

**MEGA NIRMAN &  
INDUSTRIES LIMITED**

**ANNUAL REPORT  
2013-2014**

## Notice

Notice is hereby given that the 31<sup>st</sup> Annual General Meeting of M/s Mega Nirman & Industries Limited held on Tuesday, 30<sup>th</sup> September, 2014 at 2836/37, 1st Floor, Ashok Gali, Rambazar, Morigate, Delhi-110006 at 1500 Hours, to transact the following businesses:-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet and Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2014 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Niranjana Poddar, who retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment.
3. To appoint M/s PVR-N & Co. Chartered Accountants, the Retiring Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of 37<sup>th</sup> Annual General Meeting and to fix their remuneration.

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder, (corresponding to Section 224 and other applicable provisions, if any, of the Companies Act, 1956), M/s PVR-N & Co. Chartered Accountants, (Firm Registration No. 004062N), be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of 31<sup>st</sup> Annual General Meeting till the conclusion of the 37<sup>th</sup> Annual General Meeting held thereafter (subject to ratification of the appointment by the members at every AGM held after this AGM) on a remuneration as may be fixed by the Board of Directors of the Company".

For & on behalf of the Board of Directors  
M/s Mega Nirman & Industries Limited

Sd/-  
Niranjana Poddar  
Director  
DIN:06450158

Place: New Delhi  
Date: 13.08.2014

### **NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE 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. 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.

2. Corporate Members intending to send their Authorized Representatives are requested to send a duly certified copy of Board Resolution authorizing the representatives to attend and vote in the General Meeting
3. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, September 25, 2014 to Tuesday, September 30, 2014 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
5. The Register of Directors and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.
6. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of Annual General Meeting to enable the Management to compile the relevant information to reply the same in the meeting.
7. Members are requested to notify any change in their address, if any to the Registrar & Share Transfer Agent of the company- M/s Beetal Financial Computer & Services Private Limited, Beetal House, 3rd Floor, Madangir, Behind LSC, New Delhi- 110062 in respect of the Physical Shares and to the Depository Participant in respect of the Shares held in Demat form.
8. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agents, M/s. Beetal Financial Computer & Services Private Limited and have it duly filled and sent back to them.
9. Electronic copy of the Annual Report for 2013-14 is being sent to all Members whose email Ids are registered with the Depository Participants 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 is being sent in the permitted mode.
10. Electronic copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email ids are registered with the Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the Notice of 31<sup>st</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

11. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 31<sup>st</sup> Annual General

Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

**The instructions for members for voting electronically are as under:-**

- The voting period begins on 23<sup>rd</sup> September, 2014 at 9.00 a.m and ends on 24<sup>th</sup> September, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 30, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- Click on "Shareholders" tab.
- Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- 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.
- 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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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 sequence number in the PAN field.</li> <li>• In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>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.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <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 member id / folio number in the Dividend Bank details field.</li> </ul>

- After entering these details appropriately, click on "SUBMIT" tab.
- Members holding shares in physical form will then reach directly 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.

- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - Click on the EVSN for the relevant <Virtual Global Education Limited> on which you choose to vote.
  - 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.
  - Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - 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.
  - Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - **Note for Non-Individual Shareholders & Custodians:**
    - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
    - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details they have to create a user who would be able to link the account(s) 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.
    - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
  - 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).
  - Ms. Achita Sobti, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) 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.
12. 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 members may also send requests to the Company's investor email id: [secretarial.mnil@gmail.com](mailto:secretarial.mnil@gmail.com).
13. Members can choose only one of the two options, namely e-voting or voting through physical assent/ dissent form. In case the votes are casted through both the formats, then votes casted through e-voting shall stand cancelled and those votes casted through physical assent/dissent form would be considered, subject to the assent/dissent form being found to be valid.

14. The Results of e-voting, physical assent / dissent and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorised in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
15. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company on any working day between 10:00 Hrs to 15:00 Hrs up to the date of Annual General Meeting and also at the venue of Meeting.

## DIRECTORS' REPORT

Dear Shareholders,  
**Mega Nirman & Industries Limited**

Your directors have pleasure in presenting their 31<sup>st</sup> Annual Report together with the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March 2014.

### FINANCIAL RESULTS

(In Rs.)

		2013-14	2012-13
	Income	826,774	163,701
Less:	Total Expenditure	386045.32	141,042
	Net Profit/(Loss) before Tax & Depreciation (PBDT)	528,268	22,659
Less:	Depreciation	338,576	12,840
	Net Profit/(Loss) after Depreciation before Tax (PBT)	102,152.68	9,818
Less:	Provision for Income Tax-Current	72,058	3,100
	<b>Profit after Tax</b>	<b>30094.68</b>	<b>6,719</b>

### MATERIAL CHANGES AFTER THE CLOSE OF FINANCIAL YEAR

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company has occurred between the end of the financial year of the Company-31st March, 2014.

### DIVIDEND

In order to strengthen the business of the Company, your Directors decided that it would be prudent to plough back the profits of the Company and accordingly the Board does not propose and declare any dividend for the year under review.

### PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposit under Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

### DIRECTORS

In accordance with the provisions of the Companies Act, 2013, Mr. Niranjan Poddar, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Further, Mr. Ganesh Ray has resigned as a Director of the Company w.e.f. 23rd June, 2014 due to some unavoidable circumstance. The Board places on record its appreciation for the valuable guidance and services rendered during his tenure.

Brief resume of the Director proposed to be appointed/re-appointed and other details as stipulated under Clause 49 of the Listing Agreement with the Stock exchanges are provided in the Notice for convening the Annual General Meeting.

#### **SHARE CAPITAL**

During the Financial Year ended March 31, 2014, the Authorised Share Capital of the Company has also been increased to Rs. 4,25,00,000 (Rs. Four Crore Twenty Five Lacs only) by creating 30,00,000 (Thirty Lacs) Equity Shares of Rs. 10/- (Rs. Ten Only) each aggregating Rs. 3,00,00,000/- (Rs. Three Crores Only) which shall be ranking pari passu with the existing Equity Shares.

In compliance with the provisions of the Companies Act, Listing Agreement and SEBI (ICDR) Regulations, 2009, the Board of Directors in their meeting held on 15th April, 2014 allotted 28,00,000 fully paid Equity Shares of Rs. 10/- (Rs. Ten Only) each to the various strategic investors.

#### **DISCLOSURE UNDER SECTION 217(d) OF THE COMPANIES ACT, 1956**

Except as disclosed elsewhere in the report, there have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and the date of this report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 as required under section 217(1) (e) are not applicable to our industry, hence no statement for disclosure has been made. There was no foreign exchange earnings and outgo during the year under review.

#### **PARTICULARS OF EMPLOYEES**

None of the Employees of the Company was in the receipt of remuneration, which was more than the limits as prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and hence no particulars are required to be disclosed in this report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of provisions of Section 217 (ZAA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanation obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a) In the preparation of the Annual Accounts for the financial year ended on 31st March, 2014, the applicable Accounting Standards had been followed along with proper explanation relating to the material departures.
- b) We have selected such Accounting policies and applied them consistently and made judgements 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 losses of the Company for that period.

- c) We 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 or other irregularities.
- d) That the Directors had prepared the Annual Accounts on a going concern basis.

#### **AUDITORS' REPORT**

The Observations of the Statutory Auditors in their report read together with the Notes on Annual Accounts are self explanatory and therefore, in the opinion of the Directors, do not call for any further explanation.

#### **STATUTORY AUDITORS**

M/s PVR-N & Co, Chartered Accountants, (Firm Registration No. 004062N), are proposed to be appointed as Auditors of the Company from the conclusion of the ensuing 31<sup>st</sup> Annual General Meeting till the conclusion of the 37<sup>th</sup> Annual General Meeting of the Company held thereafter, subject to ratification of the appointment by the members at every AGM held after the ensuing AGM.

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written consent from M/s PVR-N & Co, to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made there under, as may be applicable.

The Observations of the Statutory Auditors in their report read together with the Notes on Accounts are self explanatory and therefore, do not call for any further explanation.

#### **LISTING OF SHARES**

The Equity Shares of the Company is listed on the Delhi Stock Exchange. These shares were not traded during the year under review as the trading of Shares was not taking place at the exchange.

#### **CORPORATE GOVERNANCE**

The Company has adopted the best Corporate Governance Practices setting out the standards in order to conduct the business of the Company with highest level of integrity and transparency. A detailed report on Corporate Governance prepared in accordance with the Clause 49 of the Listing Agreement, forms the part of this report.

A requisite certificate from the Statutory Auditors of the Company, PVR-N & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is given as Annexure to the Corporate Governance Report.

#### **ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, stakeholders including Financial Institutions,

Distributors, various other Government Departments and its valued business associates who have extended their valuable sustained support and encouragement during the year.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executives, officers and staff at all levels of the Company. We look forward to your continued support in the future.

For and On behalf of Board of Directors of  
**M/s Mega Nirman & Industries Limited**

Place: New Delhi  
Date: 27<sup>th</sup> August, 2014

Sd/-  
**Niranjan Poddar**  
Director  
DIN: 06450158

## **MANAGEMENT DISCUSSION & ANALYSIS** **REPORT**

Management discussion and analysis or MD&A is an integrated part of a company's annual financial statements. The purpose of the MD&A is to provide a narrative explanation, through the eyes of management, of how an entity has performed in the past, its financial condition, and its future prospects. In so doing, the MD&A attempt to provide investors with complete, fair, and balanced information to help them decide whether to invest or continue to invest in an entity.

The MD&A report is a powerful vehicle for communicating to shareholders a meaningful assessment of a company's performance, liquidity and future prospects.

### **OVERVIEW**

The Financial Statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein.

The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

### **HUMAN RESOURCE**

Human Resource Management (HRM) is a strategic and comprehensive approach to managing people and the workplace culture and environment. Effective HRM enables employees to contribute effectively and productively to the overall company direction and the accomplishment of the organization's goals and objectives.

HR now focuses on strategic initiatives like mergers and acquisitions, talent management, succession, planning, industrial and labour relations and diversity and inclusion.

In any enterprise, employees form the principal of an organization. A significant portion of our management focus is invested in engaging with our employees. We strengthen our talent pool providing employees with growth and career enhancement opportunities. Our Company is widely acclaimed for its people development practices and has reinforced its position in this area.

This, coupled with the ability to attract best talent, provides an economical authority to the organization.

## **INTERNAL CONTROL SYSTEM**

Internal control system, as defined in accounting and auditing, is a process for assuring achievement of an organization's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies. A broad concept, internal control involves everything that controls risks to an organization.

Management is accountable to the board of directors, which provides governance, guidance and oversight. Effective board members are objective, capable and inquisitive. They also have knowledge of the entity's activities and environment, and commit the time necessary to fulfil their board responsibilities.

Management may be in a position to override controls and ignore or stifle communications from subordinates, enabling a dishonest management which intentionally misrepresents results to cover its tracks. A strong, active board, particularly when coupled with effective upward communications channels and capable financial, legal and internal audit functions, is often best able to identify and correct such a problem.

Internal control systems are implemented to safeguard the Company's assets from loss or damage, keep constant check on the cost structure, and prevent revenue leakages and to provide adequate financial and accounting controls and implement accounting standards.

The Internal Audit department together with an independent firm of Chartered Accountants reviews the effectiveness of the systems and procedures. The internal Auditors evaluate the adequacy of the internal control systems by analyzing and testing controls and make their recommendations to the management to improve controls wherever necessary. The system is improved and modified continuously to meet the changes in business conditions, statutory and accounting requirements.

## **Our strategy**

We seek to further strengthen our position by successfully differentiating our service offerings and increasing the scale of our operations. To achieve these goals, we seek to:

- Increase business from existing and new clients
- Expand geographically
- Continue to invest in infrastructure and employees
- Continue to enhance our engagement models and offerings
- Continue to develop deep industry knowledge
- Pursue alliances and strategic acquisitions

The Company's strategy for long-term growth is based on continuing to scale, strengthen core business and grow in new areas of business. The Company has a matured set of elements of strategy, which have evolved over time. While the core elements of strategy continue to remain same, there is a structured attempt by the Company to look for new dimensions of growth within these elements.

## **RISKS AND CONCERNS**

Risk management is the identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of unfortunate events or to maximize the realization of opportunities.

Risks can come from uncertainty in financial markets, threats from project failures (at any phase in design, development, production, or sustainment life-cycles), legal liabilities, credit risk, accidents, natural causes and disasters as well as deliberate attack from an adversary, or events of uncertain or unpredictable root-cause.

Methods, definitions and goals vary widely according to whether the risk management method is in the context of project management, security, engineering, industrial processes, financial portfolios, actuarial assessments, or public health and safety.

It is essential for the Company that risks be effectively identified, analyzed and then mitigated by means of appropriate control measures. Your Company has a risk management system in place, which enables us to recognize and analyze risks early and to take the appropriate action.

As the Company is continuously growing, hence it is required for the Company to meet all the future requirements or opportunities effectively.

## **CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied.

## **Corporate Governance Report**

The Company seeks to adopt good corporate governance practices and to ensure compliances with all relevant laws & regulations. The Company conducts its activities in a manner which are fair and transparent and also perceived to be such as others.

Adoption of Corporate Governance and disclosure practices attract the best of capital and talent for any organization and create value and wealth on a sustainable and long term basis. Our Company is committed to good corporate and has benchmarked itself in line with global practices.

### **(1). Corporate Governance Philosophy**

The Company's philosophy is to achieve business excellence and optimize long-term value for its shareholders on a sustained basis through ethical business conduct. It envisages attainment of the highest level of transparency, accountability and equity in all factors of its operations and all its interactions with Shareholders, employees, lenders and Governance and regulatory bodies. At the highest level the Company continuously endeavours to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy all round growth and development to take the company forward.

### **(2). Board of Directors**

The Board of Directors provides strategic direction and the thrust to the operations of the Company and accountable at all time to the shareholders of the Company. The Company has a professionally constituted Board of Directors.

The Board has established procedures to periodically review compliance reports of all laws applicable to the Company prepared by the Company, as well as steps taken by the Company to rectify instances of non- compliances.

#### **a. Size and Composition of Board**

As per the Listing Agreement the Board of Directors of the Company shall have an optimum combination of executive and independent directors. Hence we have an appropriate mix of executive and independent directors to maintain the independence of the Board.

#### **b. Number of Board Meetings**

The Company has held at least one Board meeting in every three months. The maximum gap between any two meetings was not less than four months, as stipulated under Clause 49. Hence,

The Board of Directors met five times during the year on: 30/05/2013, 11/08/2013, 03/09/2013, 09/11/2013 and 30/01/2014.

**c. Attendance of Directors at Board Meeting and at the last Annual General Meeting**

The details of attendance of Directors at the Board meeting during the financial year 2013-2014 and the last AGM are as under:

Name of Director	Number of Meetings attended	Presence in the AGM dated 30/09/2013	No. of other directorship (Except Pvt. Companies)
Mr. Ganesh Ray*	5	Yes	1
Mr. Niranjan Poddar	5	Yes	Nil
Mr. Subhas Kumar Poddar	5	Yes	Nil
Mr. Ravinder Singh	5	Yes	Nil
Mr. Vineet Goel**	4	Yes	Nil
Mr. Devraj Baid**	4	Yes	Nil

\*Mr. Ganesh has resigned w.e.f 23<sup>rd</sup> June, 2014 due to some unavoidable circumstances.

\*\*Mr. Vineet Goel and Mr. Devraj Baid have been appointed w.e.f. 30<sup>th</sup> May, 2013.

**Committees of the Board:-**

- (A) Audit Committee
- (B) Shareholders/Investors Grievance and Share Transfer Committee
- (C) Remuneration Committee.

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various committees.

**(A) Audit Committee:-**

**A.1 Composition**

The Audit Committee of the Board comprised of three Directors as follows:

- Mr. Ganesh Ray
- Mr. Ravinder Singh

➤ **Mr. Subhas Kumar Poddar**

However, Mr. Vineet Goel and Mr. Devraj Baid have been appointed as the members of the committee in place of Mr. Ravinder Singh and Mr. Subhas Kumar Poddar w.e.f. 30th May, 2013 and Mr. Niranjan Poddar has been appointed as the member of the committee due to resignation of Mr. Ganesh Ray w.e.f. 23<sup>rd</sup> June, 2014.

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial / accounting expertise / exposure. It is entrusted with review of quarterly and annual financial statement before submission to the Board, review of observation of auditor and to ensure compliance of internal control systems, authority for investigation and access to full information and external professional advice for discharge of the functions delegated to the Committee by the Board. The Role of Audit Committee, inter alia, includes:

1. Audit Committee has reviewed with the management, the quarterly financial statements before submission to the board for approval.
  2. Audit Committee has reviewed with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
  3. Audit Committee has reviewed the annual financial statements before submission to the board for approval.
- 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
  - Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including cost auditors, and fixation of audit fees and other terms of appointment
  - Approving payment to statutory auditors, including cost auditors for any other services rendered by them
  - Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
    - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of sub-section (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 the management
    - Significant adjustments made in financial statements arising out of audit findings
    - Compliance with listing and other legal requirements relating to financial statements



- Disclosure of related party transactions
- Qualifications in draft audit report
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
  - 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 utilised 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.
- Reviewing and monitoring the auditors independence and performance and effectiveness of audit process,
- Approval or any subsequent modification of transactions of the Company with related parties.
- Evaluation of internal financial controls and risk management systems.
- 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.
- 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.
- Review the functioning of the Whistle Blower mechanism.
- Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background of the candidate
- Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors and/or other Committees of Directors.
- Reviewing the following information:
  - The Management Discussion and Analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - The appointment, removal and terms of remuneration of internal auditors / chief internal auditor.

**(B) Stakeholders Relationship Committee (formerly termed as Shareholders/Investors Grievance and Share Transfer Committee):-**

The following information gives the detail of special resolutions passed by the company in the previous AGMs:

S. No.	Particulars	Status
1.	Whether any special resolutions were passed at the last three Annual General Meeting	Yes
2.	Whether special resolutions were put through postal ballot at the last three Annual General Meeting	None
3.	Persons who conducted the postal ballot	N.A.

**(4) Disclosures:-**

- There was no compliance by the company, penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets at any time during the last 3 years.
- The Company does not have any material significant related party transaction that may have potential conflict with the interests of company at large.
- The Company has complied all the mandatory requirements mentioned in Annexure IC of Clause 49 of Listing Agreement in respect of Corporate Governance.

**(5) Means of communication:-**

The unaudited quarterly results and the audited results for the year are published in one English newspaper i.e. Financial Express and one Hindi newspaper i.e. Haribhoomi after its submission to the Stock Exchanges.

The company contains relevant information including matters pertaining to Investor Relations, Share Holder benefits, as well as Quarterly/ Annual financial results

**(6) Additional Shareholder Information**

**Annual General Meeting**

Date: 30<sup>th</sup> September, 2014

Time: 1500 Hours

Venue: 2836/37, 1st Floor, Ashok Gali, Rambazar Morigate, Delhi-110006

**Financial Calendar**

Financial year: 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014

For the year ended March 31, 2014 results were announced on:-

- 11<sup>th</sup> August, 2013: First Quarter
- 9<sup>th</sup> November, 2013: Half Yearly
- 30<sup>th</sup> January, 2014: Third Quarter
- 29<sup>th</sup> May, 2014: Fourth Quarter

#### Book Closure

The dates of Book closure are from the 25<sup>th</sup> September, 2014 to the 30<sup>th</sup> September, 2014, inclusive of both days.

#### Listed on Stock Exchange

At present the equity shares of the Company are listed on Delhi Stock Exchange (DSE).

#### Details of Non-Compliance:

The Company has complied with all the requirements of regulatory authorities and no penalties or strictures were imposed on the Company by any Stock Exchange or SEBI or any statutory authority on any matter related to capital market over the last three years

#### Shareholding Pattern of Shares as on 31st March, 2014:-

Category	No. of Shares	% of Shares
<b>Promoters</b>		
• Individuals	75,100	13.72
• Body Corporate	-	-
<b>Public Shareholding</b>		
• Institutions	-	-
• Non- Institutions	-	-
a)Body Corporates	3,78,800	69.19
b)Individuals		
(I)Individual shareholders holding nominal capital upto Rs. 1Lakh	69,600	12.71
(II)I Individual shareholders holding nominal capital in excess of Rs. 1Lakh	24,000	4.38
<b>Grand Total</b>	<b>5,47,500</b>	<b>100</b>

#### Address for Correspondence

The Shareholders may send their queries to the registered office of the Company.

**Registered Office:-**

2836/37, 1st Floor,  
Ashok Gali,  
Rambazar Morigate,  
Delhi-110006

For and On behalf of Board of Directors of  
**M/s Mega Nirman & Industries Limited**

Place: New Delhi  
Date: 27<sup>th</sup> August, 2014

**Sd/-**  
**Niranjan Poddar**  
**Director**  
**DIN:06450158**

**Auditors' Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement**

To,

The Members  
M/s Mega Nirman & Industries Limited

We have examined the compliance of conditions of Corporate Governance by **M/s Mega Nirman & Industries Limited** ("the Company") for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance as stipulated in said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and as per representations made by Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For PVR - N & Co.  
Chartered Accountants**

sd/-  
**Pradeep Kumar Jindal**  
Partner  
M. No.: 082646  
F. Regn No. : 004062N

**Place:** New Delhi  
**Date:** 29.05.2014

## **Independent Auditor's Opinion**

To,  
The Members,  
M/s Mega Nirman Industries Limited

### **Report on the Financial Statements**

1. We have audited the accompanying financial statements of Mega Nirman Industries Limited (the "company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
  - (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
  - (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

7. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order

### **As required by Section 227(3) of the Act, we report that:**

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For PVR - N & Co.  
**Chartered Accountants**

Sd/-  
**Pradeep Kumar Jindal**  
**Partner**

M. No.:082646  
F. Regn No. : 004062N  
Place: New Delhi  
Date: 29.05.2014

**Annexure to the Auditors' Report**  
REFERRED TO IN OUR REPORT OF EVEN DATE

1. a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.  
  
b) As explained to us the company has a phased program of physical verification of its fixed assets. In our opinion, it is reasonable having regard to the size of the company and the nature of its assets, certain fixed assets have been physically verified by the management during the year and no discrepancy was noticed on such verification.  
  
c) None of the Fixed Assets had been disposed off the year and, therefore do not affect the going concern assumption.
2. The physical verification of inventory including investments has been conducted at reasonable intervals by management; the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of the inventory, no material discrepancies were noticed on physical verification.
3. a) The Company has neither granted nor taken any loan secured or unsecured, to/ from Companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 2013.  
  
b) Since there are no such loans, the comments regarding terms and conditions, repayment of the principal amount and interest thereon and overdue amount are not required.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its activities. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
5. Based upon the audit procedures applied by us and according to the information and explanations given to us by management, there are no transactions which are required to be entered in the register maintained under section 301 of the Act.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the internal audit system of the Company is commensurate with the size and nature of its business.
8. The Company is not required to maintain cost records as prescribed u/s 209 (1) (d) of the Act.
9. In respect of statutory dues:
  - a) According to the information and explanations given to us and the records of the company examined by us, the company is regular in depositing the undisputed statutory dues with the appropriate authority and no dues are outstanding for a period of more than six months from the date they become payables as on 31.03.2014.
  - b) The Company doesn't have any disputed dues of Sales Tax/Income Tax/Customs/Wealth Tax /Excise Duty/Cess, etc. for a period of more than six months from the date they became payable, as on 31.03.2014.



10. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year. There are no accumulated losses as at the end of the year under audit.
11. The Company has no dues payable to a Financial Institution or Bank or Debenture Holders.
12. In our opinion and according to the information and explanation given to us, the company has not granted any loans and advances against security by way of pledge of shares, debentures and other securities.
13. In our opinion based on information and explanations given to us company is not a chit/nidhi/ Mutual Benefit Fund/ Society and hence compliance with special statute does arise.
14. The proper records have been maintained in respect of transactions and contracts relating to the Company's investments. Timely entries have also been made therein. All the securities are held in the name of the Company except to the extent of exemption granted under section 49 of the Act.
15. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. In our opinion and according to the information and explanations given to us, the Company has not raised any term loans.
17. According to the information and explanations given to us, no funds on short term basis have been raised by Company.
18. The Company has made preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Act during the year.
19. According to the information and explanations given to us, the Company has not issued any debentures during the year under consideration.
20. According to the information and explanations given to us, the Company has not raised any money by way of public issues during the year under consideration.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For PVR - N & Co.  
**Chartered Accountants**

Sd/-  
**Pradeep Kumar Jindal**  
**Partner**

M. No.:082646  
F. Regn No. : 004062N

Place: New Delhi  
Date: 29.05.2014

**MEGA NIRMAN & INDUSTRIES LIMITED**

CIN: L70101DL1983PLC015425

BALANCE SHEET AS AT 31.03.2014

(In Rupees)

Particulars	Note No.	31.03.2014	31.03.2013
<b>I. EQUITY AND LIABILITY</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	54,75,000.00	54,75,000.00
(b) Reserves & Surplus	2	87,47,358.99	87,17,264.31
(c) Money received against share warrants		-	-
<b>(2) Share Application Money Pending Allotment</b>		1,85,00,000.00	-
<b>(3) Non Current Liabilities</b>			
(a) Long Term Borrowings	3	7,15,191.00	8,50,000.00
(b) Deferred tax liabilities(Net)		-	-
(c) Other long-term liabilities		-	-
(d) Long term provisions		-	-
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	4	3,30,000.00	1,05,00,000.00
(b) Trade payables		-	-
(c) Other current liabilities		-	-
(d) Short-term provisions	5	1,17,772.00	56,531.00
<b>TOTAL</b>		<b>3,38,85,321.99</b>	<b>2,55,98,795.31</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible assets	6	14,65,282.27	18,03,858.27
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current Investments	7	35,00,000.00	35,00,000.00
(c) Deferred tax asseets (Net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
<b>(2) Current Assets</b>			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	8	31,92,448.00	26,06,948.00
(d) Cash and cash equivalents	9	18,42,900.72	38,03,326.04
(e) Short-term loans and advances	10	2,33,40,000.00	1,34,90,000.00
(f) Other current assets	11	5,44,691.00	3,94,663.00
<b>Significant Accounting Policies</b>	<b>16</b>		
<b>TOTAL</b>		<b>3,38,85,321.99</b>	<b>2,55,98,795.31</b>

In terms of our report attached.

For PVR-N & Company  
Chartered Accountants

sd/-

Pradeep Kumar Jindal  
Partner

For & on behalf of the Board of Directors of  
Mega Nirman & Industries Limited

sd/-

Niranjan Poddar  
Director  
DIN: 06450158

sd/-

Ravinder Singh Chaudhary  
Director  
DIN:05247507

M. No. 082646

FRN. 004062N

Place : New Delhi

Date : 29.05.2014

**MEGA NIRMAN & INDUSTRIES LIMITED**  
**CIN: L70101DL1983PLC015425**  
**Statement of Profit & Loss for the Year Ended 31.03.2014**

		(In Rupees)		
	Particulars	Note No.	31.03.2014	31.03.2013
I.	Revenue from operations	12	8,26,774.00	1,63,701.00
II.	Other Income		-	-
III.	<b>Total Revenue [I+II]</b>		<b>8,26,774.00</b>	<b>1,63,701.00</b>
IV.	<b>Expenses</b>			
	Cost of Sale		-	-
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
	Employee benefits expenses	13	52,243.00	34,257.00
	Finance costs	14	87,539.32	-
	Depreciation and amortization expenses		3,38,576.00	12,840.00
	Other expenses	15	2,46,263.00	1,06,785.00
	<b>Total Expenses</b>		<b>7,24,621.32</b>	<b>1,53,882.00</b>
V.	Profit before exceptional and extraordinary items and tax (III- IV)		1,02,152.68	9,819.00
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V-VI)		1,02,152.68	9,819.00
VIII.	Extraordinary items		-	-
IX.	<b>Profit before Tax (VII-VIII)</b>		<b>1,02,152.68</b>	<b>9,819.00</b>
X.	Tax expenses:			
	(1) Current tax		72,058.00	3,100.00
	(2) Deffered tax		-	-
XI.	Profit(Loss) for the period from continuing operations (IX-X)		30,094.68	6,719.00
XII.	Profit /(loss) from discontinuing period		-	-
XIII.	Tax expenses of discontinuing operations		-	-
XIV.	Profit/(loss) from Discontinuing operation (after tax) (XII-XIII)		-	-
XV.	<b>Profit(Loss) for the period (XI+XIV)</b>		<b>30,094.68</b>	<b>6,719.00</b>
XVI.	Earning per Equity share:			
	(1) Basic		0.01	0.01
	(2) Diluted		-	-
	<b>Significant Accounting Policies</b>	<b>16</b>		

In terms of our report attached.

For PVR-N & Company  
Chartered Accountants  
sd/-

Pradeep Kumar Jindal  
Partner

M. No. 082646  
FRN. 004062N  
Place : New Delhi  
Date : 29.05.2014

For & on behalf of the Board of Directors of  
Mega Nirman & Industries Limited

sd/-  
Niranjan Poddar  
Director  
DIN: 06450158

sd/-  
Ravinder Singh Chaudhary  
Director  
DIN:05247507

**CASH FLOW STATEMENT AS AT 31ST MARCH 2014**

(In Rupees)

Particulars		AS AT 31.03.2014	AS AT 31.03.2013
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before Taxation	1,02,152.68	9,819.00
	Add: Adjustment For		
1	Depreciation	3,38,576.00	12,840.00
2	Misc. Expenditure w/o	-	-
3	Finance Cost	87,539.32	-
	Operatine Profit Before Working Capital Change	<b>5,28,268.00</b>	<b>22,659.00</b>
	Adjustment For		
1	(Increase)/decrease in Loans & Advances	(98,50,000.00)	(14,40,000.00)
2	(Increase)/decrease in Sundry Debtors	(5,85,500.00)	(1,63,701.00)
3	Increase/(decrease) in Current Liabilities	(1,02,43,568.00)	27,213.00
4	(Increase)/decrease in Other Current Assets	(1,50,028.00)	(25,876.00)
	Cash Generated from Operation	(2,03,00,828.00)	(16,02,364.00)
	Less: Finance Cost Paid	87,539.32	-
	Less: Direct Tax	72,058.00	3,350.00
	<b>Net Cash Generated from operations</b>	<b>(2,04,60,425.32)</b>	<b>(15,83,055.00)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
1	Sale of Investments	-	49,00,000.00
2	Purchase of Fixed Assets	-	(17,75,000.00)
	<b>Net cash used in Investing Activites</b>	<b>-</b>	<b>31,25,000.00</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
1	Long Term Loan	-	8,50,000.00
2	Share Application Money Pending Allotment	1,85,00,000.00	-
	<b>Net cash generate in Financing Activities</b>	<b>1,85,00,000.00</b>	<b>8,50,000.00</b>
	Net Changes in Cash & Cash Equivalents (A+B+C)	<b>(19,60,425.32)</b>	<b>23,91,945.00</b>
	Opening balance of Cash & Cash Equivalents	38,03,326.04	14,11,381.04
	<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>18,42,900.72</b>	<b>38,03,326.04</b>

**AUDITOR'S CERTIFICATE**

We have examined the above Cash Flow Statement of M/s Mega Nirman & Industries Limited for the year ended on 31.03.2014. The Statement has been prepared by the Company in accordance with the requirements of A-S-3 "Cash Flow Statements" and in agreement with the corresponding Balance Sheet and Profit and Loss of the Company covered by our report dated 29.05.2014.

**In terms of our report attached.**

**For PVR-N & Company**  
**Chartered Accountants**

sd/-

**Pradeep Kumar Jindal**  
**Partner**

**For & on behalf of the Board of Directors of**  
**Mega Nirman & Industries Limited**

sd/-

**Niranjn Poddar**  
**Director**  
**DIN: 06450158**

sd/-

**Ravinder Singh Chaudhary**  
**Director**  
**DIN:05247507**

Mem. No. 082646

FRN. 004062N

Place : New Delhi

Date : 29.05.2014

**NOTE - 1****Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule VI**

(In Rupees)

Share Capital	31.03.2014	31.03.2013
	<b>Authorised</b>	
Preference Share	-	-
Equity Share (4,25,00,000 Equity Shares of Rs. 10/- each)	42,50,00,000.00	1,25,00,000.00
<b>Issued, Subscribed &amp; Paid Up</b>		
Preference Share	-	-
Equity Share (547,500 Equity Shares of Rs. 10/- each)	54,75,000.00	54,75,000.00
<b>TOTAL</b>	<b>54,75,000.00</b>	<b>54,75,000.00</b>

**NOTE 1 A****Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI**

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	547500	54,75,000.00
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	<b>547500</b>	<b>54,75,000.00</b>

**NOTE 1 B****Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule VI**

No. of Equity Shares are held by the holding company : NA

**NOTE 1 C****Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI (if more than 5%)**

SR. NO.	Name of Shareholder	31.03.2014		31.03.2013	
		No. Of Share	% of Holding	No. Of Share	% of Holding
1	Yogesh Kumar Goyal	75100	13.72	75100	13.72

**NOTE 2****Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI**

Reserves & Surplus	31.03.2014	31.03.2013
a. Capital Reserves	-	-
b. Capital Redemption Reserve	-	-
c. Securities Premium Account	1,20,00,000.00	1,20,00,000.00
d. Debenture Redemption Reserve	-	-
e. Revaluation Reserve	-	-
f. Share Options Outstanding Account	-	-
g. General Reserves	-	-
h. Surplus		
Opening balance	(32,82,735.69)	(32,92,814.69)
(+) Reversal Of Provision of Tax	-	3,360.00
(*) Net Profit/(Net Loss) For the current year	30,094.68	6,719.00
Closing Balance	<b>(32,52,641.01)</b>	<b>(32,82,735.69)</b>
<b>Total</b>	<b>87,47,358.99</b>	<b>87,17,264.31</b>

**Note 3**

Disclosure pursuant to Note no. 6(F) of Part I of Schedule VI

(In Rupees)

Long Term Borrowings	31.03.2014	31.03.2013
<b>Secured</b>		
(a) Loan From ICICI BANK-Car Loan	7,15,191.00	8,50,000.00
(b) Loans and advances from related parties	-	-
(c) Deposits	-	-
(d) Other loans and advances (specify nature)	-	-
	<b>7,15,191.00</b>	<b>8,50,000.00</b>
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</b>		
1. Period of default	-	-
2. Amount	-	-
<b>Unsecured</b>		
(a) Loans repayable on demand	-	-
(b) Loans and advances from related parties	-	-
(c) Deposits	-	-
(d) Other loans and advances	-	-
	-	-
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</b>		
1. Period of default	-	-
2. Amount	-	-
<b>Total</b>	<b>7,15,191.00</b>	<b>8,50,000.00</b>

**NOTE 4**

Disclosure pursuant to Note no. 6(F) of Part I of Schedule VI

(In Rupees)

Short Term Borrowings	31.03.2014	31.03.2013
<b>Secured</b>		
(a) Loans repayable on demand	-	-
(b) Loans and advances from related parties	-	-
(c) Deposits	-	-
(d) Other loans and advances (specify nature)	-	-
	-	-
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</b>		
1. Period of default	-	-
2. Amount	-	-
<b>Unsecured</b>		
(a) Loans repayable on demand	-	-
(b) Loans and advances from related parties	-	-
(c) Deposits	-	-
(d) Other loans and advances	3,30,000.00	1,05,00,000.00
	<b>3,30,000.00</b>	<b>1,05,00,000.00</b>
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (a) (b) &amp; (d)</b>		
1. Period of default	-	-
2. Amount	-	-
<b>Total</b>	<b>3,30,000.00</b>	<b>1,05,00,000.00</b>



## NOTE - 7

## Disclosure pursuant to Note no. K (I) of Part I of Schedule VI

(In Rupees)

	Particulars	31.03.2014	31.03.2013
<b>A</b>	<b>Trade Investments (Refer A below)</b>		
	(a) Investment Properties	-	-
	(b) Investment in Equity Instruments	-	-
	(c) Investments in preference shares	-	-
	(d) Investments in Government or Trust securities	-	-
	(e) Investments in debentures or bonds	-	-
	(f) Investments in Mutual Funds	-	-
	(g) Investments in partnership firms*	-	-
	(h) Other non-current investments (specify nature)	-	-
	<b>Total (A)</b>	-	-
<b>B</b>	<b>Other Investments (Refer B below)</b>		
	(a) Investment Properties	-	-
	(b) Investment in Equity Instruments	35,00,000.00	35,00,000.00
	(c) Investments in preference shares	-	-
	(d) Investments in Government or Trust securities	-	-
	(e) Investments in debentures or bonds	-	-
	(f) Investments in Mutual Funds	-	-
	(g) Investments in partnership firms*	-	-
	(h) Other non-current investments (specify nature)	-	-
	<b>Total (B)</b>	35,00,000.00	35,00,000.00
	<b>Grand Total (A + B)</b>	35,00,000.00	35,00,000.00
	Less : Provision for diminution in the value of Investments		
	<b>Total</b>	35,00,000.00	35,00,000.00



A. Details of Trade Investments												
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
			2014	2013			2014	2013	2014	2013		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	Investment Properties	-	-	-	-	-	-	-	-	-	-	-
(b)	Investment in Equity Instruments	-	-	-	-	-	-	-	-	-	-	-
(c)	Investments in Preference Shares	-	-	-	-	-	-	-	-	-	-	-
(d)	Investments in Government or Trust securities	-	-	-	-	-	-	-	-	-	-	-
(e)	Investments in Debentures or Bonds	-	-	-	-	-	-	-	-	-	-	-
(f)	Investments in Mutual Funds	-	-	-	-	-	-	-	-	-	-	-
(g)	Investments in partnership firms*	-	-	-	-	-	-	-	-	-	-	-
(h)	Other non-current investments (specify nature)	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>											
B. Details of Other Investments												
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
			2014	2013			2014	2013	2014	2013		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	Investment Properties	-	-	-	-	-	-	-	-	-	-	-
(b)	Investment in Equity Instruments	-	-	-	-	-	-	-	-	-	-	-
1	Vishika International Pvt. Ltd. (Rs. 10/- each)	Others	10000	10000	Unquoted	fully	1.25	1.25	10,00,000	10,00,000	Yes	-
2	Vruti Management Systems Pvt. Ltd. (Rs. 10/- each)	Others	25000	25000	Unquoted	fully	7.04	7.04	25,00,000	25,00,000	Yes	-
(c)	Investments in Preference Shares	-	-	-	-	-	-	-	-	-	-	-
(d)	Investments in Government or Trust securities	-	-	-	-	-	-	-	-	-	-	-
(e)	Investments in Debentures or Bonds	-	-	-	-	-	-	-	-	-	-	-
(f)	Investments in Mutual Funds	-	-	-	-	-	-	-	-	-	-	-
(g)	Investments in partnership firms*	-	-	-	-	-	-	-	-	-	-	-
(h)	Other non-current investments (specify nature)	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>								<b>35,00,000</b>	<b>35,00,000</b>		

**NOTE 8**

(In Rupees)

**Disclosure pursuant to Note no.P (i), (ii), (iii) and (iv) of Part I of Schedule VI**

Trade Receivables	31.03.2014	31.03.2013
<b>Trade receivables outstanding for a period less than six months from the date they are due for payment</b>		
Secured, considered good	-	-
Unsecured, considered good	5,85,500.00	99,575.00
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	5,85,500.00	99,575.00
<b>Trade receivables outstanding for a period exceeding six months from the date they are due for payment</b>		
Secured, considered good	-	-
Unsecured, considered good	26,06,948.00	25,07,373.00
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	26,06,948.00	25,07,373.00
<b>Total</b>	<b>31,92,448.00</b>	<b>26,06,948.00</b>

**NOTE 9****Disclosure pursuant to Note no.Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule VI**

Cash and cash equivalents	31.03.2014	31.03.2013
a. Balances with banks	10,93,151.30	12,64,113.62
b. Cash in hand	7,49,749.42	25,39,212.42
<b>Total</b>	<b>18,42,900.72</b>	<b>38,03,326.04</b>

**NOTE 10****Disclosure pursuant to Note no.R (i), (ii) and (iii) of Part I of Schedule VI**

Short-term loans and advances	31.03.2014	31.03.2013
<b>a. Loans and advances to related parties (refer note 2)</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	-	-
<b>b. Others (specify nature)</b>		
Secured, considered good	-	-
Unsecured, considered good	2,33,40,000.00	1,34,90,000.00
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	2,33,40,000.00	1,34,90,000.00
<b>Total</b>	<b>2,33,40,000.00</b>	<b>1,34,90,000.00</b>

**NOTE 11**

(In Rupees)

**As per Point No. 6S of General Instructions for Preparation of Balance Sheet**

Other current assets (specify nature)	31.03.2014	31.03.2013
Income Tax Refund	1,05,032.00	1,05,032.00
Tax Deducted At Source	17,918.00	17,918.00
Tax Paid Under Appeal	2,21,337.00	2,21,337.00
Prepaid Insurance	23,704.00	25,876.00
Misc. Exp. (to the extent not w/off or adjusted)	1,76,700.00	24,500.00
<b>Total</b>	<b>5,44,691.00</b>	<b>3,94,663.00</b>

**NOTE 12****Disclosure pursuant to Note no. 2 of Part II of Schedule VI**

Paticulars	31.03.2014	31.03.2013
Sale of Share	-	-
Sale of services	-	-
Other operating revenues	8,26,774.00	1,63,701.00
<b>Total</b>	<b>8,26,774.00</b>	<b>1,63,701.00</b>

**NOTE 13****Disclosure pursuant to Note no. 5(i)(a) of Part II of Schedule VI**

Employee Benefits Expense	31.03.2014	31.03.2013
Salary	52,243.00	34,257.00
Staff welfare expenses	-	-
<b>Total</b>	<b>52,243.00</b>	<b>34,257.00</b>

**NOTE 14****Disclosure pursuant to Note no. 3 of Part II of Schedule VI**

Finance costs	31.03.2014	31.03.2013
Bank Charges	348.32	-
Interest on Car Loan	87,191.00	-
<b>Total</b>	<b>87,539.32</b>	<b>-</b>

**NOTE 15**

Other expenses	31.03.2014	31.03.2013
Advertisement	29,802.00	29,724.00
Audit Fees	16,854.00	16,854.00
Board Meeting Exp.	0.00	7,690.00
Car Insurance	28,031.00	2,352.00
Conveyance Exp.	10,691.00	5,715.00
Income Tax Paid	2,500.00	0.00
Filing Fees	4,000.00	5,300.00
Legal & Professional Charges	1,05,700.00	12,674.00
Listing Fees	5,618.00	5,618.00
Loss-Amount not recovered from Insurance Co.	12,000.00	0.00
Misc. Office Exp.	0.00	5,606.00
Postage Telegram & Courier	0.00	1,862.00
Printing & Stationary	5,525.00	3,160.00
Repair & Maintenance	11,592.00	0.00
Telephone Exp.	5,400.00	4,290.00
Vehicle Exp.	8,550.00	5,940.00
<b>Total</b>	<b>2,46,263.00</b>	<b>1,06,785.00</b>

**NOTE NO. 16**

**SIGNIFICANT ACCOUNTING POLICIES**

**(a) Accounting Convention:**

Accounts have been prepared under the historical cost convention on the basis of going Concern concept.

**(b) Fixed Assets:**

Fixed assets are stated at cost of acquisition less accumulated depreciation less impairment loss, if any. Cost includes all expenses related to acquisition and installation of the concerned assets.

**(c) Depreciation:**

Depreciation on Fixed Assets has been provided as per rates prescribed under Income Tax Act, 1961 as amended from time to time.

**(d) Investments:**

The stock of shares and investment in shares are valued at cost.

**(e) Income & Expenditure:**

Income & Expenditure are recognised on accrual basis.

**(f) Tax on Income:**

Provision for Income Tax has been made as per the provision of Income Tax Act, 1961.

**(g) Cash Flow Statement:**

The Company adopts the indirect method in the preparation of Cash Flow Statement. Cash & Cash Equivalent consists of Cash in hand and Bank balances.

B. There is no contingent liability as at 31st March, 2014.

C. In the Opinion of the Board of Directors and to the best of their knowledge and belief, the value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet.

**D. Auditor's Remuneration**

	<b>FY 2013-14</b>	<b>FY 2012-13</b>
<b>Audit Fees</b>	<b>16,854/-</b>	<b>16,854/-</b>

E. Additional information pursuant to Part II of Schedule VI of the Act the extent applicable are as under:-

- i]. Foreign Exchange earnings during the Year --Nil
- ii]. Expenditure in Foreign Currency ---Nil

- F. Previous year figures have been regrouped & re-arranged, wherever necessary to confirm to the current years' classification, current year figures rounded off in multiple of rupee.
- G. Provision for Deferred tax Assets as per Accounting Standard 22, issued by the Institute of Chartered Accountants of India has not been recognized by way of prudence, as in the opinion of management there is reasonable uncertainty of future income, which may be available for its adjustment. The company does not estimate consistent income in future years and as such no provision for deferred tax liability has been made.

**For PVR - N & Co.  
Chartered Accountants**

**For & on the behalf of the Board  
M/s Mega Nirman & Industries Limited**

**sd/-  
Pradeep Kumar Jindal  
Partner  
M. No.: 082646  
FRN. : 004062N**

**sd/-  
Niranjan Poddar  
Director  
DIN: 06450158**

**sd/-  
Ravinder Singh Chowdhary  
Director  
DIN: 05247507**

**Place: New Delhi  
Date: 29.05.2014**