



## MEGA FIN (INDIA) LIMITED

CIN: L65990MH1982PLC027165

**Reg. Off:** 302, Level 3, Ceejay House, Shiv Sagar Estate, F Block, Dr. Annie Besant Road, Worli, Mumbai – 400018  
**Tel:** 022- 42305500/502 **Fax:** 022 42305555 **E-mail:** [info@megafinindia.com](mailto:info@megafinindia.com) **Website:** [www.megafinindia.com](http://www.megafinindia.com)

**Ref: MFIL/SE/092021/02**

**Date:** 09<sup>th</sup> September, 2021

**To,**  
**Corporate Relationship Department**  
**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
2nd Floor, Dalal Street,  
Mumbai – 400 001  
Fax No. 2272 3121/ 2037

**Re.: - Mega Fin (India) Limited – BSE Scrip Code: 532105**

**Subject: Notice of the 39<sup>th</sup> Annual General Meeting and Annual Report of the Company for the F. Y. 2020-21.**

**Dear Sir/Madam,**

Pursuant to the provisions of Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for the F.Y. 2020-21 and the Notice convening 39<sup>th</sup> Annual General Meeting (AGM) of the Company scheduled to be held on **Thursday, 30<sup>th</sup> September, 2021 at 2.00 P.M.** at the registered office of the Company i.e at 302, Ceejay House, Level 3 , F-Block, Dr. Annie Besant Road, Worli, Mumbai – 400 018.

The aforesaid documents are being dispatched electronically to those Members whose email IDs are registered with the Company/Bigshare Services Pvt. Ltd (“Registrar and Transfer Agents” of the Company) or the Depositories.

The aforesaid documents are also available on the website of the Company at [www.megafinindia.com](http://www.megafinindia.com).

Kindly take the above information on record.

Thanking you.

For **Mega Fin (India) Limited**

*Mamta Saini*

**Mamta Saini**  
**Company Secretary**  
**Mem No. -A62256**





# Annual Report

2020-21

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**Tel+91 22 42305500/01**  
**Fax+91 22 4230 5555**

302, Level 3, Ceejay House, Shiv  
Sagar Estate, F Block, Dr. Annie  
Besant Road, Worli, Mumbai -  
400018

[www.megafinindia.com](http://www.megafinindia.com)  
[info@megafinindia.com](mailto:info@megafinindia.com)

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## CORPORATE INFORMATION

MANAGEMENT TEAM		BANKERS
•	Mr. Ajay S Mittal Director	Alibaug Co-op Bank National Co-op Bank Canara Bank Ltd. HDFC Bank Ltd.
•	Mr. Mahesh Kumar Sharma Non- Executive Independent Director Upto: 17/12/2020	
•	Mr. Pramod Raghavan Non- Executive Independent Director	
•	Mrs. Reena Mirza Non- Executive Independent Director W.e.f. 17/12/2020	<b>Registrar &amp; Share Transfer Agent</b> Big Share Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri East, Mumbai - 400059. Tel : 91 22 62638200 Fax: +91 22 62638299 Email : <a href="mailto:info@bigshareonline.com">info@bigshareonline.com</a>
•	Shweta Atul Phanse Women Director	
•	Mr. Mahesh Mhatre Chief Executive Officer (KMP)	
•	Sonal Gupta Chief Financial Officer (KMP)	
•	Mandeep Chhabra Company Secretary Upto 30/07/2020	<b>Registered Office</b> 302 Ceejay House, Level 3, Shiv Sagar Estate-Block, Dr. Annie Besant Road, Worli, Mumbai-400 018 T: +91 22 4230 5500 F: +91 22 4230 5555
•	<b>AUDITORS</b> <b>Kankani Jain Chopra and Company</b> Chartered Accountants Statutory Auditors 407, 4 <sup>th</sup> Floor, Mani Mahal, Kalbadevi, Mumbai - 400002	
•	<b>SECRETARIAL AUDITOR</b> <b>Aabid &amp; Co.,</b> Company Secretaries 405, Tulsian Chambers, Nariman Point, Mumbai - 400020	

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT** the 39<sup>th</sup> Annual General Meeting (AGM) of the members of Mega Fin (India) Limited is scheduled to be held on Thursday, 30<sup>th</sup> September, 2021 at 02.00 P.M. at the registered office of the Company i.e 302, Ceejay House, Level 3 , F-Block, Dr. Annie Besant Road, Worli, Mumbai – 400 018

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:

The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and Auditor's thereon.

2. To appoint a Director in place of Mr. Ajay Mittal (DIN: 00226355), who retires by rotation and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS:**

3. To appoint Ms. Archana Maheshwari (DIN: 09180967) as a Non-Executive Independent Director of the Company 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, if any, of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force, Ms. Archana Maheshwari (DIN: 09180967) who has submitted the declaration that she meets the criteria for independence as provided under the Act and the Listing Regulations, be and is hereby appointed as a non-executive Independent Director of the Company, to hold office for five consecutive years with effect from this Annual general Meeting upto the conclusion of the 44<sup>nd</sup> Annual general meeting.

Registered Office:  
302, Level 3, Ceejay House,  
Shiv Sagar Estate, F Block, Dr. Annie Besant Road,  
Worli, Mumbai – 400018.

By Order of the Board of Directors of  
Mega Fin (India) Limited

Mamta Saini  
Company Secretary  
Mem. No. A62256

**Date: 06<sup>th</sup> August, 2021**

**Place: Mumbai**

**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. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. Electronic copy of the Notice of the 39<sup>th</sup> Annual General Meeting of the Company, inter-alia, indicating the process and manner for e-voting, along with the Attendance Slip and Proxy Form is being sent by electronic mode to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. Members other than above, physical copies of the Notice for 39<sup>th</sup> Annual general Meeting of the company, inter-alia, indicating the process and manner for e-voting, along with the Attendance Slip and Proxy Form is being sent by the permitted mode.
5. Explanatory Statement under Section 102 of the Companies Act, 2013, in respect of the Special Business at Item No. 3 of the accompanying Notice are annexed hereto.
6. Route-map of the AGM venue, pursuant to the Secretarial Standard on General Meetings, is also annexed.
7. The details of Directors proposed for appointment/ re-appointment under Item Nos. 2 and 3 of the Notice, as per requirement of Regulation 36(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, are provided in the explanatory statement and annexure to the notice.
8. A statement giving the details of the Director seeking re-appointment under item no. 2 of the accompanying Notice, as required by Regulation 36(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, is **Annexure-I**.
9. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at Company's Registered Office on all working days (except 2<sup>nd</sup> & 4<sup>th</sup> Saturdays, Sundays and Public Holidays) between 11:00 a. m. to 1:00 p.m. upto the date of the Annual General Meeting.
10. The Register of Members and Share Transfer Books will remain closed from 24<sup>th</sup> September, 2021 to 30<sup>th</sup> September, 2021 (both days inclusive).
11. 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.
12. Electronic copy of the Annual Report for the year 2020-21 is being sent to all the members whose email IDs are registered with the Company/ Depository Participant (s) and have given their consent to receive

## MEGA FIN ANNUAL REPORT 2020-21

the same through electronic means. Members other than above, physical copies of the Annual Report are being sent by the permitted mode.

13. Members may also note that the Notice of the 39<sup>th</sup> Annual General Meeting and the Annual Report for the year 2020-21 will be available on the website of the Company [www.megafinindia.com](http://www.megafinindia.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered office on all working days (except 2<sup>nd</sup> & 4<sup>th</sup> Saturdays, Sundays and Public Holidays) between 11:00 a. m. to 1:00 p.m.
14. 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: [info@megafinindia.com](mailto:info@megafinindia.com)
15. 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.
16. Members are requested to bring their copy of the Annual Report at the meeting.
17. 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.
18. 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.
19. 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.
20. 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 Private Ltd., Registrar & Share Transfer Agents, 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059.
21. Members desirous of making a nomination in respect of their shareholding in physical form under Section 72 of the Companies Act, 2013, are requested to send the same to the Company's Registrar & Share Transfer Agents in the prescribed form.
22. Non-resident Indian Members are requested to inform M/s Bigshare Services Private 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.
23. The Company also request you to update your email address with your Depository Participant to enable us to send you the communications via email. Members holding shares in electronic mode are requested to intimate any change in their particulars such as address or bank mandates to their depository Participants ("DP") with whom they are maintaining their demat accounts. Members holding shares in physical Mode are requested to advise any change in their address or bank mandates to the company/Company's Registrar & Transfer Agents ("RTA") i.e. Bigshare Services Private Limited on their registered officed address at 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059.
24. 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 & amendments thereto, if any & As per Regulation 44 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation 2015. The Company is pleased to offer the facility of voting through electronic

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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.

- (I) The voting through electronic means will commence on Monday, 27<sup>th</sup> September, 2021 at 10:00 A.M. and will end on Wednesday, 29<sup>th</sup> September, 2021 at 5:00 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) i.e. Thursday, 23<sup>rd</sup> September, 2021 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.
- (II) The Company has appointed CS Jitender Singh, Practicing Company Secretary, to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
- (III) 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.
- (IV) The facility for voting through Polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper
- (V) 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.
- (VI) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.megafinindia.com](http://www.megafinindia.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of the resolutions at the 39<sup>th</sup> AGM of the Company and communicated to the BSE Limited, where the shares of the Company are listed.
- (VII) The procedure and instructions for the voting through electronic means is, as follows:

The voting period begins at 09.00 a.m. on Monday, September 27, 2021 at 10:00 A.M. and will end on Wednesday, September 29, 2021 at 5:00 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 September 23<sup>rd</sup>, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- i) Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- ii) Now click on "Shareholders" to cast your votes
- iii) User-ID For Members holding shares in Demat Form:-
- iv) For CDSL: - 16 digits beneficiary ID For Members holding shares in Physical Form:-
- v) Folio Number registered with the Company
- vi) Next enter the Image Verification as displayed and Click on Login.
- vii) 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.
- viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>
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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 folio/client id number in the PAN Field.</li> <li>• In case the folio 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 folio 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>

- ix) After entering these details appropriately, click on “SUBMIT” tab.
- x) 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.
- xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii) Click on the EVSN (210909022) for the relevant <Company Name> on which you choose to vote.
- xiii) 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.
- xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv) 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.
- xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xviii) 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.
- xix) 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.

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- 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.
- xx) 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).

**ANNEXURE TO THE NOTICE OF THE 39<sup>TH</sup> ANNUAL GENERAL MEETING**

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013,**

**FOR ITEM NO. 3**

Ms. Archana Maheshwari aged about 44 years is a Graduate Degree with expertise in Compliance & allied matters. With over a decades of varied experience in business and industry spanning she is also active with various social reform and community service organizations. The details of the directorships and memberships in committees of other companies held by her are provided in **Annexure-II** to the notice.

She does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

Section 149 and section 152 of the Companies Act, 2013, inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of special resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the annual general meeting.

The provisions further provide that the Independent Directors shall give a confirmation of independence and meeting of the prescribed criteria, as mentioned in section 149(6) of the Companies Act, 2013. In terms of section 149(13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of section 149 and other applicable provisions of the Companies Act, 2013, Ms. Archana Maheshwari being eligible and offering herself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto conclusion of 44<sup>th</sup> Annual General Meeting of the Company.

The Company has received from Ms. Archana Maheshwari, a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act.

In the opinion of the Board, Ms. Archana Maheshwari fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Ms. Archana Maheshwari as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Archana Maheshwari as an Independent Director.

This Explanatory Statement may also be regarded as a disclosure under Regulation 36 (3) of SEBI (Listing Obligations & disclosures Requirements) Regulations 2015 with the Stock Exchanges.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Ms. Archana Maheshwari herself is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no. 3 for your consideration and approval.

**ANNEXURE- I**

**DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING**

**[Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

<b>Name of the Director</b>	<b>Mr. Ajay Mittal</b>
<b>Director Identification Number</b>	00226355
<b>Date of Birth</b>	28/06/1965
<b>Date of Appointment on the Board</b>	12/12/1991
<b>Qualification</b>	MBA from the United States
<b>Brief Profile</b>	<p>Mr. Mittal in his entrepreneurial career has helmed leadership positions in diverse sectors including financial services, manufacturing, international trading, information technology and global supply chain management.</p> <p>He is also very active with various social reform and community service organizations. His personal mission is for Arshiya Group to play a major supporting role in India's economic transformation and growth.</p>
<b>Directorship held in other companies</b>	<ul style="list-style-type: none"> <li>• ARSHIYA LIMITED</li> <li>• ARSHIYA LOGISTICS SERVICES LIMITED</li> <li>• ARSHIYA LIFESTYLE LIMITED</li> <li>• ARSHIYA RAIL INFRASTRUCTURE LIMITED</li> <li>• ARSHIYA NORTHERN FTWZ LIMITED</li> <li>• ARSHIYA DATA CENTRE PRIVATE LIMITED</li> <li>• MEGA CUSTODIAL SERVICES LTD</li> <li>• MEGA CAPITAL BROKING PRIVATE LIMITED</li> <li>• RUDRADEV PROPERTIES PRIVATE LIMITED</li> </ul>
<b>Committee position held in other companies</b>	3
<b>Shareholding of Director As on March 31, 2021</b>	Nil
<b>Meetings attended</b>	4

**ANNEXURE-II**

**DETAILS OF DIRECTOR SEEKING APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING**

**[Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

<b>Name of the Director</b>	<b>Ms. Archana Maheshwari</b>
<b>Director Identification Number</b>	09180967
<b>Date of Birth</b>	13/08/1977
<b>Qualification</b>	Graduate Degree with expertise in Compliance & allied matters
<b>Brief Profile</b>	With over a decades of varied experience in business and industry spanning Ms. Archana Maheshwari is also active with various social reform and community service organizations.
<b>Directorship held in other companies</b>	<ul style="list-style-type: none"> <li>• MIRA SUPPLY CHAIN MANAGEMENT PRIVATE LIMITED</li> <li>• ROCKHILL PROPERTIES PRIVATE LIMITED</li> </ul>
<b>Committee position held in other companies</b>	NIL
<b>Shareholding of Director As on March 31, 2021</b>	Nil
<b>Meetings attended</b>	NA

## ***DIRECTORS' REPORT***

Dear Members,

Your Directors are hereby present their 39<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2021.

### **1. RESULTS OF OUR OPERATIONS**

#### **Summarized Standalone Financial Results- Mega Fin (India) Limited**

<b>Particulars</b>	<b>Year Ended 31.03.2021 (Rs.)</b>	<b>Year Ended 31.03.2020 (Rs.)</b>
Income	2338360	2252895
Expenditure	1671187	2144525
Profit/(Loss) Before Depreciation and Tax	667173	(705590)
Profit/(Loss) Before Tax and Exceptional Items	667173	(705590)
Exceptional Items (Net)	Nil	Nil
Prior period Items(Net)	Nil	Nil
<b>Profit/(Loss) After Tax</b>	<b>667173</b>	<b>(705590)</b>

#### **i.) Results of operations:**

During the year under review your Company has reported a total income of ₹23,38,360 as compared to ₹22,52,895 for the previous year. Further, your Company has reported profit of ₹ 6,67,173 as compared to the loss of ₹ 7,05,590 in previous year.

#### **ii.) Dividend**

In view of accumulated losses, your Directors regret their inability to recommend dividend for the financial year ended 31<sup>st</sup> March, 2021.

#### **iii.) Particulars of loans, guarantees or investments by company**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements under this report.

#### **iv.) Fixed Deposits**

The Company has not accepted any deposits, within the meaning of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of deposits) Rules, 2014.

#### **v.) Particulars of Contracts or arrangements made with related party (ies)**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of sections 188 of the Companies Act, 2013 are not attracted. Thus disclosure in Form AOC-2 is not required. Further, there are no material related party transactions during the year under review with Promoters, Directors or Key Managerial Personnel. The

Company has developed a Related Party Transactions framework through Standards Operating Procedures for the purpose of identification and monitoring of such transactions.

All Related Party Transactions are placed before the Audit Committee as also before the Board for approval. Omnibus approval was obtained on a quarterly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are audited and a statement giving details of all Related Party Transactions are placed before the Audit Committee and Board for review and approval on a quarterly basis.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. The web link of the same has been provided in the Corporate Governance Report. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company.

**vi.) Material changes and commitment, if any, affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate and the date of the report**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

**vii.) Share Capital**

The paid- up equity share capital of the Company as at March 31, 2021 stood at Rs. 8,17,55,000/- (Rupees Eight Crore Seventeen lakhs Fifty Five Thousand only).

**I.) BUSINESS AND FUTURE OUTLOOK:**

**i.) Business**

Mega Fin (India) Limited (MFIL) is a part of the India's private sector financial services companies, the Shares of the Company are listed on Bombay Stock Exchange (BSE). The Company is a core investment Company & has interests in financing and advancing short term and long term loans and credits to individuals, companies or association of individuals by whatever name called; merchant banking; commercial financing; stock broking; other activities in financial services.

**ii.) Subsidiaries and Associates**

Your Company does not have any Subsidiary Company or Associate Company as on 31<sup>st</sup> March, 2021.

**II.) CORPORATE GOVERNANCE**

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. The Company has been following the principles of good Corporate Governance over the years and lays strong emphasis on transparency, accountability and integrity. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with BSE, a separate section on Corporate Governance forms part of this Annual Report.

**i.) Number of meetings of the Board**

During the year Five Meetings were held. The details of the meetings of the Board held during the financial year 2020-21 forms part of the Corporate Governance Report. The intervening gap between any two meetings did not exceed 120 days as prescribed by Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

**ii.) Committees of the Board**

Currently the Board have 4 Committees namely Audit Committee, Nomination and Remuneration Committee, Share Transfer, Investor Grievances & Stakeholders Relationship Committee and Committee of Directors, A detailed note on Board and its committees is provided under the corporate governance section to this annual report.

**iii.) Board Diversity**

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage difference in thought, perspectives, knowledge, skill, regional and industry experience, cultural and geographical background. The Board has adopted the Policy on Board Diversity which sets out the approach to diversity of the Board of Directors and the same is available on our website [www.megafinindia.com](http://www.megafinindia.com).

**iv.) Remuneration and Nomination Policy**

The Board of Directors of the Company has an optimum combination of Promoter Director and Non-Executive Independent Directors, who have knowledge of the business and industry. The composition of the Board is in conformity the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges and Companies Act, 2013.

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Policy Personnel and Senior Management of the Company. This Policy also lays down criteria for selection and appointment of Board Members.



**v.) Declaration by Independent Directors**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**vi.) Board evaluation**

The Board has carried out an annual evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees, in the manner as enumerated in the Nomination and Remuneration Policy, in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, mandates that the Board shall monitor and review the Board evaluation framework. A structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific Duties, obligations and governance.

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The performance evaluation of the Chairman and the non-independent Director(s) was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

Your Directors express their satisfaction with the evaluation process and inform that the performance of the Board as a whole, its Committees and its member individually were adjudged satisfactory. A detailed policy on board evaluation has been adopted by the Company which is also available on the website of the Company [www.megafinindia.com](http://www.megafinindia.com).

**vii.) Programmes for familiarisation of Independent Directors**

The details of programmes for familiarisation of Independent Directors with the Company, nature of the Industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company i.e. <http://megafinindia.com/downloads/Familiarisation%20Programmes.pdf>

**viii.) Appointment**

During the year, Ms. Mamta Saini was appointed as the Company Secretary of the Company w.e.f 17<sup>th</sup> December, 2020

And, Mrs. Reena Mirza was appointed as Non-Executive Independent Director for a tenure of 5 consecutive years in the company w.e.f 17<sup>th</sup> December, 2020.

**ix.) Resignation**

During the year, Ms. Mandeep Chhabra, Company secretary of the Company resigned w.e.f. 30<sup>th</sup> July, 2020.

And, Mr. Mahesh Kumar Sharma, Independent Director of the company resigned w.e.f 17<sup>th</sup> December, 2020.

**x.) Re-appointment**

In accordance with the provisions of Section 152 (6) of the Companies Act, 2013 and the Company's Articles of Association, Mr. Ajay S Mittal – Director will be retire by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

Brief details of the Director proposed to be appointed / Re – appointed as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the notice of the Annual General Meeting and forms an integral part of this Annual Report.

**xi.) Directors responsibility statement**

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss 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 the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**III.) AUDIT AND AUDITORS'**

**i.) Statutory Auditors'**

Kankani Jain Chopra and Company, Chartered Accountants, Mumbai, Statutory Auditors of the Company, was appointed as Statutory Auditors of the Company for a period of five year from the conclusion of 35<sup>th</sup> Annual General Meeting till the conclusion of 40<sup>th</sup> Annual General Meeting to be held in the year 2022. The requirement of Annual ratification of Auditors' appointment at the AGM has been omitted pursuant to the Companies Amendment Act, 2017 notified on May 7, 2018.

**Auditors Report:**

Qualifications in the Audit Report is as under:

We draw attention to Note 8 to the Standalone Financial Results in which the Financial Statement have been prepared by the management on a going concern basis even though the company has substantial accumulated losses. Further as per Section 45-IA of the RBI Act, 1934, no Non-banking Financial company can commence or carry on business of a non-banking financial institution without having a Net Owned Funds of Rs.200 Lakh. In Case of the Company the NOE as come to less than Rs.200 Lakhs, hence the company cannot continue as a Non-Banking Financial Company..

Management's response to the qualifications in the Audit Report is as under:

The Company is taking reasonable steps to improve the financial stability of the Company and to continue as Non-Banking Financial Company.

**ii.) Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed Aabid & Co, Practising Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as **Annexure-I** to this Report.

**Secretarial Standards Compliance**

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

**iii.) Significant and material orders passed by the regulators or courts**

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

**iv.) Internal control systems and their adequacy**

Your Company has an effective internal control and risk mitigation system, which are constantly assessed and strengthened with new/ revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken by the management are presented to the Audit Committee. To maintain its objectivity and independence, the internal Audit function reports to the Chairman of the Audit Committee.

**IV) EXTRACT OF ANNUAL RETURN**

In accordance with Section 92 and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in **Form No. MGT-9** has been placed on the website of the Company and can be accessed at <http://www.megafinindia.com>

**V) CORPORATE SOCIAL RESPONSIBILITY**

Your Company sincerely believes that growth needs to be sustainable in a socially relevant manner. Today's business environment especially in India therefore demands that corporates play a pivotal role in shouldering social responsibility. Your Company is committed to its endeavor in social responsibilities for benefit of the community.

**VI) HUMAN RESOURCES**

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. The Company has a structured induction process at all locations and management development programs to upgrade skills of managers. Objective appraisal systems based on Key Result Areas (KRAs) are in place for senior management staff. The Company is committed to nurturing, enhancing and retaining top talent through superior Learning and Organizational Development. This is a part of Corporate HR function and is a critical pillar to support the organization's growth and its sustainability in the long run.

Further statutory disclosures w.r.t. Human Resources are as under:

- i.) As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated and implemented a policy on Sexual Harassment (Wiz as updated on the website of the Company <http://megafinindia.com/> ) at workplace with a mechanism of lodging complaints. Its redressal is placed on the internet for the benefit of its employees. During the year under review, no complaints were reported to the Board.
- ii.) None of the Managerial personnel is being paid any remuneration and hence the information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not relevant.

None of the employees listed is a relative of any director of the Company. None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

#### **Key Managerial Personnel**

<b>Sl. No.</b>	<b>Designation</b>	<b>Name of Persons</b>
1.	Chief Executive Officer	Mahesh Mhatre Gajanan
2.	Company Secretary	Mamta Saini w.e.f 17/12/2020
3.	Chief Financial Officer	Sonal Gupta

#### **VII) MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Companies Act, 2013, forms part of Annual Report.

#### **VIII) VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to report genuine concerns or grievances. The Vigil Mechanism/ Whistle Blower Policy may be accessed on the Company's website i.e. <http://megafinindia.com/governance.html>

#### **IX) RISK MANAGEMENT**

Your Company is well aware of risks associated with its business operations and various projects under execution. Comprehensively risk management system is being put in place involving classification of risk, adoption of risk mitigation measures and a strong mechanism to deal with potential risks and situation leading to rise of risks in an effective manner.

Senior Professionals conversant with risk management systems have been entrusted with the said task with a brief to implement the risk management.

#### **X) HEALTH, SAFETY AND ENVIRONMENT:**

As a responsible corporate citizen, your Company lays considerable emphasis on health, safety aspects of its human capital, operations and overall working conditions. Thus being constantly aware of its obligation towards maintaining and improving the environment, all possible steps are being taken to meet

the toughest environmental standards on pollution, effluents, etc. across various spheres of its business activities.

**XI) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Information under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of Company (Accounts) Rules, 2014 is not applicable to your Company. There neither were any earnings nor outgo of Foreign Exchange.

**XII) STATUTORY INFORMATION**

The Business Responsibility Reporting as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges is not applicable to your Company for the financial year ended March 31, 2021.

**XIII) LISTING:**

At present the Company's Equity Shares are listed at BSE Limited and the Company has paid Listing Fees to the above Stock Exchanges for the year 2021-2022.

**XIV) IMPACT OF COVID-19**

**Impact in India:**

COVID-19 Impact in India, The Government of India imposed a nationwide lockdown, beginning in the last week of March 2020 which continued during the Financial Year 2020-21, as part of its pandemic containment measures, which put a majority of 1.3 billion people and domestic economic activities in suspended animation.

The Covid-19 pandemic has had a significant impact on lives, livelihoods, and the business. Operational challenges mounted due to restricted movement and disrupted supply lines during the first few months of the pandemic. As the second wave of the pandemic unfolds with predictions of a third wave in the offing, our focus continues to be on our people's health & safety,

**Measures taken by Company:**

The sheer uncertainty arising out of the extended lockdown, supply chain disruptions, the loss of migrant labor and the evolving regulation while restarting works may have a material adverse impact on the Company's operations. The Company is closely monitoring the situation and will take all necessary measures in terms of mitigating the impact of the challenges being faced in the business as may be required in the interests of all stakeholders. The process of remobilizing sites has started as per the prevailing guidelines in the respective states. The Company has been taking necessary precautionary measures at all its project site operations to contain the spread of COVID-19 as advised by the Government and its Clients, from time to time. The Company has also followed "Work from Home" policy for its employees and continues to follow the Government guidelines pertaining to re-opening of offices.

The company also provided masks and sanitizers and compulsory checking of body temperatures were done of all the employees and staff.

**APPRECIATION**

Your directors would like to thank and place on record their appreciation for the sustained support and co-operation provided by its Members, Group entities and in particular, their employees, regulatory authorities, suppliers, customers, its banks, financial institutions and other stakeholders.

Your directors would also like to place on record its sincere appreciation for the efforts put in by employees of the Company whose efforts, hard work and dedication has enabled the Company to achieve all recognitions during the year.

For and on behalf of the Board of Directors of  
**MEGA FIN (INDIA) LIMITED**

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

**Shweta Atul Phanse**  
Director  
**DIN: 07146218**

Place: Mumbai  
Dated: 06<sup>th</sup> August, 2021

**ANNEXURE 1**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2021**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Mega Fin (India) Limited**  
302, Ceejay House, Level-3, Shiv Sagar Estate, F-Block,  
Dr. Annie Besant Road, Worli, Mumbai 400018 Maharashtra

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Mega Fin (India) Limited** (hereinafter called the "Company") Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing opinion thereon.

Based on our verifications of the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, and Minute Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder is not applicable to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable during the audit period)
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable during the audit period);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the audit period); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable during the audit period)

We have also examined Compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance and a system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

**We further report that** during the audit period, the following specific events were held:

1. Mr. Mandeep Chhabra being the whole time company secretary of the Company resigned from the position of the whole time company secretary from the company with effect dated 30<sup>th</sup> July 2020 and the same has been taken into record by the board at its board meeting held on 2<sup>nd</sup> September 2020.
2. Ms. Reena Mirza has been appointed as an Additional Independent Director of the Company duly approved in the board meeting held on 17<sup>th</sup> December 2020.
3. Ms. Mamta Saini has been appointed as a whole time company secretary of the Company duly approved by the Board of Director at its board meeting held on 17<sup>th</sup> December 2020.
4. Mr. Mahesh Kumar Sharma being a director of the Company resigned from the position of the Independent Director from the company with effect dated 17<sup>th</sup> December 2020 and the same has been taken into record by the board at its board meeting held on 17<sup>th</sup> December 2020.

**Note:**

1. We have conducted online verification & examination of records, as facilitated by the Company, due to Covid 19 and subsequent lockdown situation for the purpose of issuing this Report.
2. This report is to be read with our letter of even date which is annexed as '**Annexure-I** and forms an integral part of this report.

## **MEGA FIN ANNUAL REPORT 2020-21**

**Place:** Mumbai  
**Date:** 22<sup>nd</sup> July, 2021

For **Aabid & Co**  
Company Secretaries

**Shweta Dinesh Sharma**  
Partner  
Membership No.: **A23466**  
COP No.: **22002**  
**UDIN:** A023466C000670431

**ANNEXURE-I**

To,

The Members,

**Mega Fin (India) Limited**

302, Ceejay House, Level-3, Shiv Sagar Estate, F-Block,

Dr. Annie Besant Road, Worli, Mumbai 400018 Maharashtra

Our report of even date is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Wherever required, we have obtained Management Representation about the compliance laws, rules and regulations, and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

## ***MANAGEMENT DISCUSSION AND ANALYSIS***

### ***FORWARD LOOKING STATEMENTS***

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised.

### ***MACROECONOMIC OVERVIEW***

#### **Indian Economic Environment**

The new government presented the Budget for the FY2018-19 which focused on growth, weaker sections and social security and at the same time, fiscal responsibility was maintained. A bulk of the Budget spending was directed towards infrastructure rather than consumption and subsidies and, as a result, the quality of the deficit has improved too. During the year, the government also tried to give a fillip to MSME sector, which contributes to 37.5% of the country's GDP, through various programmes, including the Prime Minister's Employment Generation Programme, Micro and Small Enterprises-Cluster Development Programme, Credit Guarantee Fund Scheme for Micro and Small Enterprises, Performance and Credit Rating Scheme, Assistance to Training Institutions, and Scheme of Fund for Regeneration of Traditional Industries, amongst others. The Economic Survey acknowledged that these 36.1 million entities have a critical role in boosting industrial growth and ensuring the success of the 'Make in India' programme. During FY14, the GDP growth was well below 5% and has shown recovery from the first quarter of FY 2017 where the GDP growth rate moved to 7.1%. The World Bank has estimated that the GDP growth for India for the year FY2017-18 would be around 7.6%, as per the new series of calculating GDP (part GDP data not comparable).

### ***INFLATION AND INTEREST RATE***

On the monetary front, the RBI kept policy rates unchanged until December 2014, despite easing in inflationary trends. The central bank later cut repo rates bringing it down to 6.00% and signalling a softening in its monetary policy stance. Despite this initiation of monetary easing, the real impact will be seen over the next 12 months as it translates into lower interest rates. The RBI clarified that the major determinants of further rate cuts would be the transmission of the rate reductions and food inflation. Nevertheless, interest rates are bound to continue to trend downwards as inflation has come down significantly and steadily and the CAD, fiscal deficit and oil are under control.

### ***ABOUT MEGA FIN LIMITED***

Mega Fin (India) Limited (MFIL) is a part of the India's leading private sector financial services companies, MFIL the Shares of the Company are listed on Bombay Stock Exchange (BSE) The Company is a core investment Company & has interests in financing and advancing short term and long term loans and credits to individuals, companies or association of individuals, companies or association of individuals by whatever name called; merchant banking; commercial financing; stock broking; other activities in financial services.

❖ **Risks and Concerns**

MFIL is exposed to specific risks that are particular to its businesses and the environment within which it operates, including market risk, credit risk, operational risk, competition risk, liquidity and interest rate risk, regulatory risk, human resource risk, execution risk, information security risks and macro-economic risks.

❖ **Market risk**

The Company has some quoted investments which are exposed to fluctuations in stock prices. Similarly company has also raised resources through issue of Market Linked Debentures, whose returns are linked to relevant underlying market instruments / indices. MFIL continuously monitors market exposure for both equity and debt and, in appropriate cases, also uses various derivative instruments as a hedging mechanism to limit volatility.

❖ **Competition risk**

The financial sector industry is becoming increasingly competitive and the Company's growth will depend on its ability to compete effectively. The Company's main competitors are Indian non-banking financial companies, commercial banks, life and non-life insurance companies, both in the public and private sector, mutual funds, broking houses, mortgage lenders, depository participants and other financial services providers. Foreign banks also operate in India through non-banking finance companies. Further liberalization of the Indian financial sector could lead to a greater presence or entry of new foreign banks and financial services companies offering a wider range of products and services. This could significantly toughen our competitive environment. The Company's strong brand image, wide distribution network, diversified product offering and depth of management place it in a strong position to deal with competition effectively.

❖ **Interest rate volatility:**

Fluctuations in interest rates could adversely affect borrowing costs, interest income and net interest margins of companies in the financial sector. Being well funded with a strong shareholder base, MFIL is trying to tide over such spells.

❖ **Internal Control Systems**

The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

The organization is well structured and the policy guidelines are well documented with pre-defined authority. The Company has also implemented suitable controls to ensure that all resources are utilised optimally, financial transactions are reported with accuracy and there is strict adherence to applicable laws and regulations.

❖ **Opportunities**

- ☑ Low retail penetration of financial services / products in India
- ☑ Tremendous brand strength and extensive distribution reach
- ☑ Opening of the financial sector in India in near future
- ☑ Opportunity to cross sell services
- ☑ Increasing per-capita GDP
- ☑ Changing demographic profile of the country in favour of the young

❖ **Threats**

- ☐ Inflationary pressures and slowdown in policy making
- ☐ Competition from local and multinational players
- ☐ Execution risk
- ☐ Regulatory changes
- ☐ Attraction and retention of human capital

**CAUTIONARY STATEMENT**

*Statements made in this Management Discussion and Analysis Report may contain certain forward-looking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and abroad, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the Company's businesses as well as the ability to implement its strategies. The information contained herein is as of the date referenced and the Company does not undertake any obligation to update these statements. The Company has obtained all market data and other information from sources believed to be reliable or its internal estimates, although its accuracy or completeness cannot be guaranteed.*

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creating and safeguarding their wealth. Your Company continuously endeavours to uphold the values of transparency, integrity, professionalism and accountability, and improve upon these aspects on an ongoing basis to help the Company move forward.

### CORPORATE GOVERNANCE FRAMEWORK

Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as leadership and governance of the Company. The framework ensures effective engagement with our stakeholders and help us to be guided by our core values, and the same time allows us to do more and be more for our stakeholders.

We firmly believe that an active, well-informed and independent board is necessary to ensure higher standard of Corporate Governance and to bring objectivity and transparency in the management and in the dealings of the Company. As at 31<sup>st</sup> March, 2021, the Board consist of Four Members of which two are independent directors.

### BOARD OF DIRECTORS ("Board")

#### a) Composition of Board:

We believe that our Board needs to have an appropriate mix of Executive and Independent Directors to maintain its independence and separate its functions of governance and management. Our Board has an optimum combination of Promoter Director and Non-Executive Independent Directors, who are from diverse fields and have knowledge of the business and industry.

As at March 31, 2021, our Board consist of Four Members with Promoter Director, One Woman Director, and Three Non-Executive Independent Directors. The composition of our Board is in conformity with the requirements of Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Directorship in other listed entities including category of Directorship:

Name of Director	Listed Entities	Category of Directorship
Mr. Ajay S Mittal	Arshiya Limited	Non-Executive - Non Independent Director and also Promoter
Mrs. Shweta Phanse	NIL	Non-Executive -Non -Independent Director
Mrs. Reena Mirza	NIL	Non-Executive - Independent Director
Mr. Pramod Raghavan	NIL	Non-Executive - Independent Director*

#### Detail of Skills/ Expertise/ Competence of the Board of Directors:

The Board of Directors has identified certain skills, expertise and competence as may be required in the context of its business viz., Positive attitude, Attention or concern for shareholder's interest, Promptness, Contribution in improving financial and other functions of the Company, Inputs on inclusion of matters to be discussed at Board Meetings to improvise the operating procedures, Understanding of laws having impact on Company's business and Trading industry as a whole. The Board of Directors is competent in terms of above said skills/ expertise and competence.

**b) Role of Board of Directors:**

The primary role of Board is that trusteeship to protect and enhance Stakeholders value through strategic direction to the Company. As trustees, the Board has fiduciary responsibility to ensure that the company has clear goals aligned to shareholder value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgement. The Board sets strategic goals and seeks accountability for their fulfilment. The Board also directs and exercises appropriate control to ensure that the company is managed in a manner that fulfils stakeholders' aspirations and societal expectations.

**c) Board Membership Criteria:**

The Nomination and Remuneration Committee works with the entire Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Members are expected to possess the required qualifications, integrity, expertise and experience for the position. They should also possess deep expertise and insights in sectors/areas relevant to the company, and ability to contribute to the company's growth.

**d) Attendance at Board Meetings:**

During the year under consideration five meetings of the Board were held on 22<sup>nd</sup> May, 2020; 02<sup>nd</sup> September, 2020; 10<sup>th</sup> November, 2020; 17<sup>th</sup> December, 2020 and 10<sup>th</sup> February, 2021.

The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other companies are given herein below. Other Directorships do not include directorships in Private Limited Companies, Section 8 Companies and Companies incorporated outside India. Chairmanships of Board Committees include only Audit and Share Transfer and Investor Relations Committee.

Sr. No.	Name of the Director	Category	Number of Board meetings held during the Yr. 2019 - 2020 and Director's Attendance		Directorships in other Public Companies	Membership / Chairmanship of Committees in other Public Companies		Attendance at the A.G.M Held on 30 <sup>th</sup> September, 2020
			Held	Attended		Chairman	Membership	
1.	Mr. Ajay S Mittal	PD	5	5	6	0	3	Present
2.	Mrs. Shweta Phanse	WD	5	4	2	0	0	Present
3.	Mr. Pramod Raghavan	NEID	5	5	0	0	0	Present
4.	Mr. Mahesh Kumar Sharma	NEID	5	2	0	0	0	Present
5.	Mrs. Reena Mirza	NEID	5	1	1	0	0	NA

PD: Promoter Director, WD: Woman Director, ED: Executive Director: NEID: Non- Executive Independent Director



**e) Independent Directors:**

The Company abided by definition of “Independent director” as per the Provision of Section 149 (6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

**f) Separate Meeting of the Independent Directors:**

Schedule IV of the Companies Act, 2013 and the Rules made there under, it mandate that the independent directors of the Company hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. It is recommended that all the independent directors of the Company be present at such meetings.

A meeting of the Independent Directors held on 10<sup>th</sup> November, 2020, without the attendance of Non-Independent Directors and Member of Management. All the Independent Directors were present at the meeting.

**g) Training of Independent Directors:**

Whenever new Non-Executive and Independent Director(s) are inducted in the Board they are introduced to our Company’s culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risk and management strategy.

A formal letter of appointment to Independent Director as provided in Companies Act, 2013, has been issued and disclosed on the website of the Company viz. <http://megafinindia.com/governance.html>

**h) Performance Evaluation:**

One of the Key functions of the Board is to monitor and review the board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of executive/ non-executive/ independent directors through a peer- evaluation excluding the director being evaluated through a survey. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy and the effectiveness of the whole Board and its various Committees.

**i) Materially significant related party transactions:**

There have been no materially significant related party transactions, monetary transactions or relationship between the Company and its directors, the management, subsidiaries or relatives.

**COMMITTEES**

Currently, the Board has five committees: Audit Committee, Nomination and Remuneration Committee, Share Transfer, Investor Grievances and Stakeholders Relationship Committee, Committee of Directors, Risk Management Committee.

**(A) AUDIT COMMITTEE**

The Company has an Audit Committee in compliance with the provisions of Section 177 of the Companies Act 2013 and regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Committee comprises of 2 Non Executive Independent Directors and 1 Promoter Executive Director as on 31st March, 2021:

- (i) Mr. Mahesh Kumar Sharma - Chairperson upto 17/12/2020
- (ii) Mrs. Reena Mirza - Chairperson w.e.f 17/12/2020
- (iii) Mr. Ajay S Mittal - Member
- (iv) Mr. Pramod Raghavan - Member

The Chairman of the Audit Committee was present at the Annual General Meeting held on September 30, 2020 to answer Member's queries.

The meetings of Audit Committee are also attended by Statutory Auditors and Internal Auditors as special invitees. The Committee also invites such of the other Directors or Executives as it considers appropriate to be present at the meeting. Minutes of each Audit Committee meeting are placed before, and when considered appropriate, are discussed in the meeting of the Board. The Audit Committee, inter-alia, reviews the adequacy of the internal control functions, and reviews the Internal Audit reports including those related to Internal Control weaknesses, if any. The Audit Committee is provided with necessary assistance and information to carry out their functions effectively.

The primary objective of the Audit Committee is to monitor and provide supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting. The Audit Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditors and notes the processes and safeguards employed by each of them. All recommendation made by the Audit Committee was accepted by the Board.

#### **Audit Committee Attendance:**

During the year, the Audit Committee met four times during the year on 22<sup>nd</sup> May, 2020 ; 02<sup>nd</sup> September, 2020 ; 10<sup>th</sup> November, 2020 and 10<sup>th</sup> February, 2021.

Details of meetings attended by its members are given below:

<b>Sr. No.</b>	<b>Name of Members</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
1	Mr. Ajay S Mittal	4	4
2	Mr. Mahesh kumar Sharma	4	3
4	Mr. Pramod Raghavan*	4	4
5	Mrs. Reena Mirza	4	1

#### **Powers and Terms of Reference of the Committee:**

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audit of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors, the performance of internal auditors and the Company's risk management policies. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013, as applicable, besides other terms as referred by the Board of Directors. The Committee, inter -alia, performs the following functions:

1	Overseeing 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 auditors and the fixation of audit fees.
3	Approval of payment to statutory auditors for any other services rendered by them.
4	Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
	a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134 (5) of the Companies Act, 2013.
	b. Changes, if any, in accounting policies and practices and reasons for the same.
	c. Major accounting entries involving estimates based on the exercise of judgment by management.
	d. Significant adjustments made in the financial statements arising out of audit findings.
	e. Compliance with listing and other legal requirements relating to financial statements.
	f. Disclosure of any related party transactions.
	g. 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 as and when 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 utilization 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 on any significant findings and follow up thereon.
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 if any 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 assigned to the Audit Committee.
15	Such other powers and duties as may be required to be included in terms of Listing Regulation amended from time to time.

**(B) NOMINATION AND REMUNERATION COMMITTEE**

In compliance with the provisions of Section 178 of the Companies Act, 2013, the Company have a duly constituted Nomination and Remuneration Committee. The Nomination and Remuneration Committee comprises of following members as on 31st March, 2021.

- (i.) Mr. Pramod Raghavan - Chairman
- (ii.) Mr. Ajay S Mittal - Member
- (iii.) Mrs. Shweta Phanse - Member

The members of the Committee met once on 17<sup>th</sup> December, 2020.

The purpose of the Committee is to screen and to review individuals qualified to serve as executive directors, non-executive directors and independent directors, consistent with criteria approved by the Board, and to recommend, for approval by the Board, nominees for election at the AGM.

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013, besides other terms as referred by the Board of Directors. The terms of reference of the Committee inter-alia, include the following:

- Succession planning of the Board of Directors and Executive Committee;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Nomination for election or re-election by the shareholders, and any Board vacancies that are to be filled.
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Members of the Executive Committee and their remuneration;
- Review the performance of the Board of Directors, Key Managerial Personnel and Members of the Executive Committee based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors, Key Managerial Personnel and Executive Committee Members, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

It also reviews and discuss all the matters pertaining to candidates and evaluates the candidates. The Nomination and Remuneration Committee coordinates and oversees the annual self-evaluation of the Board and of individual directors. It also reviews the performance of all Executive Directors on a half-yearly basis or at such intervals as may be necessary on the basis of detailed performance parameters set for each executive director at the beginning of the year. The Nomination and Remuneration Committee may also regularly evaluate the usefulness of such performance parameters, and make necessary amendments.

The Nomination and Remuneration Policy is available on our website <http://megafinindia.com/governance.html>

### **Nomination and Remuneration Committee attendance**

The Nomination and Remuneration Committee comprises of Mr. Pramod Raghavan, Chairman, Mr. Ajay S Mittal and Mrs. Shweta Phanse. Two members shall be the quorum for the meeting of the said Committee. The minutes of the Meeting of the Committee shall be placed at the meeting of Board of Directors.

During the year two meeting of the Remuneration and Nomination Committee was held during the year under review .

Details of meetings attended by its members till March 31, 2021 are given below:

<b>Sr. No.</b>	<b>Name of Members</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
1.	Mr. Pramod Raghavan - Chairman	1	1
2.	Mr. Ajay S Mittal – Member	1	1

3.	Mrs. Shweta Phanse- Member	1	1
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The broad terms of reference of the Nomination and Remuneration Committee are as under:

- To nominate persons who are qualified to become Directors and who may be appointed in a senior Management in accordance with the criteria laid down;
- Recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- To determine the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment, including recommendation for fixation and periodic revision of compensation policy (including performance bonus, incentives, perquisites and benefits) for senior management personnel.

**Nomination and Remuneration Policy**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

The Nomination and Remuneration policy is available on website <http://megafinindia.com/governance.html>

**(C) Stakeholders & Investor Grievances / Stakeholder Relationship Committee**

According to Sec. 178(5), the Chairperson of the Committee shall be a Non-Executive Director and it shall comprise of such other members as may be decided by the Board Directors from time to time.

The Stakeholders Relationship Committee comprises of Mr. Mahesh Kumar Sharma, Chairman (Upto 17/12/2020), Mrs. Reena Mirza, Chairperson (W.e.f 17/12/2020), Mrs. Shweta Phanse and Mr. Pramod Raghavan. Two members shall be the quorum for the meeting of the said Committee. The Company Secretary / Compliance Officer of the Company shall be the Secretary of the Committee.

The meeting of the Stakeholders Relationship Committee was held Four time during the FY 2020-21 on 22<sup>nd</sup> May, 2020; 02<sup>nd</sup> September, 2020 ; 10<sup>th</sup> November, 2020 and 10<sup>th</sup> February, 2021.

Details of meeting attended by its members are given below:

Sr.No.	Name of Members	No. of meeting/s held	No of meeting/s attended
1.	Mr. Mahesh Kumar Sharma	4	2
2.	Mrs. Shweta Phanse	4	4
3.	Mr. Pramod Raghavan	4	4

**ROLE**

The Committee is entrusted with the responsibility to resolve the grievances of security holders. The Committee monitors and reviews the performance and service standards of the Registrar and Share Transfer Agents of the Company and provides continuous guidance to improve the service levels for investors. The broad terms of reference of the Committee are as under:

- to deal and approve shares/securities transfers, request for split, issue of duplicate Shares certificate;
- to delegate Authority to the Senior Executives for approval of transfer and transmission of securities issued by the Company;
- to deal with the Investors complaints;
- to maintain, develop and improve relations with the investors;
- to fix record date/book closure of share/debenture transfer book of the Company from time to time;
- to appoint representatives to attend the General Meeting of other companies in which the Company is holding shares.

At the beginning of the year, there was no complaint/ correspondence which were pending. During the year under review, no complaint was received from the shareholders, either by the Company or Registrar & Transfer Agent (RTA) - M/s Big Share Services Private Ltd., leaving a balance of nil complaint as on March, 31, 2021.

**SEBI Complaints Redressal System (SCORES):**

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

**(D) COMMITTEE OF DIRECTORS**

The Committee of Directors comprises of Mr. Ajay S. Mittal, Chairman, Mr. Pramod Raghavan, and Mrs. Shweta Phanse. The Committee has been delegated with various powers of the Board to enable the Management to take various timely decisions in the best interest of the Company.

The Committee meets as and when required and the Minutes of the Committee of Directors are placed at the next meeting of the Board. During the year there was no such meeting was held.

**GENERAL BODY MEETINGS**

**a) Location, time and date where last three Annual General/Extra Ordinary General Meetings/Postal Ballot\* were held are given below:**

<b>Financial Year</b>	<b>Date and Time</b>	<b>Venue</b>
2019-2020	AGM – 30 <sup>th</sup> September, 2020 at 11.30 a.m.	Through video conferencing (VC) /other audio visual means,
2018-2019	AGM – 30 <sup>th</sup> September, 2019 at 10.00 a.m.	302, Level 3, Ceejay House, Shiv Sagar Estate, F Block, Dr. Annie Besant Road, Worli, Mumbai – 400018
2017-2018	AGM – 25 <sup>th</sup> September, 2018 at 03.00 p.m.	302, Level 3, Ceejay House, Shiv Sagar Estate, F Block, Dr. Annie Besant Road, Worli, Mumbai – 400018

\* There was no meeting held through Postal Ballot in last 3 years.

**b) In the last three AGMs/EGMs, following Special Resolutions were passed:**

<b>Meetings held on</b>	<b>Special Resolution passed</b>
AGM- 30 <sup>th</sup> September, 2020	No Special Resolution
AGM –	Approval for sale of the Company's undertaking in Mega Capital

30 <sup>th</sup> September, 2019	Broking Private Limited (MCBPL), a wholly owned material subsidiary of the Company
AGM – 25 <sup>th</sup> September, 2018	No Special Resolution

**CORPORATE GOVERNANCE REQUIREMENTS WITH RESPECT TO SUBSIDIARY COMPANY**

Regulation 24 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 has imposed certain compliances with respect to the subsidiary (ies) of the listed entity. As on 31<sup>st</sup> March, 2021 the Company does not have subsidiary company.

**DISCLOSURES****Disclosure regarding the appointment and re-appointment of directors**

As per the provisions of the Companies Act, 2013 Mr. Ajay Mittal will retire at ensuing AGM and being eligible, seek re-appointment. The Board recommends her re-appointment. The brief profile of Mr. Ajay Mittal is attached in the Notice of this AGM.

**Details of Non-Compliance**

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

**Code of Conduct**

In compliance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 the Company has framed and adopted a Code of Conduct and Ethics ('the Code'). The Code is applicable to the members of the Board, the executive officers and all employees of the Company and its subsidiaries.

The Code lays down the standard of conduct which is expected to be followed by the Directors and by the employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All members of the Board, the executive officers and senior financial officers have affirmed compliance to the Code as on 31<sup>st</sup> March, 2021.

**CEO and CFO Certification**

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO Certification is part of this Report, annexed as **Annexure A**.

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors' Certificate on Corporate Governance is annexed as **Annexure B**.

**Certificate by Practising Company Secretary**

The Company has received certificate from Mr. Aabid, Partner of, Aabid & Co., Company Secretaries, Practising Company Secretaries, confirming that none of the Directors of the Company have been



debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate of Affairs or any such authority.

The Certificate of Company Secretary in practice is annexed herewith as a part of the report as **Annexure-C**

### **Prevention of Insider Trading**

The policy also includes practices and procedures for fair disclosure of unpublished price-sensitive information, initial and continual disclosure. It also prohibits the purchase or sale of Company's shares by the Directors, designated employees and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Policy is available on our website <http://megafinindia.com/governance.html>

All Board Directors, designated employees and connected person have affirmed compliance with the Code.

### **Related Party Transactions**

All Transactions with related parties were in the ordinary course of business and on an arm's length pricing basis. The Policy on Related Party Transaction is available on our website <http://megafinindia.com/governance.html>

### **Vigil Mechanism/ Whistle Blower Policy**

In compliance with Section 177(9) and (10) of the Companies Act, 2013 and Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism for Directors and employees to report to the management about the unethical behaviour, fraud or violation of company's code of conduct. The mechanism provides for adequate safeguards against victimisation of employees and Directors who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the company has been denied access to the Audit Committee. Vigil Mechanism/ Whistle Blower Policy of the Company is available on our website <http://megafinindia.com/governance.html>

### **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 and also followed Section 133 of the Companies Act, 2013.

### **Risk Management**

Your Company is well aware of risks associated with its business operations and various projects under execution. Comprehensively risk management system is being put in place involving classification of risk, adoption of risk mitigation measures and a strong mechanism to deal with potential risks and situation leading to rise of risks in an effective manner.

Senior Professionals conversant with risk management systems have been entrusted with the said task with a brief to implement the risk management. Risk Management Policy of the Company is available on the website of the Company <http://megafinindia.com/governance.html>

### **Reconciliation of Share Capital Audit**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSIL) and the total issued and paid-up capital. This audit is carried out every quarter and the Report thereon is submitted to the Bombay Stock Exchange and



is placed before the board of directors of the Company. The Audit, inter alia, confirms that the listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSIL and the total number of shares in physical form.

**Green initiative in the corporate governance**

As part of the green initiative process, the company has taken an initiative of sending documents like notice calling Annual General meeting, Corporate Governance Report, Directors Report, audited Financial Statements, Auditors Report, etc., by email. Shareholders are requested to register their email id with Registrar and Share Transfer Agent / concerned depository to enable the company to send the documents in electronic form or inform the company in case they wish to receive the above documents in paper mode.

**Implementation of Compliance Management System**

Your Company has in place a well-structured Legal Compliance Management System to monitor periodical compliances on regular basis and Review Reports are discussed at the Audit Committee meetings and Board Meetings.

**Proceeds from Public Issues, Rights Issues, and Preferential Issues etc.**

The Company has not made any public issue or rights issue of Equity Shares during the year and hence not received any proceeds therefrom.

**Management Discussion and Analysis**

Management Discussion and Analysis Report forms part of Annual Report.

**Non-mandatory requirements**

Adoption of non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being reviewed by the Board from time-to-time.

**COMMUNICATION WITH THE SHAREHOLDERS**

The Company, from time to time and as may be required, communicates with its shareholders and investors through multiple channels of communications such as dissemination of information on the on-line portal of the Stock Exchanges, press releases, the Annual Reports and uploading relevant information on its website.

The unaudited quarterly results are announced within forty-five days of the close of the quarter. The Audited annual results are announced within two months from the close of the Financial Year as required under SEBI regulations. The aforesaid financial results are announced to the Stock Exchanges within thirty minutes from the close of the Board Meeting at which these were considered and approved. Further the results are published according to the SEBI Regulations.

The audited financial statements form part of this Annual Report which is sent to the Members within the statutory period and well in advance of the Annual General Meeting.

The Annual Report of the Company, the quarterly/half yearly and the audited financial results and the press releases of the Company are also placed on the Company's website [www.megafinindia.com](http://www.megafinindia.com) and can be downloaded.

The presentations on the performance of the Company are placed on the Company's website immediately after these are communicated to the Stock Exchanges for the benefit of the institutional investors and analyst and other shareholders.

## MEGA FIN ANNUAL REPORT 2020-21

The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI Regulations including material information having a bearing on the performance / operations of the listed entity or other price sensitive information. All information is filed electronically on BSE's online Portal – BSE Corporate Compliance & Listing Centre (Listing Centre).

The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the Stock Exchanges.

### MEANS OF COMMUNICATION

- a) The quarterly, half-yearly and annual financial results are usually published in Free Press Journal/ Active times/ Navashakti/ Mumbai Lakshadeep.
- b) The Company has its own website viz. [www.megafinindia.com](http://www.megafinindia.com) and the financial results and quarterly shareholding pattern along with other relevant information useful to the investors are uploaded on the website regularly.
- c) The 'Investors' section on the Company's website keeps the investors updated on material developments in the Company by providing key and timely information like Financial Results, Annual Reports, Shareholding Pattern, presentations made to institutional investors and analysts etc. A brief profile of Directors is also on the Company's website. Members also have the facility of raising their queries/complaints on share related matters through a facility provided on the Company's website.

### GENERAL SHAREHOLDER INFORMATION

a)	<b>39<sup>th</sup>AGM</b>	Date: September 30, 2021 Time: 02.00 P.M. Venue: Registered Office of the Company.
b)	<b>Investor Services Financial Calendar for 2020-21 (Tentative)</b>	i. 1 <sup>st</sup> quarter results- on or before 14 <sup>th</sup> September, 2021 ii. 2 <sup>nd</sup> quarter results- on or before 14 <sup>th</sup> November, 2021 iii. 3 <sup>rd</sup> quarter results- on or before 14 <sup>th</sup> February, 2022 iv. Audited results for the year- on or before 30 <sup>th</sup> May, 2022
c)	<b>Date of Book Closure</b>	24 <sup>th</sup> September, 2021 to 30 <sup>th</sup> September, 2021 (both days inclusive)
d)	<b>Dividend payment date</b>	NA
e)	<b>Listing on Stock Exchanges</b>	BSE Limited. The Company has paid the Listing fees for the year 2020-2021.
f)	<b>Stock Code Symbol</b>	BSE: 532105
g)	<b>Demat ISIN Number</b>	INE524D01015

### h) Market Price Data and Relative Performance:

The monthly high and low quotations of shares traded on BSE and BSE B/S&P BSE SENSEX during each month in last financial year are as follows:

Month	Bombay Stock Exchange (BSE)*			B/S&P BSE SENSEX*	
	Month's High Price (in Rs. Per Share)	Month's Low Price (in Rs. Per Share)	Month's Volume	Month's High	Month's Low
April-20	8,87	9.05	-	39487.45	38460.25

## MEGA FIN ANNUAL REPORT 2020-21

May-20	8,87	8,87	-	40124.96	36956.1
June-20	8,87	8,87	-	40312.07	38870.96
July-20	8,87	8,87	-	40032.41	37128.26
August-20	8,87	8,87	-	37807.55	36102.35
September-20	8,87	8,87	-	39441.12	35987.8
October-20	8,87	8,87	-	40392.22	37415.83
November-20	8,87	8,87	-	41163.79	40014.23
December -20	8,87	8,87	-	41809.96	40135.37
January-21	8,87	8,87	-	42273.87	40476.55
February-21	8,87	8,87	-	41709.3	38219.97
March-21	8,87	8,87	-	39083.17	25638.9

\*Source: [www.bseindia.com](http://www.bseindia.com)

### Registrar & Share Transfer Agent:

#### Bigshare Services Private Ltd.

1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makhwana Road,  
Marol, Andheri (East), Mumbai-400 059  
Tel.: 91-22-62638200  
Fax: 91-22-62638299E-mail: [info@bigshareonline.com](mailto:info@bigshareonline.com)

### Share Transfer System:

All shares sent for transfer in physical form are registered by the Registrar & Share Transfer Agent within 15 days of the lodgement, if documents are found in order. All requests for dematerialization of shares are processed and the confirmation is given to the respective depository's i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 15 days.

### Category wise distribution of equity shareholding as at March 31, 2021:

Category	No. of Shares Held	% age of Shareholding
Promoter and Promoter Group	1742220	43.01
Mutual Fund	20000	0.24
Trust	233920	2.86
FII	0	0
Bodies Corporate	2411800	29.50
Individual	1993700	24.39
Clearing Member	0	0
Employee	0	0

## MEGA FIN ANNUAL REPORT 2020-21

NRI	0	0
Foreign National	0	0
Foreign Company	0	0
<b>GRAND TOTAL</b>	<b>8175500</b>	<b>100</b>

### Distribution of shareholding as on March 31, 2021:

SR NO	Number of Equity shares held		NUMBER OF SHAREHOLDERS	% TO TOTAL	SHARES	% TO TOTAL
1	1	500	433	70.4065	213100	2.6066
2	501	1000	48	7.8049	46800	0.5724
3	1001	2000	19	3.0894	31000	0.3792
4	2001	3000	15	2.439	35200	0.4306
5	3001	4000	4	0.6504	13700	0.1676
6	4001	5000	2	0.3252	8300	0.1015
7	5001	10000	10	1.626	75200	0.9198
8	10001	9999999 999	84	13.6585	7752200	94.8223
<b>TOTAL</b>			<b>615</b>	<b>100.0000</b>	<b>8175500</b>	<b>100.0000</b>

### Dematerialization of shares and liquidity:

Approximately 0.35% of the total number of shares are in dematerialized form as on 31<sup>st</sup> March 2021. The Equity shares of the Company are traded on the Bombay Stock Exchange Limited.

### Outstanding ADRs, GDRs, warrants or any convertible instruments, conversion date and impact on equity:

No ADRs or GDRs, or any other convertible instruments were outstanding for conversion as on March 31, 2021.

### 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 PRIVATE LTD.**

1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makhwana Road,  
Marol, Andheri (East), Mumbai-400 059  
Tel.: 91-22-62638200  
Fax: 91-22-62638299  
E-mail: [info@bigshareonline.com](mailto:info@bigshareonline.com)

**For complaints/grievances, if any, members are requested to address the same to:**

**Mega Fin (India) Limited**

**Registered Office & Corporate Office**

302, Level 3, Ceejay House, Shiv Sagar Estate, F-Block, Dr. Annie Besant Road, Worli, Mumbai - 400018

Phone No. +91 22 4230 5500

Fax No. +91 22 4230 5555

**Email: [info@megafinindia.com](mailto:info@megafinindia.com)**

**Annexure A**

**CEO/CFO CERTIFICATION**

We, Mahesh Mhatre, Chief Executive Officer and Ms. Sonal Gupta Chief Financial Officer of Mega Fin (India) Limited appointed in terms of the Companies Act, 2013 & Regulation 17(8) of Listing Obligation & Disclosure Requirement, certify to the Board that:

- A. I have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit committee
- 1) significant changes in internal control over financial reporting during the year;
  - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Mega Fin (India) Limited

Mahesh Mhatre  
Chief Executive Officer

Sonal Gupta  
Chief Financial Officer

**Date: 06<sup>th</sup> August, 2021**  
**Place: Mumbai**

**Annexure- B**

To  
The Members,

**MEGA FIN (INDIA) LIMITED**

302, Ceejay House, Level-3, Shiv Sagar Estate,  
F-Block, Dr. Annie Besant Road, Worli,  
Mumbai 400018 Maharashtra

**Re: Certificate regarding compliance of conditions of Corporate Governance.**

We have examined the compliance of conditions of Corporate Governance by **MEGA FIN (INDIA) LIMITED**, for the year ended on March 31<sup>st</sup>, 2020 as per the relevant provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the financial year ended March 31<sup>st</sup>, 2019.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. subject to the following observation:

1. Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require every Listed Company to formulate a policy on preservation of documents which has to be approved by the Board of Directors. The Company is in the process of formulating and adopting such policy.  
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.

**Place:** Mumbai  
**Date:** 22<sup>nd</sup> July, 2021

For **Aabid & Co**  
Company Secretaries

**Shweta Dinesh Sharma**  
Partner  
Membership No.: A23466  
COP No.: 22002

**Annexure- C**

**CERTIFICATE FROM PRACTICING COMPANY SECRETARY**

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by **Mega Fin (India) Limited**, having its Registered office at 302, Ceejay House, Level 3, Shiv Sagar Estate-Block, Dr. Annie Besant Road, Worli, Mumbai - 400 018, Maharashtra and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that during the Financial Year ended on March 31, 2020, in our opinion, none of the director on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Board/Ministry of Corporate Affairs or any such Statutory authority.

**For Aabid& Co.,**

Practicing Company Secretary

**Shweta Dinesh Sharma**

Partner

Membership No.: A23466

COP No.: 22002

**Place:** Mumbai

**Date:** 22<sup>nd</sup> July, 2021



## **INDEPENDENT AUDITORS' REPORT**

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

### **Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements**

#### **Opinion**

We have audited the accompanying standalone Ind AS financial statements of Arshiya Limited ('the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 including Ind AS specified under Section 133 of the Act, of the financial position of the Company as at 31<sup>st</sup> March 2021, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statement in accordance with the Standard on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements Section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirement that are relevant to our audit of the Financial Statement under the provision of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

#### **Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgment, were of most significance

in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

- a. We draw attention to Note 8 to the Standalone Financial Results in which the Financial Statement have been prepared by the management on a going concern basis even though the company has substantial accumulated losses. Further as per Section 45-IA of the RBI Act, 1934, no Non-banking Financial company can commence or carry on business of a non-banking financial institution without having a Net Owned Funds of Rs.200 Lakh. In Case of the Company the NOF as come to less than Rs.200 Lakhs, hence the company cannot continue as a Non-Banking Financial Company.***

### **Information Other than the Financial Statement and Auditor's Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report & Shareholder's Information, but does not include financial statement and our auditor's report thereon. Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact, we have nothing to report in this regard.

### **Responsibilities of Management and those charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other

comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with relevant rules there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

In preparing the financial statement, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 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 management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in the Annexures referred to above, we report that :
  - a) We have sought and 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 appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules there under;
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**";
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our Information and according to the explanations given to us:
    - i. The Company does not have pending litigations which has been shown in notes forming parts of financial statements that would impact its financial position as on 31<sup>st</sup> March, 2021.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Kankani Jain & Chopra**

Chartered Accountants

Firm Registration No. 138552W

**Prateek Jain**

Partner

Membership No.422302

UDIN: 21422302AAAABV4790

Place: Mumbai

Date: 28<sup>th</sup> April, 2021

## **“Annexure A” to the Independent Auditors’ Report**

(Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2021)

- 1) Since the Company does not have any fixed assets during the year, this clause is not applicable.
- 2) Since the Company does not have any Inventory during the year, this clause is not applicable.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. But the company has done expense on behalf of the parties covered in the register maintained under section 189 of the Act.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.  
  
(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax

- (c) outstanding on account of any dispute except those which have been shown under Provisions, Contingent Liabilities and Contingent Assets of the Notes to Account to the Financials.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with

16)directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

17)In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and the registration has been obtained.

**For Kankani Jain & Chopra**

Chartered Accountants

Firm Registration No. 138552W

**Prateek Jain**

Partner

Membership No.422302

UDIN: 21422302AAAABV4790

Place: Mumbai

Date: 28<sup>th</sup> April, 2021



## **“Annexure B” to the Independent Auditors’ Report**

**Referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2021.**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Mega Fin (India) Limited** (“the Company”), as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting issued by Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether

adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing

procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in

conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the Institute Of Chartered Accountants Of India.

### **For Kankani Jain & Chopra**

Chartered Accountants

Firm Registration No. 138552W

### **Prateek Jain**

Partner

Membership No.: 422302

UDIN: 21422302AAAABV4790

Place: Mumbai

Date: 28<sup>th</sup> April, 2021

<b>MEGA FIN (INDIA) LIMITED</b> <b>CIN: L65990MH1982PLC027165</b>  <b>Balance Sheet as at 31st March,</b> <b>2021</b>			(Amount in Rs.)
Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
<b>I. ASSETS</b>			
<b><u>(i) Financial Assets</u></b>			
(a) Cash and Cash Equivalents	2	69,153	75,909
(b) Loans	3	20,692,119	23,645,304
(c) Investments	4	-	- 224,553
(d) Other Financial Assets	5	407,374	
<b>T O T A L</b>		<b>21,168,646</b>	<b>23,945,767</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b><u>(i) Financial Liabilities</u></b>			
(a) Borrowings	6	1,083,250	4,972,009
(b) Other Financial Liabilities	7	1,016,608	572,143
<b><u>(ii) Equity</u></b>			
(a) Equity Share Capital	8	91,778,500	91,778,500
(b) Other Equity	9	(72,709,712)	(73,376,885)
<b>T O T A L</b>		<b>21,168,646</b>	<b>23,945,767</b>
		(0)	(0)
<b>Summary of Significant Accounting Policies</b> <span style="float: right;">1</span> See accompanying notes forming part to the Financial Statements			
<b>For Kankani Jain &amp; Chopra</b> <b>Chartered Accountants</b> <b>Registration Number: 138552W</b>		<b>For and on behalf of the board of directors</b> <b>of Mega Fin (India) Limited Firm</b>	
<b>Prateek Jain</b> <b>Partner</b> <b>Membership no.: 422302</b>	<b>Ajay Mittal</b> <b>Director</b> <b>DIN:06670064</b>	<b>Shweta Phanse</b> <b>Director</b> <b>DIN:06670064 UDIN:</b>	
<b>Place: Mumbai Date:</b> <b>28.04.2021</b>			

**MEGA FIN (INDIA) LIMITED**  
**CIN: L65990MH1982PLC027165**  
**Statement of Profit & Loss for the period ending March 31, 2021**

(Amount in Rs.)

Particulars	Notes	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>I. Revenue</b>			
Interest Income	10	2,338,360	2,245,527
Other Income	11	-	7,368
<b>Total Income</b>		<b>2,338,360</b>	<b>2,252,895</b>
<b>II. Expenses</b>			
Employee Benefit Expenses	12	1,011,500	1,338,000
Other Expenses	13	659,687	806,525
<b>Total Expenses</b>		<b>1,671,187</b>	<b>2,144,525</b>
<b>III. Profit / (Loss) for the year before exceptional items and tax (I - II)</b>		667,173	108,370
Less : Exceptional Items			
-BST Demand Payment in Amnesty Scheme	15	-	813,960
<b>IV. Profit / (Loss) for the year before tax</b>		<b>667,173</b>	<b>(705,590)</b>
<b>Tax Expenses</b>			
Current Tax Deferred		-	-
Tax		-	-
<b>VIII. Profit/(Loss) for the year</b>		<b>667,173</b>	<b>(705,590)</b>
<b>Other Comprehensive Income / (Loss)</b>			
Item that will not be subsequently reclassified to profit or loss		-	-
Income tax effect relating to items that will not be subsequently reclassified to profit or loss		-	-
Item that may be subsequently reclassified to profit or loss		-	-
Income Tax relating to Item that will be subsequently reclassified to profit or loss		-	-
<b>Other Comprehensive Income / (Loss for the Year)</b>		-	-
<b>Total Comprehensive Income for the year</b>		<b>667,173</b>	<b>(705,590)</b>
<b>IX. Earning per Equity Share:</b>	17		
(1) Basic		0.07	(0.08)
(2) Diluted		0.07	(0.08)
<b>Summary of Significant Accounting Policies</b> See accompanying notes forming part to the Financial Statements	1		
<b>For Kankani Jain &amp; Chopra Chartered Accountants</b> Firm Registration Number: 138552W  Prateek Jain Partner Membership no.: 422302UDIN:  Place: Mumbai Date: 28.04.2021		<b>For and on behalf of the board of directors of Mega Fin (India) Limited</b>  Ajay Mittal                      Shweta Phanse Director                              Director DIN:06670064                      DIN:06670064	

**MEGA FIN (INDIA) LIMITED**  
**CIN: L65990MH1982PLC027165**

**Statement of Change in Equity**

**A. Equity Share Capital**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No.	Amount	No.	Amount
Balance as at beginning of the year	9,177,850	91,778,500	9,177,850	91,778,500
Issued During the year	-	-	-	-
<b>Total</b>	<b>9,177,850</b>	<b>91,778,500</b>	<b>9,177,850</b>	<b>91,778,500</b>

**B. Other Equity**

Particulars	Capital Reserve	Special Reserve	Surplus as per statement of Profit & Loss	Equity attributable to shareholders
<b>Balance as at 31st March, 2020</b>	<b>1,000</b>	<b>179,642</b>	<b>(73,557,527)</b>	<b>(73,376,885)</b>
Profit / (Loss) for the year			667,173	667,173
Other Comprehensive Income / (loss) for the year				
<b>Balance as at 31st March, 2021</b>	<b>1,000</b>	<b>179,642</b>	<b>(72,890,354)</b>	<b>(72,709,712)</b>

**MEGA FIN (INDIA) LIMITED**  
CIN: L65990MH1982PLC027165

**Statement of Cash Flows for the period ended 31st  
March, 2021**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit/(Loss) before tax	667,173	(705,590)
Adjustment for Non- Cash & Non Operating Items	-	-
<b>Operating Profit before Working Capital Charges</b>	<b>667,173</b>	<b>(705,590)</b>
<u>Movements in Working Capital</u> (Increase) /	2,953,186	(1,168,128)
Decrease in Loans	(182,821)	151,531
(Increase) / Decrease in Other Financial	(3,888,759)	1,501,186
Asset Increase / (Decrease) in Borrowings	444,465	(39,224)
Increase / (Decrease) in Other Financial Liabilities		
<b>Net Cash Flow From Operating Activities</b>	<b>(6,756)</b>	<b>(260,225)</b>
<b>B. Cash Flow from Investing Activities:</b>		
(Increase) / Decrease in Investments	-	271,000
<b>Net Cash Flow From Investing Activities</b>	<b>-</b>	<b>271,000</b>
<b>C. Net Cash Flow From Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(6,756)</b>	<b>10,775</b>
Cash and Cash Equivalent (Opening Balance)	75,909	65,134
Cash and Cash Equivalent (Closing Balance)	69,153	75,909

Note:

- 1) Cash and cash equivalent includes Cash and Bank balances.
- 2) This is the cash flow statement referred to in our report of even date.
- 3) The above cash flow has been prepared using Indirect Method as per IND AS 7 " Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015

**For Kankani Jain & Chopra**  
**directors**  
**Chartered Accountants**  
**Firm Registration Number: 138552W**

**For and on behalf of the board of**  
**of Mega Fin (India) Limited**

**Prateek Jain**  
**Partner**  
**Membership no.: 422302**

**Ajay Mittal**  
**Director**  
**DIN:06670064**  
**DIN:06670064UDIN:**

**Shweta Phanse**  
**Director**

**Place: Mumbai**  
**Date:**  
**28.04.2021**

**MEGA FIN (INDIA) LIMITED CIN: L65990MH1982PLC027165**

**Notes to financial statements for the period ended 31st March, 2021**

**Note 2 : Cash and Cash Equivalents**

**( Amount in Rs.)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance with Banks	14,558	21,314
Cash on Hand	54,595	54,595
<b>TOTAL</b>	<b>69,153</b>	<b>75,909</b>

**Note 3 : Financial Assets - Loans**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Loans Given</b>		
Unsecured, Considered good	20,692,119	23,645,304
<b>TOTAL</b>	<b>20,692,119</b>	<b>23,645,304</b>

3.1 Loans Given include Rs.2,06,92,119/- (P.Y.:Rs.2,36,45,304/-) due from companies in which directors are interested as directors/members.

3.2 Loans Given (Gross) of Rs.2,06,92,119/- (P.Y.:Rs.2,36,45,304/-) are outstanding for along period and there are no repayments/interest recovery.

3.3.The management is of the opinion that the amounts mentioned in point 3.1 and 3.2 are good and recoverable and hence that the aforesaid amounts are good and recoverable and hence no provision for bad debts/ expected credit loss has been made.

**Note 5 : Other Financial Assets**

Particulars	As at 31st March, 2021	As at 31st March, 2020
TDS Receivable	407,374	224,553
<b>TOTAL</b>	<b>407,374</b>	<b>224,553</b>



**MEGA FIN (INDIA) LIMITED**  
CIN: L65990MH1982PLC027165

Notes to financial statements for the period ended 31st March, 2021 Note 4 : Non-Current

(Amount in Rs.)

**Investments**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b><u>A. Investments</u></b>		
<b><u>In Equity Instruments</u></b>		
Investment in Subsidiary (Unquoted)		-
Less : Change in fair value through profit & loss		-
<b>Total (A)</b>	-	-
<b><u>B. Other Investments</u></b>		
<b><u>(a) Investment in Equity Instruments</u></b>		
(i) Quoted Shares	47,500	47,500
Less : Change in fair value through profit & loss	47,500	47,500
	-	-
(ii) Unquoted Shares	3,492,524	3,492,524
Less : Change in fair value through profit & loss	3,492,524	3,492,524
	-	-
<b>Total (B)</b>	-	-
<b>Grand Total (A+B)</b>	-	-
Particulars	As at 31st March, 2021	As at 31st March, 2020
Aggregate Cost of Quoted Investments	47,500	47,500
Aggregate Market Value of Quoted Investments	-	-
Aggregate Cost of Unquoted Investments	3,492,524	3,492,524

**MEGA FIN (INDIA) LIMITED**  
**CIN: L65990MH1982PLC027165**

Notes to financial statements for the period ended 31st March, 2021

(Amount in Rs.)

**Note 6 : Borrowings**

Particulars	As at 31st March, 2021	As at 31st March,2020
Unsecured Loans*	1,083,250	4,972,009
<b>Total</b>	<b>1,083,250</b>	<b>4,972,009</b>

\*Loans from related parties are unsecured and terms of repayment are not fixed.

(Amount in Rs.)

**Note 7 : Other Financial Liabilities**

Particulars	As at 31st March, 2021	As at 31st March,2020
Outstanding Expenses	881,333	454,085
Statutory Dues	135,275	118,058
<b>Total</b>	<b>1,016,608</b>	<b>572,143</b>

**MEGA FIN (INDIA) LIMITED**  
**CIN: L65990MH1982PLC027165**

Notes to financial statements for the period ended 31st March, 2021 Note 8 :

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number	Rs.	Number	Rs.
<b>Share Capital</b>				
<b>Authorised</b>				
9% Redeemable Cumulative Preference share of Rs. 100 each	100	10,000	100	10,000
Equity Share of Rs 10/- each	10,999,000	109,990,000	10,999,000	109,990,000
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of Rs. 10/-each fully paid	9,177,850	91,778,500	9,177,850	91,778,500
<b>Total</b>	<b>9,177,850</b>	<b>91,778,500</b>	<b>9,177,850</b>	<b>91,778,500</b>

**a) Reconciliation of the Equity Shares outstanding at the beginning and at the end of reporting period**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year (incl. 10,02,350 Forfeited Shares )	9,177,850	91,778,500	9,177,850	91,778,500
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>9,177,850</b>	<b>91,778,500</b>	<b>9,177,850</b>	<b>91,778,500</b>

**Preference Shares**

The authorised capital structure of the company includes 9% Redeemable Cumulative Preference shares having a par value of Rs. 100/-per share. Holder of preference shares have preference in right to receive dividend in case company proposes to distribute and pay the same. Maximum dividend which can be distributed and paid to preference shareholders is 9% of the paid up amount of the preference share capital. Holder of preference share is not entitled to vote unlike holder of equity share.

In the event of liquidation of the company, the holders of preference shares will have priority as compared to equity shareholders in distribution of assets of the company. The distribution will be in proportion to the number of preference shares held by the shareholders.

**Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10/-per share. Each holder of equity shares is entitled to vote per share. The Company declares and pay dividends in indian rupees. The dividend proposed by the Board of Director is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will entitled to receive remaning assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Detail of Sharholders holding more than 5% of shares in the company**

Name of Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Ajay S Mittal	789,000	9.65	789,000	9.65
Sunwell Farm Private Limited	2,250,000	27.52	2,250,000	27.52

**Note 9 : Reserves & Surplus**

Particulars	As at 31st March, 2021	As at 31st March, 2020
	<b>a. Capital Reserves</b>	
Balance as at the beginning of the year	1,000	1,000
<b>Balance as at the end of the year</b>	<b>1,000</b>	<b>1,000</b>
<b>b. Special Reserves</b>		
Balance as at the beginning of the year	179,642	179,642
<b>Balance as at the end of the year</b>	<b>179,642</b>	<b>179,642</b>
<b>c. Surplus/(deficit) in the statement of profit and loss</b>		
Balance as at the beginning of the year	(73,557,527)	(72,851,937)
Change in value of investment at FVTPL	-	-
Total Comprehensive Income / (loss) for the year	667,173	(705,590)
<b>Balance as at the end of the year</b>	<b>(72,890,354)</b>	<b>(73,557,527)</b>
<b>Total</b>	<b>(72,709,712)</b>	<b>(73,376,885)</b>

**MEGA FIN (INDIA) LIMITED**  
CIN: L65990MH1982PLC027165

**Notes to financial statements for the period ended 31st March, 2021**

(Amount in Rs.)

**Note 10 : Interest Income**

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
Interest Received	2,338,360	2,245,527
<b>Total</b>	<b>2,338,360</b>	<b>2,245,527</b>

**Note 11 : Other Income**

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
Sundry Balance Written Back	-	7,368
<b>Total</b>	<b>-</b>	<b>7,368</b>

**Note 12 : Employee Benefit Expenses**

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
Salaries	1,011,500	1,338,000
<b>Total</b>	<b>1,011,500</b>	<b>1,338,000</b>

**Note 13 : Other Expenses**

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
Advertisement Expenses	36,977	61,554
Audit Fees ( Note no. 14)	70,800	64,900
Legal & Professional Fees	137,560	170,483
Interest & Late Charges	641	110,863
Listing Fees	354,000	354,000
Bank Charges	1,780	5,377
Custodian Charges	23,492	27,384
Office Expenses	7,366	1,851
ROC Filing Fees	14,571	10,113
Profession Tax	12,500	
<b>Total</b>	<b>659,687</b>	<b>806,525</b>

<b>(Amount in Rs.)</b>		
<b>Note 14 : Payment to Statutory Auditors</b>		
<b>Particulars</b>	<b>Year Ended 31st March 2021</b>	<b>Year Ended 31st March 2020</b>
Audit Fees incl. Limited Review	35,400	64,900
Tax Audit	29,500	-
Other Services	-	-
<b>Total</b>	<b>64,900</b>	<b>64,900</b>

**Note 15 : Reconciliation of Income Tax Expenses**

<b>Particulars</b>	<b>Year Ended 31st March 2021</b>	<b>Year Ended 31st March 2020</b>
Profit before Tax	667,173	(705,590)
(Allowances) / Disallowances under Income Tax Act, 1961	-	-
<b>Taxable (loss) / profit</b>	<b>667,173</b>	<b>(705,590)</b>
Income Tax Expense recognised in the statement of Profit & Loss	-	-

**Note 16 : Deferred Taxes**

The company has not recognised deferred tax assets on brought forward business losses, capital losses unabsorbed depreciation and other deductible timing differences since there is no certainty that future taxable profits against which such losses could be utilised would be available.

**Note 17 : Earnings per Share**

<b>Particulars</b>	<b>As at 31st March, 2021</b>	<b>As at 31st March, 2020</b>
Profit/(Loss) attributable to Equity		
shareholders : Continuing operations (A)	667,173	(705,590)
Weighted average number of equity shares (B)	9,177,850	9,177,850
Face value per Share	10.00	10.00
Basic Earnings Per Share (A/B)	0.07	(0.08)
Diluted Earnings per Share (A/B)	0.07	(0.08)

**Note 18 : Contingent Liabilities**

The company does not have any contingent liabilities.

**For Kankani Jain & Chopra Chartered  
Accountants  
Firm Registration Number: 138552W**

**Prateek Jain Partner  
Membership no.: 422302 UDIN:**

**Place: Mumbai Date:  
28.04.2021**

**For and on behalf of the board of directors of  
Mega Fin (India) Limited**

**Ajay Mittal                      Shweta Phanse  
Director                              Director  
DIN:06670064                      DIN:06670064**

