transactions during the year		Cumulative Shareholding at the end of the year - 2021	
		No. of shares Held	% of total shares of the company	Date of transaction	No. of shares	No. of shares Held	% of total shares of the company
1	FINELINE MERCANTILE CO PVT LTD	4785478	4.7855			4785478	4.7855
	AT THE END OF THE YEAR					4785478	4.7855
2.	PANKAJ NARENDRA SHAH	2589768	2.5898			2589768	2.5898
	AT THE END OF THE YEAR					2589768	2.5898
3.	EDC LIMITED	2000000	2.0000			2000000	2.0000
	AT THE END OF THE YEAR					2000000	2.0000
4.	RIGHTSTAR TRADING CO PVT LTD	1919567	1.9196			1919567	1.9196
	AT THE END OF THE YEAR					1919567	1.9196
5.	INTERLINK FINANCIAL SERVICES LTD.	1700000	1.7000			1700000	1.7000
	AT THE END OF THE YEAR					1700000	1.7000
6.	RAJKISHOR SINGH	1517703	1.5177			15177.3	1.5177
	AT THE END OF THE YEAR					15177.3	1.5177
7.	SANTOSH JAGTAP	1193000	1.1930			1193000	1.1930
	AT THE END OF THE YEAR					1193000	1.1930
8.	PATRIC XESS	1078000	1.0780			1078000	1.0780
	AT THE END OF THE YEAR					1078000	1.0780
9.	HEMANT CHADHA	1000000	1.0000			1000000	1.0000
	AT THE END OF THE YEAR					1000000	1.0000
10.	LAXMAN SINGH SAIJARI	1469000	1.4690			1469000	1.4690
	Transfer			22 Jan 2021	(210)	1468790	1.4688
	Transfer			29 Jan 2021	(55185)	1413605	1.4136
	Transfer			05 Feb 2021	(140476)	1273129	1.2731
	Transfer			12 Feb 2021	(176129)	1097000	1.0970
	Transfer			19 Feb 2021	(731000)	366000	0.3660
	Transfer			26 Feb 2021	(366000)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

**(E) Shareholding of Directors and Key Managerial Personnel:**

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year:				
1. Mr. Surendra Chhalani	2000	0.0020	2000	0.0020
2. Mr. Sachin Mehra	3000	0.0030	3000	0.0030
3. Mr. Kunal Lalani	3395000	3.3950	3395000	3.3950
4. Mr. Surendra Kumar Pagaria	NIL	NIL	NIL	NIL
5. Mrs. Anisha Anand	NIL	NIL	NIL	NIL
6. Mr. Navratan Baid	NIL	NIL	NIL	NIL
7. Mr. Abhilasha Lalani	NIL	NIL	NIL	NIL
Date wise Increase/Decrease in Promoters Shareholding during the year Mr. Sachin Mehra (Ceased to be a director of the Company)	3000	0.0030	3000	0.0030
At the end of the year:				
1. Mr. Surendra Chhalani	2000	0.0020	2000	0.0020
2. Mr. Kunal Lalani	3395000	3.3950	3395000	3.3950
3. Mr. Surendra Kumar Pagaria	NIL	NIL	NIL	NIL
4. Mrs. Anisha Anand	NIL	NIL	NIL	NIL
5. Mr. Navratan Baid	NIL	NIL	NIL	NIL
6. Mr. Abhilasha Lalani	NIL	NIL	NIL	NIL
7. Mr. Shurab Kumar	NIL	NIL	NIL	NIL

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in INR)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	---	12,61,00,000	---	12,61,00,000
ii) Interest due but not paid	---	38,03,055	---	38,03,055
iii) Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	---	12,99,03,055	---	12,99,03,055
Change in Indebtedness during the financial year				
* Addition	---	5,59,62,283	---	5,59,62,283
* Reduction	---	---	---	---
Net Change	---	5,59,62,283	---	5,59,62,283
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	---	17,27,00,000	---	17,27,00,000
ii) Interest due but not due	---	7165338	---	7165338
iii) Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	---	18,58,65,338	---	18,58,65,338

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****(A) Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S. No.	Particulars of Remuneration	Anisha Anand Whole Time Director	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit	NIL	NIL
	- others, specify...	NIL	NIL
5	Others, please specify (Special Allowance)	NIL	NIL
	Total (A)	NIL	NIL

**(B) Remuneration to other Directors**

(Amount in INR)

S.No.	Particulars of Remuneration	Surendra Chhalani (Executive Director)	Total Amount
1	Independent Directors	NIL	NIL
	Fee for attending board committee meetings	NIL	NIL
	Commission	NIL	NIL
	Others, please specify	NIL	NIL
	Total (1)	NIL	NIL
2	Other Executive Directors	6,46,000	6,46,000
	Fee for attending board committee meetings	NIL	NIL
	Commission	NIL	NIL
	Others, please specify.	NIL	NIL
	Total (2)	NIL	NIL
	Total (B)=(1+2)	NIL	NIL
	Total Managerial Remuneration	6,46,000	6,46,000

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

(Amount in INR)

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
		<b>Aagat Singh</b>	<b>Surendra Chhalani</b>	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,93,568	NIL	4,93,568
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit	NIL	NIL	NIL
	Others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	<b>Total</b>	<b>4,93,568</b>	<b>NIL</b>	<b>4,93,568</b>

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

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

### CEO / CFO Certification

The Board of Directors  
 Mega Corporation Limited  
 NSIC Complex, Maa Anandmayee,  
 Industrial Area, Okhla Pase-III,  
 Delhi-110020

I Surendra Chhalani, Chief Financial Officer of Mega Corporation Limited to the best of my knowledge and belief, certify that:

1. We have reviewed the Balance Sheet as on 31st March, 2021, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the Board's report for the year ended 31st March, 2021.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statement made, in light of the circumstances under which such statement were made, not misleading with respect to the period covered by this report.
3. The financial statements and other financial information included in this report, present in all material respect a true and fair view of the Company's affairs, the financial condition, result of operations and cash flows of the Company as at and for the period presented in this report and are in compliance with the existing accounting standards and/or applicable laws and regulation.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsibility for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
  - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company is made known to us by others particularly during the period in which this report is being prepared.
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
  - c. Evaluate the effectiveness of the Company's disclosure, controls and procedures.
  - d. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected or is reasonably likely to materially effect, the Company's internal control over financial reporting.
6. We have disclosed, based on our most recent evaluation of the Company's internal over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
  - a. Any deficiencies in the design or operation of internal controls that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - b. Any significant changes in the internal controls during the year covered by this report.
  - c. All significant changes in accounting policies during the year, if any and the same have been disclosed in the notes to the financial statements.
  - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

**Place: New Delhi**  
**Date: 31/08/2021**

**Surendra Chhalani**  
**Chief Financial Officer**

## CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,

**The Members of Mega Corporation Limited**

(L65100DL1985PLC092375)

We have examined all relevant records of MEGA CORPORATION LIMITED for the purpose of certifying compliance of conditions of Corporate Governance as per para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 read with Regulation 34(3) of the said Listing Regulations (hereinafter, collectively referred to as the Listing Regulations) of the Company with stock exchanges in India for the Financial year ended on 31st March, 2021. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to the review of 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.

We further state that such certificate 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.

On the basis of our review and according to the information and explanation given to us, the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations as applicable has been complied by the Company in all material respect.

**Vikash Gupta & Association**  
(Company Secretaries)

Sd/-

**CS Vikash Gupta**

CP No:-10785

M. No: - 9198

**Place: New Delhi**

**Date : 17/08/2021**



**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR  
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

To The Members of Mega Corporation Limited

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT  
PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

In Compliance with Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Surendra Chhalani, Director & CFO of the Company, hereby declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct formulated by the Company for the financial year ended March 31, 2021 and there is no non-compliance thereof during the period under review.

**For MEGA CORPORATION LIMITED**

**Sd/-  
(Surendra Chhalani)  
Director and CFO  
DIN: 00002747**

**Place: New Delhi  
Date : 31/08/2021**

**House No. 246, Sector 31, Faridabad-121003**

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF MEGA CORPORATION LIMITED  
Report on the Audit of the Ind AS Financial Statements**

**OPINION**

We have audited the accompanying Ind AS financial statements of Mega Corporation Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

**Information Other than the Standalone Ind AS financial statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Standalone Ind AS financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to

continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

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

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

(g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its financial statements (Refer Note 27 to the standalone financial statements);
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For VIRENDRA PRADEEP & CO**

**Chartered Accountants**

**Firm's Registration No. 007409N**

**Sd/-**

**(Pradeep Kumar Agarwal)**

**Prop.**

**M. No. 085534**

**Place: Delhi**

**Date: 30-06-2021**

**UDIN: 21085534AAAAAN4088**

**"ANNEXURE - A" TO THE INDEPENDENT AUDITORS' REPORT**

**The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report in the members of Mega Corporation Limited ("The Company") for the year ended on 31st March 2021,**

We report that:-

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company is a finance & investment company primarily engaged in advancing loans and making investment in securities, debentures and other products. Accordingly, it does not hold any inventories. Thus, paragraph 3 (ii) of the Order is not applicable.
- (iii) The company has granted loans to two companies covered in the register maintained under section 189 of the Companies Act 2013 ('the Act').
  - a) In our opinion the rate of interest and other terms and conditions on which the loans had been granted to the companies listed in the register maintained under section 189 of the act were not, prima facie, prejudicial to the interest of the company.
  - b) In the case of the loans granted to the companies listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest stipulated.
  - c) There are no overdue amounts in respect of the loan granted to body corporates listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the services of the Company.
- (vii) (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Custom Duty, GST, Cess and any other statutory dues have been generally regularly deposited in time with the appropriate authorities and there are no undisputed statutory dues payable at the year-end for a period of more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, there are no dues outstanding in respect of Income Tax, Custom Duty, GST, Cess and any other statutory dues on account of any dispute.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and has not availed any term loans during the year under audit. Hence the provisions of clause 3 (ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India, and according to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

- (xii) In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company, hence the provisions of Clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to information and explanations given to us, transactions with related parties are in compliance with sections 177 and 188 of Act, wherever applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the Clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence the provisions of Clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

**For VIRENDRA PRADEEP & CO**

Chartered Accountants

Firm's Registration No. 007409N

Sd/-

**( PRADEEP KUMAR AGARWAL )**

Prop.

M. No. 085534

Place: Delhi

Date: 30-06-2021

UDIN : 21085534AAAAAN4088

**“Annexure B” referred to in paragraph 2 (f) under the heading “Report on other legal and regulatory requirements” of our report of even date Report on Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of **Mega Corporation Limited** (the “Company”) as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the

Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS financial statements, assessing the risk that a material weakness exists, and testing

and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Ind AS financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting with reference to these Ind AS Financial Statements**

A company's internal financial control over financial reporting with reference to these Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Ind AS financial statements includes those policies and procedures that

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial

reporting with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For VIRENDRA PRADEEP & CO**

Chartered Accountants

Firm's Registration No. 007409N

Sd/-

**( PRADEEP KUMAR AGARWAL )**

Prop.

M. No. 085534

Place: Delhi

Date: 30-06-2021

UDIN: 21085534AAAAAN4088



## BALANCE SHEET AS AT MARCH 31, 2021

(Amount in INR)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
i. Cash and cash equivalents	3	1,680,305	2,508,542
ii. Bank Balance other than Cash and cash equivalents	4	-	2,586,355
iii. Trade receivables	5	1,368,211	991,520
iv. Loans	6	311,622,261	252,541,200
v. Investments	7	22,623,415	17,445,395
vi. Other financial assets	8	21,000	21,000
<b>Total Financial assets</b>		<b>337,315,192</b>	<b>276,094,012</b>
<b>2 Non-Financial assets</b>			
i. Current tax assets (net)	9	1,707,163	1,660,681
ii. Deferred tax assets (Net)	10	7,725,435	6,577,583
iii. Property, plant and equipment	11	35,639,201	39,137,978
iv. Other non-financial assets	12	72,552,240	81,552,477
<b>Total Non-Financial assets</b>		<b>117,624,039</b>	<b>128,928,719</b>
<b>TOTAL ASSETS</b>		<b>454,939,231</b>	<b>405,022,731</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>1 Financial liabilities</b>			
<b>i. Payables</b>			
(I) Trade payables	13 13.1		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(II) Other payables	13.2		
(a) Total outstanding dues of micro enterprises and small enterprises			
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		358,528	323,278
(III). Borrowings (Other than Debt Securities)	13.3	185,865,338	129,903,055
<b>ii. Other Financial liabilities</b>	14	30,450,652	30,450,652
<b>2 Non-Financial liabilities</b>			
i. Provisions	15	2,259,551	1,884,827
ii. Other Non-Financial liabilities	16	316,508	282,301
<b>Total</b>		<b>219,250,577</b>	<b>162,844,113</b>
<b>Equity</b>			
i. Equity share capital	17	100,000,000	100,000,000
ii. Other equity	18	135,688,653	142,178,618
<b>Total Equity</b>		<b>235,688,653</b>	<b>242,178,618</b>
<b>Total Liabilities and Equity</b>		<b>454,939,231</b>	<b>405,022,731</b>

The accompanying notes are integral part of the Financial Statements

In terms of our report attached

**For Virendra Pradeep & Co**  
**Chartered Accountants**  
Firm Registration No.: 007409N

**For and on behalf of the Board of Directors**

**Sd/-**  
**(Pradeep Kumar Agarwal)**  
Proprietor  
M. No. 085534  
UDIN: 21085534AAAAAN4088

Place: Delhi  
Dated: 30.06.2021

**Sd/-**  
**Surendra Chhalani**  
(Director & CFO)  
DIN : 00002747

**Sd/-**  
**Kunal Lalani**  
(Director)  
DIN : 00002756

**Sd/-**  
**Aagat Singh**  
(Company Secretary)  
ACS 51268

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

(Amount in INR)

Particulars	Notes	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>1. Revenue from operations</b>	19		
Interest Income		27,181,114	26,710,504
Dividend Income		-	130,200
Lease Rental Income		350,000	200,000
Gain on fair value of financial instruments		-	-
<b>Total Revenue from operations</b>		<b>27,531,114</b>	<b>27,040,704</b>
<b>2. Other income</b>	20	903,608	511,383
<b>3. Total income (1+2)</b>		<b>28,434,722</b>	<b>27,552,087</b>
<b>4. Expenses</b>			
Finance costs	21	16,144,561	12,933,123
Impairment on financial instruments	22	237,831	514,002
Employee benefits expense	23	2,309,149	2,623,289
Depreciation and amortisation expense	11	3,554,456	3,538,455
Other expenses	24	2,029,607	3,774,250
<b>Total expenses</b>		<b>24,275,604</b>	<b>23,383,119</b>
<b>5. Profit before exceptional item and tax (3-4)</b>		<b>4,159,118</b>	<b>4,168,968</b>
<b>6. Exceptional item (see note 40)</b>			4,091,446
<b>7. Profit before tax (5-6)</b>		<b>4,159,118</b>	<b>77,522</b>
<b>8. Tax expense:</b>			
Current tax		-	850,780
Deferred tax		(1,147,852)	(780,786)
Adjustment of tax relating to earlier period		8,204,971	-
Less : MAT credit entitlement		-	850,780
Total tax expense	25	<b>7,057,119</b>	<b>(780,786)</b>
<b>9. Profit for the year (7-8)</b>		<b>(2,898,001)</b>	<b>858,308</b>
<b>10. Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
Changes in fair valuing of equity instruments		279,784	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Total other comprehensive income (Net of Tax)</b>		<b>279,784</b>	<b>-</b>
<b>11. Total comprehensive income for the year (9+10)</b>		<b>(2,618,217)</b>	<b>858,308</b>
<b>Earnings per equity share:</b> (Face value Rs. 1 per share)			
- Basic and diluted (Rupees)	26	<b>(0.03)</b>	<b>0.01</b>

The accompanying notes are integral part of the Financial Statements

In terms of our report attached

**For Virendra Pradeep & Co**  
Chartered Accountants  
Firm Registration No.: 007409N

**For and on behalf of the Board of Directors**

**Sd/-**  
**(Pradeep Kumar Agarwal)**  
Proprietor  
M. No. 085534  
UDIN: 21085534AAAAAN4088  
Place: Delhi  
Dated: 30.06.2021

**Sd/-**  
**Surendra Chhalani**  
(Director & CFO)  
DIN : 00002747

**Sd/-**  
**Kunal Lalani**  
(Director)  
DIN : 00002756

**Sd/-**  
**Aagat Singh**  
(Company Secretary)  
ACS 51268

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021

(Amount in INR)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>1 Cash flow from operating activities :-</b>		
Net Profit for the year before tax	4,159,118	77,522
<b>Adjusted for:</b>		
Depreciation and Amortisation expense	3,554,456	3,538,455
(Profit)/Loss on sale of fixed assets	-	(95,424)
Loss of subsidiary company transferred on merger	-	(3,564,117)
MAT Credit adjusted to Retained Earnings	(3,871,748)	-
Dividend Received (Long Term Investments)	-	(130,200)
Transfer to statutory reserve	-	171,662
Liabilities written back	(628,767)	(15,865)
Unrealised (Gain)/loss on fair valuation of financial instruments	(279,784)	-
Impairment on financial instruments	237,831	514,002
<b>Operating Profit / (loss) before working capital changes</b>	<b>3,171,106</b>	<b>496,035</b>
<b>Changes in Assets and Liabilities</b>		
Adjusted for:		
(Increase)/ Decrease in trade receivables	(376,691)	(283,520)
(Increase)/ Decrease in loans	(59,081,061)	(77,269,730)
(Increase)/ Decrease in tax assets	(1,117,131)	(531,378)
Increase)/ Decrease in other financial assets	-	672,117
(Increase)/ Decrease in other non financial assets	9,000,237	(32,189,030)
Increase/ (Decrease) in trade payables	35,250	(72,564)
Increase/ (Decrease) in other liabilities	34,207	107,741
Increase/ (Decrease) in provisions	374,724	402,901
<b>Cash generated from operations</b>	<b>(47,959,359)</b>	<b>(108,667,428)</b>
<b>Add: Amount received on merger of subsidiary company</b>	<b>-</b>	<b>817,390</b>
Less : Taxation paid /refund (net off)	(6,463,601)	(636,408)
<b>Net cash from operating activities</b>	<b>(54,422,960)</b>	<b>(108,486,447)</b>
<b>2 Cash flow from Investing activities</b>		
Purchase of fixed assets	(55,679)	(96,920)
Sale of assets	-	167,824
Sale of investment (net of profit)	101,764	61,577,157
Purchase of Investment	(5,000,000)	-
Dividend received	-	130,200
<b>Net cash used in investing activities</b>	<b>(4,953,915)</b>	<b>61,778,261</b>
<b>3 Cash flow from financing activities</b>		
Proceeds from short-term borrowings	55,962,283	47,858,160
<b>Net cash used in financing activities</b>	<b>55,962,283</b>	<b>47,858,160</b>
Net (Increase/ Decrease) in Cash and Cash Equivalents	(3,414,592)	1,149,974
Cash and cash equivalent at the beginning of the year	5,094,897	3,944,923
Cash and cash equivalent at the end of the year	1,680,305	5,094,897

The accompanying notes are integral part of the Financial Statements

**For Virendra Pradeep & Co**  
**Chartered Accountants**  
 Firm Registration No.: 007409N

**For and on behalf of the Board of Directors**

**Sd/-**  
**(Pradeep Kumar Agarwal)**  
 Proprietor  
 M. No. 085534  
 UDIN: 21085534AAAAAN4088  
 Place: Delhi  
 Dated: 30.06.2021

**Sd/-**  
**Surendra Chhalani**  
 (Director & CFO)  
 DIN : 00002747

**Sd/-**  
**Kunal Lalani**  
 (Director)  
 DIN : 00002756

**Sd/-**  
**Aagat Singh**  
 (Company Secretary)  
 ACS 51268

## 1 – A. Overview of the Company

Mega Corporation Limited (the Company) is a Public Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 on 26<sup>th</sup> March, 1985. The securities of the Company are presently listed on “Mumbai Stock Exchange”, being the Exchange having nationwide terminals.

The Company is Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI) with registration No. 14.00955 dated 09<sup>th</sup> May, 1998. The Company is engaged in investment in securities and provides loans and leasing & financial services to other establishments.

## 2 – A. Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### a) Compliance with Ind AS:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company–Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis.

The Company uses accrual basis of accounting except in case of significant uncertainties.

For all periods up to and including the year ended 31 March 2019, the Company had prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the NBFC Master Directions (hereinafter referred as 'Previous GAAP'). These financial statements for the year ended 31 March 2020 are the first the Company has prepared in accordance with Ind AS. The Company has applied Ind AS 101 'First-time Adoption of Indian Accounting Standards', for transition from previous GAAP to Ind AS. An explanation of how transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in note no. 33.

### b) Historical Cost Conversion

The Financial Statements have been prepared on a historical cost basis except for the following:

“Certain financial assets and liabilities that are measured at fair value”

### c) Rounding off amounts

The financial statements are presented in INR and all values are rounded off nearest to the Rupees, except when otherwise indicated.

### d) Significant estimates, judgements and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the end of the financial statements and reported amounts of income and expense during the year.

The management believes that these estimates are prudent and reasonable and are based on management's best knowledge of current events and actions. Actual results could differ from these estimates and difference between actual results and estimates are recognised in the period in which results are known or materialised.

## 2 – B. Significant Accounting Policies

### a) Property, Plant and Equipment

All items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any; Historical cost includes expenditure that is directly attributable to the acquisition of the items. No CENVAT credit is avail on the assets capitalized.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the reporting date are disclosed as Capital work-in-progress'.

**b) Depreciation / amortization on property, plant and equipment**

Depreciable amount for Property, plant and equipment is the cost of an asset, less its residual value.

Depreciation on Property, plant and equipment is provided on the straight line method value method over the useful lives of assets as prescribed under para C of Schedule II of the Companies Act, 2013.

Depreciation is calculated on a pro-rata basis from the date of acquisition/installation till the date, the assets are sold or disposed off. Leasehold land is amortized over period of lease. Assets costing individually up to 5000 are written off to statement of profit and Loss.

**c) Impairment of Property, plant and equipment**

The carrying amounts of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An impairment loss on such assessment will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

**d) De-recognition of property, plant and equipment**

The carrying amount of an item of Property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, plant and equipment is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is de-recognised.

**e) Borrowings and Borrowing costs**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the 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 the statement of Profit and Loss in the period in which they are incurred.

**f) Financial Instruments - Financial Asset**

**1. Classification:**

The Company classifies its financial assets in the following measurement categories:

**(I)** Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)

**(II)** Those measured at amortised cost

The classification depends on the business model of the entity for managing financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Other Comprehensive Income or profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held.

**2. Recognition and measurement:**

**(I) Initial Recognition**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

**(II) Subsequent Measurement:**

After Initial recognition, financial assets are measured at ;

- (i) Financial assets carried at amortized cost
- (ii) Financial assets at fair value through profit and loss

#### **g) Debt Instruments**

##### **(I) Measured at amortized cost**

Financial Assets that are held for collection of contractual cash flow where those cash flows represent solely payment of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the Effective Interest Rate (EIR) method the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

##### **(II) Measured at fair value through profit or loss (FVTPL)**

A financial asset not classified as either amortised cost or FVTOCI, is classified as Fair Value through Profit or Loss (FVTPL). Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

##### **(III) Measured at fair value through other comprehensive income (FVTOCI)**

"Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income (FVTOCI). Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain/ (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

#### **h) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVTPL. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.

#### **i) De-recognition of financial assets**

A financial asset is de-recognised only when the Company

- (i) has transferred the rights to receive cash flows from the financial asset or
- (ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

"Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised"

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### **j) Financial Liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

#### **k) Other Financial liabilities**

##### **(I) Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**(II) Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

**(III) Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

**(IV) De-recognition:**

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

**l) Off-setting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**m) Equity instruments:**

The Company measures all its investments in equity instruments other than those in subsidiary companies, at fair value. The management of the Company has elected to present fair value gains and losses on such equity investments as at the transition date in profit and loss and there is change subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss, and Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss.

Dividends from such investments continue to be recognized in profit or loss as other income when the right to receive payment is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

**n) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft, if any; as they are considered as an integral part of Company's cash management.

**o) Revenue Recognition**

“Revenue is the gross inflow of economic benefits received/receivable by the entity on its own account. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.”

**(I) Sale of Shares**

Revenue from sale of shares is recognised at the time of transaction

**(II) Interest Income**

Interest income is recognised by applying (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL, taking into account the amount outstanding and the applicable interest rate. Interest income is recognised on nonperforming assets at net of ECL.

(a) As the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset

(b) By considering all the contractual terms of the financial instrument (for example, prepayment, extension, call

and similar options) in estimating the cash flows

(c) Including all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts

### **(III) Dividend Income**

Dividend income is recognised when the right to receive the payment is established

### **(IV) Net gain on Fair value changes**

Any differences between the fair values of financial assets classified as FVTPL held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

## **p) Foreign currency transactions**

### **(I) Functional and presentation currency**

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of the Company are presented in Indian currency (INR), which is also the functional and presentation currency of the Company.

### **(II) Transactions and Translation**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary items denominated in foreign currencies at the year-end are restated at closing rates.

Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain/(loss) Foreign exchange gain/(loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss

All foreign exchange gain / (loss) are presented in the Statement of Profit and Loss on a net basis within other income/ (expense)

## **q) Employee Benefits**

### **Short-term employee benefits**

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet

### **Defined benefit plans**

The Company pays gratuity to the employees who have completed five years of service with the company at the time of resignation / superannuation. The gratuity is paid @15days basic salary for every completed year of service as per the payment of gratuity act 1972. Current number of employees are below 10 as on the reporting period so the gratuity liability amount is computed by the company management itself accordingly to the provisions of the payment of gratuity act 1972.

## **r) Income Tax**

Tax expense comprises of current and deferred tax

### **(I) Current tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period in accordance with Income Tax Act, 1961. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **(II) Deferred tax:**

Deferred tax assets and liabilities are recognized using the balance sheet approach for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.



Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

#### **s) Earnings per share**

Earnings per share (EPS) are calculated by dividing the net profit or loss (excluding other comprehensive income) for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period.

Diluted EPS is determined by dividing the profit / (loss) after tax attributable to equity shareholders for the period by weighted average number of equity shares and potential equity shares outstanding during the year, except where the results are anti-dilutive.

#### **t) Leases**

##### **(I) As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

##### **(II) As a lessor**

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income.

The interest income is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

#### **u) Provisions, Contingent liabilities and Contingent assets**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements; however they are disclosed where the inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

#### **v) Impact of COVID-19 (pandemic)**

The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to, impact of COVID-19 on its borrowers. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021**

**a. i. Equity Share Capital**

Particulars	Amount (Rs.)
<b>Balance as at March 31, 2020</b>	<b>100,000,000</b>
Changes in Equity Share Capital during the year	-
<b>Balance as at March 31, 2021</b>	<b>100,000,000</b>

**b. ii. Other Equity**

Particulars	Reserves and surplus		
	Retained earnings	Reserve Fund as per RBI Act	Total Other Equity
<b>Balance as at March 31, 2019</b>	142,942,161	1,942,266	144,884,427
Profit for the year	858,308	-	858,308
Other comprehensive income for the year	-	-	-
	<b>858,308</b>	<b>-</b>	<b>858,308</b>
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(171,662)	171,662	-
Amount of loss transferred from Mega Airways Limited on merger	(3,564,117)		(3,564,117)
<b>Balance as at March 31, 2020</b>	<b>140,064,691</b>	<b>2,113,927</b>	<b>142,178,618</b>
Profit for the year	(2,898,001)	-	(2,898,001)
Other comprehensive income	279,784	-	279,784
	<b>(2,618,271)</b>	<b>-</b>	<b>(2,618,271)</b>
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	-	-	-
Amount of MAT Credit written off due to same becoming ineligible U/S115BAA of Income Tax Act, 1961	(3,871,748)		(3,871,748)
<b>Balance as at March 31, 2021</b>	<b>135,688,653</b>	<b>2,113,927</b>	<b>135,688,653</b>

The accompanying notes are integral part of the Financial Statements  
In terms of our report attached

**For Virendra Pradeep & Co**  
**Chartered Accountants**  
Firm Registration No.: 007409N

**For and on behalf of the Board of Directors**

**Sd/-**  
**(Pradeep Kumar Agarwal)**  
Proprietor  
M. No. 085534  
UDIN: 21085534AAAAAN4088  
Place: Delhi  
Dated: 30.06.2021

**Sd/-**  
**Surendra Chhalani**  
(Director & CFO)  
DIN : 00002747

**Sd/-**  
**Kunal Lalani**  
(Director)  
DIN : 00002756

**Sd/-**  
**Aagat Singh**  
(Company Secretary)  
ACS 51268

## NOTES TO THE FINANCIAL STATEMENTS

Particulars	As at March 31, 2021	As at March 31, 2020
<b>3. Cash and cash equivalents</b>		
a. Balance with banks		
- in current accounts	148,729	1,549,092
b. Cash in hand	1,531,577	959,450
<b>Cash and cash equivalents as per balance sheet</b>	<b>1,680,305</b>	<b>2,508,542</b>
<b>Cash and cash equivalents as per statements of cash flows</b>	<b>1,680,305</b>	<b>2,508,542</b>
<b>4. Bank Balance other than Cash and cash equivalents</b>		
a. HDFC Bank	-	2,126,355
b. Bank of India		460,000
	-	<b>2,586,355</b>
<b>5. Trade receivables (Unsecured)</b>		
Trade receivables		
a. Considered good	1,368,211	991,520
b. Considered doubtful	-	-
	<b>1,368,211</b>	<b>991,520</b>
Less: Allowance for doubtful debts (expected credit loss allowances)	-	-
	<b>1,368,211</b>	<b>991,520</b>
<b><u>Age of receivables</u></b>		
	As at March 31, 2021	As at March 31, 2020
Within the credit period	23,211	47,520
Others	1,345,000	944,000
<b>Total</b>	<b>1,368,211</b>	<b>991,520</b>
<b>6. Loans</b>		
<b>Loans repayable on Demand</b>		
<b>A. At amortised cost</b>		
Loans to related parties	34,505,989	55,876,359
Less: Impairment loss allowance	-	-
	<b>34,505,989</b>	<b>55,876,359</b>
<b>B. At amortised cost</b>		
Loan to Other Entities	277,116,272	196,664,841
Less: Impairment loss allowance	-	-
	<b>277,116,272</b>	<b>196,664,841</b>
<b>Total</b>	<b>311,622,261</b>	<b>252,541,200</b>
<b>C. Out of the Above</b>		
<b><u>Loans in India</u></b>		
-Others	311,622,261	252,541,200
Less: Impairment loss allowance	-	-
<b><u>Loans outside India</u></b>		
-Others	-	-
Less: Impairment loss allowance	-	-
<b>Total net loans at amortised cost</b>	<b>311,622,261</b>	<b>252,541,200</b>

	As at March 31, 2021	As at March 31, 2020
<b>7. Investments</b>		
<b><u>Investments in Equity Instruments</u></b> <b><u>(Quoted, fully paid up)</u></b>		
<b><u>At fair value through other comprehensive income</u></b>		
Held for Trading - Tata Motors Limited	33,204	7,816
	<b>33,204</b>	<b>7,816</b>
<b>Investments in Equity Instruments (Unquoted, fully paid up)</b>		
<b>(A) At fair value through other comprehensive income</b>		
a. Plasopan Engineers (India) Pvt. Ltd.	1,294,875	1,148,625
b. Mediaware Infotech Private Ltd.	4,470,138	4,364,800
c. Britonna Hotel & Yatch Club Pvt. Ltd.	10,257,198	10,254,390
d. Mercury Ensembles & Textiles Pvt. Ltd.	5,000,000	0
	<b>21,022,211</b>	<b>15,767,815</b>
	<b>21,055,415</b>	<b>15,775,631</b>
<b><u>Other Investments</u></b>		
Acrylicon Canvas Paintings	1,568,000	1,568,000
Silverware	0	101,764
	<b>1,568,000</b>	<b>1,669,764</b>
<b>Out of above</b>		
In India	22,623,415	17,445,395
Outside India	0	0
	<b>22,623,415</b>	<b>17,445,395</b>
<b>8. Other financial assets</b>		
a. Security deposits	21,000	21,000
<b>Total</b>	<b>21,000</b>	<b>21,000</b>
<b>9. Current Tax Assets</b>		
<b>i. Current Tax Assets</b>		
a. Advance tax/TDS (Net of Provision)	1,707,163	1,660,681
<b>Current Tax Assets (net)</b>	<b>1,707,163</b>	<b>1,660,681</b>

**10. Deferred tax assets (Net)**

The following is the analysis of Deferred Tax Assets/(Liabilities) in the Balance Sheet.

	<b>As at March 31, 2021 (Rs. )</b>	<b>As at March 31, 2020 (Rs. )</b>	
a. Deferred tax assets	16,290,078	16,261,897	
b. Deferred tax liabilities	(8,564,643)	(9,684,314)	
<b>Total</b>	<b>7,725,435</b>	<b>6,577,583</b>	
<hr/>			
<b>F.Y. 2020-21</b>	<b>Opening Balance</b>	<b>Recognised in Profit or Loss Account</b>	<b>Closing balance</b>
<hr/>			
<b>Deferred tax assets in relation to</b>			
Property, plant and equipment	(9,684,314)	(1,119,671)	(8,564,643)
Employee benefits	196,013	(28,181)	224,194
Unabsorbed depreciation	16,065,884		16,065,884
	<b>6,577,583</b>	<b>(1,147,852)</b>	<b>7,725,435</b>

Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.

**Note 11: Property, plant and equipment**

**Carrying amounts of :**

	As at March 31, 2021	As at March 31, 2020
Air Craft- Commercial	35,492,208	38,989,610
Furniture & Fixtures	56,562	76,318
Computer	35,184	17,162
Vehicles	39,474	45,995
Office Equipment	15,773	8,893
Capital work-in-progress	35,639,201	39,137,978
<b>Total</b>	<b>35,639,201</b>	<b>39,137,978</b>

Particulars	Air Craft- Commercial		Furniture & Fixtures	Office Equipment	Computer	Vehicles	Total
	Commercial	Commercial					
<b>Cost or deemed cost</b>							
<b>Balance at March 31, 2020</b>	<b>125,573,210</b>	<b>90,020</b>	<b>90,020</b>	<b>67,300</b>	<b>67,000</b>	<b>919,894</b>	<b>126,717,424</b>
Additions	0	0	0	15,677	40,002	0	55,679
Disposals	0	0	0	0	0	0	0
<b>Balance at March 31, 2021</b>	<b>125,573,210</b>	<b>90,020</b>	<b>90,020</b>	<b>82,977</b>	<b>107,002</b>	<b>919,894</b>	<b>126,773,103</b>
<b>Accumulated depreciation</b>							
<b>Balance at March 31, 2020</b>	<b>86,583,600</b>	<b>13,702</b>	<b>13,702</b>	<b>58,407</b>	<b>49,838</b>	<b>873,899</b>	<b>87,579,446</b>
Depreciation expenses	3,497,402	19,756	19,756	8,797	21,980	6,521	3,554,456
Eliminated on disposals of assets	0	0	0	0	0	(257,600)	0
<b>Balance at March 31, 2021</b>	<b>90,081,002</b>	<b>33,458</b>	<b>33,458</b>	<b>67,204</b>	<b>71,818</b>	<b>880,420</b>	<b>87,579,446</b>
<b>Carrying amount</b>							
<b>Balance at March 31, 2020</b>	<b>38,989,610</b>	<b>76,318</b>	<b>76,318</b>	<b>8,893</b>	<b>17,612</b>	<b>45,995</b>	<b>39,137,978</b>
Additions	0	0	0	15,677	40,002	0	55,679
Disposals	0	0	0	0	0	0	0
Depreciation expenses	3,497,402	19,756	19,756	8,797	21,980	6,521	3,554,456
<b>Balance at March 31, 2021</b>	<b>35,492,208</b>	<b>56,562</b>	<b>56,562</b>	<b>15,773</b>	<b>36,184</b>	<b>39,474</b>	<b>35,639,201</b>

	As at March 31, 2021	As at March 31, 2020
<b>12 Other Non-Financial assets</b>		
a. Prepaid expenses	11,118	13,153
b. GST Credit	519,533	571,418
c. Capital advances	29,200,000	29,200,000
d. Customs Duty deposit under protest	23,682,303	23,682,303
e. Income Tax paid against disputed demand	0	5,404,636
f. Insurance claim receivable	17,508,881	17,508,881
g. Income Tax refundable	1,630,405	1,300,338
e. MAT credit	-	3,871,748
<b>Total</b>	<b>72,552,240</b>	<b>81,552,477</b>
<b>13.1 (I) Trade payables</b>		
a. Total outstanding dues of micro enterprises and small enterprises	-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
<b>13.2 (II) Other payables</b>		
a. Total outstanding dues of micro enterprises and small enterprises	-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	358,528	323,278
	<b>358,528</b>	<b>395,842</b>
<b>Details of Other Payables</b>		
a. Salaries & Other Employee Benefits	133,166	179,866
b. Legal & Professional Payable	111,100	79,380
c. Audit fee payable	101,750	63,000
d. Other expenses payable	12,612	1,032
	<b>358,528</b>	<b>323,278</b>
<b>13.3 Borrowings (Other than Debt Securities)</b>		
a. Loans from related parties	149,746,202	95,867,038
b. Loans from other parties	36,119,136	34,036,017
	<b>185,865,338</b>	<b>129,903,055</b>
<b>14. Other Financial liabilities</b>		
Security Deposits	30,450,652	30,450,652
	<b>30,450,652</b>	<b>30,450,652</b>
<b>15. Provision</b>		
a. Provision for employee benefits		
- Gratuity (net)	812,885	691,154
- Leave Encashment	77,904	62,742
b. Provision against standard assets	1,368,762	1,130,931
	<b>2,259,551</b>	<b>1,884,827</b>
<b>16. Other Non Financial liabilities</b>		
Duties and Taxes	316,008	278,126
EPF payable	500	4,175
	<b>316,508</b>	<b>282,301</b>

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
<b>17. Equity share capital</b>				
<b>(a) Authorised share capital</b>				
Equity shares of Rs. 1 (Previous year Rs. 1) each with voting rights	400,000,000	400,000,000	400,000,000	400,000,000
<b>(b) Issued, subscribed and fully paid up</b>				
Equity shares of Rs. 1 (Previous year Rs. 1) each with voting rights	100,000,000	100,000,000	100,000,000	100,000,000
<b>(c) Subscribed and fully paid up</b>				
Equity shares of Rs. 1 (Previous year Rs. 1) each with voting rights	100,000,000	100,000,000	100,000,000	100,000,000
<b>(d) Subscribe but not fully paid up</b>				
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting	-	-	-	-
<b>Total Equity Share Capital {c+d}</b>	<b>100,000,000</b>	<b>100,000,000</b>	<b>100,000,000</b>	<b>100,000,000</b>

**a) Terms / rights attached to equity shares**

- (i) The Company has only one class of equity shares having a par value of Rs. 1 per share. Each holder of equity share is entitled to one vote per share.  
(ii) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**b) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :**

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
Shares outstanding at the beginning of the year	100,000,000	100,000,000	100,000,000	100,000,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	100,000,000	100,000,000	100,000,000	100,000,000
(iii) Subscribed but not Fully paid equity shares				
<b>Particulars</b>				
Shares outstanding at the beginning of the year	-	-	-	-
Add: Calls in Received	-	-	-	-
Less: Partly paid up shares converted into fully paid up shares	-	-	-	-
Shares outstanding at the end of the year	-	-	-	-

**(iv) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding	Number of shares held	% holding
<b>Equity shares with voting rights</b>				
Vimi Investments & Finance Pvt. Ltd.	46,573,000	46.57	46,573,000	46.57



	As at March 31, 2021	As at March 31, 2020
<b>18. Other equity</b>		
Retained earnings	133,574,726	140,064,690
Statutory Reserve	2,113,927	2,113,927
	<u>135,688,653</u>	<u>142,178,618</u>
<b>18.1 Retained earnings</b>		
i. Balance at the beginning of the year	140,064,691	142,942,161
ii. Add: Profit for the year	(2,898,001)	858,308
iii. Item of other comprehensive income recognised directly in retained earnings	279,784	-
	<u>137,446,474</u>	<u>143,800,469</u>
iv. Less: Amount transferred to statutory reserve @ 20% out of current year profits	-	171,662
v. Less: Amount of loss transferred from Mega Airways Limited on merger with the Company	-	3,564,117
vi. Less: Amount of MAT Credit lapsed due to opting for section 115BAA under Income Tax at 1956	3,871,748	-
	<u>3,871,748</u>	<u>3,735,779</u>
<b>Balance at the end of the year</b>	<u>133,574,726</u>	<u>140,064,691</u>
<b>18.2 Statutory Reserve</b>		
Reserve fund in terms of Section 45I C(1) of the Reserve Bank of India Act, 1934		
i. <b>Balance at the beginning of the year</b>	2,113,927	1942,266
ii. Add: Transferred from Surplus (20% for current period)	-	171,662
iii. <b>Balance at the end of the year</b>	<u>2,113,927</u>	<u>2,113,927</u>
	<b>Year Ended March 31, 2021</b>	<b>Year Ended March 31, 2020</b>
<b>19. Revenue from operations</b>		
Interest on loans and advances	27,181,114	26,710,504
Dividend Income	-	130,000
Rent Received	35,000	200,000
	<u>27,531,114</u>	<u>27,040,504</u>
<b>20. Other income</b>		
Interest on FDRs	48,341	110,006
Interest on Income Tax Refund	-	202,088
Job Work Income	226,500	88,000
Excess Liability Written Back	628,767	-
Gratuity Liability Reversed	-	15,865
Profit on sale of Assets	-	95,424
	<u>903,608</u>	<u>511,383</u>
<b>21. Finance costs</b>		
On financial liabilities measured at amortised cost:	<u>16,144,561</u>	<u>12,933,123</u>
	<u>16,144,561</u>	<u>12,933,123</u>
<b>22. Impairment on financial instruments</b>		
Provision for Standard Assets	237,831	429,845
Provision for impairment of investment valued at fair value	-	84,157
	<u>237,831</u>	<u>514,002</u>

	Year Ended March 31, 2021	Year Ended March 31, 2020
	(Rs. )	(Rs. )
<b>23. Employee benefits expense</b>		
Salaries and wages	1,568,237	1,845,726
Director's Remuneration	616,800	756,968
Gratuity	121,731	-
Staff Welfare	2,381	20,595
	<b>2,309,149</b>	<b>2,623,289</b>
<b>24. Other expenses</b>		
Legal and professional charges	585,650	1,313,531
Rent paid	275,000	558,820
Auditor's remuneration (Refer Note (i) below)	110,000	102,200
Advertisement	69,090	62,370
Insurance	17,033	31,732
Filing Fee	5,400	312,600
Listing Fees	300,000	300,000
Postage Expenses	-	38,238
Printing & Stationery	10,241	58,497
Books & Periodicals	10,610	10,495
Repair & Maintenance	-	4,650
Telephone Expenses	24,644	24,404
Travelling Expenses	-	16,584
Vehicle Running & Maintenance	195,274	252,542
Fee & Subscription	159,486	178,087
General Expenses	25,272	52,434
Coveyance Expenses	40,893	79,051
Bank charges	708	1,257
Meeting (AGM) Expenses	45,284	73,500
Electricity Expenses	22,656	36,714
GST Input Reversal	132,366	197,208
Interest on Late Payment of Taxes	-	20,936
Balances written off	-	48,400
	<b>2,029,607</b>	<b>3,774,250</b>

**Note**

i. Payment to auditors comprises

A. To Auditors

(a) for Statutory audit (excluding GST)

70,000

70,000

(b) for Certification & Other Services (excluding GST)

40,000

30,200

110,000

100,200

70

25 Income taxes

25.1 Income taxes recognised in profit and loss

	Year ended March 31, 2021	Year ended March 31, 2020
<b>Current tax</b>		
In respect of the current year	-	850,780
Mat Credit Entitlement for Current Year	-	(850,780)
	-	-
<b>Deferred tax</b>		
In respect of the current year	(1,147,852)	(780,786)
Adjustments to deferred tax attributable to changes in tax laws	-	-
	<u>(1,147,852)</u>	<u>(780,786)</u>
Total income tax expense recognised in the current year	<u>(1,147,852)</u>	<u>(780,786)</u>

The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax	<u>4,159,118</u>	<u>4,168,968</u>
Statutory Income Tax rate U/S 115BAA (Previous Year - MAT )*	25.17%	18.50%
Tax at Indian statutory income tax rate	1,046,767	771,259
Add: Effect of expenses that are not deductible in determining taxable profit	869,52631	79,521
Effect of tax expenses for prior years	-	-
Tax effect on various other Items	(1,916,397)	-
Income tax expense recognised in profit or loss	<u>-</u>	<u>850,780</u>
Effective tax Rate	-	<b>20.41</b>

\*The Company has opted to pay Income Tax as per the provisions of Section 115BAA of Income Tax Act, 1961, hence it is not required to pay Minimum Alternate Tax (MAT) as per provisions of Section 115JB. The tax rate used for reconciliation of tax for the year 2019-20 was on the basis of Minimum Alternate Tax (MAT) payable by the corporate entities on taxable profits under then prevailing Income Tax Provisions.

25.2 Income tax recognised in other comprehensive income

	Year ended March 31, 2021	Year ended March 31, 2020
<b>Current tax</b>		
Arising on Income and expenses recognised in other comprehensive income		
Remeasurements of defined benefit obligation	-	-
<b>Total income tax recognised in other comprehensive income</b>	<u>-</u>	<u>-</u>
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will be reclassified to profit or loss	-	-
Items that will not be reclassified to profit or loss	-	-

## 26 Earnings per share

Basic earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Units	Year Ended	Year Ended
		March 31, 2021	March 31, 2020
a. Profit for the year		(2,618,217)	858,308
b. Weighted average number of equity shares used in computing the basic and diluted earnings per share	No. of shares	100,000,000	100,000,000
c. Earnings per share basic and diluted		(0.03)	0.01

## 27 Contingent liabilities

(Amount in Rs./Lacs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
a. Claims against the Company not acknowledged as debts		
- Income tax demand (see note i to ii below)	-	137.33
- Customs Duty	236.82	236.82

Note:

\*The Income Tax Department had raised demand of Tax against the company for AY 2006-07 which was contested by the company before the appellate authorities and the matter was pending before Hon'ble Supreme Court for final adjudication. However to buy peace with Income Tax Department and to avoid costly litigation the Company has opted to get the matter settled under "Direct Taxes Vivad Se Vishwas Scheme" announced by the Finance Ministry during FY 2020-21. The Company has filed declaration under DT/VS Scheme and has paid the amount of disputed income tax during the current year. There is no outstanding demand of Income Tax as at March 31, 2021.

\*\*The Company has deposited a sum of Rs. 236.82 Lacs as additional Custom Duty on Import of Aircraft in FY 2007-08. Though the Company had disputed the said demand but had deposited the said amount in FY 2008-09 under protest to safeguard its business 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

## 28 Commitments

Particulars	As at	As at
	March 31, 2021	March 31, 2020
a. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	35,225,000	35,225,000
b. The Company did not have any long term commitments/contracts including derivative contracts for which there were any material foreseeable losses.		
c. There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.		

**29 Related party transactions**

The Company's material related party transactions and outstanding balances are with whom the Company routinely enters into transactions in the ordinary course of business.

**A. Name of the related parties and nature of relationship (With whom the Company has transactions during the year):****Related party transactions****Details of related parties:****Description of relationship**

Key Management Personnel

**Names of related parties**

(i) Sh.Kunal Lalani (Director),  
(ii) Sh. Navratan Baid (Director),  
(iii) Sh. Surendra Chhalani (CFO/Director)  
(iv) Sh. Shurab Kumar (Director)  
(v) Ms. Anisha Anand (WTD)  
(vi) Sh. Surendra Pagaria (Director)  
(vii) Ms. Abhilasha Lalani (Director)  
(viii) Sh. Aagat Singh (Company Secretary )

Relative of Key Management Personnel with whom transaction have taken place

(i) Smt. Kiran Chhalani (ii) Vikram Anand

Entities in which KMP / Relatives of KMP can exercise significant influence

(i) Bengaluru Megacabs Pvt Ltd  
(ii) Crayons Advertising Pvt Ltd.  
(iii) Indication Instruments Limited  
(iv) Mega Cabs Private Limited  
(v) Omni Media Communications Pvt Limited  
(vi) Sanya Resorts & Hospitality P. Limited  
(vii) Sahyog Properties Private Limited  
(viii) Anand Power Private Limited  
(ix) Britonna Hotel & Yatch Club P. Limited

Note: Related parties have been identified by the Management.

**Details of related party transactions during the year :**

NAME OF PARTY	Nature of transactions	Year ended March 31, 2021	Year ended March 31, 2020
Kunal Lalani	Loan taken	-	5,000,000
	Loan repaid	2,500,000	2,500,000
	Interest Credited	32,548	50,959
Surendra Chhalani	Salary paid	646,000	752,600
Sanjay Sharma	Salary paid	-	1,027,447
Aagat Singh	Salary paid	493,568	126,310
Kiran Chhalani	Rent paid	135,000	356,400
Vikaram anand	Sale of investments	-	1,500,000
Anand Power Private Limited	Loan taken	30,050,000	30,000,000
	Loan repaid	1,650,000	4,600,000
	Interest Credited	3,752,787	3,692,536
Bengaluru Megacabs Private Limited	Loan given	14,515,000	18,050,000
	Loan received back	8,265,000	-
	Interest Charged	1,965,298	2,986,150

Crayons Advertising Private Limited	Loan repaid	-	35,000,000
	Interest Credited	-	1,361,096
	Loan taken	-	10,000,000
Indication Instruments Limited	Loan taken	-	20,000,000
	Loan repaid	-	20,000,000
	Interest Credited	1,560,00	1,793,426
Mega Cabs Private Limited	Loan taken	32,050,000	63,250,000
	Interest Credited	4,856,565	2,550,063
	Loan repaid	36,750,000	12,050,000
Omni Media Communications Pvt Limited	Loan given	1,000,000	45,000,000
	Interest Charged	992,808	1,240,980
	Loan received back	29,000,000	17,000,000
	Advertising Charges paid	71,480	62,370
Sanya Resorts & Hospitality P. Limited	Loan given	1,500,000	-
	Loan received back	1,000,000	-
	Interest Charged	123,903	-
	Loan taken	-	1,500,000
	Loan repaid	-	500,000
	Interest Credited	-	6,233
Sanya Hospitality Pvt. Ltd.	Loan taken	5,000,000	-
	Loan repaid	5,000,000	-
	Interest Credited	320,480	-
Sahyog Properties Private Limited	Loan taken	57,300,000	-
	Loan repaid	13,500,000	-
	Interest Credited	2,224,328	-
	Sale of Investments	-	24,900,000
Britonna Hotel & Yatch Club P. Limited	Loan taken	6,600,000	-
	Interest Credited	307,956	-

**Outstanding balance of related parties**

Name of Party	Nature of Balance	Year ended March 31, 2021	Year ended March 31, 2020
Surendra Chhalani	Salary Payable	59,000	56,200
Aagat Singh	Salary Payable	47,000	47,000
Kunal Lalani	Loan Refundable	-	2,545,863
Anand Power Private Limited	Loan Refundable	27,118,555	25,400,000
Bengaluru Megacabs Private Limited	Loan Receivable	32,150,000	27,587,535
Indication Instruments Limited	Loan Refundable	16,057,083	14,614,083
Mega Cabs Private Limited	Loan Refundable	49,738,517	52,301,482
Omni Media Communications Pvt Limited	Loan Receivable	11,675	28,288,824
Sanya Resorts & Hospitality P. Limited	Loan Refundable	538,088	1,005,610
Sanya Hospitality P. Limited	Loan Refundable	5,348,225	5,051,781
Sahyog Properties Private Limited	Loan Refundable	45,027,031	-
Britonna Hotel & Yatch Club P. Limited	Loan Refundable	6,770,119	-

**30. Employee benefit plans****(I) Defined benefit plans****A) Gratuity**

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service, managerial grade and salary at retirement age.

**(i) Movement in defined benefit obligations (In Rs.)**

Particulars	As at 31 March 2021	As at 31 March 2020
Defined benefit obligation as at the opening of the year	-	-
Current service cost	-	-
Past service cost	-	-
Interest on defined benefit obligation	-	-
Remeasurement gain/ (loss)		
Actuarial loss / (gain) arising from change in financial assumptions	-	-
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	-	-
Benefits paid	-	-
Liabilities assumed / (settled)	8,12,885	6,91,154
Liabilities extinguished on settlements	-	-
<b>Defined benefit obligation as at the end of the year</b>	<b>8,12,885</b>	<b>6,91,154</b>

**(ii) Movement in plan assets (In Rs.)**

Particulars	As at 31 March 2021	As at 31 March 2020
Fair value of plan asset as at the beginning of the year	-	-
Employer contributions	-	-
Interest on plan assets	-	-
Administration expenses	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	-	-
Benefits paid	-	-
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
<b>Fair value of plan asset as at the end of the year</b>	<b>-</b>	<b>-</b>

**(iii) Reconciliation of net liability/ asset (In Rs.)**

Particulars	As at 31 March 2021	As at 31 March 2020
Net defined benefit liability/ (asset) as at the beginning of the year	-	-
Expense charged to statement of profit and loss	-	-
Amount recognised in other comprehensive income	-	-
Employers contribution	-	-
Impact of liability assumed or (settled)	8,12,885	6,91,154
<b>Net defined benefit liability/ (asset) as at the end of the year</b>	<b>8,12,885</b>	<b>6,91,154</b>

**(iv) Expenses charged to the statement of profit and loss (In Rs.)**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current service cost	-	-
Interest cost	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**(v) Remeasurement gains/ (losses) in other comprehensive income (In Rs.)**

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Opening amount recognised in other comprehensive income</b>		
Changes in financial assumptions	-	-
Changes in demographic assumptions	-	-
Experience adjustments	-	-
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognize the effect of asset ceiling	-	-
<b>Closing amount recognized outside profit or loss in other comprehensive income</b>	<b>-</b>	<b>-</b>

**(vi) Amount recognised in balance sheet (In Rs.)**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Present value of funded defined benefit obligation	-	-
Fair value of plan assets	-	-
Net funded obligation	-	-
Present value of unfunded defined benefit obligation	8,12,855	6,91,154
Amount not recognised due to asset limit	-	-
<b>Net defined benefit liability recognised in balance sheet</b>	<b>8,12,855</b>	<b>6,91,154</b>
Current	-	-
Non-current	8,12,855	6,91,154

**(vii) Key actuarial assumptions (In Rs.)**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Discount rate	6.80%	6.80%
Salary escalation rate (p.a.)	11.00%	11.00%

**(viii) A quantitative sensitivity analysis for significant assumptions as at 31 March 2021 is as shown below:**

Particulars	Discount rate	Salary Escalation Rate
Impact of increase in 50 bps on defined benefit obligation	35,421	(36,495)
Impact of decrease in 50 bps on defined benefit obligation	(38,162)	34,278

**31. Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Financial risk management****31.1 Interest rate risk management**

Floating rate financial assets are largely mutual fund investments which have debt securities as underlying assets. The returns from these financial assets are linked to market interest rate movements; however the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

**31.2 Counterparty and concentration of credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company is exposed to credit risk for receivables, cash and cash equivalents, and short-term investments.

**31.3 Liquidity risk management**

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

**(a) Liquidity**

The Company requires funds both for short-term operational needs as well as for long-term investment programme mainly in for repayment of loans. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening our balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.



**32. Financial Instruments-Disclosures****32.1 Category-wise classification for applicable financial assets and financial liabilities:**

	As at March 31, 2021	As at March 31, 2020
<b>Financial Assets</b>		
Measured at Amortised cost		
Cash and cash equivalents	1,680,305	2,508,542
Trade receivables	1,368,211	991,520
Loans	311,622,261	252,541,200
Other financial assets	21,000	21,000
Measured at FVTOCI		
(a) Investments in equity instruments designated upon initial recognition	22,623,415	17,445,395
<b>Financial Liabilities</b>		
Measured at Amortised cost (including trade payables balance in a disposal group held for sale)		
Trade payables	-	-
Other payables	358,528	323,278
Other Financial liabilities	30,450,652	30,450,652

**Note:** Carrying amounts of cash and cash equivalents, Loans, trade receivables, other payables as at March 31, 2021 & March 31, 2020 approximate the fair value because of their short term nature. Carrying amount other financial liabilities is taken Present value.

**32.2 Fair value of the financial assets and liabilities that at fair value**

Except as detailed in the following table, the Company considered that the carrying amount of Financials assets and financial liabilities recognised in the financial statement approximate their fair value

	As at March 31, 2021	As at March 31, 2020
<b>Financial Assets</b>		
Investment	22,623,415	17,445,395
<b>Total Financial Assets</b>	<b>22,623,415</b>	<b>17,445,395</b>
<b>Financial Liabilities</b>		
borrowings	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>

**32.3 Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:**

	Fair value hierarchy as at March 31, 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Other Financial liabilities			30,450,652	30,450,652
<b>Total</b>	-	-	30,450,652	30,450,652
	Fair value hierarchy as at March 31, 2020			
	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Other Financial liabilities			30,450,652	30,450,652
<b>Total</b>	-	-	30,450,652	30,450,652

**Note:** The fair value of the Financial liabilities included in the level 2 categories have been determined in accordance with generally accepted pricing models based on a discounted cash flows analysis, with the most significant inputs being discount that reflects the credit risk of counterparties.

## Maturity profile of assets and liabilities

Particulars	As at March 31, 2021		As at March 31, 2020		Total	Total
	Within 12 months	After 12 months	Within 12 months	After 12 months		
<b>Assets</b>						
<b>Financial Assets</b>						
Cash and cash equivalents	1,680,305	-	1,680,305	-		2,508,542
Bank Balance other than Cash and cash equivalents	-	-	-	2,586,355		2,586,355
Trade receivables	1,368,211	-	1,368,211	991,520		991,520
Loans	311,622,261	-	311,622,261	252,541,200		252,541,200
Investments	-	22,623,415	22,623,415	17,445,395		17,445,395
Other financial assets	-	21,000	21,000	-		21,000
	<b>314,670,777</b>	<b>22,644,415</b>	<b>337,315,192</b>	<b>20,052,750</b>	<b>256,041,262</b>	<b>276,094,012</b>

**Non-Financial Assets**

Current tax assets (net)	-	1,707,163	1,707,163	-	1,660,681	1,660,681
Deferred tax assets (Net)	-	7,725,435	7,725,435	-	6,577,583	6,577,583
Property, plant and equipment	-	35,639,201	35,639,201	-	39,137,978	39,137,978
Other non-financial assets	-	72,552,240	72,552,240	584,571	80,967,906	81,552,477
	-	<b>117,624,039</b>	<b>117,624,039</b>	<b>584,571</b>	<b>128,344,148</b>	<b>128,928,719</b>
<b>Total assets</b>	<b>314,670,777</b>	<b>140,268,454</b>	<b>454,939,231</b>	<b>256,625,833</b>	<b>148,344,898</b>	<b>405,022,731</b>

**Liabilities****Financial Liabilities**

Trade payables	-	-	-	-	-	-
Other payables	358,528	-	358,528	323,278		323,278
Borrowings (Other than Debt Securities)	185,865,338	-	185,865,338	129,903,055		129,903,055
Other Financial liabilities	-	30,450,652	30,450,652	-	30,450,652	30,450,652
	<b>186,223,866</b>	<b>30,450,652</b>	<b>216,674,518</b>	<b>130,226,333</b>	<b>30,450,652</b>	<b>160,676,985</b>

**Non Financial Liabilities**

Current Tax Liabilities	-	-	-	-	-	-
Provisions	77,904	2,259,551	2,337,455	62,742	1,822,085	1,884,827
Other Non-Financial liabilities	-	316,508	316,508	282,301		282,301
	<b>77,904</b>	<b>2,576,059</b>	<b>2,653,963</b>	<b>62,742</b>	<b>2,104,386</b>	<b>2,167,128</b>

**Total Liabilities**

	<b>186,301,770</b>	<b>32,452,603</b>	<b>162,844,113</b>	<b>130,289,075</b>	<b>32,555,038</b>	<b>162,844,113</b>
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**33 Disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)**

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 on 31 March, 2021 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid during the year or is payable under the terms of the MSMED Act, 2006. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**34 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total capital plus total debts.

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Total debts	185,865,338	129,903,055
Total equity	235,688,653	242,178,618
<b>Total debts to equity ratio (Gearing ratio)</b>	0.79	0.54

**35 There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2021.**

**36 Events after the reporting period**

There have been no events after the reporting date that require disclosure in the financial statements.

**37** Previous year previous GAAP figures have been regrouped / reclassified to make them comparable with IND AS presentation.

**38** The above financial statements have been reviewed by the audit committee and subsequently approved by the Board of Directors at its meeting held on July 30, 2021.

**For Virendra Pradeep & Co**  
**Chartered Accountants**  
Firm Registration No.: 007409N

**For and on behalf of the Board of Directors**

**Sd/-**  
**(Pradeep Kumar Agarwal)**  
Proprietor  
M. No. 085534  
UDIN: 21085534AAAAAN4088  
Place: Delhi  
Dated: 30.06.2021

**Sd/-**  
**Surendra Chhalani**  
(Director & CFO)  
DIN : 00002747

**Sd/-**  
**Kunal Lalani**  
(Director)  
DIN : 00002756

**Sd/-**  
**Aagat Singh**  
(Company Secretary)  
ACS 51268

## NOTICE

Notice is hereby given that the 36th Annual General Meeting ("AGM") of the Members of M/s Mega Corporation Limited will be held on Thursday, the 30th day of September, 2021 at 11:30 a.m. IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the year ended 31st March, 2021 including audited Balance Sheet as at 31st March, 2021 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ("the Board") and Auditors thereon.
2. To appoint a Director in place of Mr. Surendra Chhalani (DIN: 00002747), who retires by rotation and, being eligible, offers himself for re-appointment.

Based on term of Appointment, Executive and Non-Executive Directors are liable to retire by rotation. Mr. Surendra Chhalani, Executive, Non Independent Director who is liable to retire by rotation being eligible, seeks reappointment. The Board recommended his reappointment.

**"RESOLVED THAT** pursuant to the provision of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of the Shareholders of the company be and is hereby accorded to the reappointment of Mr. Surendra Chhalani as Director, who is liable to retire by rotation.

3. To consider Appointment of Statutory Auditors and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s AGMS & Co., Chartered Accountants, be and are hereby appointed as the statutory auditor of the Company for the period of 5 (Five) years and shall hold office till the conclusion of the Annual General Meeting to be held in the year 2026, at such remuneration plus goods and service tax, out-of-pocket, travelling and living expenses, etc.as may be mutually agreed between the Board of Directors of the Company and the Auditors."

### SPECIAL BUSINESS:

4. To appointment of Mr. Shurab Kumar (DIN: 02034499) as a Director:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Shurab Kumar (DIN: 02034499), who was appointed as Additional Director on 05th October, 2020 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.

**RESOLVED FURTHER THAT** Directors and Company Secretary of the Company, be and are hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

By Order of the Board  
For MEGA CORPORATION LIMITED

Place: New Delhi

Date: 31.08.2021

Sd/-  
(Surendra Chhalani)  
Director and CFO  
DIN: 00002747  
House No. 246, Sector 31, Faridabad-121003

**Notes:**

In view of the continuing COVID-19 pandemic, social distancing norms to be followed and the ongoing restriction on movement of individuals at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively and General Circular No.02/2021 dated January 13, 2021, issued by the Ministry of Corporate Affairs ("MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 36th (Thirty Sixth) AGM of the Company is being conducted through Video Conference (VC) / Other Audio Visual Means (OAVM), which does not require physical presence of Members at a common venue, in compliance with the aforesaid MCA Circulars and SEBI Circulars. In terms with the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the venue of the 36th (Thirty Sixth) AGM shall be deemed to be the Registered Office of the Company situated at NSIC Complex, Maa Anandmayee Marg, Okhla Industrial Area-III, New Delhi-110020.

Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 36th (Thirty Sixth) AGM and hence the Proxy Form, Attendance Slip and route map are not annexed to this Notice.

This notice is sent to all the members whose name appears as on 27th August, 2021 in the Register of Members

1. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
2. The Annual Report 2020-21 is being sent through electronic mode only to those members whose email address are registered with the Company/Depository Participant(s). Pursuant to circular no. 20/2020 dated 05th May, 2020 issued by MCA dispatch of Physical copy of annual report is dispensed.
3. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
4. The relevant explanatory statement pursuant to section 102 of the Companies Act, 2013 in respect of the Special Businesses as set out above is annexed hereto and form part of this notice.
5. Additional Information, pursuant to regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, In respect of the directors seeking appointment/ re-appointment at the AGM, is furnished as annexure to the Notice.
6. Members, who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held in electronic form and in case the shares are held in physical form to the Company's Registrar and Share Transfer Agents,
7. The Notice for the Annual General Meeting and the Annual Report will be available for inspection at the Registered Office of the Company on all working days in business hour up to the date of Annual General Meeting. The above said shall also be available on the Company's website at [www.megacorppltd.com](http://www.megacorppltd.com) and on the website of the Link Intime India Private Limited [www.linkintime.co.in](http://www.linkintime.co.in) at for inspection and downloading by the shareholders of the company.
8. To support the Green Initiative, members who have not registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Financial Results etc. from the Company electronically. Members seeking further information on the Accounts or any other matter contained in the Notice are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their de-mat account. Member holding shares in physical form can submit their PAN details to the Company at the Registered Office of the Company.

10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. The Register of Members and Share Transfer Books shall remain closed from 24.09.2021 to 30.09.2021 (Both days inclusive).
12. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to **cs@megacorppltd.com** with a copy marked to **instameet@linkintime.co.in**.
13. The Board of Directors has appointed Mr. Vikash Gupta, Practicing Company Secretary as the Scrutinizer for conducting the voting and remote e-voting process in accordance with the law and in a fair and transparent manner and he has consented to act as scrutinizer.
14. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within 24 hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman or any other Key Managerial Personnel who shall countersign the same and declare the results of the voting within 48 hours of conclusion of Annual General Meeting.
15. The results declared along with the report of Scrutinizer shall be placed on the website of the Company and on the website of Link Intime India Private Limited **www.linkintime.co.in** immediately after the declaration of results by the Chairman or any other Key Managerial Personnel. The results shall also be forwarded to the Stock Exchange within 48 hours of the conclusion of Annual General Meeting.
16. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at **enotices@linkintime.co.in**. However, if he / she is already registered with LIPL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.
17. The business set out in this Notice shall be conducted through e-voting. In compliance with the provisions of the Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility as an alternate to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting.
18. Voting through electronic means:

**Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: **https://instameet.linkintime.co.in**. Select the "Company" and 'Event Date' and register with your following details: -

**A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

► Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

**Instructions for Members to Speak during the Annual General Meeting through InstaMeet:**

1. Members who would like to speak during the meeting must register their request 3 days in advance with the company on [cs@megacorppltd.com](mailto:cs@megacorppltd.com).
2. Members will get confirmation on first cum first basis depending upon the provision made by the client.
3. Members will receive “speaking serial number” once they mark attendance for the meeting.
4. Other Members may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
6. Members are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

**Instructions for Members to Vote during the Annual General Meeting through InstaMeet:**

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

► Select the “Company” and 'Event Date' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number.

D. **Email ID:** Enter your email id, as recorded with your DP/Company.

► Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting and you will receive an OTP if you have not done remote e-voting).

Further, once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Instructions for shareholders to vote electronically:**

The voting period begins on Monday the 27th September, 2021 at 9.00 a.m. and ends on Wednesday the 29th September, 2021 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2021 may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter.

**A. The details of the process and manner for e-Voting and joining virtual meeting for Individual shareholders & Members holding shares in dematerialized form.**

- Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CI R/P/2020/242 dated December 9, 2020 and the provisions contained in Regulation 44 of Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions to increase participation by the public non-institutional shareholders/retail shareholders.

- In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the E-voting Service Providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on e-Voting facility being provided by Listed entities, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and Email Id in their Demat accounts in order to access e-Voting facility.
- Pursuant to aforesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

#### **Individual Shareholders holding securities in Demat mode with CDSL**

- 1) Members who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication.  
The URLs for users to login to Easi / Easiest are [https:// web.cdslindia.com/myeasi/home/login](https://web.cdslindia.com/myeasi/home/login) or [www.cdslindia.com](http://www.cdslindia.com) and click on 'Login' icon and select 'New System Myeasi'.
- 2) After successful login the Easi / Easiest, Member will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also link provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
- 3) If the Member is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
- 4) Alternatively, the Member can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the Member by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, Member will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

#### **Individual Shareholders holding securities in Demat mode with NSDL**

- 1) Members who are already registered for NSDL IDeAS facility, may please visit the e-Services website of NSDL.
  - Open web browser by typing the following URL: <https://eservices.nsd.com> either on a Personal Computer or on a mobile.
  - Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section.
  - A new screen will open. Member will have to enter User ID and Password. After successful authentication, Member will be able to see e-Voting services.
  - Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page.
  - Click on company name or e-Voting service provider name and Member will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the AGM.
- 2) If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select "Register Online for IDeAS Portal" or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- 3) Visit the e-Voting website of NSDL.
  - Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
  - Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
  - A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.



- After successful authentication, Member will be redirected to NSDL Depository site wherein you can see e-Voting page.
- Click on company name or e-Voting service provider name and Member will be redirected to e-Voting service provider website for casting its vote during the remote e-Voting period or joining virtual meeting & voting during the AGM.

**Individual Shareholders (holding securities in demat mode) login through their Depository Participants**

- Members can also login using the login credentials of their demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.
- After successful login, Member will be able to see e-Voting option.
- Once you click on e-Voting option, Member will be redirected to NSDL/CDSL Depository site after successful authentication, wherein Member can see e-Voting feature.
- Click on company name or e-Voting service provider name and Member will be redirected to e-Voting service provider's website for casting its vote during the remote e-Voting period or joining virtual meeting & voting during the AGM.

**Helpdesk for Individual Shareholders holding securities in demat By Order of the Board mode for any technical issues related to login through Depository, i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 022- 23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**For MEGA CORPORATION LIMITED**

**Place: New Delhi**

**Date: 31.08.2021**

**Sd/-**

**(Surendra Chhalani)**

**Director and CFO DIN: 00002747**

**House No. 246, Sector 31, Faridabad-121003**

## EXPLANATORY STATEMENT

Annexed to the Notice convening the 36th Annual General Meeting to be held on Thursday the 30th day of September, 2021.

The Board of Directors of the Company ('the Board') at the meeting held on 05th October, 2020, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the regularization of appointment of **Mr. Shurab Kumar** as Directors of the Company from the conclusion of this Annual General Meeting, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to their respective appointment.

The Committee and the Board are of the view that, the knowledge and experience of **Mr. Shurab Kumar**, it would be beneficial for the company to Regularize the appointment of **Mr. Shurab Kumar** as Director of the company under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the Listing Regulations 2015. In the opinion of the Board, **Mr. Shurab Kumar** fulfil the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for appointment as Directors.

Consent of the Members by way of Ordinary Resolution is required for appointment of **Mr. Shurab Kumar**, as Director in terms of Section 149 of the Act.

Requisite Notices under Section 160 of the Act proposing the appointment of **Mr. Shurab Kumar** have been received by the Company, and consents have been filed by **Mr. Shurab Kumar** pursuant to Section 152 of the Act.

None of the directors are concerned or interested in the resolution set out at item No. 4 of the Notice. The Board recommends the Ordinary Resolution as set out at item no. 4 for approval by the Members.

### DETAILS OF DIRECTORS SEEKING APPOINTMENT AS DIRECTOR AT FORTHCOMING ANNUAL GENERAL MEETING

**(Pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India.)**

<b>Name</b>	Mr. Shurab Kumar
<b>Date of Birth</b>	10.02.1955
<b>Age</b>	66 YEARS
<b>DIN</b>	02034499
<b>Qualification</b>	Graduate
<b>Expertise in specific functional areas</b>	Mr. Shurab Kumar is a Graduate and an expert in Garments and Automobile Industries having about 19 years of vast experience.
<b>Terms and Conditions of appointment along with details of remuneration sought to be paid</b>	Appointed as Director of the company and holds office until resignation given by him or removal by members in the year of rotation.
<b>Last Drawn Remuneration</b>	N.A.
<b>Date of Appointment</b>	05.10.2020
<b>No. of Board Meetings attended during the year</b>	N.A.
<b>Chairmanships/ Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)</b>	Directorship on 2 other companies: Attitude Clothing Company Private Limited HSM Sports Motto Private Limited
<b>Number of shares held in the Company</b>	N.A.
<b>Relationship Between Directors inter-se:</b>	None of the directors are related

**Mega Corporation Ltd.**

**MegaCorp**

**Mega Corporation Limited**

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

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