

BOOK POST

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# Annual Report 2014 - 2015



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## CORPORATE INFORMATION

**Mr. Surendra Chhalani**  
Director and CFO

**Mrs. Anisha Anand**  
Director

**Mr. Shurab Kumar**  
Director

**Mr. Sachin Mehra**  
Director

**Mr. Ajay Chopra**  
Director

**Mr. Hulas Mal Lalani**  
Director

**Ms. Urvashi Aggarwal**  
Company Secretary

**Statutory Auditors**

M/s Sipani & Associates, Delhi  
(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 and Corporate Office**

261, Ground Floor, Okhla Industrial Estate,  
Phase-III, New Delhi-110020  
Ph- +91 11 41516171  
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Email- info@megacorppltd.com  
Website- www.megacorppltd.com  
CIN- L01120DL1985PLC092375



### NOTE

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## TO THE MEMBERS OF MEGA CORPORATION LIMITED

Your Directors have pleasure in presenting the 30th Board's Report of Mega Corporation Limited ("the Company") for the financial year ended 31st March 2015.

### 1. FINANCIAL RESULTS

(Rupees in Lakh)

Particulars	Standalone	
	2014-15	2013-14
Income from Operations	130.78	52.99
Other Income	1.39	8.57
<b>Total Income</b>	<b>132.17</b>	<b>61.56</b>
Operating Expenses	59.97	57.56
Depreciation and Amortization	39.42	104.18
Interest	1.01	0.82
Other Expenses	30.70	25.42
<b>Profit/ (Loss) before Tax</b>	<b>1.07</b>	<b>(126.42)</b>
Tax Expenses		
• Previous Year	0.02	0.12
• Deferred Tax	(4.24)	(53.64)
<b>Net Profit/ (Loss) for the Year</b>	<b>5.29</b>	<b>(72.90)</b>
Amount brought forward	1620.80	1693.70
<b>Balance carried to Balance Sheet</b>	<b>1626.09</b>	<b>1620.80</b>

### 2. DIVIDEND

Due to insufficiency of profits, your Directors are not recommending any dividend.

### 3. TRANSFER TO RESERVES

No amount is proposed to be transferred to reserves.

### 4. MATERIAL CHANGES

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of the Company.

### 5. OPERATING RESULTS AND BUSINESS OPERATIONS

During the year 2014-2015, the Company earned the revenue of Rs 132.17 Lacs as compared to Revenue of Rs. 61.56 Lacs in Financial Year 2013-14. Profit before tax is Rs. 1.07 Lacs as against the Loss of Rs. 126.42 Lacs in the previous financial year.

Mega Corporation Limited is engaged in the business of operating Nationwide Air Charter Services (Non-Scheduled Air Craft). Mega Air Charter provides Safe, secure and comfortable journey with better services as compared to those available on a commercial flight. The said Aircraft has been given on lease to M/s Deccan Charters Private Limited for operation and maintenance, since the Directors thought it to be more beneficial and in the best interests of the Company.

### 6. HUMAN RESOURCES DEVELOPMENT

Your Company has continuously adopted structures that help attract best external talent and promote internal talent to higher roles and responsibilities. The Company's people centric focus providing an open work environment fostering continuous improvement and development helped several employees realize their career aspirations during the year.

Company's Health and Safety Policy commits to provide a healthy and safe work environment to all employees. The Company's progressive workforce policies and benefits have addressed stress management, promoted work life balance.

At present, there are two regular employees in your Company.

**7. DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

As there are only two regular employees in your Company, comprising of one male and female, the requirement of formation of committee and policy under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not there.

**8. BUSINESS EXCELLENCE AND QUALITY INITIATIVES**

Your Company continues to be guided by the philosophy of business excellence to achieve sustainable growth. 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.

**9. SUBSIDIARY COMPANY**

Your Company has a subsidiary namely Mega Airways Limited. There is no associate company within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of business of the subsidiary. The said subsidiary is not a material subsidiary

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiary is set out in the prescribed form AOC-1, which forms part of this report.

**10. AMALGAMATION**

At the respective meetings held on 20th April, 2015, the Board of Directors of the Company and of its subsidiary company- Mega Airways Limited (MAL), have approved a scheme of amalgamation ("Scheme") between your Company, MAL and their respective shareholders and creditors under Sections 391 to 394 of the Companies Act, 1956. Your Company has applied to the Reserve Bank of India and the BSE for obtaining No Objection Certificate from the respective authorities. The appointed date of the proposed scheme is 1 April, 2015.

**11. CORPORATE GOVERNANCE REPORT**

As per Clause 49 of the listing agreement entered into with the BSE, Corporate Governance Report with Auditors' certificate thereon and Management Discussion and Analysis report are given in a separate section in this Annual Report.

**12. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(5) of the Act, the directors hereby confirm that:

- i. in the preparation of the annual accounts for the financial year 2014-15, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year;
- iii. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**13. AUDITORS AND SECRETARIAL AUDITORS REPORT**

There is no disqualification, reservation or adverse remark in the report of Auditors and Secretarial Auditors.

The Secretarial Audit Report for financial year ended March 31, 2015 is annexed to this report as **Annexure - D**.

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

Your Directors are of the opinion that particulars with respect to conservation of Energy and technology Absorption as per Rule 8(3) of the Companies (Accounts) Rules, 2014 are not relevant in view of the nature of business activities of the company and hence are not required to be given.

The Company neither has any manufacturing unit nor any other activity where high levels of energy are used. The only usage of energy by the Company is in its office, where efforts are always made to save energy.

The Foreign exchange earnings during the year was Nil (Previous Year Nil) and outflow during the year was Rs. 63,586/- (Previous year Rs. 69,99,891/-).

**15. BOARD EVALUATION**

In compliance with the Companies Act, 2013 and Clause 49 of the Listing Agreement, the performance evaluation of the Board was carried out during the year under review based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and self-evaluation.

The evaluation involves Self- Evaluation by the Board Member(s) and subsequent assessment by the Board of Directors. A member of the Board does not participate in discussion of his/her evaluation. The performance of every director was evaluated in the meeting of the Nomination and Remuneration Committee (NRC).

A separate meeting of the independent directors ("Annual ID meeting") was convened, which reviewed the performance of the Board (as a whole), the non-independent directors and the Chairman. Post the Annual ID meeting, the collective feedback of each of the Independent Directors was discussed by the Chairman of the NRC with the Board's Chairman covering performance of the Board as a whole; performance of the non-independent directors and performance of the Board Chairman.

Some of the key criteria for performance evaluation are as follows –

**Performance evaluation of Directors:**

- Attendance at Board or Committee meetings.
- Contribution at Board or Committee meetings.
- Guidance/ support to management outside Board/ Committee meetings.

**Performance evaluation of Board and Committees:**

- Degree of fulfillment of key responsibilities.
- Board culture and dynamics.
- Quality of relationship between Board and management.
- Efficacy of communication with external stakeholders.

**16. DEPOSITS**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**17. DIRECTORS**

Mr. Surendra Chhalani was also appointed as CFO w.e.f. 30 May, 2014 in accordance with the provisions of the Act.

Mrs. Anisha Anand was appointed as an Additional Director w.e.f. 23 June, 2014, based on the recommendation of Nomination and Remuneration Committee made at its meeting held on 16th June, 2014 and regularized by the Shareholders at the Annual General Meeting of the Company held on 30.09.2014.

Mr. Shurab Kumar has been redesignated as Whole- Time Director of the Company w.e.f. 20th April, 2015.

Mr. Hulas Mal Lalani, Director, retires by rotation and being eligible, has offered himself for re-appointment. The Board recommends the same for your approval.

**18. KEY MANAGERIAL PERSONNEL**

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

- Mr. Shurab Kumar- Whole-Time Director;
- Mr. Surendra Chhalani- Chief Financial Officer;
- Ms. Urvashi Aggarwal- Company Secretary.

**19. AUDITORS**

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s Sipani & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company from the conclusion of the 29th Annual General Meeting (AGM) of the Company till the conclusion of the 32nd AGM to be held in the year 2017, subject to ratification of their appointment at every AGM.

**20. 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- F** and forms part of this report.

**21. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Your Company, at present, does not fall in any of the criteria(s) as provided under Section 135 of the Companies Act, 2013 and the rules framed thereunder.

**22. MEETINGS OF THE BOARD OF DIRECTORS**

During the year 2014-15, 09 (Nine) meetings of the Board of Directors were held as follows:

1. 30 May 2014,
2. 23 June 2014,
3. 14 August 2014,
4. 4 September 2014,
5. 30 September 2014,
6. 10 November 2014,
7. 1 December 2014,
8. 12 February 2015, and
9. 31 March, 2015.

The maximum time gap between any two consecutive meetings did not exceed 120 days. Details of the Board Meeting are provided in the Report on Corporate Governance, which forms a part of this Report.

**23. COMPOSITION OF COMMITTEES****a) Audit Committee**

The Audit Committee of your Company consists of Mr. Sachin Mehra as Chairman and Mr. Ajay Chopra and Mr. Surendra Chhalani as members of the Committee. Further, all recommendations made by Audit Committee were accepted by the Board of Directors.

**b) Nomination And Remuneration Committee**

The Nomination and Remuneration Committee comprises of Mr. Sachin Mehra, Mr. Ajay Chopra and Mr. Surendra Chhalani.

Further, all recommendations made by Nomination and Remuneration Committee were accepted by the Board of Directors.

**c) Stakeholder Relationship Committee**

Stakeholders Relationship Committee comprises of Mr. Sachin Mehra as Chairman with Mr. Ajay Chopra and Mr. Surendra Chhalani as members of the Committee.

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

**24. 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 C**.

**25. RELATED PARTY TRANSACTIONS**

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act and the Listing Agreement. There are no materially significant related party transactions made by the company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large.

All Related Party Transactions are presented to the Audit committee. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of related party transactions was presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

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

The company has not made any investment and has not given any guarantee under Sec 186 of the Companies Act, 2013. Details of loans covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the financial statements.

**27. PAYMENT OF LISTING FEES**

Your Company has paid Listing fees for the Financial year 2015-16 to the BSE.

**28. EXTRACT OF ANNUAL RETURN**

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

**29. RISK MANAGEMENT POLICY**

Enterprise Risk Management is a risk based approach to manage an enterprise, identifying events that may affect the entity and manage risks to provide reasonable assurance regarding achievement of entity's objective.

The risks identified by the Company broadly fall into the following categories viz. strategic risks, operational risks, regulatory risks, financial and accounting risks, foreign currency and other treasury related risks and information systems risks. The risk management process consists of risk identification, risk assessment, risk prioritization, risk treatment or mitigation, risk monitoring and documenting the new risks.

Your Board has laid down a risk management framework and policy to address the above risks. The objective of the policy is to identify existing & emerging challenges that may adversely affect the Company and manage risks in order to provide reasonable assurance to the various stakeholders. In the opinion of your Board, none of the risks which have been identified may threaten the existence of the Company.

**30. DECLARATION BY INDEPENDENT DIRECTORS**

Your Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

**31. VIGIL MECHANISM**

Your Company has established 'Vigil Mechanism' for directors and employees to report concerns about unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguard against victimization of employees who avail the mechanism. The policy permits all the directors and employees to report their concerns directly to the Chairman of the Audit Committee of the Company.

**32. INTERNAL FINANCIAL CONTROLS**

Your Company has a well placed, proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly.

**33. SIGNIFICANT AND MATERIAL ORDERS**

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.

**34. ACKNOWLEDGEMENTS**

The Directors wish to convey their appreciation to business associates for their support and contribution during theyear. The Directors would also like to thank the employees, shareholders, customers, suppliers, bankers and regulatory and government authorities for the continued support given by them to the Company and their confidence reposed in the management.

For and on behalf of the Board of Directors

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

House No. 246, Sector 31, Faridabad- 121003

Place: New Delhi  
Date: 29.05.2015

- Annexure A** Particulars of contracts or arrangements with related parties in Form AOC-2  
**Annexure B** Salient features of the financial statement of subsidiaries in Form AOC-1  
**Annexure C** Nomination and Remuneration Policy  
**Annexure D** Secretarial Audit Report in Form MR- 3  
**Annexure E** Extract of Annual Return of the Company in the prescribed Form MGT-9  
**Annexure F** Information under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

## Annexure A

## FORM AOC- 2

**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 arms length transaction under third proviso thereto**

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

- Details of contracts or arrangements or transactions not at Arm's length basis-  
**There were no contracts or arrangements entered by the Company during FY 2014-15 which were not at arm's length.**
- Details of material contracts or arrangement or transactions at arm's length basis-  
**The material transactions/ entered into by the Company with related parties were at arm's length and were in the normal course of business of the Company.**

For and on behalf of the Board of Directors

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

House No. 246, Sector 31, Faridabad- 121003

Place: New Delhi  
Date: 29.05.2015

## Annexure B

## Form AOC- I

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

*(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)*

## Part "A": Subsidiaries

1. Sl. No.	1
2. Name of the subsidiary	Mega Airways Limited
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 April 2014 to 31 March, 2015
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable INR
5. Share capital	6,00,00,000
6. Reserves & surplus	33,87,913
7. Total assets	3,36,04,996
8. Total Liabilities	9,17,083
9. Investments	3,07,00,000
10. Turnover	NIL
11. Profit before taxation	42,45,024
12. Provision for taxation	8,57,111
13. Profit after taxation	33,87,913
14. Proposed Dividend	NIL
15. % of shareholding	100%

For and on behalf of the Board

Place: Delhi  
Dated: 29-05-2015

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

Sd/-  
**Shurab Kumar**  
Director  
DIN : 02034499

Sd/-  
**Urvashi Aggarwal**  
Company Secretary  
M. No. 34872

## 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 thereunder, 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"** means 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

The objective of the 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 upto 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 thereunder 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 thereunder 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 an 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.

**Annexure D**

Form No. MR-3

**SECRETARIAL AUDIT REPORT****For The Financial Year Ended 31.03.2015**

*[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**

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**"). 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 day of March, 2015 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 day of March, 2015 according to the provisions of:

- (A) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (B) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (C) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (D) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (E) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an 12 Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (F) RBI Guidelines relating to the Non-Banking Financials Companies; and
- (G) BCAS Manual.

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

- The Listing Agreement entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above without any observations.



**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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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.

**For Vikash Gupta & Co.  
Company Secretaries**

**Sd/-  
Vikash Gupta  
ACS No.: 29948  
CP No.: 10785**

**Place: New Delhi  
Date: May 25, 2015**

**Annexure E****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on Financial Year ended on 31st March, 2015**

*[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	L01120DL1985PLC092375
2.	Registration Date	March 26, 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	261, Ground Floor, Okhla Industrial Estate Phase-III, New Delhi-110020 Phone No.: +91 11 41516171 Email Id: info@megacorppltd.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited Contact Person: Mr. Swapan Kumar Naskar, Address: 44, Community Center, Naraina Industrial Area, Phase-I, New Delhi – 110028 Phone No.: +91-11-41410592-94

**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	52.46%
2	Air Charter Services	511	47.54%

**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.	<b>Mega Airways Limited</b> 261, Ground Floor, Okhla Industrial Estate Phase-III, New Delhi- 110020	U00072DL2005PLC136054	Subsidiary Company	100%	2(87)

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

## (A) Category-wise Share Holding -

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	6293746	---	6293746	6.29	6293746	---	6293746	6.29	00.00
b) Central Govt	---	---	---	---	---	---	---	---	---
c) State Govt(s)	---	---	---	---	---	---	---	---	---
d) Bodies Corp.	46573000	---	46573000	46.57	47349394	---	47349394	47.35	1.67
e) Banks / FI	---	---	---	---	---	---	---	---	---
f) Any other	---	---	---	---	---	---	---	---	---
<b>Total shareholding of Promoter (A) (1):-</b>	<b>52866746</b>	<b>---</b>	<b>52866746</b>	<b>52.87</b>	<b>53643140</b>	<b>---</b>	<b>53643140</b>	<b>53.64</b>	<b>---</b>
<b>(2) Foreign</b>									
a) NRIs- Individuals	---	---	---	---	---	---	---	---	---
b) Other Individuals	---	---	---	---	---	---	---	---	---
c) Bodies Corporate	---	---	---	---	---	---	---	---	---
d) Banks/FI	---	---	---	---	---	---	---	---	---
e) Any Other (specify)	---	---	---	---	---	---	---	---	---
<b>Sub-Total (A)(2):-</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>52866746</b>	<b>---</b>	<b>52866746</b>	<b>52.87</b>	<b>53643140</b>	<b>---</b>	<b>53643140</b>	<b>53.64</b>	<b>---</b>
<b>B. Public Shareholding</b>									
1. Institutions	---	---	---	---	---	---	---	---	---
a) Mutual Funds	---	---	---	---	---	---	---	---	---
b) Banks / FI	---	---	---	---	---	---	---	---	---
c) Central Govt	---	---	---	---	---	---	---	---	---
d) State Govt(s)	---	---	---	---	---	---	---	---	---
e) Venture Capital Funds	---	---	---	---	---	---	---	---	---
f) Insurance Companies	---	---	---	---	---	---	---	---	---
g) FIIs	---	---	---	---	---	---	---	---	---
h) Foreign Venture Capital Funds	---	---	---	---	---	---	---	---	---
i) Others (specify)	---	---	---	---	---	---	---	---	---
<b>Sub-total (B)(1):-</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	14144787	1000	14145787	14.15	14108113	1000	14109113	14.11	(0.26)
ii) Overseas	---	---	---	---	---	---	---	---	---
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	11787185	64842	11852027	11.85	11685388	64642	11750030	11.75	(0.86)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	18028237	2439000	20467237	20.47	17549356	2439000	19988356	19.99	(2.34)
c) Others (specify)									
Non Resident Indians	324975	---	324975	0.32	320609	---	320609	0.32	(1.34)
Directors/ Relatives	11100	1000	12100	0.01	11100	1000	12100	0.01	00.00
Clearing Members	331128	---	331128	0.33	176652	---	176652	0.18	(46.65)
<b>Sub-total (B)(2):-</b>	<b>44627412</b>	<b>2505842</b>	<b>47133254</b>	<b>47.13</b>	<b>43851218</b>	<b>2505642</b>	<b>46356860</b>	<b>46.36</b>	<b>---</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	44627412	2505842	47133254	47.13	43851218	2505642	46356860	46.36	---
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>97494158</b>	<b>2505842</b>	<b>100000000</b>	<b>100.00</b>	<b>97494358</b>	<b>2505642</b>	<b>100000000</b>	<b>100.00</b>	<b>---</b>

**(B) Shareholding of Promoter-**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2014]			Shareholding at the end of the year [As on 31-March-2015]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Vimi Investments and Finance Pvt. Ltd.	24043000	24.04	---	24043000	24.04	---	00.00
2	Crayons Global Finance Pvt. Ltd.	22530000	22.53	---	22530000	22.53	---	00.00
3	Kunal Lalani	3395000	03.40	---	3395000	03.40	---	00.00
4	Hulas Mal Lalani	786000	0.79	---	786000	0.79	---	00.00
5	Crayons Advertising Private Ltd.	---	---	---	776394	0.78	---	00.78
6	Vimi Lalani	541000	0.54	---	541000	0.54	---	00.00
7	Varsha Bengani	500000	0.50	---	500000	0.50	---	00.00
8	Hansraj Deepchand Jain	453160	0.45	---	453160	0.45	---	00.00
9	Seema Lalani	250000	0.25	---	250000	0.25	---	00.00
10	Smita Dhariwal	240000	0.24	---	240000	0.24	---	00.00
11	Mayank Lalani	128586	0.13	---	128586	0.13	---	00.00
	<b>Total</b>	<b>52866746</b>	<b>52.87</b>	<b>00.00</b>	<b>53643140</b>	<b>53.64</b>	<b>00.00</b>	<b>00.78</b>

**(C) Change in Promoters' Shareholding (please specify, if there is 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	5,28,66,746	52.87	5,28,66,746	52.87	
<b>Date wise Increase / Decrease in Promoters' Shareholding during the year</b>	<b>Date</b>	<b>No. of Shares</b>	<b>Reason</b>	<b>No. of Shares</b>	<b>% of total shares of the company</b>
	15.08.2014	343285	Opening No. of Shares	343285	0.34
	22.08.2014	6621	Purchase	349906	0.35
	17.10.2014	45219	Purchase	395125	0.39
	21.11.2014	6000	Purchase	401125	0.40
	05.12.2014	26254	Purchase	427379	0.43
	31.12.2014	24572	Purchase	451951	0.45
	27.02.2015	73162	Purchase	525113	0.53
	20.03.2015	44769	Purchase	569882	0.57
At the end of the year	31.03.2015	206512	Purchase	776394	0.77
		<b>5,36,43,140</b>		<b>5,36,43,140</b>	<b>53.64</b>

## Notes:

1. Since date wise changes in Promoter's Shareholding are a bulky data, we've hereby given the changes at weekly ends as provided by the RTA.
2. There has not been any Change in Promoter's Shareholding except that of M/s Crayons Advertising Private Limited.
3. M/s Crayons Advertising Private Limited has been included in the category of "Promoters and Promoter Group" since 14th August, 2014. On 15.08.2014 (being a weekly end), it was holding 343285 Shares.

**(D) Shareholding Pattern of top ten Shareholders - (Other than Directors, Promoters and Holders of GDRs and ADRs)**

For Each of the Top 10 Shareholders	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:				
1. Finline Mercantile Co. Private Limited	4785478	4.79	4785478	4.79
2. Pankaj Narendra Shah	2589768	2.59	2589768	2.59
3. EDC Limited	2000000	2.00	2000000	2.00
4. Rightstar Trading Co. Private Limited	1919567	1.92	1919567	1.92
5. Interlink Financial Services Limited	1700000	1.70	1700000	1.70
6. Rajkishor Singh	1517703	1.52	1517703	1.52
7. Laxman Singh Saijari	1469000	1.47	1469000	1.47
8. Jayesh N Waghela	1367253	1.37	1367253	1.37
9. Santosh Jagtap	1193000	1.19	1193000	1.19
10. Patric Xess	1078000	1.08	1078000	1.08
Date wise Increase / Decrease in Shareholding during the year	NIL	NIL	NIL	NIL
At the end of the year:				
1. Finline Mercantile Co. Private Limited	4785478	4.79	4785478	4.79
2. Pankaj Narendra Shah	2589768	2.59	2589768	2.59
3. EDC Limited	2000000	2.00	2000000	2.00
4. Rightstar Trading Co. Private Limited	1919567	1.92	1919567	1.92
5. Interlink Financial Services Limited	1700000	1.70	1700000	1.70
6. Rajkishor Singh	1517703	1.52	1517703	1.52
7. Laxman Singh Saijari	1469000	1.47	1469000	1.47
8. Jayesh N Waghela	1367253	1.37	1367253	1.37
9. Santosh Jagtap	1193000	1.19	1193000	1.19
10. Patric Xess	1078000	1.08	1078000	1.08

## (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	0.00	2000	0.00
2. Mr. Shurab Kumar	NIL	NIL	NIL	NIL
3. Mr. Sachin Mehra	3000	0.00	3000	0.00
4. Mr. Ajay Chopra	1000	0.00	1000	0.00
5. Mr. Hulas Mal Lalani	786000	0.79	786000	0.79
6. Mrs. Anisha Anand	NIL	NIL	NIL	NIL
7. Ms. Urvashi Aggarwal	NIL	NIL	NIL	NIL
Date wise Increase / Decrease in Shareholding during the year	NIL	NIL	NIL	NIL
At the end of the year:				
1. Mr. Surendra Chhalani	2000	0.00	2000	0.00
2. Mr. Shurab Kumar	NIL	NIL	NIL	NIL
3. Mr. Sachin Mehra	3000	0.00	3000	0.00
4. Mr. Ajay Chopra	1000	0.00	1000	0.00
5. Mr. Hulas Mal Lalani	786000	0.79	786000	0.79
6. Mrs. Anisha Anand	NIL	NIL	NIL	NIL
7. Ms. Urvashi Aggarwal	NIL	NIL	NIL	NIL

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

(Amount in INR)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	611019	--	--	611019
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>611019</b>	<b>--</b>	<b>--</b>	<b>611019</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	--	--	--	--
* Reduction	312799	--	--	312799
<b>Net Change</b>	<b>312799</b>	<b>--</b>	<b>--</b>	<b>312799</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	298220	--	--	298220
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>298220</b>	<b>--</b>	<b>--</b>	<b>298220</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

## (A) Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Surendra Chhalani*	Shurab Kumar**	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,21,800	4,65,000	5,86,800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,500	NIL	2,500
	(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 - others, specify...	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	1,24,300	4,65,000	589300
	Ceiling as per the Act	42,00,000	42,00,000	84,00,000

\* Mr. Surendra Chhalani was redesignated as Director and CFO w.e.f 30.05.2014.

\*\* Mr. Shurab Kumar has received the remuneration in capacity of a Director.

## (B) Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors		
	Fee for attending board committee meetings	NIL	NIL
	Commission	NIL	NIL
	Others, please specify	NIL	NIL
	Total (1)	NIL	NIL
2	Other Non-Executive Directors		
	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	NIL	NIL
	Overall Ceiling as per the Act	42,00,000	42,00,000

**(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
		Urvashi Aggarwal	Riyanka Jain	Surendra Chhalani	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,34,585	34,000	6,15,300	7,83,885
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	88,237	27,233	12,500	1,27,970
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission				
	- as % of profit	NIL	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
	<b>Total</b>	<b>2,22,822</b>	<b>61,233</b>	<b>6,27,800</b>	<b>9,11,855</b>

\* Ms. Riyanka Jain resigned on 23.06.2014 whereas Ms. Urvashi Aggarwal was appointed on that date.

\*\* Mr. Surendra Chhalani was redesignated as CFO on 30.05.2014.

**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	Section 297 of the Companies Act, 1956	Contravention of the then Section 297	Rs. 24,000	The Company Law Board	N. A.
<b>B. DIRECTORS</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	Section 297 of the Companies Act, 1956	Contravention of the then Section 297	Rs. 1,32,000	The Company Law Board	N. A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

**Annexure F****Particulars of Employees**

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 are given below:

**A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company:

Independent Directors	Ratio to median remuneration (FY-15)
Mr. Sachin Mehra	---
Mr. Ajay Chopra	---
Mrs. Anisha Anand	---

Executive Directors	Ratio to median remuneration (FY-15)
Mr. Surendra Chhalani	1.43
Mr. Shurab Kumar	0.88

**B. (1) The percentage increase in remuneration of each Director:****Remuneration paid to Directors**

Name of the Director	Title	Remuneration in Fiscal 2015(in Rs.)	Remuneration in Fiscal 2014(in Rs.)	No. of Stock option/ RSUs granted in fiscal 2015	% increase of remuneration in 2015 as compared to 2014	Ratio of remuneration to MRE
*Mr. Surendra Chhalani	WTD	1,24,300	9,00,000	Nil	N.A.	1.43
**Mr. Shurab Kumar	Director	4,65,000	16,20,000	Nil	N.A.	0.88
Mr. H.M. Lalani	Director	Nil	Nil	Nil	N.A.	N.A.

\*Mr. Surendra Chhalani Ceased to be a WTD of Company w.e.f. 30.05.2014.

\*\*Mr. Shurab Kumar has received remuneration for 3 months.

**Remuneration paid to independent Director:**

Name of the Director	Remuneration in fiscal 2015 (in Rs.)	Remuneration in fiscal 2014 (in Rs.)	Number of Stock options/RSUs Granted in fiscal 2015	% increase of remuneration (2015 over 2014)
Mr. Sachin Mehra	---	---	---	---
Mr. Ajay Chopra	---	---	---	---
Mrs. Anisha Anand	---	---	---	---

- (2) 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:

**Remuneration of other key managerial personnel (KMP)**

Name of the KMP	Title	Remuneration in FY 2014-15 (in Rs.)	Remuneration in FY 2013-14 (in Rs.)	No. of Stock option/RSUs granted in FY 2014-15	% increase of remuneration in 2015 as compared to 2014	Ratio of remuneration to MRE
Mr. Surendra Challani	CFO	6,27,800	NIL	NIL	N.A.	1.43
Ms. Riyanka Jain	CS	61,233	3,14,000	NIL	N.A.	N.A.
Ms. Urvashi Aggarwal	CS	2,22,822	NIL	NIL	N.A.	0.42

Mr. Surendra Chhalani was appointed as CFO w.e.f. 30.05.2014

Ms. Riyanka Jain resigned from the post of Company Secretary w.e.f. 23.06.2014

Ms. Urvashi Aggarwal was appointed as Company Secretary w.e.f. 23.06.2014

RSU-Restricted Stock Units

WTD- Whole Time Director

MRE-Median Remuneration of Employees

- C. The Number of permanent employees on the rolls of company:**

There are two regular employees on the rolls of Company as on 31<sup>st</sup> March, 2015.

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

On an average, employees received an annual increase of 12% in India. The increase in remuneration is in line with the industry benchmarks. In order to ensure that remuneration reflects Company performance, the Variable Salary of the employees above a particular grade is also linked to organization performance, apart from an individual's performance.

- E. Variation in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year:**

The Company market capitalization increased by 17.24% to ₹ 3.40 crores as of March 31, 2015 from ₹ 2.90 crores as of March 31, 2014. The price earning ratio was 34 as of March 31, 2015 which was an increase as compared to March 31, 2014 since last year it was just negative. The Closing price of the Company's equity shares on the BSE as of March 31, 2015 was ₹ 0.34.

- F. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:**

Particulars	March 31 <sup>st</sup> 2015 (Rs.)	October 1986 (Rs.)	*Sub-Division (August 2002)	% change
Market Price (BSE)	0.34	10	1	66%

\*The Shares of Company were sub-divided from Rs. 10 to Re. 1 on 24th August, 2002.

- G. 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 employee in the Company other than managerial personnel, it is not possible to calculate the required percentile.

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

None.

- I. 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.

- J. 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.

"Corporate Governance is the acceptance by Management of the inalienable rights of shareholders as the true owners of the corporation and of their own role as trustees on behalf of the shareholders. It is about commitment to values, about ethical business conduct and about making a distinction between personal and corporate funds in the management of a Company."- Excerpts from Securities and Exchange Board of India (SEBI) Consultative Paper on Review of Corporate Governance Norms in India.

Both globally as well as in India, Corporate Governance is increasingly being recognized as a key component in the efficient functioning of every business. Good Corporate Governance practices are *sine qua non* for a sustainable business organization that aims at generating long term value for all its stakeholders. It mainly involves the establishment of structures and processes, with appropriate checks and balances, which enable the Board to discharge its responsibilities accordingly.

In order to align with the provisions of the Companies Act, 2013, to adopt best practices on Corporate Governance and to make the Corporate Governance framework more effective, in April 2014, the Securities and Exchange Board of India (SEBI) made amendments to Clauses 35B and 49 with a view to review the provisions of the Listing Agreement. Upon examination of the representations and concerns therein raised by representatives of market participants including companies and industry associations, SEBI further made amendments to Clause 49 of the Listing Agreement to foster an environment of adoption of best practices of Corporate Governance for listed entities, effective October 1, 2015.

Our commitment to adoption of best practices of Corporate Governance makes us compliant with the Companies Act 2013 as well as the mandatory provisions of Corporate Governance of Listing Agreement.

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

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

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

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

MCL believes that effective Corporate Governance implies fair, transparent and equitable treatment of all its stakeholders including shareholders, partners, vendors, customers and employees. The driving forces of Corporate Governance at MCL are its core values: belief in people, entrepreneurship, customer orientation and pursuit of excellence. Corporate Governance philosophy at MCL is to not only comply, not just in letter but also in spirit, with the statutory requirements, but also voluntarily formulate and adhere to best Corporate Governance practices.

**The Company's Corporate Governance practice is based on the following:**

#### 1. Board of Directors

The Company's Board of Directors plays a key role in providing direction in terms of strategy, target setting and performance evaluation of top management. It places special emphasis on compliance as also ensuring that the Company operates in the best interests of all its shareholders.

MCL firmly believes that Board's independence is essential to bring objectivity and transparency in the management of the Company. The current policy is to have an appropriate mix of executive and independent Directors to maintain the independence of Board, and separate its functions of governance and management.

#### (A) Composition of Board

The present Board of the Company consists of two Executive Directors and four Non-Executive Directors including one woman director, the chairperson of the Company being an Executive Director. The Company has an appropriate size of the Board for real strategic discussion and avails benefit of diverse experience and viewpoints.

Independent Directors are not serving as Independent Directors in more than seven listed companies.

None of the Whole Time Directors of the Company serve as Independent Director in any of the listed companies.

All directors are individuals of integrity and courage, with relevant skills and experience to bring judgment to bear on the business of the Company.

#### (B) Non-Executive Directors' compensation and disclosures

The Non-Executive Directors are currently not paid any sitting fee or commission. The Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company during the year 2014-15.

#### (C) Performance evaluation of Independent Directors:

The Nomination and Remuneration Committee evaluates the performance of Independent Directors and recommends Commission payable to them based on their commitment towards attending the meetings of the Board/Committees, contribution and attention to the affairs of the Company and their overall performance apart from sitting fees paid for

each Board and committee meetings attended by them.

#### (D) Other provisions as to Board and Committees

During the year 2014-15, 09 (Nine) meetings of the Board of Directors were held on 30 May 2014, 23 June 2014, 14 August 2014, 4 September 2014, 30 September 2014, 10 November 2014, 1 December 2014, 12 February 2015 and on 31 March, 2015. The maximum time gap between any two consecutive meetings did not exceed 120 days.

None of the Directors on the Board are Members of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on 31 March, 2015 have been made by the Directors as per Clause 49 (II) (D) of the listing agreement.

Details of attendance of Directors at Board Meetings and at the last Annual General Meeting held on 30 September, 2014, with particulars of their Directorships of other Companies showing the position as on 31st March, 2015 held during the year are given below:

Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended	No. of Membership in Boards of Other Companies	Attendance of each Director At last AGM
Mr. Surendra Chhalani	Executive Director-Chairperson	Director and CFO	9	9	4	Yes
Mr. Sachin Mehra	Non-Executive & Independent	Director	9	9	4	Yes
Mr. Hulas Mal Lalani	Non-Executive	Director	9	9	7	No
Mr. Ajay Chopra	Non-Executive & Independent	Director	9	4	2	No
Mr. Shurab Kumar	Executive Director	Director	9	9	1	Yes
*Mrs. Anisha Anand	Non-Executive & independent	Director	9	0	2	Yes

\*Appointed as Additional director of the Company w.e.f. 23.06.2014.

#### (E) Code of Conduct

- (i) The Board of Directors has laid down Code of Conduct for Non-Executive Directors, Independent Directors and Senior Management of the Company. The copies of Code of Conduct as applicable to the Directors as well as Senior Management of the Company are uploaded on the website of the Company- [www.megacorppltd.com](http://www.megacorppltd.com)
- (ii) The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended 31 March, 2015. The Annual Report of the Company contains a Certificate by the CFO in terms of Clause 49 of the listing agreement based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

#### 2. Committees of Board of Directors

##### 2.1 Audit Committee

#### (A) Qualified and Independent Audit Committee

The Company complies with Section 177 of the Companies Act, 2013 as well as requirements under the listing agreement pertaining to the Audit Committee. Its functioning is as under:

- (i) The Audit Committee presently consists of three Directors, out of which two are Non- Executive Independent Directors;
- (ii) All members of the Committee are financially literate and having the requisite financial management expertise;
- (iii) The Chairman of the Audit Committee is an Independent Director;
- (iv) The Chairman of the Audit Committee was present at the last Annual General Meeting held on 30 September, 2014.

#### (B) Terms of reference

The terms of reference of the Audit Committee include inter-alia:

- Oversight of the Company's financial reporting process and the disclosure of its financial information;

- Recommending to the Board the appointment, re-appointment and if required the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approval of payments to statutory auditors for any other services rendered by them;
- Reviewing, with the management, the annual financial statements and Auditors' Report thereon;
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Approval of the related party transactions as per policy of the Company;
- Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
- Scrutiny of inter-corporate loans and investments;
- Evaluation on internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal observations by the internal auditors into matters where there is irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To review the functioning of Vigil mechanism;
- Management discussion and analysis of financial condition and results of operations.

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

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

Name of Member	Status	Meetings held during FY 2015	Meetings attended
Mr. Sachin Mehra	Chairman	5	5
Mr. Ajay Chopra	Member	5	5
Mr. Surendra Chhalani	Member	5	5

During the year, 5 Audit Committee meetings were held as on 30 May 2014, 14 August 2014, 10 November 2014, 12 February 2015 and 31 March 2015.

**2.2 Nomination and Remuneration Committee (NRC)**

**(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	Meetings held during FY 2015	Meetings attended
Mr. Sachin Mehra	Chairman	2	2
Mr. Ajay Chopra	Member	2	2
Mr. Surendra Chhalani	Member	2	2

During the year, 2 NRC meetings were held as on 26 May, 2014 and 25 March, 2015.

**(B) Terms of reference**

Terms of reference of the Nomination and Remuneration Committee include:

- To identify persons who are qualified to become directors and who may be appointed in senior management, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

- Formulation of the criteria for determining the qualifications, positive attributes and independence of the director and recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a Policy on Board Diversity.

**(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 currently not paid 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.

**2.3 Stakeholder Relationship Committee**

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

Stakeholders Relationship Committee comprises of Mr. Sachin Mehra as Chairman with Mr. Ajay Chopra and Mr. Surendra Chhalani as members of the Committee.

The Committee is set up to monitor the process of share transfer, issue of fresh Share Certificates as well as review of redressal of investors/shareholders grievances. The Committee would also recommend measures for overall improvement of the quality of Investor services.

The Board has delegated the powers to the Registrar and Transfer Agents (RTA) to attend to Share Transfer formalities once in a fortnight.

During the year, 5 Stakeholder Relationship Committee meetings were held on 30 May 2014, 14 August 2014, 10 November 2014, 12 February 2015 and 31 March 2015.

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	Meetings held during FY 2015	Meetings attended
Mr. Sachin Mehra	Chairman	5	5
Mr. Ajay Chopra	Member	5	5
Mr. Surendra Chhalani	Member	5	5

**(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:

- To approve/ reject registration of transfer/transmission/transposition of shares.
- To authorise issue of Duplicate Share Certificates and Share Certificates after Split / Consolidation / Rematerialization and in Replacement of those which are defaced, mutilated, torn or old, decrepit or worn out.
- To monitor and review the performance and service standards of the Registrar and Share Transfer Agents of the Company and provide continuous guidance to improve the service levels.
- To monitor and review the mechanism for redressal of shareholders' / investors' grievances
- To authorise Managers/Officers/Signatories for signing Share Certificates;
- To appoint and seek outside advice from professionals, consultants or advisors as deemed appropriate to assist the Committee in discharging its functions efficiently.



- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

The Committee meets as often as required to discharge its functions. The status on complaints and share transfers is reported to the Board.

The Committee's terms of reference/Charter was amended during the year, in order to comply with the provisions of the Companies Act 2013, Rules made there under and the revised Clause 49 of the Listing agreement with the stock exchanges.

#### (C) Complaints received and redressed during the year 2014-15

Opening Balance	Received during the year 2014-15	Resolved during the year 2014-15	Closing Balance
0	1	1	0

Pursuant to clause 47(c) of the Listing Agreement, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practising Company Secretary has been submitted to the Stock Exchanges within stipulated time.

#### 2.4 Independent Directors Meeting

Independent Directors are regularly updated on performance of each line of business of the Company, strategy going forward and new initiatives being taken/proposed to be taken by the Company. The Independent Directors namely, Mrs. Anisha Anand, Mr. Ajay Chopra and Mr. Sachin Mehra met on 27 March, 2015 without any Senior Management Personnel to evaluate the performance of Non-Independent Directors including Chairman of the Board.

#### 3. Subsidiary Company

The financial statements of the unlisted Subsidiary Company are being placed before the Board and discussed.

#### 4. Disclosures

##### (A) Basis of related party transactions

- The statements containing the transactions with related parties were submitted periodically to the Audit Committee.
- There are no related party transactions that may have potential conflict with the interest of the Company at large.
- There were no material individual transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis.
- There is no non-compliance by the Company and no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years.

##### (B) Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historic cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

##### (C) Board Disclosures - Risk Management

The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and Board of Directors review these procedures periodically.

##### (D) Proceeds from public issues, right issues, preferential issues etc.

The Company did not have any of the above issues during the year under review.

##### (E) Secretarial Audit Report

The Company has obtained Secretarial Audit Report from the Company Secretary in practice for compliance with Section 204(1) of the Companies Act, 2013, Listing Agreement, SEBI Regulations on Takeover, Insider Trading and Depositories & Participants. A text of the Annual Secretarial Audit Report is annexed with Board's Report.

##### (F) Management Discussion and Analysis Report

The Management Discussion and Analysis Report have been included separately in the Annual Report to the Shareholders.

##### (H) Shareholders

- The quarterly results and presentations made by the Company to analysts are put on the Company's website ([www.megacorppltd.com](http://www.megacorppltd.com))

- The Company has also sent Annual Report through email to those Shareholders who have registered their email ids with Depository Participant.

- Mr. Hulas Mal Lalani is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as Non-Executive Director.

#### 5. CEO and CFO Certification

Since your Company do not have any CEO, therefore, the CFO of the Company has given certification on financial reporting and internal controls to the Board in terms of Clause 41 and 49 II(E)(2) of the Listing Agreement which forms part of this report.

#### 6. Compliance on Corporate Governance

The quarterly compliance report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format duly signed by the Director and CFO.

Pursuant to Clause 49 of the Listing Agreement, the Auditor's Certificate in compliance on conditions of Corporate Governance is published elsewhere in the Annual Report.

#### 7. General Body Meetings

Location and time of General Meetings held in the last 3 years:

Year	Date	Venue	Time	Whether any Special Resolution passed in previous AGM
2012	30.09.2012	Royal Park Hall, Masjid Moth, Greater Kailash, Part- II, New Delhi-110048	11.30 A. M.	Yes
2013	30.09.2013	Hotel Capitol Hills, C-42, Greater Kailash, Part-I, New Delhi- 110048	11.30 A. M.	Yes
2014	30.09.2014	Hotel Capitol Hills, C-42, Greater Kailash, Part-I, New Delhi- 110048	11.30 A. M.	No

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

#### 8. Means of Communication

The Quarterly Financial Results of the Company are published in Financial Express (English Edition) and Jansatta (Hindi Edition).

#### 9. General Shareholder Information

##### Annual General Meeting:

- Date, time and Venue:** Tuesday, 22 September, 2015 at 11:30 a.m.  
Hotel Capitol Hills, C-42, Greater Kailash, Part-I, New Delhi- 110048
- Financial Year:** 1st April, 2014 to 31st March, 2015
- Date of Book Closure:** Wednesday, 16 September, 2015 to Tuesday, 22 September, 2015 (both days inclusive)
- Dividend:** No dividend is declared for Financial Year 2014-15
- Listing:**

The Stock Exchanges on which the Company's shares are listed:

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

The ISIN of the Company for its shares: INE804B01023.

**(vi) Market price information:**

The reported high and low closing prices during the year ended 31 March, 2015 on the BSE, where your Company's shares are traded are given below:

Month	Bombay Stock Exchange		
	Low	High	Volume (No. of Shares)
April, 2014	0.26	0.34	67,824
May, 2014	0.29	0.40	1,77,153
June, 2014	0.30	0.46	1,51,190
July, 2014	0.44	0.64	3,21,387
August, 2014	0.51	0.71	1,63,686
September, 2014	0.39	0.59	17,419
October, 2014	0.40	0.44	5,757
November, 2014	0.34	0.42	64,720
December, 2014	0.32	0.36	55,051
January, 2015	0.32	0.38	1,46,087
February, 2015	0.31	0.39	1,09,365
March, 2015	0.29	0.34	2,88,194

Source: www.bseindia.com

**(vii) Registrar & Transfer Agent**

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**

44, Community Center, Naraina Industrial Area,  
Phase-I, New Delhi- 110 028

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

Email: delhi@linkintime.co.in

**(viii) Shareholding as on 31 March, 2015****(a) Distribution of shareholding as on 31 March, 2015**

Shareholding	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1- 500	2061	44.49%	465053	0.47%
501- 1000	845	18.24%	793374	0.79%
1001- 2000	544	11.74%	947152	0.95%
2001- 3000	272	5.87%	738071	0.74%
3001- 4000	118	2.55%	435064	0.43%
4001- 5000	219	4.73%	1070346	1.07%
5001- 10000	261	5.63%	2083605	2.08%
10001 and above	313	6.75%	93467335	93.47%
<b>Total</b>	<b>4633</b>	<b>100 %</b>	<b>100000000</b>	<b>100 %</b>

**(b) Shareholding pattern as on 31 March, 2015**

Category	No. of Shares Held	% of Shareholding
Promoter and Promoter Group	53643140	53.64 %
Private Bodies Corporate	14109113	14.11 %
NRI/OCBs	320609	0.32 %
Indian Public	31927138	31.93 %
<b>Total</b>	<b>100000000</b>	<b>100 %</b>

**(c) Capital of the Company**

The authorized and paid-up capital of your Company is Rs. 30 crores and Rs. 10 crores respectively.

**(ix) Dematerialisation of Shares**

Pursuant to the SEBI directive, to enable the shareholders to hold their shares in electronic form, the Company has enlisted its shares with National Securities Depository Limited (NSDL) & Central Depository Services (India) Ltd. (CDSL). Company has been allotted ISIN No. INE804B01023. As at 31.03.2015, 97494358 number of Equity Shares (97.50 %) have been dematerialized.

**(x) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

**(xi) Plant locations**

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

**(xii) Address for correspondence**

Mega Corporation Limited  
261, Ground Floor,  
Okhla Industrial Estate, Phase-III,  
New Delhi-110020  
Ph.No- +91 11 41516171  
Fax no- +91 11 26912728  
Email: info@megacorppltd.com

**10. Reconciliation of Share Capital**

As stipulated by SEBI, a qualified Practising Company Secretary carries out audit of Reconciliation of Share Capital to reconcile the total admitted, issued and listed capital with National Securities Depository Limited (NSDL) and Central Depository Services (India)Limited (CDSL) and Stock Exchanges.

Management's discussion and analysis of the financial condition and results of operations include forward-looking statements based on certain assumptions and expectations of future events. The Company cannot assure that these assumptions and expectations are accurate. Although the Management has considered future risks as part of the discussions, future uncertainties are not limited to Management perceptions.

**1. INDUSTRY**

Presently, the Company is into following two segments:

**A). Financial Service Sector**

The importance of financial sector is known to everyone today. This sector highly contributes to the GDP of the Company. There are ample of opportunities in this sector. Company is not into big way under this industry.

**B). Air Charter Service Sector**

With the opening of the Air sector by the Government of India for private sector players, good scope has emerged in this sector but this sector is wreathing with the teething problems and yet to get maturity. Various private airlines have to face the worse because of the lack of understanding of the nitty-gritties of this sector. However, that doesn't means there is no future in this sector. All that is required is an integrated and organized approach supported by accreted and experienced staff.

**2. Opportunities and Threats**

**2.1 Opportunities**

**Financial Services Sector:**

Financial Sector is an ever green market. The following are the growth drivers for the sector which shows the brighter prospects for the segment:



- **Financial Inclusion**
- **Increase in incomes with potentially high penetration of both banking and Share Market products to increase the market size**
- **Regulatory Reforms**

**Air Charter Services Sector:**

Air charter services in India have seen a fast track growth in the last few years though it is not a much explored area for business in India but It has a lot of potential in India, which has not so far been tapped by big corporate, big hospitals and tourism. The following are the growth drivers for the sector which presents big potential for growth of the business:



- **Government**
- **VIP movements**
- **Tourism**
- **Medical Insurance Companies**
- **Corporate Travel**
- **Pilgrimage**

**2.2 Threats**

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

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

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

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

**3. Segment Wise performance**

During the Year 2014-15, Your Company operated in Finance & Investments and Air Chartered Segment:

(Rs. In Lacs)

	Year ended 31.03.2015	Year Ended 31.03.2014
(a) Finance / Investments	68.61	52.99
(b) Air Charter Services	62.17	-----
	<b>130.78</b>	<b>52.99</b>

**4. Outlook**

The Indian services sector is at a stage that provides significant opportunities for growth and investment. With scheduled airlines going through a turbulent period, it is time to turn to a more reliable source of flying air charters. There has indeed been a slowdown and the Euro zone crisis has affected not only charter operators but also scheduled airlines. India has also not been isolated from this. However, the scope of the charter market in India is poised to expand as big infrastructure projects are being undertaken by the Indian government and private companies, both domestically and internationally. The key drivers for the growth of air charter services in India are primarily government, VIP movements, tourism, medical insurance companies, corporate travel, pilgrimage, and others. Taking into account this factor, the Air Charter Business is also moving with pace simultaneously and we plan to expand our business in coming years.

Going forward, the year 2015-16 seems to augur well for the services sector with expansion in business activity in India as also indicated by some indices. There are also signs of revival in growth of the aviation sector with the coming of new players like Air Asia and Tata-SIA Airline after a turbulent period of withdrawals and losses by some airlines. Indications of revival in world GDP and trade growth in general and of developed countries in particular, could help in revival of the tourism and shipping sectors. With a stable government in place and growing optimism which could translate into investment and growth, some quick reforms and removal of some barriers and obsolete regulations in the services sector could help. The downside risk however is the fragile global situation.

**5. Risks and Concern**

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

- Changes in Government policies may affect the company significantly;
- Any crises in Gulf countries may pose a major problem for fuel;
- Natural Calamities;
- inflation, particularly in India, which could increase our costs and decrease our operating margins;
- Business of Air Chartered service is substantially dependent on foreign tourist;
- Though it is an organized sector, it still faces stiff competition from other service providers.

**6. Control systems and their adequacy**

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

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

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

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

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

#### 7. Financial Outlook

Complete financial performance of the company has been reviewed. With the expansion plan in place the coming year is expected to be better.

#### 8. Human Resources

During the period under review, the Company has been under various constraints. The aircraft was leased out and not much practical activity(ies) took place in the financial segment. Therefore, in order to cut cost, your Company tried to work with minimum resources. As at 31st March, 2015, there were only two regular employees in the Company. However, in future whenever the requirement occurs, the Company shall deploy more resource(s).

#### 9. Risks Management

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

#### CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include change in Government regulations, tax laws, economic & political developments within and outside the country and such other factors.

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

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company – [www.megacorppltd.com](http://www.megacorppltd.com).

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended 31 March, 2015.

For MEGA CORPORATION LIMITED

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

House No. 246, Sector 31, Faridabad- 121003

Place: New Delhi  
Date: 29.05.2015

**CERTIFICATION BY CHIEF FINANCIAL OFFICER OF THE  
COMPANY PURSUANT TO CLAUSE 49(IX) OF THE LISTING AGREEMENT**

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

1. We have reviewed the financial statements for the Quarter & Financial Year ended March 31, 2015 along with its schedules and notes on accounts, as well as the cash flow statements;
2. These statements do not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, misleading with respect to the statements made;
3. These financial statements, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and applicable laws and regulations;
4. Based on our knowledge and information, no transactions entered into by the Company during the period, are fraudulent, illegal or violative of the Company's code of conduct;
5. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee of the Company's Board of Directors, deficiencies in the design or operation of internal controls and steps proposed to be taken to rectify these deficiencies.
6. We have disclosed, based on our most recent evaluation, to the Company's Auditors and the Audit Committee of the Company's Board of Directors:
  - a. Significant changes in internal control over financial reporting during the period, if any;
  - b. There are no significant changes in accounting policies during the period; and
  - c. There are no instances of fraud of which we have become aware and the involvement, therein, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For MEGA CORPORATION LIMITED

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

House No. 246, Sector 31, Faridabad- 121003

Place: New Delhi  
Date: 29.05.2015

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT  
THE ANNUAL GENERAL MEETING**

(Pursuant to Clause 49 of the Listing Agreement)

Particulars	Mr. Shurab Kumar	Mr. Hulas Mal Lalani
Age	60	71
Qualification	Graduate	Graduate
Chairmanships/ Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)	OPM Promoters Private Limited	1. Crayons Advertising Private Limited 2. Mega Cabs Private Limited 3. Indication Instruments Limited 4. Aarham Engineers Private Limited 5. Plasopan Engineers India Private Limited 6. Duropan Engineers (India) Private Limited 7. Duro Prints private Limited
Number of shares held in the Company	----	7,86,000
Experience	He has more than 17 years of experience in Garment and Automobile industries.	He has more than 45 years of experience in manufacturing industry.

Particulars	Mrs. Anisha Anand
Age	44
Qualification	Graduate
Chairmanships/ Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)	1. Anand Power Limited 2. Mega Airways Limited
Number of shares held in the Company	----
Experience	She has more than 10 years of Experience of Power Industry

**TO THE MEMBERS OF MEGA CORPORATION LIMITED****Report on the Standalone Financial Statements**

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

**Management's Responsibility for the Standalone Financial Statements**

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

**Auditor's Responsibility**

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

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

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

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

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

**Opinion**

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 ( hereinafter referred to the "Order"), and on the basis of such checks of books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at 31st March, 2015 on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Sd/-  
**(VIJAY SIPANI)**  
Proprietor  
M. No. 083850  
Place: Delhi  
Dated: 29-05-2015

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

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

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

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All fixed assets have been physically verified by the Management at reasonable intervals and as informed to us, no material discrepancies were noticed on such verification.
- II. The Company had no Inventory and as such Clause (ii) of the Companies (Auditor Report) Order, 2015 is not applicable.
- III. The company has granted unsecured loans to three companies covered in the register maintained under section 189 of the Companies Act. The company has not granted any secured/ unsecured loans to firms or other parties covered in the register maintained under section 189 of the Companies Act.  
(a) In respect of the aforesaid loans, the parties are repaying principal amounts, as stipulated, and are also regular in payment of interest as applicable.  
(b) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lakh.
- IV. In our opinion, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for purchase of inventory and fixed assets and for sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- V. The company has not accepted any deposits as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- VI. As informed to us, the maintenance of Cost Records has not been prescribed by the Central Government under Section 148(1) (d) of the Companies Act, 2013.
- VII. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted / accrued in the books of accounts in respect of Undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and any other statutory dues have been generally regularly deposited with the appropriate authorities during the year.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax and cess, etc were outstanding as at March 31, 2015 for a period of more than six months from the date of their becoming payable.  
(c) According to the information and explanations given to us and records of the Company examined by us, the Company has not deposited disputed Income Tax demand of Rs. 133.34 Lacs relating to A.Y. 2006-07. The Company's appeal is pending for adjudication before ITAT, Delhi.  
(d) According to the information and explanations given to us, the Company is not required to be transfer any amount to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- VIII. The Company does not have accumulated losses at the end of the year and the company has not incurred any cash losses during current year. The Company has incurred cash loss of Rs. 19,26,119/- during the immediately preceding financial year.
- IX. In our opinion and on the basis of information and explanations given to us, the Company has not defaulted in the repayment of dues to Financial Institutions and Banks.
- X. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- XI. Based on information and explanations given to us by the Management, the term loans were applied for the purpose for which the loans were obtained.
- XII. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

**Sd/-**  
**(VIJAY SIPANI)**  
Proprietor  
M. No. 083850

Place: Delhi  
Dated: 29-05-2015

**BALANCE SHEET AS AT MARCH 31, 2015**

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	100,000,000	100,000,000
Reserves and Surplus	4	162,609,728	162,080,390
		<b>262,609,728</b>	<b>262,080,390</b>
<b>Non-Current Liabilities</b>			
Long - Term Borrowings	5	18,166	298,220
Long-Term Provisions	6	559,865	802,035
		<b>578,031</b>	<b>1,100,255</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	7	280,054	312,798
Trade Payables	8	3,037,627	2,100,483
Other Current Liabilities	9	207,713	1,085,890
		<b>3,525,394</b>	<b>3,499,171</b>
	<b>TOTAL</b>	<b>266,713,154</b>	<b>266,679,816</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets - Tangible Assets	10	57,099,118	61,408,150
Non-Current Investments	11	65,306,261	65,607,851
Deferred Tax Assets (Net)	12	7,428,340	7,004,046
Long-Term Loans and Advances	13	1,558,200	1,558,200
Other Non-Current Assets	14	1,241,557	1,182,604
		<b>132,633,476</b>	<b>136,760,851</b>
<b>Current Assets</b>			
Cash and Cash Equivalents	15	3,356,001	1,060,501
Short-Term Loans and Advances	16	130,723,677	128,858,465
		<b>134,079,678</b>	<b>129,918,965</b>
	<b>TOTAL</b>	<b>266,713,154</b>	<b>266,679,816</b>

The accompanying notes are an integral part of the Financial Statements

As per our Report of even date

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

**For and on behalf of the Board**

**Sd/-**  
**(VIJAY SIPANI)**  
Proprietor  
M. No. 083850  
Place: Delhi  
Dated: 29-05-2015

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

**Sd/-**  
**Shurab Kumar**  
Director  
DIN : 02034499

**Sd/-**  
**Urvashi Aggarwal**  
Company Secretary  
M. No. 34872

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Note No.	(Amount in Rs.)	
		For the year ended March 31, 2015	For the year ended March 31, 2014
<b>INCOME:</b>			
Revenue from Operations	17	13,078,329	5,298,862
Other Income	18	138,822	857,448
<b>Total Revenue</b>		<b>13,217,151</b>	<b>6,156,310</b>
<b>EXPENSES:</b>			
Cost of Aircraft Charter Operations	19	3,661,793	1,258,832
Employee Benefits Expense	20	2,335,265	4,497,092
Interest and Finance Costs	21	101,544	82,470
Depreciation and Amortization		3,941,576	10,417,908
Other Expenses	22	3,069,929	2,541,619
<b>Total Expenses</b>		<b>13,110,107</b>	<b>18,797,921</b>
<b>Profit Before Tax:</b>		107,044	(12,641,611)
<b>Tax Expenses:</b>			
- Previous Year		2,000	11,500
- Deferred Tax		(424,294)	(5,363,512)
<b>Net Profit/(Loss) for the Year</b>		<b>529,338</b>	<b>(7,289,599)</b>
<b>Earning Per Equity Share:</b>			
Basic & Diluted Earning Per Share of Rs. 1/- each		0.01	(0.07)

The accompanying notes are an integral part of the Financial Statements

As per our Report of even date

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

Sd/-  
(VIJAY SIPANI)  
Proprietor  
M. No. 083850  
Place: Delhi  
Dated: 29-05-2015

For and on behalf of the Board

Sd/- Surendra Chhalani Director & CFO DIN : 00002747	Sd/- Shurab Kumar Director DIN : 02034499	Sd/- Urvashi Aggarwal Company Secretary M. No. 34872
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## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Particular	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit / (Loss) Before Tax</b>	<b>107,044</b>	<b>(12,641,611)</b>
Adjustment for :		
Depreciation and Amortisation	3,941,576	10,417,908
Loss/(Profit) on Sale of Fixed Assets	418,835	0
Interest Income	(6,861,188)	(5,298,862)
Interest and Finance charges	93,091	77,119
<b>Operating Profit before change in Working Capital</b>	<b>(2,300,642)</b>	<b>(7,445,446)</b>
Adjustment for changes in working capital :		
(Increase)/ Decrease in Trade Receivables	0	5,345,655
Increase/ (Decrease) in Trade Payables	937,144	57,885
Increase/ (Decrease) in Short-Term Borrowings	(32,744)	(295,562)
Increase/ (Decrease) in Other Current Liabilities	(878,177)	700,299
(Increase) / Decrease in Short-Term Loans and Advances	(1,865,213)	(3,488,898)
	<b>(1,838,990)</b>	<b>2,319,379</b>
<b>Cash Generated From Operations</b>	<b>(4,139,632)</b>	<b>(5,126,067)</b>
Adjustment for :-		
Income Tax Deposit	(2,000)	(11,500)
Interest Paid	(93,091)	(77,119)
<b>Net Cash Flow From Operating activities (A)</b>	<b>(4,234,722)</b>	<b>(5,214,686)</b>
<b>B. Cash Flow from Investing Activities</b>		
Interest Income	6,861,188	5,298,862
Purchase of Tangible Assets	(60,100)	0
Proceeds from Sale of Tangible Assets	70,000	0
Proceeds from Sale of Non Current Investments	240,311	0
Proceeds from Other Non-Current Assets	(58,953)	(50,616)
<b>Net Cash Flow from Investing Activities (B)</b>	<b>7,052,446</b>	<b>5,248,246</b>
<b>C. Cash Flow from Financing Activities</b>		
Repayment of Long-Term Provisions	(242,170)	297,584
Increase/ (Decrease) in Long-Term Borrowings	(280,054)	(312,798)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(522,224)</b>	<b>(15,214)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents D= (A+B+C)</b>	<b>2,295,500</b>	<b>18,346</b>
<b>Cash and Cash Equivalents as at beginning of the year (E)</b>	<b>1,060,501</b>	<b>1,042,155</b>
<b>Cash and Cash Equivalents as at the end of the year (D + E)</b>	<b>3,356,001</b>	<b>1,060,501</b>

As per our Report of even date

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

For and on behalf of the Board

Sd/-  
(VIJAY SIPANI)  
Proprietor  
M. No. 083850  
Place: Delhi  
Dated: 29-05-2015

Sd/-  
Surendra Chhalani  
Director & CFO  
DIN : 00002747

Sd/-  
Shurab Kumar  
Director  
DIN : 02034499

Sd/-  
Urvashi Aggarwal  
Company Secretary  
M. No. 34872



## Notes forming part of Financial Statements for the year ended March 31, 2015

**1. Corporate Information:**

Mega Corporation Limited (the company) is a public limited company domiciled in India and was incorporated under the provisions of the Indian Companies Act, 1956. Its Shares are listed on two Stock Exchanges in India. The Company is a RBI registered NBFC and has been engaged in Finance and Investments Business. The Company is also providing Air Charter Services and presently owns one small passenger aircraft.

**2. Significant Accounting Policies:****a) Basis of Accounting:**

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standard notified under the relevant provisions of the Companies Act, 2013. The Company has prepared these financial statements to comply in all material respects with the Companies (Account) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of these financial statements are consistent with those of previous year.

**b) Use of Estimates:**

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

**c) Tangible Fixed Assets:**

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

**d) Depreciation on Tangible Fixed Assets:**

Depreciation on Tangible Fixed Assets has been provided to the extent of depreciable amount on Written Down Value (WDV) Method as per useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except that Commercial Aircraft has been depreciated on the basis of Straight Line Method at the rates calculated on the basis of expected useful life of the said assets.

The depreciation charged for the assets which have been impaired are adjusted to allocate the assets revised carrying amount less its residual value, if any, over its remaining useful life. Depreciation on Tangible Fixed Assets disposed off during the year is provided on pro-rata basis. Tangible Fixed Assets costing below Rs.5000/- fully depreciated in the year of acquisition.

**e) Intangible Assets:**

Intangible Assets are stated at cost of acquisition less accumulated amortisation. Amortisation is done on straight line basis. Software is amortized on straight line basis over the useful life of the asset or five years whichever is earlier.

**f) Impairment of Assets:**

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

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

**g) Provision, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Financial Statements. Contingent Assets are neither recognised nor disclosed in the Financial Statements.

**h) Investments:**

Investments, which are readily realizable and intended to be held not more than one year from the date on which such was made, are classified as current investments. All other investments are classified as non-current investments. Non trade and unquoted non-current investments are stated at cost and quoted non-current

## Notes forming part of Financial Statements for the year ended March 31, 2015

investments at lower of cost or market value. Provision for diminution in the value of quoted non-current investment is made only if such a decline is other than temporary in the opinion of management.

Unquoted investments in subsidiaries / associates companies are non-current and valued at cost. No loss is recognized in the fall in their net worth, if any, unless there are permanent fall in their value.

**i) Borrowing Costs:**

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

**j) Foreign Currency Transactions:**

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

**k) Employees Benefits:**

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

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

Leave Encashment Benefit is accounted for on basis of valuation made at the end of each financial year by the Company.

**l) Taxation:**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date

**m) Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

**n) Revenue Recognition:**

The revenue and expenditure related to Air Charter Services and Financing Services are accounted ongoing concern basis.

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

Other receipts / incomes are recognised when the right to receive the same is established, i.e. accrual basis.

Particulars	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014

**3. Share Capital****Authorised**

30,00,00,000 (30,00,00,000) Equity Shares of Rs. 1/- each 300,000,000 300,000,000

**Issued, Subscribed and Paid Up**

10,00,00,000 (10,00,00,000) Equity Shares of Rs. 1/- each fully paid up 100,000,000 100,000,000

**a) Reconciliation of shares outstanding at beginning and at end of the year**

During the current year and in the previous year, there have been no movements in the number of equity shares outstanding.

**b) Terms / Rights attached to Equity Shares**

The Company has only one class of share having a par value of Rs. 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2015, the Company has not declared any dividend.

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 preferential amounts. The distribution will be in proportion of the number of fully paid equity shares held by shareholders.

**c) Details of shareholders holding more than 5% shares in the company**

Names	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	% Shares Held	No. of Shares	% Shares Held
Vimi Investments & Finance Private Limited	24,043,000	24.04%	24,043,000	24.04%
Crayons Global Finance Private Limited	22,530,000	22.53%	22,530,000	22.53%

**4. Reserves and Surplus****Surplus /(Deficit) in the Statement of Profit and Loss**

Balance as per last Financial Statements 162,080,390 169,369,989

Profit / (Loss) for the year 529,338 (7,289,599)

**Net surplus in the Statement of Profit and Loss** 162,609,728 162,080,390

**5. Long-Term Borrowings****Secured Term Loans**

- From Banks 18,166 298,220

18,166 298,220

**Nature of Security & Terms of Repayment**

Secured Loans from banks amounting to Rs. 18,166/- (previous year Rs. 2,98,220/-) are secured by way of hypothecation of Vehicles and repayable in equal monthly installments.

**6. Long-Term Provisions****Provision for Employee Benefits**

- Gratuity 518,712 692,885

- Leave Encashment 41,153 109,150

559,865 802,035

**7. Short-Term Borrowings****Secured - Term Loans**

- From Banks 280,054 312,798

280,054 312,798

**Nature of Security & Terms of Repayment**

Loans from banks amounting to Rs. 2,80,054/- (previous year Rs. 3,12,798/-) are secured by way of hypothecation of Vehicles and repayable in equal monthly installments.

Particulars	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014

**8. Trade Payable**

Trade Payable (Refer note 28) 3,037,627 2,100,483

3,037,627 2,100,483

**9. Other Current Liabilities**

Book Overdraft in Current Account 0 308,580

Salaries and other employee benefits 81,100 382,900

Expenses Payable 80,000 86,788

Sales Tax Payable 33,333 0

TDS Payable 13,280 307,622

207,713 1,085,890

**10. Tangible Assets**

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2014	Addition during the Year	Deduction & Adjustment	As at 31.03.2015	As at 01.04.2014	Deduction & Adjustment	For the Year	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
Air Craft - Commercial	125,573,210	0	0	125,573,210	65,599,188	0	3,497,402	69,096,590	56,476,620	59,974,022
Computer System	212,967	51,500	212,967	51,500	182,403	198,144	48,268	32,527	18,973	30,564
Furniture and Fixtures	715,875	8,600	715,875	8,600	271,716	305,494	36,004	2,226	6,374	444,159
Vehicles	1,287,493	0	0	1,287,493	380,385	0	323,710	704,095	583,398	907,108
Office Equipments	87,435	0	47,035	40,400	35,138	44,683	36,192	26,647	13,753	52,297
<b>Total</b>	<b>127,876,980</b>	<b>60,100</b>	<b>975,877</b>	<b>126,961,203</b>	<b>66,468,830</b>	<b>548,321</b>	<b>3,941,576</b>	<b>69,862,085</b>	<b>57,099,118</b>	<b>61,408,150</b>
Previous Year	127,876,980	0	0	127,876,980	56,050,922	0	10,417,908	66,468,830	61,408,150	71,826,058

**11. Non-Current Investments****Trade Investments (valued at cost unless stated otherwise)****Unquoted Equity Instruments****Investment in Subsidiaries**

59,99,300 (59,99,300) Equity Shares of Rs. 10/- each fully paid up of Mega Airways Limited 59,993,000 59,993,000

**Investment in Associates**

1,50,000 (1,50,000) Equity Shares of Rs. 10/- each fully paid up of Anand Power Limited 1,500,000 1,500,000

37,500 (37,500) Equity Shares of Rs. 10/- each fully paid up of Plasopan Engineers (I) Private Limited 375,000 375,000

62,000 (62,000) Equity Shares of Rs. 10/- each fully paid up of Mediaware Infotech Private Limited 3,418,525 3,418,525

65,286,525 65,286,525

Particulars	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014
<b>Other Investment (valued at cost unless stated otherwise)</b>		
<b>Quoted Equity Instruments</b>		
Nil (6,000) Equity Shares of Rs. 10/- each fully paid up of Intense Technology Limited	0	292,490
Nil (100) Equity Shares of Rs. 2/- each fully paid up of Ambuja Cement Limited	0	9,100
100 (100) Equity Shares of Rs. 2/- each fully paid up of Tata Motors Limited	19,736	19,736
	<b>19,736</b>	<b>321,326</b>
	<b>65,306,261</b>	<b>65,607,851</b>
Aggregate amount of Quoted Investments	19,736	321,326
Aggregate Market value of Quoted Investments	54,995	293,650
Aggregate amount of Unquoted Investments	65,286,525	65,286,525
Aggregate Provision for Diminution in the value of Investments	0	0
<b>12. Deferred Tax Assets (Net)</b>		
<b>Deferred Tax Liabilities :</b>		
Fixed Assets: Impact of difference between book and tax depreciation	15,658,908	16,158,032
	<b>15,658,908</b>	<b>16,158,032</b>
<b>Deferred Tax Assets :</b>		
Impact of expenses charges to the Statement of Profit and Loss in the current financial year but allowed for tax purpose on payment basis		
Provision for Gratuity	(160,282)	(214,101)
Provision for Leave Encashment	(12,716)	(33,727)
<b>Others - Unabsorbed Depreciation</b>	<b>(22,914,250)</b>	<b>(22,914,250)</b>
	<b>(23,087,248)</b>	<b>(23,162,078)</b>
	<b>(7,428,340)</b>	<b>(7,004,046)</b>
<b>13. Long-Term Loans and Advances</b>		
MAT Credit Carried Forward	1,558,200	1,558,200
	<b>1,558,200</b>	<b>1,558,200</b>
<b>14. Other Non-Current Assets</b>		
Fixed Deposits with original maturity more than twelve month	1,241,557	1,182,604
	<b>1,241,557</b>	<b>1,182,604</b>
<b>15. Cash and Cash Equivalents</b>		
Balances with Scheduled Banks in Current Accounts	3,152,997	987,537
Foreign Currency in Hand	0	0
Cash on Hand (as certified by the management)	203,004	72,964
	<b>3,356,001</b>	<b>1,060,501</b>

Particulars	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014
<b>16. Short-Term Loans and Advances</b>		
Security Deposits (Unsecured, considered good)	62,345	548,400
<b>Loans and Advances to Related Parties</b>		
Share Application Money	0	13,300,000
<b>Other Loans and Advances</b> (Unsecured, considered good)		
Inter Corporate Loans & Advances	50,000,000	34,771,000
Other Loans & Advances	0	6,025,000
Income Tax Deposit against Disputed Demand	26,322,714	26,322,714
Custom Duty Deposit under Protest	23,682,303	23,682,303
Insurance Claim Receivable	24,730,858	19,429,766
Income Tax Refundable	3,968,880	3,485,723
Advance Income Tax/TDS	876,516	502,636
Prepaid Expenses	444,167	523,278
Service Tax Cenvat Credit	635,894	267,644
	<b>130,723,677</b>	<b>128,858,465</b>
<b>17. Revenue from Operations</b>		
Interest Receipts	6,861,188	5,298,862
Aircraft Charter Services	5,594,919	0
Lease Rental from Aircraft	622,222	0
	<b>13,078,329</b>	<b>5,298,862</b>
<b>18. Other Income</b>		
Liabilities Written Back	23,981	545,851
Interest Receipts	114,421	109,535
Misc. Income	420	202,062
	<b>138,822</b>	<b>857,448</b>
<b>19. Aircraft Charter Operation Expenses</b>		
Air Craft Repair and Maintenance	1,149,215	187,642
Fuel Consumed	897,974	0
Salary and Pilots Remuneration	555,000	852,778
Insurance of Aircraft	510,390	207,176
Landing and Parking	431,739	0
Lodging & Boarding Exp.	60,800	0
Catering Expenses	46,675	0
Training Expenses	10,000	11,236
	<b>3,661,793</b>	<b>1,258,832</b>
<b>20. Employee Benefits Expenses</b>		
Salaries and Allowances	1,110,827	1,821,542
Directors Remuneration	1,157,100	2,520,000
Staff Welfare	55,122	143,334
Contribution to PF and ESI	12,216	12,216
	<b>2,335,265</b>	<b>4,497,092</b>

Particulars	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014
<b>21. Interest and Finance Costs</b>		
Interest	93,091	77,119
Bank Charges	8,453	5,351
	<b>101,544</b>	<b>82,470</b>
<b>22. Other Expenses</b>		
Auditors Remuneration	92,152	78,652
Advertisement Expenses	116,872	108,370
Rent Paid	460,500	699,914
Legal and Professional Charges	1,233,321	509,990
Fees and Subscription	203,041	174,642
Travelling Expenses	152,088	15,024
Loss on Sale of Tangible Assets/ Investments	418,835	0
Telephone and Mobile Expenses	87,302	107,080
Conveyance Expenses	72,714	154,140
Repair and Maintenance	19,656	199,315
Postage and Telegram	64,024	86,165
Printing and Stationery	64,642	82,086
Meeting (AGM) Expenses	11,800	56,000
Electricity and Water	16,892	47,224
General Expenses	12,941	190,844
Insurance	24,178	5,312
Filing Fees	18,000	6,000
Bad Debts	681	17,700
Books and Periodicals	290	3,161
	<b>3,069,929</b>	<b>2,541,619</b>

**23. Contingent Liabilities not provided for:**

(Amount in Rs. Lakh)

Particulars	As at 31-03-2015	As at 31-03-2014
Income Tax Matters*	396.57	396.57
Custom Duty on Import of Commercial Aircraft (Amount paid under protest Rs. 236.82 Lacs**)	236.82	236.82

\*The Company has disputed Income Tax demand of Rs. 396.57 Lacs for the A.Y. 2006-07 made by the Income Tax Department. The Company has deposited a sum of Rs. 263.23 Lacs against the aforesaid demand which has been treated as amount refundable by Income Tax Department. The Company has filed an appeal against above referred demand with appellate authority which is pending for disposal before ITAT, Delhi. The management of the Company has been advised that the order of the assessing officer shall not be tenable before income tax appellate authorities hence there will be no liability towards income tax.

\*\*The Company has deposited a sum of Rs. 236.82 Lacs as additional Custom Duty on Import of Aircraft in F. Y. 2007-08. Though the Company had disputed the said demand but had deposited the said amount in F. Y. 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

**24. Capital Commitments:**

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

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

26. In the opinion of Board of Directors the "Current / Non-Current Assets" have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet, except the amount of Insurance Claim Receivable out came of which shall depend on acceptance of claim by the Insurer.

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

28. In the absence of receipt of information regarding small scale industrial status from the parties, the details of names of Small Scale Industrial Undertakings to which the company owe any sum together with interest outstanding for more than 30 days could not be ascertained.

**29. Foreign Exchange Earned and Used:**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Foreign Exchange Earned	NIL	NIL
Foreign Exchange Used	63,586	69,99,891

**30. Payments to Whole Time and other Directors:**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
<b>Whole Time Directors:</b>		
Basic Salary	7,86,000	12,96,000
HRA and Other Allowances	3,71,100	12,24,000
<b>Total</b>	<b>11,57,100</b>	<b>25,20,000</b>
The Managerial Remuneration as computed above does not include the liability in respect of leave salary and gratuity accrued		

**31. Auditors Remuneration (Excluding Service Tax / Cess):**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Statutory Audit Fee	70,000	70,000
Secretarial Audit Fee	8,500	0
Internal Audit Fee	5,000	0

**32. Earnings per Share (Basic and Diluted):**

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

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Net profit after Tax as per Statement of Profit and Loss	5,29,338	(72,89,599)
Weighted average number of Shares outstanding during the year (Face value Rs. 1/- each)	10,00,00,000	10,00,00,000
Basic and Diluted Earnings per share	<b>0.01</b>	<b>(0.07)</b>

33. In pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in case of Commercial Aircraft. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/ remaining useful lives. The written down value of Fixed Assets whose lives have been expired as at 1st April, 2014 have been adjusted up to depreciable value, in the opening balance of Profit and Loss Account amounting to Rs. 28,395/-.

**34. Change in Estimation of Residual Value and Life of Tangible Assets:**

The Company had revised its estimated residual value and useful life in the case of Commercial Aircraft with effect from first day of the financial year. Due to the change in estimation the depreciation for the year has been lower by Rs. 64,76,620/-.

If there were no change in estimation, then Profit Before Tax, Profit After Tax and Deferred Tax Assets would be Rs. (63,69,575/-), Rs. (39,46,006/-) and Rs. 94,29,615/- respectively in place of 1,07,044/-, 5,29,338/- and 74,28,340/-.

### 35. Segment Reporting:

#### Identification of Segments

##### Primary Segment:

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

##### Secondary Segment:

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

#### Unallocable Items

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

#### Primary Business Segments

Segment Revenues, Results and other information

Particulars	Finance / Investment	Chartered Aircraft Services	Total Amount in Rs.
Revenue	68,61,188	62,17,141	1,30,78,329
Identified Operating Exp.	3,18,581	89,53,334	92,71,915
<b>Profit/(Loss) before Interest and Tax</b>	<b>65,42,607</b>	<b>(27,36,193)</b>	<b>38,06,414</b>
Less : Interest and Finance Charges (unallocable)			31,992
Less : Other Expenses net of Income (unallocable)			36,67,378
Net Profit before Tax			1,07,044
Less : Income Tax and other Taxes			(4,22,294)
<b>Net Profit after Tax</b>			<b>5,29,338</b>
<b>Segment Assets</b>	<b>15,30,68,992</b>	<b>11,36,44,162</b>	<b>26,67,13,154</b>
<b>Segment Liabilities</b>	<b>11,07,550</b>	<b>29,95,875</b>	<b>41,03,425</b>
<b>Capital Employed</b>	<b>15,19,61,442</b>	<b>11,06,48,287</b>	<b>26,26,09,728</b>
(Assets - Liabilities)			
<b>Depreciation</b>	<b>2,81,286</b>	<b>36,60,290</b>	<b>39,41,576</b>

### 36. Information U/S 186(4) of the Companies Act, 2013 in respect of Loans given, Investments made or Guarantees given or Security provided during FY 2014 - 15:

S. No.	Name of the Company / Party	Amount during year (Rs. in Lacs)	Balance as at 31-03-15	Purpose of the Loan/ Investment
<b>A</b>	<b>Loans Given</b>			
	a) Mega Airways Ltd.	12.00	NIL	General Corporate Purposes
	b) Mega Cabs Pvt. Ltd.	199.92	500.00	General Corporate Purposes
	c) Ganges Radio Taxi Pvt. Ltd.	7.00	NIL	General Corporate Purposes
	d) Rhea Distribution Company	155.00	NIL	General Corporate Purposes
<b>B</b>	<b>Investments Made</b>	NIL		
<b>C</b>	<b>Guarantees Given</b>	NIL		
<b>D</b>	<b>Securities Provided</b>	NIL		

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

#### Related Parties and their Relationship:

- Subsidiary Company:** Mega Airways Limited
- Directors, Key Management Persons (KMP) and their Relative:** Mr. Surendra Chhalani, Mr. H. M. Lalani, Mr. Sachin Mehra, Mr. Ajay Chopra, Mrs. Anisha Anand and Mr. Shurab Kumar
- Other Related Parties where common control exists and with whom the company had transactions during the year:** M/s Anand Power Limited, Plasopan Engineers (I) Private Limited, Mega Cabs Private Limited, Crayons Advertising Private Limited, Ganges Radio Taxi Private Limited and Omni Media Communications Private Limited

#### Transactions with Related Parties

(Amount in Rs. Lacs)

Nature of transactions	Subsidiaries		KMP and their Relatives		Associates		Total	
	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.
Receiving of Services	0.00	0.00	0.00	0.00	1.17	1.08	1.17	1.08
Rendering of Services	0.00	0.00	0.00	0.00	5.70	0.00	5.70	0.00
Interest Received	0.00	0.00	0.00	0.00	53.60	46.39	53.60	46.39
Rent Paid	0.00	0.00	3.78	1.80	0.00	0.00	3.78	1.80
Directors' Remuneration	0.00	0.00	11.57	25.20	0.00	0.00	11.57	25.20
Share Application Money Received Back	133.00	1.00	0.00	0.00	0.00	0.00	133.00	1.00
Loans and Advances Given	12.00	0.00	0.00	0.00	206.92	329.85	218.92	329.85
Loans and Advances Received Back	145.00	0.00	0.00	0.00	100.87	254.71	245.87	254.71
Balance of Investments at the year end	599.93	599.93	0.00	0.00	18.75	18.75	618.68	618.68

### 38. Previous year figures have been regrouped, reworked and reclassified wherever necessary.

As per our Report of even date

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

**For and on behalf of the Board**

**Sd/-**  
**(VIJAY SIPANI)**

Proprietor  
M. No. 083850

Place: Delhi  
Dated: 29-05-2015

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

**Sd/-**  
**Shurab Kumar**  
Director  
DIN : 02034499

**Sd/-**  
**Urvashi Aggarwal**  
Company Secretary  
M. No. 34872

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF MEGA CORPORATION LIMITED****1. Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **Mega Corporation Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as consolidated financial statements).

**2. Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**3. Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**4. Opinion**

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

**5. Other Matters**

We have also audited the financial statements of its subsidiary, whose financial statements reflect total assets of Rs. 6,43,04,996/- as at 31st March, 2015, total revenues of Rs. 54,39,842/- and net cash flows amounting to Rs. 7,87,191/- for the year ended on that date, as considered in the consolidated financial statements.

**6. Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 ( hereinafter referred to the "Order"), based on the comments in the auditors' reports of the holding company and subsidiary company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

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 of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors of the holding company and subsidiary company as on 31st March, 2015 and taken on record by the Board of Directors of the holding company and subsidiary company, none of the directors of the group companies is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the group as at 31st March, 2015;
  - ii. the Group did not have any long-term contracts including derivative contracts outstanding as at 31st March, 2015 for which there were any material foreseeable losses; and
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the holding company or the subsidiary company.

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

**Sd/-**  
**(VIJAY SIPANI)**  
Proprietor  
M. No. 083850  
Place: Delhi  
Dated: 29-05-2015

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT****Annexure referred to in paragraph 6 of the Independent Auditors' Report to the members of M/s Mega Corporation Limited on the consolidated financial statements for the year ended 31 March, 2015.**

1. (a) The Holding Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Subsidiary Company had no fixed assets and as such clause (i) of paragraph 4 of the Companies (Auditor's Report) Order, 2015 is not applicable in the case of the Subsidiary Company.
- (c) All fixed assets have been physically verified by the Management of the Holding Company at reasonable intervals and as informed to us, no material discrepancies were noticed on such verification.
2. The Group had no Inventory and as such Clause (ii) of the Companies (Auditor Report) Order, 2015 is not applicable.
3. According to information and explanations given to us, the holding company has granted unsecured loans to three companies covered in the register maintained under section 189 of the Companies Act. The company has not granted any secured/ unsecured loans to firms or other parties covered in the register maintained under section 189 of the Companies Act.  
Further, According to information and explanations given to us, the subsidiary company has granted unsecured loans to two companies covered in the register maintained under section 189 of the Companies Act. The company has not granted any secured/ unsecured loans to firms or other parties covered in the register maintained under section 189 of the Companies Act.
  - (a) In respect of the aforesaid loans, the parties are repaying principal amounts, as stipulated, and are also regular in payment of interest as applicable.
  - (b) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lakh.
4. According to information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding & Subsidiary Companies and the nature of its business, for purchase of stores, spares and fixed assets and for sale of services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system. The activities of Holding and subsidiary companies do not involve sale of goods.
5. According to information and explanations given to us, the Group has not accepted any deposits as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. As informed to us, the maintenance of Cost Records has not been prescribed by the Central Government under Section 148(1) (d) of the Companies Act, 2013 in respect business of the Group.
7. (a) According to the information and explanations given to us and on the basis of examination of the records of the Group, amounts deducted / accrued in the books of accounts in respect of Undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and any other statutory dues have been generally regularly deposited with the appropriate authorities during the year.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax and cess, etc were outstanding as at March 31, 2015 for a period of more than six months from the date of their becoming payable.
- (c) *According to the information and explanations given to us and records of the Group examined by us, the Holding Company has not deposited disputed Income Tax demand of Rs. 133.34 Lacs relating to A.Y. 2006-07. The Holding Company's appeal is pending for adjudication before ITAT, Delhi.*
- (d) According to the information and explanations given to us, the Group is not required to be transfer any amount to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
8. The Group does not have accumulated losses at the end of the year and the Group has not incurred any cash losses during current year. The Holding Company has incurred cash loss of Rs. 19,26,119/- during the immediately preceding financial year.
9. In our opinion and on the basis of information and explanations given to us, the Holding Company has not defaulted in the repayment of dues to Financial Institutions and Banks. Further the Company has not issued any debentures during the year.

According to the information and explanations given to us, the subsidiary company did not have any outstanding dues to financial institutions or banks or debentures holders during the year.

10. According to the information and explanations given to us, the Group has not given any guarantee for loans taken by others from bank or financial institutions.
11. Based on information and explanations given to us, term loans have been applied for the purpose for which such loans were obtained.
12. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Group has been noticed or reported during the course of our audit.

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

**Sd/-  
(VIJAY SIPANI)**  
Proprietor  
M. No. 083850  
Place: Delhi  
Dated: 29-05-2015

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

Particulars	Note No.	(Amount in Rs.)	
		As at March 31, 2015	As at March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	100,000,000	100,000,000
Reserves and Surplus	3	165,997,246	162,080,390
		<b>265,997,246</b>	<b>262,080,390</b>
<b>Share Application Money Pending Allotment</b>	4	<b>0</b>	<b>5,000,000</b>
<b>Minority Interest</b>		7,395	7,000
<b>Non-Current Liabilities</b>			
Long - Term Borrowings	5	18,166	298,220
Long-Term Provisions	6	559,865	802,035
		<b>578,031</b>	<b>1,100,255</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	7	280,054	312,798
Trade Payables	8	3,060,099	2,122,955
Other Current Liabilities	9	245,213	1,085,890
Short-Term Provisions	10	857,111	0
		<b>4,442,477</b>	<b>3,521,643</b>
	<b>TOTAL</b>	<b>271,025,150</b>	<b>271,709,288</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets - Tangible Assets	11	57,099,118	61,408,150
Non-Current Investments	12	36,013,261	23,814,851
Deferred Tax Assets (Net)	13	7,428,340	7,004,046
Long-Term Loans and Advances	14	1,558,200	1,558,200
Other Non-Current Assets	15	3,112,008	3,281,707
		<b>105,210,927</b>	<b>97,066,954</b>
<b>Current Assets</b>			
Cash and Cash Equivalents	16	4,216,561	1,133,870
Short-Term Loans and Advances	17	161,597,662	173,508,465
		<b>165,814,223</b>	<b>174,642,334</b>
	<b>TOTAL</b>	<b>271,025,150</b>	<b>271,709,288</b>

The accompanying notes are an integral part of the Financial Statements

As per our Report of even date

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

Sd/-  
**(VIJAY SIPANI)**  
Proprietor  
M. No. 083850  
Place: Delhi  
Dated: 29-05-2015

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

Sd/-  
**Shurab Kumar**  
Director  
DIN : 02034499

Sd/-  
**Urvashi Aggarwal**  
Company Secretary  
M. No. 34872

For and on behalf of the Board

## STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Note No.	(Amount in Rs.)	
		As at March 31, 2015	As at March 31, 2014
<b>INCOME:</b>			
Revenue from Operations	18	13,078,329	5,298,862
Other Income	19	5,159,829	857,448
<b>Total Revenue</b>		<b>18,238,158</b>	<b>6,156,310</b>
<b>EXPENSES:</b>			
Cost of Aircraft Charter Operations	20	3,661,793	1,258,832
Employee Benefits Expense	21	2,792,489	4,497,092
Interest and Finance Costs	22	101,594	82,470
Depreciation and Amortization	23	4,170,228	10,417,908
Other Expenses	24	3,159,986	2,541,619
<b>Total Expenses</b>		<b>13,886,090</b>	<b>18,797,921</b>
<b>Profit Before Tax:</b>		<b>4,352,068</b>	<b>(12,641,611)</b>
Less: Tax Expenses:			
- Current Year		857,111	0
- Previous Year		2,000	11,500
- Deferred Tax Charge / (Credit)		(424,294)	(5,363,512)
<b>Profit/(Loss) for the Year before adjustment of Minority Interest</b>		<b>3,917,251</b>	<b>(7,289,599)</b>
Less: Minority Interest		395	0
<b>Net Profit/(Loss) for the Year</b>		<b>3,916,856</b>	<b>(7,289,599)</b>
<b>Earning Per Equity Share:</b>			
Basic & Diluted Earning Per Share of Rs. 1/- each		0.04	(0.07)

The accompanying notes are an integral part of the Financial Statements

As per our Report of even date

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

For and on behalf of the Board

Sd/-  
**(VIJAY SIPANI)**  
Proprietor  
M. No. 083850  
Place: Delhi  
Dated: 29-05-2015

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

Sd/-  
**Shurab Kumar**  
Director  
DIN : 02034499

Sd/-  
**Urvashi Aggarwal**  
Company Secretary  
M. No. 34872



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Particulars	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit / (Loss) Before Tax</b>	<b>4,352,068</b>	<b>(12,641,611)</b>
Adjustment for :		
Depreciation and Amortisation	4,170,228	10,417,908
Interest Income	(10,601,030)	(5,298,862)
Loss/(Profit) on Sale of Fixed Assets/ Investments	(1,281,165)	0
Interest and Finance charges	93,091	77,119
<b>Operating Profit before change in Working Capital</b>	<b>(3,266,808)</b>	<b>(7,445,446)</b>
Adjustment for changes in working capital :		
(Increase)/ Decrease in Trade Receivables	0	5,345,655
Increase/ (Decrease) in Trade Payables	937,144	57,885
Increase/ (Decrease) in Short-Term Borrowings	(32,744)	(295,562)
Increase/ (Decrease) in Other Current Liabilities	(840,677)	700,299
(Increase)/ Decrease in Short-Term Loans and Advances	(46,039,198)	(3,588,898)
	<b>(45,975,475)</b>	<b>2,219,379</b>
<b>Cash Generated From Operations</b>	<b>(49,242,283)</b>	<b>(5,226,067)</b>
Adjustment for :-		
Income Tax Deposit	(2,000)	(11,500)
Interest Paid	(93,091)	(77,119)
<b>Net Cash Flow From Operating activities (A)</b>	<b>(49,337,373)</b>	<b>(5,314,686)</b>
<b>B. Cash Flow from Investing Activities</b>		
Interest Income	10,601,030	5,298,862
Purchase of Tangible Assets	(60,100)	0
Proceeds from Sale of Tangible Assets	70,000	0
Proceeds from Sale of Non Current Investments	20,140,311	0
Purchase of Non Current Investment	(30,700,000)	0
Proceeds from Other Non-Current Assets	(58,953)	(89,200)
Share Application Money (Given)/ Received back	57,950,000	0
<b>Net Cash Flow from Investing Activities (B)</b>	<b>57,942,288</b>	<b>5,209,662</b>
<b>C. Cash Flow from Financing Activities</b>		
Share Application Money Received / (Refunded)	(5,000,000)	0
Repayment of Long-Term Provisions	(242,170)	297,584
Increase/ (Decrease) in Long-Term Borrowings	(280,054)	(312,798)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(5,522,224)</b>	<b>(15,214)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents D= (A+B+C)</b>	<b>3,082,691</b>	<b>(120,238)</b>
<b>Cash and Cash Equivalents as at beginning of the year (E)</b>	<b>1,133,870</b>	<b>1,254,108</b>
<b>Cash and Cash Equivalents as at the end of the year (D + E)</b>	<b>4,216,561</b>	<b>1,133,870</b>

As per our Report of even date

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

For and on behalf of the Board

Sd/-  
(VIJAY SIPANI)  
Proprietor  
M. No. 083850  
Place: Delhi  
Dated: 29-05-2015

Sd/-  
Surendra Chhalani  
Director & CFO  
DIN : 00002747

Sd/-  
Shurab Kumar  
Director  
DIN : 02034499

Sd/-  
Urvashi Aggarwal  
Company Secretary  
M. No. 34872

## Notes forming part of Consolidated Financial Statements for the year ended March 31, 2015

## 1. SIGNIFICANT ACCOUNTING POLICIES:

## A. Basis of Preparation of Financial Statements:

The accompanying Consolidated Financial Statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standard notified under the relevant provisions of the Companies Act, 2013. The Company has prepared these consolidated financial statements to comply in all material respects with the Companies (Account) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of these financial statements are consistent with those of previous year.

## B. Principles of Consolidation of Financial Statements:

The financial statements of the Company and its Subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions resulting in unrealized profits or losses, if any, as per Accounting Standard – 21 "Consolidated financial statements" as notified by the Companies (Accounting Standards) Rules, 2006 (as amended).

The Financial Statements of the Subsidiary Company used in the consolidation is drawn for the same period as that of the Parent Company i.e. year ended March 31, 2015.

Name of Subsidiary considered for Consolidation:

Name of the Company	Nature of relationship	Country of Incorporation	Extent of Holding/ Voting Power as at March 31, 2015
Mega Airways Ltd.	Subsidiary	India	99.99%

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

## C. Use of Estimates:

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

## D. Tangible Fixed Assets:

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

## E. Depreciation on Tangible Fixed Assets:

Depreciation on Tangible Fixed Assets has been provided to the extent of depreciable amount on Written Down Value (WDV) Method as per useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except that Commercial Aircraft has been depreciated on the basis of Straight Line Method at the rates calculated on the basis of expected useful life of the said assets.

The depreciation charged for the assets which have been impaired are adjusted to allocate the assets revised carrying amount less its residual value, if any, over its remaining useful life. Depreciation on Tangible Fixed Assets disposed off during the year is provided on pro-rata basis. Tangible Fixed Assets costing below Rs.5000/- fully depreciated in the year of acquisition.

## F. Intangible Assets:

Intangible Assets are stated at cost of acquisition less accumulated amortization. Amortization is done on straight line basis. Software is amortized on straight line basis over the useful life of the asset or five years whichever is earlier.

## G. Impairment of Assets:

The carrying value of intangible assets is reviewed for impairment at each Balance Sheet date to ascertain if there is any indication of impairment based on internal / external factors. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's

net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

#### H. Provision, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Financial Statements. Contingent Assets are neither recognised nor disclosed in the Financial Statements.

#### I. Investments:

Investments, which are readily realizable and intended to be held not more than one year from the date on which such was made, are classified as current investments. All other investments are classified as non-current investments. Non trade and unquoted non-current investments are stated at cost and quoted non-current investments at lower of cost or market value. Provision for diminution in the value of quoted non-current investment is made only if such a decline is other than temporary in the opinion of management.

Unquoted investments in subsidiaries / associates companies are non-current and valued at cost. No loss is recognized in the fall in their net worth, if any, unless there are permanent fall in their value.

#### J. Borrowing Costs:

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

#### K. Foreign Currency Transactions:

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

#### L. Employees Benefits:

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

Retirement Benefits in the form of Provident Fund is charged to the Statement of Profit and Loss for the year in which the contributions to the respective funds are due.

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

#### M. Taxation:

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

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

#### N. Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and weighted average number of shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

#### O. Revenue Recognition:

The Revenue and Expenditure related to Air Charter Services and Financing Services are accounted ongoing concern basis.

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

Other receipts / incomes are recognised when the right to receive the same is established, i.e. Accrual Basis.

### Notes forming part of Consolidated Financial Statements for the year ended March 31, 2015

(Amount in Rs.)

Particulars	As at March 31, 2015	As at March 31, 2014		
<b>2. Share Capital</b>				
<b>Authorised</b>				
30,00,00,000 (30,00,00,000) Equity Shares of Rs.1/- each	<u>300,000,000</u>	<u>300,000,000</u>		
<b>Issued, Subscribed and Paid Up</b>				
10,00,00,000 (10,00,00,000) Equity Shares of Rs.1/- each fully paid up	<u>100,000,000</u>	<u>100,000,000</u>		
<b>a) Reconciliation of shares outstanding at beginning and at end of the year</b>				
During the current year and in the previous year, there have been no movements in the number of equity shares outstanding.				
<b>b) Terms / Rights attached to Equity Shares</b>				
The Company has only one class of share having a par value of Rs. 1/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.				
During the year ended March 31, 2015, the Company has not declared any dividend.				
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 preferential amounts. The distribution will be in proportion of the number of fully paid equity shares held by shareholders.				
<b>c) Details of shareholders holding more than 5% shares in the Company</b>				
	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>		
<b>Name</b>	<b>No. of Shares</b>	<b>% Shares Held</b>	<b>No. of Shares</b>	<b>% Shares Held</b>
Vimi Investments & Finance Private Limited	24,043,000	24.04%	24,043,000	24.04%
Crayons Global Finance Private Limited	22,530,000	22.53%	22,530,000	22.53%
<b>3. Reserves and Surplus</b>				
<b>Surplus / (Deficit) in the Statement of Profit and Loss</b>				
Balance as per last Financial Statements	162,080,390		169,369,989	
Profit / (Loss) for the year	3,916,856		(7,289,599)	
<b>Closing Balance</b>	<u>165,997,246</u>		<u>162,080,390</u>	
<b>4. Share Application Money Pending Allotment</b>				
From Others	0		5,000,000	
	<u>0</u>		<u>5,000,000</u>	
<b>5. Long -Term Borrowings</b>				
<b>Secured - Term Loans from Banks</b>	<u>18,166</u>		<u>298,220</u>	
	<u>18,166</u>		<u>298,220</u>	
<b>Nature of Security &amp; Terms of Repayment</b>				
Secured Loans from banks amounting to Rs.18,166/- (previous year Rs. 2,98,220/-) are secured by way of hypothecation of Vehicles and repayable in equal monthly installments.				
<b>6. Long-Term Provisions</b>				
Provision for Employee Benefits				
- Gratuity	518,712		692,885	
- Leave Encashment	41,153		109,150	
	<u>559,865</u>		<u>802,035</u>	

Particulars	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014
<b>7. Short-Term Borrowings</b>		
<b>Secured - Term Loans</b>		
- From Banks	280,054	312,798
	<u>280,054</u>	<u>312,798</u>
<b>Nature of Security &amp; Terms of Repayment</b>		
Loans from banks amounting to Rs. 2,80,054/- (previous year Rs. 3,12,798/-) are secured by way of hypothecation of Vehicles and repayable in equal monthly installments.		
<b>8. Trade Payable</b>		
Trade Payable (Refer note 30)	3,060,099	2,122,955
	<u>3,060,099</u>	<u>2,122,955</u>
<b>9. Other Current Liabilities</b>		
Book Overdraft in Current Account	0	308,580
Salaries and other employee benefits	81,100	382,900
Other Expenses Payable	80,000	86,788
Sales Tax Payable	33,333	0
TDS Payable	50,780	307,622
	<u>245,213</u>	<u>1,085,890</u>
<b>10. Short-Term Provisions</b>		
Provision for Income Tax	857,111	0
	<u>857,111</u>	<u>0</u>
<b>11. Tangible Assets</b>		

Description of Assets	(Amount in Rs.)									
	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01.04.2014	Addition during the Year	Deduction & Adjustment	As at 31.03.2015	As at 01.04.2014	Deduction & Adjustment	For the Year	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
Air Craft - Commercial	125,573,210	0	0	125,573,210	65,599,188	0	3,497,402	69,096,590	56,476,620	59,974,022
Computer System	212,967	51,500	212,967	51,500	182,403	198,144	48,268	32,527	18,973	30,564
Furniture and Fixtures	715,875	8,600	715,875	8,600	271,716	305,494	36,004	2,226	6,374	444,159
Vehicles	1,287,493	0	0	1,287,493	380,385	0	323,710	704,095	583,398	907,108
Office Equipments	87,435	0	47,035	40,400	35,138	44,683	36,192	26,647	13,753	52,297
<b>Total</b>	<b>127,876,980</b>	<b>60,100</b>	<b>975,877</b>	<b>126,961,203</b>	<b>66,468,830</b>	<b>548,321</b>	<b>3,941,576</b>	<b>69,862,085</b>	<b>57,099,118</b>	<b>61,408,150</b>
Previous Year	127,876,980	0	0	127,876,980	56,050,922	0	10,417,908	66,468,830	61,408,150	71,826,058

**12. Non-Current Investments****Trade Investments (valued at cost unless stated otherwise)****a) Quoted Equity Instruments**

NIL (6,000) Equity Shares of Rs. 10/- each fully paid up of Intense Technology Limited	0	292,490
NIL (100) Equity Shares of Rs. 2/- each fully paid up of Ambuja Cement Limited	0	9,100
100 (100) Equity Shares of Rs. 2/- each fully paid up of Tata Motors Limited	19,736	19,736
	<u>19,736</u>	<u>321,326</u>

Particulars	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014
<b>b) Unquoted Equity Instruments</b>		
<b>Investment in Associates</b>		
1,50,000 (1,50,000) Equity Shares of Rs. 10/- each fully paid up of Anand Power Limited	1,500,000	1,500,000
37,500 (37,500) Equity Shares of Rs. 10/- each fully paid up of Plasopan Engineers (I) Private Limited	375,000	375,000
62,000 (62,000) Equity Shares of Rs. 10/- each fully paid up of Mediaware Infotech Private Limited	3,418,525	3,418,525
17,500 (NIL) 15% Redeemable Cumulative Preference Shares of Rs. 1,000/- each of BB Hospitality Ventures Private Limited	17,500,000	0
13,20,000 (NIL) Equity Shares of Rs. 10/- each of Mega Cabs Private Limited	13,200,000	0
NIL (3,40,000) Equity Shares of Rs. 10/- each of Sahyog Properties Private Limited	0	10,200,000
NIL (2,00,000) Equity Shares of Rs. 10/- each of Jam India Private Limited	0	8,000,000
	<u>35,993,525</u>	<u>23,493,525</u>
<b>Total (a+b)</b>	<u>36,013,261</u>	<u>23,814,851</u>
Aggregate amount of Quoted Investments	19,736	321,326
Aggregate Market value of Quoted Investments	54,995	293,650
Aggregate amount of Unquoted Investments	35,993,525	23,493,525
Aggregate Provision for Diminution in the value of Investments	0	0
<b>13. Deferred Tax Assets (Net)</b>		
<b>Deferred Tax Liabilities :</b>		
Fixed Assets: Impact of difference between book and tax depreciation	15,658,908	16,158,032
	<u>15,658,908</u>	<u>16,158,032</u>
<b>Deferred Tax Assets :</b>		
Impact of expenses charges to the Statement of Profit and Loss in the current financial year but allowed for tax purpose on payment basis		
Provision for Gratuity	(160,282)	(214,101)
Provision for Leave Encashment	(12,716)	(33,727)
Others - Unabsorbed Depreciation	(22,914,250)	(22,914,250)
	<u>(23,087,248)</u>	<u>(23,162,078)</u>
	<u>(7,428,340)</u>	<u>(7,004,046)</u>
<b>14. Long-Term Loans and Advances</b>		
MAT Credit Carried Forward	1,558,200	1,558,200
	<u>1,558,200</u>	<u>1,558,200</u>
<b>15. Other Non-Current Assets</b>		
Fixed Deposits with original maturity more than twelve month	1,241,557	1,182,604
<b>Misc. Expenses (To the extent not Written Off or adjusted)</b>		
<b>A. Preliminary Expenses</b>		
As per last year	187,420	187,420
Less : Written off during the year	37,484	0
<b>Total 'A'</b>	<u>149,936</u>	<u>187,420</u>

Particulars	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014
<b>B. Share Issue Expenses</b>		
As per last year	600,500	600,500
Less : Written off during the year	60,050	0
<b>Total 'B'</b>	<b>540,450</b>	<b>600,500</b>
<b>C. Pre- Operative Expenses</b>		
As per last year	1,311,183	1,272,599
Add: Incurred during the year	0	38,584
Less : Capitalised during the year	131,118	0
<b>Total 'C'</b>	<b>1,180,065</b>	<b>1,311,183</b>
<b>TOTAL (A + B + C)</b>	<b>1,870,451</b>	<b>2,099,103</b>
	<b>3,112,008</b>	<b>3,281,707</b>
<b>16. Cash and Cash Equivalents</b>		
Balances with Scheduled Banks in Current Accounts	3,566,901	1,060,906
Cash on Hand (as certified by the management)	649,660	72,964
	<b>4,216,561</b>	<b>1,133,870</b>
<b>17. Short-Term Loans and Advances</b>		
Security Deposits (Unsecured, considered good)	62,345	548,400
<b>Other Loans and Advances</b> (Unsecured, considered good unless stated otherwise)		
Advance Against Property - Nandini Buildhom Consortium Pvt. Ltd.	30,000,000	0
Inter Corporate Loans & Advances	50,000,000	34,771,000
Other Loans & Advances	0	6,025,000
Income Tax Deposit against Disputed Demand	26,322,714	26,322,714
Custom Duty Deposit under Protest	23,682,303	23,682,303
Insurance Claim Receivable	24,730,858	19,429,766
Income Tax Refundable	3,968,880	3,485,723
Advance Income Tax/TDS	1,750,501	502,636
Prepaid Expenses	444,167	523,278
Service Tax Cenvat Credit	635,894	267,644
Share Application Money Pending Allotment	0	57,950,000
	<b>161,597,662</b>	<b>173,508,465</b>
<b>18. Revenue from Operations</b>		
Interest Receipts	6,861,188	5,298,862
Rental Income	622,222	0
Aircraft Charter Services	5,594,919	0
	<b>13,078,329</b>	<b>5,298,862</b>
<b>19. Other Income</b>		
Liabilities Written Back	23,981	545,851
Interest Receipts	3,854,263	109,535
Profit on Sale of Tangible Assets/ Investments	1,281,165	0
Dividend / Misc. Income	420	202,062
	<b>5,159,829</b>	<b>857,448</b>

Particulars	(Amount in Rs.)	
	As at March 31, 2015	As at March 31, 2014
<b>20. Aircraft Charter Operation Expenses</b>		
Air Craft Repair and Maintenance	1,149,215	187,642
Fuel Consumed	897,974	0
Salary and Pilots Remuneration	555,000	852,778
Training Expenses	10,000	11,236
Landing and Parking	431,739	0
Insurance of Aircraft	510,390	207,176
Lodging & Boarding Exp.	60,800	0
Catering Expenses	46,675	0
	<b>3,661,793</b>	<b>1,258,832</b>
<b>21. Employee Benefits Expenses</b>		
Salaries and Allowances	1,555,677	1,821,542
Directors Remuneration	1,157,100	2,520,000
Staff Welfare	67,496	143,334
Contribution to PF and ESI	12,216	12,216
	<b>2,792,489</b>	<b>4,497,092</b>
<b>22. Interest and Finance Costs</b>		
Interest	93,091	77,119
Bank Charges	8,503	5,351
	<b>101,594</b>	<b>82,470</b>
<b>23. Depreciation and Amortisation</b>		
Depreciation on Tangible Assets	3,941,576	10,417,908
Preliminary Expenses W/off	37,484	0
Share Issue Expenses W/off	60,050	0
Pre-Operative Expenses W/off	131,118	0
	<b>4,170,228</b>	<b>10,417,908</b>
<b>24. Other Expenses</b>		
Auditors Remuneration	114,624	78,652
Advertisement Expenses	116,872	108,370
Rent Paid	460,500	699,914
Legal and Professional Charges	1,675,071	509,990
Fees and Subscription	203,041	174,642
Travelling Expenses	152,088	15,024
Telephone and Internet Expenses	89,164	107,080
Repair and Maintenance	20,914	199,315
Conveyance Expenses	85,188	154,140
Postage and Telegram	64,336	86,165
Printing and Stationery	66,050	82,086
Meeting (AGM) Expenses	11,800	56,000
Electricity and Water	17,768	47,224
Interest on Late deposit of Taxes	13,500	0
Insurance Charges	24,178	5,312
Filing Fees	28,200	6,000
Books and Periodicals	1,438	3,161
Business Promotion	1,632	0
Bad Debts	681	17,700
General Expenses	12,941	190,844
	<b>3,159,986</b>	<b>2,541,619</b>

**25. Contingent Liabilities not provided for:**

(Amount in Rs. Lakh)

Particulars	As at 31-03-2015	As at 31-03-2014
Income Tax Matters*	396.57	396.57
Custom Duty on Import of Commercial Aircraft (Amount paid under protest Rs. 236.82 Lacs**)	236.82	236.82

\*The Company has disputed Income Tax demand of Rs. 396.57 Lacs for the A.Y. 2006-07 made by the Income Tax Department. The Company has deposited a sum of Rs. 263.23 Lacs against the aforesaid demand which has been treated as amount refundable by Income Tax Department. The Company has filed an appeal against above referred demand with appellate authority which is pending for disposal before ITAT, Delhi. The management of the Company has been advised that the order of the assessing officer shall not be tenable before income tax appellate authorities hence there will be no liability towards income tax.

\*\*The Company has deposited a sum of Rs. 236.82 Lacs as additional Custom Duty on Import of Aircraft in F. Y. 2007-08. Though the Company had disputed the said demand but had deposited the said amount in F. Y. 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

**26. Capital Commitments:**

Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for: Rs. 35.225 Lacs (Previous Year: NIL).

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

28. In the opinion of Board of Directors the "Current / Non-Current Assets" have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet, except the amount of Insurance Claim Receivable out come of which shall depend on acceptance of claim by the Insurer.

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

30. In the absence of receipt of information regarding small scale industrial status from the parties, the details of names of Small Scale Industrial Undertakings to which the company owe any sum together with interest outstanding for more than 30 days could not be ascertained.

**31. Foreign Exchange Earned and Used:**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Foreign Exchange Earned	NIL	NIL
Foreign Exchange Used	63,586	69,99,891

**32. Payments to Whole Time and other Directors:**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
<b>Whole Time Directors:</b>		
Basic Salary	7,86,000	12,96,000
HRA and Other Allowances	3,71,100	12,24,000
<b>Total</b>	<b>11,57,100</b>	<b>25,20,000</b>
The Managerial Remuneration as computed above does not include the liability in respect of leave salary and gratuity accrued		

**33. Auditors Remuneration (Excluding Service Tax / Cess):**

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Statutory Audit Fee	90,000	90,000
Secretarial Audit Fee	8,500	0
Internal Audit Fee	5,000	0

**34. Earnings per Share (Basic and Diluted):**

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

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Net profit after Tax as per Statement of Profit and Loss	39,16,856	(72,89,599)
Weighted average number of Shares outstanding during the year (Face value Rs. 1/- each)	10,00,00,000	10,00,00,000
Basic and Diluted Earnings per share	<b>0.04</b>	<b>(0.07)</b>

35. In pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in case of Commercial Aircraft. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/ remaining useful lives. The written down value of Fixed Assets whose lives have been expired as at 1st April, 2014 have been adjusted up to depreciable value, in the opening balance of Profit and Loss Account.

**36. Change in Estimation of Residual Value and Life of Tangible Assets:**

The Company had revised its estimated residual value and useful life in the case of Commercial Aircraft with effect from first day of the financial year. Due to the change in estimation the depreciation for the year has been lower by Rs. 64,76,620/-.

If there were no change in estimation, then Profit Before Tax, Profit After Tax and Minority Interest and Deferred Tax Assets would be Rs. (21,24,552/-), Rs. (25,59,764/-) and Rs. 94,29,615/- respectively.

**37. Segment Reporting:****Identification of Segments****Primary Segment:**

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

**Secondary Segment:**

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

**Unallocable Items**

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

**Primary Business Segments**

Segment Revenues, Results and other information

Particulars	Finance / Investment	Aircraft Services	Total Amount in Rs.
Revenue	68,61,188	62,17,141	1,30,78,329
Identified Operating Exp.	3,18,581	89,53,334	92,71,915
<b>Profit/(Loss) before Interest and Tax</b>	<b>65,42,607</b>	<b>(27,36,193)</b>	<b>38,06,414</b>
Less : Interest and Finance Charges (unallocable)			31,992
Less : Other Expenses net of Income (unallocable)			(5,77,646)
Net Profit before Tax			43,52,068
Less : Income Tax and other Taxes			4,34,817
<b>Net Profit after Tax</b>			<b>39,17,251</b>
<b>Segment Assets</b>	15,30,68,992	11,79,56,158	27,10,25,150
<b>Segment Liabilities</b>	11,07,550	39,20,353	50,27,903
<b>Capital Employed</b>	<b>15,19,61,442</b>	<b>11,40,35,805</b>	<b>26,59,97,246</b>
(Assets - Liabilities)			
<b>Depreciation</b>	2,81,286	36,60,290	39,41,576

38. Information U/S 186(4) of the Companies Act, 2013 in respect of Loans given, Investments made or Guarantees given or Security provided during FY 2014 - 15:

S. No.	Name of the Company / Party	Amount during year	Balance as at 31-03-15	Purpose of the Loan/ Investment
<b>A</b>	<b>Loans Given (Rs in Lacs)</b>			
a)	Rhea Distribution Company	450.00	NIL	General Corporate Purposes
b)	Mega Cabs Pvt. Ltd.	399.92	500.00	General Corporate Purposes
c)	Plasopan Engineers India Pvt. Ltd.	40.00	NIL	General Corporate Purposes
d)	Ganges Radio Taxi Pvt. Ltd.	7.00	NIL	General Corporate Purposes
<b>B</b>	<b>Investments Made (Rs in Lacs)</b>			
a)	BB Hospitality Ventures Pvt. Ltd	175.00	175.00	General Corporate Purposes
b)	Mega Cabs Pvt. Ltd.	132.00	132.00	General Corporate Purposes
<b>C</b>	<b>Guarantees Given</b>	NIL		
<b>D</b>	<b>Securities Provided</b>	NIL		

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

**Related Parties and their Relationship:**

- a) **Directors, Key Management Persons (KMP) and their Relative:** Mr. Surendra Chhalani, Mr. H. M. Lalani, Mr. Sachin Mehra, Mr. Ajay Chopra, Mrs. Anisha Anand and Mr. Shurab Kumar
- b) **Other Related Parties where common control exists and with whom the company had transactions during the year:** Anand Power Limited, Omni Media Communications Private Limited, Ganges Radio Taxi Private Limited, BB Hospitality Ventures Private Limited, Mega Cabs Private Limited, Sahyog Properties Private Limited, Jam India Private Limited, Mega Infotel Private Limited, Plasopan Engineers India Private Limited and Crayons Advertising Private Limited.

**Details of Related Party Transactions**

(Amount in Rs. Lacs)

Nature of transactions	KMP and their Relatives		Others		Total	
	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.
Receiving of Services	0.00	0.00	1.17	1.08	1.17	1.08
Rendering of Services	0.00	0.00	5.70	0.00	5.70	0.00
Interest Received	0.00	0.00	53.60	46.39	53.60	46.39
Rent Paid	3.78	1.80	0.00	0.00	3.78	1.80
Directors' Remuneration	11.57	25.20	0.00	0.00	11.57	25.20
Unsecured Loans Received	0.00	0.00	100.00	0.00	100.00	0.00
Unsecured Loans Repaid	0.00	0.00	100.00	0.00	100.00	0.00
Share Application Money Received back	0.00	0.00	579.50	0.00	579.50	0.00
Investment in Equity Shares	0.00	0.00	307.00	0.00	307.00	0.00
Equity Investment Sold	0.00	0.00	182.00	0.00	182.00	0.00
Loans and Advances Given	0.00	0.00	446.92	329.85	446.92	329.85
Loans and Advances Received Back	0.00	0.00	340.87	254.71	340.87	254.71

40. Previous year figures have been regrouped, reworked and reclassified wherever necessary.

As per our Report of even date

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

**For and on behalf of the Board**

**Sd/-**  
**(VIJAY SIPANI)**

Proprietor  
M. No. 083850

Place: Delhi  
Dated: 29-05-2015

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

**Sd/-**  
**Shurab Kumar**  
Director  
DIN : 02034499

**Sd/-**  
**Urvashi Aggarwal**  
Company Secretary  
M. No. 34872