

Report of the Audit Committee

Members:

Mr. Sachin Mehra	-	Chairman
Mr. Ajay Chopra	-	Member
Mr. Surendra Chhalani	-	Member

Background:

The draft proposal of amalgamation of Mega Airways Limited with Mega Corporation Limited has been forwarded for consideration and recommendation of the Audit Committee in Terms of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 (hereinafter referred to as "Circular")

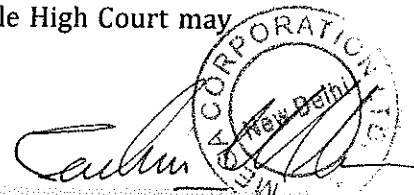
The Audit Committee considered the following documents:

- (a) The Scheme of Amalgamation;
- (b) The valuation report from an 'Independent Chartered Accountant' in terms of SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013.
- (c) The 'Fairness opinion' from the Merchant Banker;
- (d) Certificate under clause 24(i) of the Listing Agreement from M/s Sipani & associates, Chartered Accountants, Statutory Auditors of the Company, confirming that the Accounting treatment contained in the scheme is in compliance with all the Accounting Standards specified by the Central Government in Section 211(3C) of the Companies Act, 1956.
- (e) Net worth Certificate as given by M/s Sipani & Associates, Chartered Accountants, the Statutory Auditor of the Company.

Proposed Scheme of Amalgamation:

The Committee noted the salient features of the Scheme are as under:

- The Scheme provides for merger of Mega Airways Limited with Mega Corporation Limited;
- "Appointed Date" is 1st April, 2015 or such other date as the Hon'ble High Court may direct;



MEGA

CORPORATION LTD.

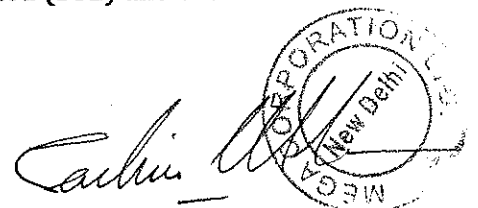
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- Effective Date means the date on which the Certified copy of the High Court Order sanctioning the Scheme of Amalgamation are filed with the concerned Registrar of Companies;
- Upon the proposed merger becoming effective, all assets, liabilities, contracts, rights, obligations etc. of Transferor Company shall stand transferred to Transferee Company;
- In consideration of the transfer and vesting of all the said assets and liabilities of the Transferor Company to the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application or deed, issue and allot Equity Share(s) of the face value of Re. 1/- each in the Transferee Company to the Trust to be incorporated in the name and style of "Megacorp Shareholders Trust", credited as fully paid up, as mentioned in para 14 of the Scheme of Amalgamation, in the following ratio:

10 (Ten) Equity Share of Re. 1/- (Rupee One) each of Transferee Company for every 1 (One) Equity Share of Rs. 10/- (Rupees Ten) each held in the Transferor Company.

- Upon Scheme coming into effect, Transferor Company shall stand dissolved without any further act or deed.

Mega Corporation Limited, hereinafter referred to as "Company/Transferee Company" was incorporated as a public limited company in the name and style of "ASSAM IMPEX LIMITED" on 26th day of March 1985 with the Registrar of Companies, Assam, Meghalaya, Manipur, Tripura, Arunachal, Mizoram and Nagaland at Shillong (hereinafter referred to as 'ROC, Shillong'). Thereafter, the Certificate of Commencement of Business was issued on 27th day of March, 1985 by ROC, Shillong. After obtaining the necessary approvals/ consents, the name of the Company was changed to "VIBGYOR CORPORATION LIMITED" and fresh Certificate of Incorporation consequent on change of name was issued by ROC, Shillong on 28th day of November, 1996. Thereafter, again after obtaining the necessary approvals/ consents, the registered office of the Company was shifted from the State of Assam to the NCT of Delhi vide order dated 1st December 1997 of Eastern Region Bench of Company Law Board and the Certificate of Registration of Company Law Board, Eastern Region Bench was issued on 20th day of February, 1998 by the Registrar of Companies, NCT of Delhi and Haryana. Thereafter, again after obtaining the necessary consents/ approvals the name of the Company was changed to its present name i.e., "MEGA CORPORATION LIMITED" and the fresh certificate of Incorporation consequent upon change of name was issued on 10th day of May, 1999 by the Registrar of Companies, NCT of Delhi and Haryana. The Transferee Company is having its registered office at 261, Ground Floor, Okhla Industrial Estate, Phase - III, New Delhi - 110020. The Transferee Company is engaged in the business of providing Charter Aircraft services. The equity shares of the Transferee Company are listed on the Bombay Stock Exchange Limited (BSE) and the Delhi Stock Exchange (DSE).





Mega Airways Limited, hereinafter referred to as "Transferor Company" was incorporated as a public limited company on 10th day of May 2005 with the Registrar of Companies, NCT of Delhi & Haryana at New Delhi. Thereafter, the Certificate of Commencement of Business was issued on 25th day of May 2005 by the Registrar of Companies, NCT of Delhi & Haryana. The Transferor Company is having its registered office at 261, Ground Floor, Okhla Industrial Estate, Phase - III, New Delhi - 110020. The Transferor Company is engaged in the business of Scheduled/ Non- Scheduled Air Transport Services.

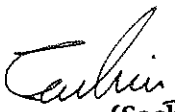
Further, pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 read with Circular No. CIR/CFD/DIL/8/2013 dated 21st May, 2013, an Undertaking duly certified by M/s Sipani & Associates, Chartered Accountants, Statutory Auditors of the Company is received stating that Para 5.16(a) as modified by the SEBI Circular dated 21st May, 2013 is not applicable to the Company, with respect to the proposed Scheme of Amalgamation.

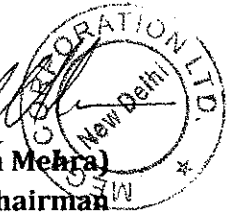
Recommendation of the Audit Committee:

The Audit Committee after due deliberations has unanimously approved the draft Scheme of Amalgamation and recommends the Scheme for review and consideration by the Board of Directors of the Company.

Date: 20.04.2015

Place: New Delhi


(Sachin Mehra)
Chairman

A circular stamp with the text "MEGA CORPORATION LTD" around the top edge and "New Delhi" in the center. There is a small star symbol at the bottom of the circle.