



**MEGA FIN (INDIA) LIMITED**

**CIN: L65990MH1982PLC027165**

**Reg Off:** Unit No. A1, 4<sup>th</sup> Floor, Energy, Appa Saheb Marathe Marg, Prabhadevi, Mumbai – 400 025  
**T:** +91 22 42305400/01 **F:** +91 22 4230 3500

---

**NOTICE**

**NOTICE** is hereby given that the 32<sup>nd</sup> Annual General Meeting of the members of **MEGA FIN (INDIA) LIMITED** will be held on Tuesday, 30<sup>th</sup> September, 2014 at 11:00 am at 302, Level 3, Ceejay House, Shiv Sagar Estate, F Block, Dr. Annie Besant Road, Worli, Mumbai – 400018 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2014 and reports of the Board of Directors and of the Auditors thereon.
2. To appoint a Director in place of Mr. Sanjay Parchani (DIN: 02477914), who retires by rotation and being eligible offers himself for Re-appointment
3. To appoint Auditors and fix their remuneration by passing the following resolution as an Ordinary Resolution with or without modification(s):-

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, as amended from time to time M/s. Kankani Jain Chopra and Company; Chartered Accountants (Firm Registration No. 138552W) be and are hereby appointed as Statutory Auditors in place of M/s. Seth Mehta & Associates, Chartered Accountants, Mumbai retiring Auditors of the Company from the financial year 2013-15 to 2016-17 (subject to the ratification of the appointment by the members at the Annual General Meeting to be held during the period) at such remuneration as may be fixed by the Board of Directors in consultation with them.

**SPECIAL BUSINESS:**

4. To appoint Amit Seth (DIN: 00122623), as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Amit Seth (DIN: 00122623), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from September 30, 2014 up to September 29, 2019”.



5. To appoint Mr. Sanjay Kumar Parchani (DIN: 02477914), as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sanjay Kumar Parchani (DIN: 02477914), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from September 30, 2014 up to September 29, 2019."

6. To authorize the Board to create charges on the assets of the Company and in this regard to consider and if thought fit to pass following resolution as special resolution:-

**"RESOLVED THAT** in supersession of resolutions passed at the Extra Ordinary General Meeting of the Company held on 10<sup>th</sup> November, 2010 and earlier on the subject matter and pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Act (including any amendment thereto or re-enactment thereof), consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "the Board") to mortgage and/or charge any of its assets, movable and/or immovable, wherever situated, both present and future, which are eligible for being offered as security for the current and future borrowings by the Company, to the extent of the borrowing powers of the Company at any point of time, in favour of one or more secured lenders being banks, financial institutions, body corporates, or other persons and / or of one or more security trustees representing the secured lenders, on such terms and conditions at such time(s) and in such form and manner and with such ranking as to priority as the Board in its absolute discretion may think fit.

**RESOLVED FURTHER THAT** the Board or person(s) as may be authorized by the Board be and is/are hereby authorized to finalise the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and/or movable properties of the Company on such terms and conditions and at such time(s)/tranch(es) as may be decided by the Board in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution."

7. To authorize the Board to Borrow funds on behalf of the company and in this regard to consider and if thought fit to pass following resolution as special resolution:-

**"RESOLVED THAT** in supersession of resolutions passed at the Extra-Ordinary General Meeting of the Company held on 10<sup>th</sup> November, 2010 and earlier on the subject matter and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the Act (including any amendment thereto or re-enactment thereof), consent of the Company be and is hereby accorded to Board of Directors of the Company (hereinafter called "the Board") to borrow any sum or sums of money, from time to time, at their discretion, for the purpose of the business of the Company, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed at any time, the aggregate of the paid up capital of the Company and its free reserves (that is to say, reserves not set apart for any specific purpose) for a sum not exceeding rupees 5,000 crores (Rupees five thousand crores only) and that the Board be and is hereby empowered and authorised to arrange and fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may think fit.

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors of the Company and/ or Committee of Directors constituted for this purpose be and is hereby



authorised to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed investments or loans made or guarantees given or securities to be provided and further to do all Such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

8. **Increasing the limits to make loans or investments and to give guarantees or to provide security in connection with a loan made under Section 186 of Companies Act, 2013.**

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

**"RESOLVED THAT** pursuant to Section 186 of the Companies Act, 2013 and rules framed thereunder as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, the consent of the members be and is hereby accorded to the Board of Directors to make any loans or investments and to give any guarantees or to provide security in connection with a loan made by any other person to, or to any other person by, a body corporate as the Board of Directors may think fit, for an amount not exceeding Rs. 5,000 Crore (Rupees Five Thousand Crores only) notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of Companies Act, 2013 as in their absolute discretion deem beneficial and in the interest of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors of the Company and/ or Committee of Directors constituted for this purpose be and is hereby authorised to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed investments or loans made or guarantees given or securities to be provided and further to do all Such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith."

**For and on Behalf of the Board**

**Ajay S Mittal**  
**Director**  
**DIN: 00226355**

**Date:** 4<sup>th</sup> September, 2014

**Place:** Mumbai

**Registered office:** Unit No. A1, 4<sup>th</sup> Floor, Cnergy, Appa Saheb Marathe Marg, Prabhadevi, Mumbai – 400 025



## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. Explanatory Statement under Section 102 of the Companies Act, 2013 is annexed hereto in respect of Item Nos. 4 to 8 of the Notice.
4. All the documents referred to in this Notice, as well as the Notice and the Annual Report, will be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days up to the date of the Annual General Meeting.
5. The details of Directors proposed for appointment/ re-appointment under Item Nos. 2 and 4 to 5 of the Notice, as per requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, are provided in Corporate Governance Report.
6. The Notice of the 32<sup>nd</sup> Annual General Meeting and instructions for e-voting, along with the Attendance Slip and Proxy Form and the copies of the Annual Report for 2013- 14 is being sent by electronic mode to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 are being sent in the permitted mode.
7. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [grev.redressal@gmail.com](mailto:grev.redressal@gmail.com)
8. The Notice of the 32<sup>nd</sup> Annual General Meeting will be available on [www.evotingindia.com](http://www.evotingindia.com)
9. All the documents referred to in this Notice, as well as the Notice and the Annual Report, will be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days up to the date of the Annual General Meeting.
10. Members/Proxies should bring duly filled in Attendance Slip in the form annexed hereto and tender the same at the entrance of the meeting hall.
11. Members are requested to bring their copy of the Annual Report at the meeting.
12. Representative of corporate members should send/carry a duly certified copy of the Board Resolution/Power of Attorney authorizing the attendance and voting at the meeting.
13. Members are requested to send their queries, if any, at least seven days in advance to the extent possible, so that the information could be made available at the meeting.
14. The Register of Members and Share Transfer Books will remain closed from Sunday, the 28th September, 2014 to Tuesday, the 30<sup>th</sup> September, 2014 (both days inclusive).
15. Members are requested to notify change, if any, in its/his/her address to the Registrar & Share Transfer Agents of the Company quoting their folio number or to their respective Depository Participant, as the case may be, regarding shares held in physical or electronic form.
16. Members are requested to send all the correspondence concerning registration of transfers, transmissions, subdivision, consolidation of share certificates or any other share related matters to M/s. Bigshare Services Pvt.



Ltd, Registrar & Share Transfer Agents, E/2 Ansa Industrial Estate, Saki Vihar Road, Andheri (East), Mumbai-400072.

17. Members desirous of making a nomination in respect of their shareholding in physical form under Section 72 of the Companies Act, 1956, are requested to send the same to the Company's Registrar & Share Transfer Agents in the prescribed form.
18. Non-resident Indian Members are requested to inform M/s Bigshare Services Pvt. Ltd, the Company's Registrar & Share Transfer Agents immediately of the following:
  - a. The change in the residential status upon return to India for permanent settlement;
  - b. The particulars of the bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number.
19. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company neither has unpaid nor unclaimed amounts lying with the Company as on 30<sup>th</sup> September, 2013 (date of last Annual General Meeting) on the website of the Ministry of Corporate Affairs.
20. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
21. The Company also request you to update your email address with your Depository Participant to enable us to send you the communications via email.
22. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing circulars allowing paperless compliances by Companies through electronic mode. The Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. The Members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participants only.
23. The businesses as set out in the Notice may be transacted through electronic voting system under Section 108 of the Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014. The Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting. Please note that the voting through electronic means is optional.
24. The voting through electronic means will commence on 24<sup>th</sup> September, 2014 and ends on at 09:00 a.m. and will end on 26<sup>th</sup> September, 2014 at 06:00 p.m. The Members will not be able to cast their vote electronically beyond the date and time mentioned above. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date (record date) for e-voting of August 29, 2014 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
25. The Company has appointed Mr. Manoj Mimani, Practising Company Secretary to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
26. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
27. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Manoj Mimani, Practicing Company Secretary, (Membership No. ACS No.17083), at the Registered Office of the Company not later than Wednesday 24, 2014 (6.00 p.m. IST). Ballot Form received after this date will be treated as invalid.
28. Members have the option to request for physical copy of the Ballot Form by sending an e-mail to [grev.redressal@gmail.com](mailto:grev.redressal@gmail.com) by mentioning their Folio / DP ID and Client ID No.



29. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
30. The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of the resolutions at the Thirty Second AGM of the Company on September 30, 2014 and communicated to the BSE Limited, where the shares of the Company are listed.
31. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
32. Click on Shareholders.
33. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. Members holding shares in Physical Form should enter Folio Number registered with the Company.
34. Next enter the Image Verification as displayed and Click on Login.
35. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
36. If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the <b>folio/client id</b> number in the PAN field.</li> <li>In case the <b>folio</b> number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with <b>folio</b> number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field.</li> </ul>

37. After entering these details appropriately, click on "SUBMIT" tab.
38. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.



Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

39. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
40. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
41. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
42. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
43. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- 44.** Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
45. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
46. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
47. Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
48. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



## **EXPLANATORY STATEMENT AS PER SECTION 102 OF COMPANIES ACT 2013,**

### **For Item No. 4 & 5**

Mr. Amit Seth and Mr. Sanjay Parchani have been acting as Independent Directors on the Board of the Company since 28/12/2005, and 28/12/2005 respectively. All the above Independent Directors were appointed pursuant to clause 49 of the listing agreement.

Sub-section (10) of Section 149 of the Act requires appointment of Independent Directors who shall hold office for a term of 5 (five) consecutive years on the Board of the Company and shall be eligible for reappointment on passing an ordinary resolution by the Company. Sub-section (11) of the said section provides that no Independent Director shall hold office for more than 2 (two) consecutive terms.

In view of the above, the aforesaid Independent Directors who are already on the Board of the Company need to be appointed for a term of 5 consecutive years from the date of the Annual General Meeting i.e. 30<sup>th</sup> September, 2014. The Board at its Meeting held on 30<sup>th</sup> May, 2014 after obtaining declaration of independence from the aforesaid directors and after satisfying itself about the independence of the aforesaid directors in accordance with Section 149(6) of the Act and the listing agreement, recommended the appointment of the aforesaid directors as Independent Directors on the Board for a terms of 5 (five) consecutive years.

The brief resume and nature of expertise of the aforesaid independent directors are given in Corporate Governance Report forming part of this Annual Report.

None of the Directors or Key Managerial Personnel of the Company or their relatives except other than the aforesaid Independent Directors are concerned or interested in their respective resolution for appointment as Independent Director. The Board recommends the appointment of the aforesaid Independent Directors for a term of 5 (five) consecutive years from the date of the Annual General Meeting.

### **For Item No. 6**

The shareholders of the Company have provided their consent to the Board of Directors of the Company by way of Ordinary Resolution(s) under section 293(1) (a) of the Companies Act, 1956 dated 10<sup>th</sup> November, 2010 for creation of security/charge over the assets of the Company in favour of banks, financial institutions, other lenders and security trustee for securing the amounts borrowed/to be borrowed from the secured lenders and interest and other dues payable to the said lenders. Section 180(1)(a) of the Companies Act, 2013, effective from 12<sup>th</sup> September, 2013, provides to the effect that the Board of Directors of the Company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, the whole or substantially the whole of any of such undertakings except with the consent of the Company accorded by way of a Special Resolution.

It is, therefore, necessary for the members to pass a Special Resolution under section 180(1)(a) and other applicable provisions of the Companies Act, 2013 as set out in Item No. 4 of the Notice to enable the Board of Directors to mortgage and/or charge any of the Company's assets for the current and future borrowings by the Company, to the extent of the borrowing powers of the Company at any point of time, in favour of any bank(s) or body(ies) corporate or person(s) or financial institution(s) or security trustee.

The Directors commend the Resolution at Item No. 4 of the Notice for the approval by the members of the Company by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 4 except to the extent of their



respective shareholding in the Company to the same extent as that of every other member of the Company in the Resolution set out at Item No. 4.

#### **For Item No. 7**

The shareholders of the Company have provided their consent to the Board of Directors of the Company by way of Ordinary Resolution(s) under section 293(1) (d) of the Companies Act, 1956 dated 10<sup>th</sup> November, 2010 to borrow any sum or sums of money, from time to time, for the purpose of the business of the Company, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed at any time, the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) for a sum not exceeding Rs. 5,000 Crores (Rupees five thousand Crores).

Section 180(1)(c) of the Companies Act, 2013, effective from 12<sup>th</sup> September, 2013, provides to the effect that the Board of Directors of the Company shall not borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) apart from temporary loans obtained from the Company's bankers in the ordinary course of business except with the consent of the Company accorded by way of a Special Resolution.

The Directors recommend the Resolution at Item No. 5 of the Notice for the approval by the members of the Company by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, except to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company in the Resolution set out at Item No. 5.

#### **Item No. 8**

To aid the financial requirements of its subsidiary/ group/ other companies/ other Bodies Corporates, the Company makes investments and gives loans to the subsidiary/ group/ other companies/ other Bodies Corporates as and when needed. The Company also provides corporate guarantees on behalf of above mentioned entities to the banks/financial institutions for the financial assistance provided by them.

As per Companies Act 2013, a Company can give a loan to bodies corporate or give any guarantees or make investments in the securities of any other body corporate with the approval of the Board of Directors if the same is within the permissible limit of either 100% of free reserves or 60% of the paid up share capital and free reserves.

Inter-corporate loans, investments can be made and corporate guarantees beyond the aforesaid limits by Company required an approval from its members by a Special resolution.

Since the amount of existing investments/loans/ corporate guarantees made by the Company including the proposed financing arrangement that may be engaged, exceed the prescribed limit, this approval is sought to enable the Board of Directors with powers for making further investments/ loans/ guarantees and providing securities, whenever required on need basis up to an amount of Rs. 5,000 Crore.

Approval of shareholders of the Company is sought to authorise the Board of Directors to make the Investments/ loans/ Corporate Guarantees as may be required from time to time within the aforesaid limit. These investments, loans, guarantees and securities are made / proposed to be made out of own /surplus funds internal accruals / borrowed funds, the objective of which is optimum utilization of funds of the Company and also to achieve long term strategic and business objectives. The investments, loans, guarantees and securities will be made on terms and conditions most beneficial to the Company and at prevailing market rates. The Directors are satisfied that this resolution would be in the interest of the Company and its members and accordingly recommend the Resolutions for your approval.

Your Directors recommend the Resolution in item no. 6, as a Special Resolution for your approval.



None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, except to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

**For and on Behalf of the Board**  
Sd/-

**Ajay S Mittal**  
**Director**  
**DIN: 00226355**

**Date:** 4<sup>th</sup> September, 2014

**Place:** Mumbai

**Registered office:** Unit No. A1, 4<sup>th</sup> Floor, Cnergy, Appa Saheb Marathe Marg, Prabhadevi, Mumbai – 400  
025

---



## Directors' Report

To  
The Members  
Mega Fin (India) Limited

Your Directors present the 32<sup>nd</sup> Annual Report of the Company together with Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2014.

### 1. FINANCIAL RESULTS

Particulars	(Amt in Rs.)	
	Year ended 31.03.2014	Year ended 31.03.2013
Gross Income	10,40,790	3,58,82,707
Expenses	1,42,580	3,59,22,278
Profit/ (Loss) Before Depreciation	8,98,210	(39,572)
Depreciation	-	-
Profit/ (Loss) Before Tax	8,98,210	(39,572)
Provision for Tax	-	-
Profit/ (Loss) After Tax	8,98,210	(39,572)
Add: loss Brought forwarded from previous year	(5,68,52,562)	(5,68,13,991)
Balance Carried to Balance Sheet	5,59,54,353	(5,68,52,562)

### 2. WORKING RESULTS

The Company earned a gross income of Rs. 10,40,790/- during the year. The net profit amounted to Rs. 8,98,210/- which has been carried to Balance Sheet. Recoveries of dues and stabilization of operations remain focus areas of your company.

### 3. DIVIDEND

The Directors of your Company do not recommend any dividend for the year ended 31<sup>st</sup> March 2014.

### 4. PUBLIC DEPOSITS

Your Company did not accept any public deposits during the year under review.

### 5. SUBSIDIARY COMPANY

The Annual Accounts of Mega Capital Broking Private Limited as on 31<sup>st</sup> March, 2014, a subsidiary of your Company as well as a statement under Section 212 of the Companies Act, 1956 is attached with this report.



## **6. DIRECTORS**

Mr. Sanjay Parchani retires by rotation at the Annual General Meeting and being eligible offers himself for re-appointment and your Board recommends his re-appointment.

In accordance with the provisions of Sections 149 of the Companies Act, 2013 Mr. Sanjay Parchani and Mr. Amit Sheth are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the notice ensuing Annual General Meeting of the company.

The Company has received declarations from all the Independent Directors of the Company confirming that, they meet the with the criteria of Independence as prescribed both under Section 149(6) of the Companies Act, 2013 & Clause 49 of the Listing Agreement with the Stock Exchanges.

Brief details of the Directors proposed to be appointed / Re – appointed as required under Clause 49 of the Listing Agreement are provided in the notice of the Annual General Meeting forming part of this Annual Report.

## **7. REPORT ON CORPORATE GOVERNANCE**

A Report on Corporate Governance is included as a part of the Annual Report.

## **8. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that;

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- b) the Directors 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 as at 31<sup>st</sup> March, 2014 and of the Profit of the Company for the year ended on that date.
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis.

## **9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The disclosure pursuant to 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 relating to Conservation of Energy, Technology absorption is not applicable to your Company. There neither were any earnings nor outgo of Foreign Exchange.



#### **10. PARTICULARS OF EMPLOYEES:**

There was no employee falling within the purview of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975.

#### **11. AUDITORS**

Your directors recommend the appointment of M/s. M/s. Kankani Jain Chopra and Company as Statutory Auditors in place of M/s. Seth Mehta & Associates, Chartered Accountants, Mumbai, subject to approval of members at the ensuing Annual General Meeting. The Company has received letter from M/s. Kankani Jain Chopra and Company, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under section 141 of the Companies Act, 2013 & that they are not disqualified for such appointment. The necessary resolution seeking your approval for appointment of Statutory Auditor has been incorporated in the Notice convening the Annual General Meeting.

#### **12. AUDITORS' REPORT**

The observations in the Auditors Report are self-explanatory and need no further explanations.

#### **13. ACKNOWLEDGEMENT**

The Board wishes to place on record its appreciation of the continued support of its Shareholders, Bankers and Government Authorities.

**For and on behalf of the Board**

**Sd/-**

**Ajay S Mittal  
Director**

**Place: Mumbai  
Dated: 30<sup>th</sup> May, 2014**



## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of transparency and accountability in the functioning of the Company and the conduct of its business.

The Company will always endeavour to achieve high standards in Corporate Governance and review its systems and procedures towards this objective on continuous basis.

### 2. BOARD OF DIRECTORS

#### (A) Composition of Board

The Board consists of non-executive Directors, who have in depth knowledge of the business and industry in addition to expertise in their areas of specialization. The Board has strength of Four Directors comprising of two non-executive Directors and two Independent Directors.

#### (B) Non executive Directors' compensation and Disclosures:

Non-Executive Directors are not entitled to any remuneration.

#### (C) Other Provisions as to Board and Committees:

No Director is a member in more than ten Committees and the Chairman in more than five Committees, across all the Companies in which they are Directors.

#### Attendance at Board Meetings

During the year, the Board of Directors met four times on the following dates:

30<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 25<sup>th</sup> October, 2013, 28<sup>th</sup> October, 2013, 10<sup>th</sup> February, 2014

The details of attendance of the Directors at Board meetings and the last Annual General Meeting as well as their directorships, membership/ chairmanship of the committees in other companies are as follows:

Sr. No	Name	Category	Attendance at Board Meetings		Directors hips in other public Companies	Membership / Chairmanship of Committees in Other Public Companies		Attendance at A.G.M. held on 30 <sup>th</sup> September, 2013
			Held	Attended		Chairman	Member	
1.	Ajay S Mittal	Non- Executive Director	5	5	8	1	6	YES
2.	Sanjay S Mittal	Non- Executive Director	5	5	4	-	-	YES
3.	Amit Sheth	Independent Director	5	5	3	1	-	YES
4.	Sanjay Parchani	Independent Director	5	5	-	-	-	YES



### **Brief Profiles, other Directorships and Committee Memberships etc. of Independent Directors: -**

#### **Mr. Amit Sheth**

Mr. Amit Sheth, 47, a Mechanical Engineer and Management graduate, has over 22 years of experience in corporate finance, equities and technology. Mr. Sheth, a natural entrepreneur, co-founded Aurionpro in 1997. His innovative thinking and calculated risk taking ability have been vital to the rapid growth of Aurionpro. At Aurionpro, Mr. Sheth continues to be the key driver of growth strategies for banking and financial services sector world-wide. In addition to general management and strategic planning, Mr. Sheth is also responsible to form strategic partnerships and alliances, including M&A's. He has a deep understanding of banking process and operations, and has a strong network of relationships in the banking sector in Asia. His greatest strength lies in the unique combination of skills - in dealing with people as well as numbers.

Mr. Sheth holds Nil equity shares of ` 10/- each in the Company.

Sl. No.	List of other Directorships/Designated Partnership	Chairman /Member of the Committees of the Board of the Companies in which he is a Director
1	Aurionpro Solurions Ltd.	Chairman and Member
2	Aurofidel Outsourcing Ltd.	-
3	Auroscient Outsourcing Ltd	-
4	Sena Systems Pvt. Ltd.	-
5	Aurionpro Solutions SPC, Bahrain	-
6	Aurionpro Solutions Inc.	-
7	Aurionpro Solutions Pty Ltd., Australia	-
8	Integro Technologies Pte. Ltd., Singapore	-
9	Aurosen Solutions LLP Designated Partner (On behalf of Aurionpro Solutions Ltd.)	-

#### **Mr. Sanjay Parchani**

Mr. Sanjay Parchani, 41, a Graduate in Art, PG Diploma in Computer and Software, has over 18 years of experience in senior management and involved in wide aspects of business viz. IT, Analysis, Accounts, Administration and Recruitments. Operate with a high degree of entrepreneurial energy and independence to bring innovation and planning in the growth of corporate. The focus is always to have a win-win position with shareholders, company and the society at large.

Mr. Parchani holds Nil equity shares of ` 10/- each in the Company and is not a director in any other Company.

### **(D) CODE OF CONDUCT**

The Company has laid down a code of conduct for the Directors. The members of the Board have affirmed compliance to the said Code of Conduct. A declaration to this effect, duly signed by the Director, is provided as Annexure I to this Report.

### **3. COMMITTEES OF THE BOARD**

The Company has Three Committees of the Board of Directors viz.

1. Audit Committee
2. Shareholders/Investors Grievance committee
3. Share Transfer Committee

All decisions pertaining to the constitution of Committees, appointment of members and fixing the terms of reference for committee members are taken by the Board of Directors. Details of the role and composition of



these committees, including the number of meetings held during the year and the attendance are provided below.

#### **Audit Committee**

The Committee comprises of Mr. Ajay S Mittal, Mr. Amit Sheth and Mr. Sanjay Parchani. Mr. Amit Sheth is the Chairman of the Committee.

The Audit Committee met four times during the year on 30<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 25<sup>th</sup> October, 2013 and 10<sup>th</sup> February, 2014. The details of number of meetings attended by each member are as follows:

<b>Sr. No.</b>	<b>Name of Members</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
1.	Mr. Amit Sheth	4	4
2.	Mr. Ajay S Mittal	4	4
3.	Mr. Sanjay Parchani	4	4

The terms of reference of the Audit Committee includes the following:

1. 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.

**2. 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.**

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. 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

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

9. Discussion with internal auditors any significant findings and follow up there on.



10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
11. 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.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### **Shareholders/ Investors Grievance Committee**

The Committee comprises of Mr. Ajay S Mittal, Mr. Amit Sheth and. Mr. Sanjay P. Mittal. The Committee meets as and when required. There were no grievances reported during the financial year under review.

#### **Name and designation of compliance officer**

Mr. Ajay Mittal is the Compliance Officer of the Company.

#### **Status of Investor complaints**

During the year the Company did not receive any investor complaint

#### **Share Transfer Committee**

The Committee comprises of Mr. Ajay S Mittal, Mr. Sanjay P Mittal and Mr. Amit Sheth. Mr. Ajay S Mittal is the Chairman of the Committee. The Committee meets as and when required.

There were no share transfers recorded during the financial year ending 31.03.2014

#### **4. BOARD PROCEDURE**

The Board meetings of the Company are convened keeping in view statutory provisions and business requirements. The agenda is prepared in consultation with the Board. All items are backed by relevant supporting documents which are circulated in advance.

#### **Information Supplied to the Board**

The Board of Directors have complete access to the information within the Company, which inter alia includes:

- Annual operating plans and budgets and any updates.
- Quarterly results for the company and its operating divisions or business segments.
- Minutes of meetings of audit committee and other committees of the board.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Any material default in financial obligations to and by the company, or substantial nonpayment for goods sold by the company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
- Details of any joint venture or collaboration agreement.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.



## 5. SUBSIDIARY COMPANIES

Clause 49 of the listing agreement with the Bombay Stock Exchange Limited, defines a “material non-listed Indian subsidiary” as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

The Company has one subsidiary as on 31.03.2014 viz. Mega Capital Broking Private Limited. However, this company does not fall under the norm prescribed for “Material non-listed Indian Subsidiary”.

## 6. GENERAL BODY MEETINGS

a) Location, time and date where last three Annual General Meetings (AGMs) were held are given below :

Financial Year	Date & Time	Venue
2012-2013	30 <sup>th</sup> September, 2013	501, 5 <sup>th</sup> Floor, D-Wing, Twin Arcade, Military Road, Marol-Maroshi, Andheri (E), Mumbai – 400059
2011-2012	25 <sup>th</sup> September, 2012 11.00 a.m	501, 5 <sup>th</sup> Floor, D-Wing, Twin Arcade, Military Road, Marol-Maroshi, Andheri (E), Mumbai – 400059
2010-2011	30 <sup>th</sup> September, 2011 11.00 a.m	501, 5 <sup>th</sup> Floor, D-Wing, Twin Arcade, Military Road, Marol-Maroshi, Andheri (E), Mumbai – 400059

In the last three AGMs, no special resolution was passed.

### b) Resolution passed through Postal Ballot

During the year, no resolution was passed through postal ballot.

At present the Company does not have any proposal to be passed by way of postal ballot.

## 7. DISCLOSURES

### a) Related Party Transactions

Details of related parties have been disclosed in **Note No. 22 (A)** of Notes to the Financial Statements in the Annual Report. It is ensured that these transactions do not have any conflict with the Company's interest. The Audit Committee reviews such transactions, if any, as per provisions of Clause 49 of the listing agreement

### b) Disclosure of accounting treatment

In the preparation of the financial statements, the Company has followed the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable.

### c) Disclosure of Risk management

The Company has initiated the risk assessment and minimization procedure.

### d) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.

The Company has not raised any money during the year under review.

### e) Management Discussion & Analysis

Management Discussion & Analysis Report forms part of this Annual Report.



#### f) Disclosure regarding appointment or re-appointment of Directors

The detailed profile of Director retiring by rotation and eligible for re-appointment is provided in the Annexure to the Notice of the Annual General Meeting.

#### 8. CEO / CFO CERTIFICATION

At present the Company does not have either CEO or CFO.

#### 9. COMPLIANCE BY THE COMPANY

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other Statutory Authorities.

#### 10. MEANS OF COMMUNICATION

- The quarterly, half-yearly and annual financial results are usually published in The Free Press Journal and Nav Shakti.
- The Company has its own website [www.megafinindia.com](http://www.megafinindia.com) and has been uploading Annual Report and shareholding pattern along with other relevant information useful to investors on the website.

#### 11. GENERAL SHAREHOLDER INFORMATION

a)	<b>Date Time and Venue of Annual General Meeting</b>	Day : Tuesday Date : 30 <sup>th</sup> September, 2014 Time : 11.00 P.M. Venue: <b>302/308, Level 3, Ceejay House, Shiv Sagar Estate, F Block, Dr. A Besant Road, Worli, Mumbai – 400018</b>
b)	<b>Financial Calendar 2014-2015 (Tentative)</b>	i) First Quarter Results - up to 14 <sup>th</sup> August, 2014 ii) Second Quarter Results - up to 14 <sup>th</sup> November, 2014 iii) Third Quarter Results - up to 14 <sup>th</sup> February, 2015 iv) Fourth Quarter Results - up to 30 <sup>th</sup> May, 2015
c)	<b>Date of Book Closure</b>	28 <sup>th</sup> September, 2014 to 30 <sup>th</sup> September, 2014 (Both days inclusive)
d)	<b>Dividend payment date</b>	N.A.
e)	<b>Listing on Stock Exchanges</b>	BSE Ltd.  The Company has paid the Listing fees for the year 2014-15.
f)	<b>Stock Code Symbol</b>	BSE : 532105
g)	<b>Demat ISIN Number for CDSL</b>	INE524D01015

#### h) Market Price Data

During the Financial Year under review there was no trading of shares of the Company on Bombay Stock Exchange Limited.

#### i) Performance in comparison to SENSEX

Since there was no trading of shares on Bombay Stock Exchange Limited, the performance cannot be compared with movement of sensex.

#### j) Registrar and Share Transfer Agent



**Bigshare Services Pvt. Ltd.**  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (East), Mumbai-400 072

Tel.: 91-22-2847 0652/40430200  
Fax.: 91-22-2847 5207  
E-mail: [info@bigshareonline.com](mailto:info@bigshareonline.com)

**k) Share Transfer System**

All shares sent for transfer in physical form are registered by the Registrar and Share Transfer Agent within 30 days of the lodgment, if documents are found in order. All requests for dematerialization of shares are processed and the confirmation is given to the Central Depository Services Limited (CDSL) within 15 days.



**I)(a) Category wise distribution of equity shareholding as at 31<sup>st</sup> March , 2014**

Category	Number of shares held (Rs.10/- each)	Percentage of Shareholding (%)
Promoter and Promoter Group	3516080	43.01
Mutual Funds/ UTI	20000	0.24
Financial Institutions/ Banks	-	-
Foreign Institutional Investors	-	-
Bodies Corporate	2411800	29.50
Individuals	2675080	32.72
Clearing Member	-	-
NRI	-	-
Foreign National	-	-
Foreign Company	-	-
Others (Trust)	233920	2.86
<b>GRAND TOTAL</b>	<b>8175500</b>	<b>100</b>

**I)(b) Distribution of shareholding as on 31<sup>st</sup> March 2014**

Number of Equity shares held	Total Holders	% of total holders	Total Holding (in Rs.)	% of Total Capital
001-5000	440	70.97	2166000	2.65
5001-10000	46	7.42	448000	0.54
10001-20000	19	3.06	312000	0.38
20001-30000	15	2.42	352000	0.43
30001-40000	4	0.65	137000	0.18
40001-50000	2	0.32	83000	0.1
50001-100000	10	1.61	752000	0.92
100001-99999999	84	13.55	77505000	94.8
<b>Total</b>	<b>620</b>	<b>100</b>	<b>81755000</b>	<b>100</b>

**m) Dematerialization of shares and Liquidity**

About 0.35% of the total numbers of shares are in dematerialized form as on 31<sup>st</sup> March 2014. The Equity shares of the Company are traded on the Bombay Stock Exchange Limited.

**n) Outstanding ADRs, GDRs, Warrants or any convertible instruments, conversion date and impact on Equity**

The Company has not issued any of aforesaid instruments.



#### **o) Address for Investor Correspondence**

All routine correspondence regarding share transfers, transmission, dematerialization of shares, change of address non-receipt of dividend etc. should be addressed to the Company's Registrar & Share Transfer Agent at:-

**Bigshare Services Pvt. Ltd.**  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (East), Mumbai-400 072

Tel.: 91-22-2847 0652/40430200  
Fax.: 91-22-2847 5207  
E-mail: [info@bigshareonline.com](mailto:info@bigshareonline.com)

For the complaints/grievances, if any, members may also write to:-

**Mega Fin (India) Limited**  
501, 5<sup>th</sup> Floor, D-Wing,  
Twin Arcade, Military Road,  
Andheri (East), Mumbai 400059

Tel.: 91-22-40495700/701  
Fax.: 91-22-40495777

#### **NON –MANDATORY REQUIREMENTS**

##### **(a) The Board:**

There is no policy at present to determine the tenure of Independent Directors.

##### **(b) Remuneration Committee:**

The Company has not constituted a Remuneration Committee of the Board of Directors of the Company.

##### **(c) Shareholder Rights:**

At present, the Company is not sending half-yearly financial performance to the each household of shareholders. However, quarterly financial results are published in news papers as required and are also made available on request.

##### **(d) Training of Board Members:**

As the members of the Board are eminent and experienced professionals, there is no formal policy at present for their training.

##### **(e) Mechanism for evaluating Non-Executive Board Members**

At present, no policy has been framed for evaluation of Non-Executive Directors.

##### **(f) Whistle Blower Policy:**

There is no formal Whistle-blower policy



### **DECLARATION**

In accordance with Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd., I hereby declare that to the best of my knowledge and belief, and on the basis of declarations given to me, all the Directors have affirmed compliance with the Code of Conduct as laid down by the Company Mega Fin (India) Limited as applicable to them for the financial year ended on 31<sup>st</sup> March, 2014.

**Sd/-**

**Ajay S Mittal**  
**Director**

**Place: Mumbai**  
**Dated: 30<sup>th</sup> May, 2014**



**CERTIFICATE ON CORPORATE GOVERNANCE**

To the members of  
**MEGA FIN (INDIA) LIMITED**

I have examined the records concerning Compliance of the conditions of Corporate Governance by MEGA FIN (INDIA) LTD for the year ended 31<sup>st</sup> March, 2014 as stipulated in clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Limited(BSE).

The compliance of conditions of Corporate Governance is the responsibility of management; our Examination was limited to the 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 the opinion on the financial statements of the Company.

On the basis of relevant records and documents maintained and furnished to me & the information and explanations given to me by the Company's management, to the best of our knowledge and belief, I certify that the Company has complied with the conditions of corporate governance, as stipulated in Clause 49 of the said Listing Agreement except compliances with respect to Composition of Board & appointment of Company Secretary, Managing Director and CEO/CFO of the Company.

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

**Sd/-**  
**MANOJ MIMANI**  
**PRACTICING COMPANY SECRETARY**

ACS No. 17083  
CP: 11601  
Place: Mumbai  
Dated: 30<sup>th</sup> May, 2014



## **Management Discussion & Analysis**

### **Economy**

Indian economy has witnessed steady growth since last few years. Rise in domestic demand, thrust on infrastructure spending, increased flow of foreign investments have been some of the factors responsible for the consistent growth. In the fiscal year 2013-14 corporate India turned out a good performance both in terms of sales and profits. Such a performance is particularly noteworthy as it came at a time when overall expenses are going up at a fast clip. The financial services sector riding on this economic boom also posted robust growth during the said period. Bullish sentiments in equity markets provided added flavour to the already buoyant optimism prevailing all around until the beginning of the year.

However of late there have been signs of slow down resulting in contraction of demand, lower consumption and sudden credit squeeze. The turmoil in global financial markets has severely impacted sentiments all over the world and resultant strain on liquidity has suddenly changed the scenario with recession looming large over developed as well as developing nations.

### **Company Overview**

Your Company is aware of the present situation and is keenly watching the developments. Its emphasis is on recoveries and stabilization of operations. Though various options have been under the consideration of the management the same will be taken up after improvement in financials of your company.

### **Opportunities & Threats**

The Company operates in the business of financial services and its subsidiary viz. Mega Capital Broking Pvt. Ltd. is in broking business. The efforts are on to generate more resources for the company as well as its subsidiary by adopting necessary measures. Although many opportunities exist, the threats affecting your company are possible delay in recoveries, economic slowdown and circumstances having a bearing on its ability to generate resources.

### **Outlook**

As stated earlier, the management intends to concentrate on recoveries and stabilizing the operations which is its top most priority. Though the outlook for the financial services industry remains positive, various alternatives and plans will be explored only after attaining reasonable improvement in the performance of the Company.

### **Risks and Concerns**

The main concern of your Company faces is to form a reasonable resource base so as to provide impetus to business operations albeit on a limited scale and eventually gather momentum. The impending downturn of the economy, tight liquidity prevailing in the markets and difficulties encountered while pursuing recoveries remain the main risks faced by your Company.

### **Internal Control System**

The Company has in place adequate internal control systems designed to effectively monitor various systems and procedures across the functions of the company. The management feels that internal control systems are adequate and commensurate with the Company's size and nature of its business. The same are subject to continuous review and are capable of effectively meeting the challenge of increase in business and operations.

### **Human Resources**



The Management believes in maintaining cordial relations with its employees. The management recognizes the importance of Human Resources and effective steps will be taken to strengthen the same depending on the requirements.

**Cautionary Statement**

Statements in the Management Discussion Analysis describing the Company's objectives, projections, estimates, expectations may be "forward – looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand /supply and price condition in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.