

BOOK POST

---

---

---

# Annual Report 2013 - 2014



Corporate Office Address: 261, Ground Floor,  
Okhla Industrial Estate, Phase-III, New Delhi-110 020 Ph: +91 11 41516171  
Fax: +91 11 26912728 e-mail: info@megacorp.ltd.com

Regd. Office: Plot No. 550, Nayak Mohalla, Behind Golok Dham Mandir,  
Bijwasan, New Delhi- 110061 Ph: +91 11 47881535



## BOARD OF DIRECTORS

**Mr. Surendra Chhalani**  
CFO and Director

**Mr. Sachin Mehra**  
Director

**Mr. Shurab Kumar**  
Director

**Mr. Hulas Mal Lalani**  
Director

**Mr. Ajay Chopra**  
Director

**Mrs. Anisha Anand**  
Additional Director

**Ms. Urvashi Aggarwal**  
Company Secretary

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

**Registrar and Transfer Agent**  
(Electronic & Physical)  
M/s Link Intime India Pvt. Limited  
44, Community Center,  
Naraina Industrial Area, Phase-I,  
New Delhi-110 028  
Ph.: 011- 41410592, 93, 94  
Fax: 011 - 41410591  
E-mail: delhi@linkintime.co.in

**Registered Office**  
Plot No-550, Nayak Mohalla, Behind Golok Dham Mandir,  
Bijwasan, New Delhi-110061  
Ph-011-47881535  
Fax-011-26912728  
**Email-** info@megacorppltd.com

# I N D E X

• Director's Report	02-04
• Management Discussion & Analysis	05-07
• Report on Corporate Governance	08-16
• Auditor's Report	17-20
• Financial Statements	21-33
• Statement Pursuant to Section 212 of the Companies Act, 1956	34
• Financials of the Subsidiary Company Mega Airways Ltd.	35-44
• Consolidated Financial Statements	45-59

To  
The Members,  
Mega Corporation Limited

The Director's have pleasure in presenting the Twenty- Ninth Annual Report with Audited Statement of Accounts of the Company for the financial year ended 31st March, 2014. Key financial results are as under:

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

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
<b>Income from operation</b>	<b>52.99</b>	<b>155.83</b>
Other Income	8.57	70.15
<b>Total Income</b>	<b>61.56</b>	<b>225.98</b>
Profit (Loss) before Interest & Depreciation	(21.47)	12.26
Less: Interest	(0.77)	(22.06)
Depreciation	(104.18)	(135.99)
Profit (Loss) before Taxation	<b>(126.42)</b>	<b>(145.79)</b>
Less: Provision for Taxation	(0.12)	-
Deferred Tax	53.64	67.89
Profit after Tax	<b>(72.90)</b>	<b>(77.90)</b>
<b>Add: Extra Ordinary items</b>	-	-
Add: Amount brought forward	1693.70	1771.60
Balance carried forward to balance sheet	<b>1620.80</b>	<b>1693.70</b>

**DIVIDEND**

Due to loss, no dividend is proposed by your Directors for the year under review.

**PUBLIC DEPOSITS**

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

**MATERIAL CHANGES**

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

**OPERATIONS AND FUTURE PROSPECTS**

During the year 2013-2014 the Company earned the revenue of Rs 61.56 Lacs as compared to Revenue of Rs. 225.98 Lacs in Financial Year 2012-13. Loss before Interest, Depreciation, tax and Exceptional items is Rs. 21.47 Lacs as against the profit of Rs. 12.26 Lacs in the previous Financial year.

Mega Corporation Limited is engaged in the business of operating Nationwide Air Chartered Services (Non-Schedule Air Craft). Mega Air Chartered provides Safe, secure, comfortable and confidential Journey, with services similar to those available on a commercial flight, but with better flight services. The exclusive air charter service is available 24 hours a day and 7 days a week ready to fly anywhere across the whole nation. With an appealing combination of convenience and cost-efficiency, Mega Air Chartered provides the highest quality of customer service which is personalised and ensures complete safety. It offers the perfect air travelling experience with efficient business and private air charter services in and out of India.

**SUBSIDIARIES**

The Audited statement of Accounts along with Directors' Report for the year ended 31st March 2014 of M/s Mega Airways Ltd, as well as the extent of holding therein are annexed to this Account pursuant to Section 212 of the Companies Act, 1956.

**CORPORATE GOVERNANCE**

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

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Sachin Mehra and Mr. Shurab Kumar, Directors of the company retire by rotation and being eligible, offer themselves for reappointment. Your directors recommend their reappointment. Brief resumes of the Directors offering themselves for re-appointment are furnished herewith.

**AUDIT COMMITTEE**

The audit committee has met & reviewed the financial statements for the financial year ended 31.03.2014 and has not given any adverse observations. It has also recommended the re-appointment of M/s Sipani & Associates, Chartered Accountants, as statutory auditors of the Company for the next term.

**AUDITORS**

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

**AUDITORS' REPORT**

The auditors have not given any observation in their report.

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

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

The Foreign exchange earning during the year was Nil (Previous Year Nil) and outflow during the year was Rs. 69,99,891/- (Previous year Rs. 84,523/-).

**LISTING**

Presently the Company's equity shares are listed on the following Stock Exchanges:

1. Delhi Stock Exchange Ltd. (DSE) and
2. Bombay Stock Exchange Ltd. (BSE)

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

**PARTICULARS OF EMPLOYEES**

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

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- a) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure.
- b) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the Financial year and of the Profit of the Company for that period.

- c) That the directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records, in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- d) That the directors had prepared the annual accounts on a going concern basis.

**EMPLOYEE RELATIONS**

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

**ACKNOWLEDGEMENTS**

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

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

For and on behalf of Board of Directors

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

Place: New Delhi  
Date: 30.05.2014

**1. INDUSTRY**

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

As per the Economic Survey 2013-14, Services in India are emerging as a prominent sector in terms of contribution to national and states' incomes, trade flows, FDI inflows, and employment. In 2013-14 the growth rate of the services sector at 6.8 per cent is marginally lower than in 2012-13. This is due to deceleration in the growth rate of the combined category of trade, hotels, and restaurants and transport, storage, and communications to 3.0 per cent from 5.1 per cent in 2012-13, despite robust growth of financing, insurance, real estate, and business services at 12.9 per cent.

**We Endeavour to Fly Higher**

Continuous effort- not strength or intelligence- is the key to unlocking our potential. -Winston Churchill

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

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

**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 Chartered 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 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 2013-14, Your Company operated in Finance & Investments and Air Chartered Segment:

(Rs. In Lacs)		
	Year ended 31.03.2014	Year Ended 31.03.2013
(a) Finance / Investments	52.99	62.15
(b) Air Chartered Services	----	93.69
<b>Total</b>	<b>52.99</b>	<b>155.84</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 2014-15 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 announcement 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. Internal Control systems and their adequacy**

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

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

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

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

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

**7. Financial Outlook**

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

**8. Human Resources**

**The Backbone of your Company**

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

**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.

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

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

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

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

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

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

**Board of Directors**

**Composition and size of the Board**

The strength of Board of Directors as at March 31, 2014 was Five. The Board of directors of the company comprise of Executive Directors and Non Executive Directors including Independent Directors. The Board is headed by an Executive Chairman. There are Three Non-Executive Directors and all are Independent Directors as on 31st March 2014.

The following table gives the details of designation, category of directors, number of board meetings attended, attendance at last Annual General Meeting (AGM) and the number of other directorships as at March 31, 2014 held by them in domestic companies

Name	Category	Designation	No. of Meetings Held during The last Fin. Year	No. of Meetings Attended	No. of Membership in Boards of Other Companies	Attendance of each Director At last AGM
Mr. Surendra Chhalani	Executive Director	Whole Time Director	8	8	3	Yes
Mr. Sachin Mehra	Non-Executive & Independent	Director	8	8	4	Yes
Mr. Hulas Mal Lalani	Non-Executive & Independent	Director	8	6	7	No
Mr. Ajay Chopra	Non-Executive & Independent	Director	8	7	2	No
Mr. Shurab Kumar	Executive Director	Whole Time Director	8	5	1	Yes

**Board Meetings**

During the financial year 2013-14, 8 meetings of Board of Directors were held on 30.05.2013, 29.07.2013, 14.08.2013, 04.09.2013, 29.10.2013, 14.11.2013, 12.02.2014, 14.02.2014.

**Board's Procedures**

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

**Committees of the Board**

**(a) Audit Committee**

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

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

S.No.	Name of Directors	Status	Category of Membership
1.	Mr. Sachin Mehra	Chairman	Non Executive Independent Director
2.	Mr. Ajay Chopra	Member	Non Executive Independent Director
3.	Mr. Surendra Chhalani	Member	Executive Director

During the year 2013-14, the Audit Committee met 5 times as per details given below;

Sr. No.	Date of Meeting	No of Members Present
1.	30.05.2013	2
2.	09.08.2013	3
3.	09.11.2013	2
4.	14.02.2014	3
5.	25.03.2014	2

The Audit Committee has been vested with the following powers:

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

**Term of reference**

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

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

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

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

The audit committee also reviews the following:-

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

**(b) Remuneration Committee**

Remuneration Committee was constituted to consider and fix from time to time the remuneration payable to the Managing / Whole time Directors. The Committee comprises of three Directors, all of whom are Non-Executive Independent Directors. The committee comprises of Mr. Sachin Mehra, Mr. Ajay Chopra and Mr. Hulas Mal Lalani. Presently the company does not pay any remuneration to any Non-Executive Directors except the payment of sitting fees. During the year, two meetings of the Committee were held on **09th August, 2013 and 25th March, 2014.**

**Details of remuneration paid to the executive director(s) for the period 01.04.2013 to 31.03.2014 are as under:**

(Amount In Rs.)

Name of Director	Salary (P.A)	Perquisites & Allowances (p.a.)	Total
1. Mr. Surendra Chhalani	Rs. 6,48,000/-	Rs. 2,52,000/-	9,00,000/-
2. Mr. Shurab Kumar	Rs. 6,48,000/-	Rs. 9,72,000/-	1,620,000/-

The Company does not have a stock option scheme.

**Remuneration Policy**

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

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

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

In compliance with the requirement of Corporate Governance under the Listing Agreement with the stock exchanges, the company has reconstituted the "Transfer and Shareholders"/Investors" Grievance Committee to look into the redressal of Investors' complaints. The committee approves requests for transfer and/or transmission of shares, splitting and consolidation of shares, issue of duplicate share certificates. Further, Company has registered itself for SEBI Complaints Redress System (SCORES) as per the requirement of SEBI Circular No. CIR/OIAE/2/2011 dated 3rd June, 2011.

**Constitution of the Committee**

Name of the Members	Composition of the Committee
Mr. Sachin Mehra	Chairman
Mr. Surendra Chhalani	Member
Mr. Ajay Chopra	Member

**General Body Meetings**

(Details about Last 3 years Annual General Meetings are as under:)

Sr. No.	Date	Place	Time	Special Resolution
1.	30.09.2011	Royal Park Hall, Masjid Moth, Greater Kailash, Part- II, New Delhi-110048	11.30 A.M	No Special resolution was passed.
2.	30.09.2012	Royal Park Hall, Masjid Moth, Greater Kailash, Part- II, New Delhi-110048	11.30 A.M	To appoint Mr. Shurab Kumar as Whole Time Director
3.	30.09.2013	Hotel Capitol Hills, C-42, Greater kailash, Part-I, New Delhi- 110048	11.30 A.M	To appoint Mr. Shurab Kumar as Whole Time Director

The above Special resolution was passed by vote of show of hands.

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

**POSTAL BALLOT**

No resolutions passed through Postal ballot as recommended under Companies (Passing of resolution by Postal ballot), Rules, 2001.

**Disclosures:**

1. The details of transactions with related parties are disclosed in note No.35 under the head Notes forming part of Financial Statements in the Balance Sheet. The relevant details were placed before the audit committee from time to time.
2. Presently, the Company does not have a Whistle Blower Policy. However, no Personnel of the Company has been denied access to the Audit Committee.
3. The Company has complied with all the mandatory requirements of Clause 49. As regard the non-mandatory requirements, Company tries to implement them to the extent possible.

**Code of Conduct:**

**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY**

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

As the Executive Director (Chief executive officer) of Mega Corporation Limited and as required by clause 49(I)(D)(ii) of the Stock Exchange Listing Agreement, I hereby declare that all the Board members and senior management personnel of the company have affirmed compliance with the company's Code of business conduct and ethics for the Financial Year ending March 31, 2014.

Place: New Delhi  
Date: May 30, 2014

Sd/-  
Surendra Chhalani  
(Whole Time Director)



**Means of Communication**

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

Management discussions and analysis forms a part of this report.

**Shareholder Information****Annual General Meeting**

Day : Tuesday

Date : 30th September, 2014

Time : 11.30 a.m.

Venue : HOTEL CAPITOL HILLS, C-42, Greater Kailash Part-I, New Delhi -110048

**Financial year**

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

**Dividend Payment**

No dividend is declared for the Financial Year 2013-14

**Dates of Book Closure**

27th September, 2014 to 30th September, 2014 (both days inclusive.)

**Financial Calendar**

Tentative calendar of events for the financial year 2014-15 (April to March) is as under:

**Adoption of Quarterly Financial Results for:**

First Quarter - by July/August 2014 Third Quarter - by January/February, 2015

Second Quarter - by October/November 2014 Fourth Quarter - by April/May 2015

**Listing at Stock Exchanges**

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

Listing Fee for the year 2013-14 has been paid to the Bombay Stock Exchange within the stipulated time.

Month	Bombay Stock Exchange		
	Low (Rs.)	High (Rs.)	Volume (No. of Shares)
April, 2013	0.19	0.24	70254
May, 2013	0.09	0.19	38688
June, 2013	0.09	0.14	28804
July, 2013	0.11	0.18	14335
August, 2013	0.18	0.26	5745
September, 2013	0.25	0.39	66327
October, 2013	0.38	0.68	149266
November, 2013	0.56	0.72	28481
December, 2013	0.39	0.57	40052
January, 2014	0.34	0.38	445322
February, 2014	0.37	0.40	5451
March, 2014	0.29	0.37	11201

Source: www.bseindia.com

**Shareholders Complaints**

Company has not received any complaint during the financial year 2013-14. There is no complaint pending.

**Distribution of Shareholding**

Distribution of Shareholding as at 31.03.2014 is as under:

Shareholding	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-500	2091	44.37%	476847	0.48%
501-1000	863	18.31%	811315	0.81%
1001-2000	557	11.82%	969786	0.97%
2001-3000	276	5.86%	747549	0.75%
3001-4000	123	2.61%	453043	0.45%
4001-5000	224	4.75%	1095249	1.09%
5001-10000	267	5.66%	2136613	2.14%
10001 and above	312	6.62%	93309598	93.31%
TOTAL	4713	100 %	100000000	100 %

Shareholding Pattern as at 31.03.2014 is as under:

Category	No. of Shares Held	% of Shareholding
Indian Promoters	52866746	52.87 %
Private Bodies Corporate	14145787	14.15 %
NRI/OCBs	324975	0.32 %
Indian Public	32662492	32.66 %
Total	100000000	100 %

**Registrar & Transfer Agent/Investor Correspondence**

Pursuant to the SEBI directive, the Company has appointed M/s Linkintime 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

**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 31.03.2014, 97494158 number of Equity Shares (97.50 %) have been dematerialized.

**Compliance Officer**

Mr. Surendra Chhalani

Director and CFO

261, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020

Ph.No-011-41516171

Fax no- 011- 26912728

Email: info@megacorppltd.com

**Address for Correspondence**

Mega Corporation Limited  
 261, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020  
 Ph.No-011-41516171  
 Fax no- 011- 26912728  
**Email: cs@megacorp Ltd.com;**

**Registered Office Address of the Company**

Mega Corporation Limited  
 Plot No-550, Nayak Mohalla, Behind Golok Dham Mandir, Bijwasan, New Delhi-110061  
 Ph. No. -011-47881535

**Plant Location:**

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

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

Particulars	Name of Director
<b>Name</b>	<b>Mr. Shurab Kumar</b>
Age	59
Qualification	Graduate
Directorship in other Company	OPM Promoters Private Limited
Shareholdings in the Company as on 31.03.2014	-
Experience	He has more than 15 years of experience in Garment and Automobile industries.

Particulars	Name of Director
<b>Name</b>	<b>Mr. Sachin Mehra</b>
Age	42
Qualification	BE
Directorship in other Company	1. Mega Cabs Limited 2. Mega Infotel Private Limited 3. Ultraviolet Digital Solutions Private Limited 4. Inventum Technologies Private Limited
Shareholdings in the Company as on 31.03.2014	3000
Experience	He has more than 15 years of experience of Information Technology Industry.

**CHAIRMAN CERTIFICATION OF THE COMPANY**

I, Surendra Chhalani, Chairman of **Mega Corporation Limited**, to the best of my knowledge and belief hereby certify that:

- a. I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief :
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I was aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have disclosed based on my most recent evaluation, wherever applicable, to the Company's auditors and the Audit committee of the Company's board of directors (and persons performing the equivalent functions):
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Place: New Delhi**  
**Date: May 30, 2014**

**Sd/-**  
**(Surendra Chhalani)**  
**Chairman**

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

**CERTIFICATE**

To The Shareholders,

We have examined the compliance of conditions of corporate governance by **MEGA CORPORATION LIMITED**, for the year ended on 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

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

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For SIPANI & ASSOCIATES**  
**Chartered Accountants**

Place: Delhi  
 Dated: 30th May, 2014

**Sd/-**  
**(Vijay Sipani)**  
 Proprietor  
 Membership No-083850