BOOK POST

MEGA CORPORATION LTD.

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Annual Report
2014 - 2015

MEGA CORPORATION LTD.



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
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Fax- +91 11 26912728
Email- info@megacorpltd.com
Website- www.megacorpltd.com
CIN- L01120DL1985PLC092375

MEGA
CORPORATION LTD.

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
Total Income	**132.17**	**61.56**
Operating Expenses	59.97	57.56
Depreciation and Amortization	39.42	104.18
Interest	1.01	0.82
Other Expenses	30.70	25.42
Profit/ (Loss) before Tax	**1.07**	**(126.42)**
Tax Expenses		
• Previous Year	0.02	0.12
• Deferred Tax	(4.24)	(53.64)
Net Profit/ (Loss) for the Year	**5.29**	**(72.90)**
Amount brought forward	1620.80	1693.70
Balance carried to Balance Sheet	**1626.09**	**1620.80**

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)

1. 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.

2. 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

	Sd/-	**Sd/-**	**Sd/-**
	Surendra Chhalani	**Shurab Kumar**	**Urvashi Aggarwal**
Place: Delhi	Director & CFO	Director	Company Secretary
Dated: 29-05-2015	DIN : 00002747	DIN : 02034499	M. No. 34872

Annexure C

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@megacorpltd.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.	**Mega Airways Limited** 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	
A. Promoters									
(1) Indian									
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	---	---	---	---	---	---	---	---	---
Total shareholding of Promoter (A) (1):-	**52866746**	**---**	**52866746**	**52.87**	**53643140**	**---**	**53643140**	**53.64**	---
(2) Foreign									
a) NRIs-Individuals	---	---	---	---	---	---	---	---	---
b) Other Individuals	---	---	---	---	---	---	---	---	---
c) Bodies Corporate	---	---	---	---	---	---	---	---	---
d) Banks/FI	---	---	---	---	---	---	---	---	---
e) Any Other (specify)	---	---	---	---	---	---	---	---	---
Sub-Total (A)(2):-	---	---	---	---	---	---	---	---	---
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**52866746**	**---**	**52866746**	**52.87**	**53643140**	**---**	**53643140**	**53.64**	---
B. Public Shareholding									
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)	---	---	---	---	---	---	---	---	---
Sub-total (B)(1):-	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**
2. Non-Institutions									
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)
Sub-total (B)(2):-	**44627412**	**2505842**	**47133254**	**47.13**	**43851218**	**2505642**	**46356860**	**46.36**	**---**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	44627412	2505842	47133254	47.13	43851218	2505642	46356860	46.36	---
C. Shares held by Custodian for GDRs & ADRs	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**	**---**
Grand Total (A+B+C)	**97494158**	**2505842**	**100000000**	**100.00**	**97494358**	**2505642**	**100000000**	**100.00**	**---**