



MEGA CORPORATION LIMITED

Our Company was originally incorporated as 'Assam Impex Limited' on March 26, 1985 at Shillong as a Public Limited Company, under the Companies Act, 1956 pursuant to the Certificate of Incorporation issued by the Registrar of Companies, Shillong (RoC). Thereafter, our Company obtained a Certificate of Commencement on March 27, 1985 issued by the Registrar of Companies, Shillong (RoC). Further, the company got listed on February 08, 1996 with BSE. Subsequently, the name of our Company was changed to 'Vibgyor Corporation Limited' pursuant to which fresh Certificate of Incorporation consequent on change of name was issued by ROC, Shillong on November 28, 1996. Further after obtaining the necessary approval/consent, the registered office of the Company was shifted from the State of Assam to the NCT of Delhi vide order dated 1st December, 1997 of the Eastern Region Bench of Company Law Board and the certificate of Registration of Company Law Board, Eastern Region Bench was issued on February 20, 1998 by the Registrar of Companies, NCT Delhi and Haryana. Further the name of our Company was changed to its present name i.e. 'Mega Corporation Limited' pursuant to which fresh Certificate of Incorporation consequent on change of name was issued by Registrar of Companies, NCT Delhi and Haryana on May 10, 1999. The Corporate Identification Number of our Company is L65100DL1985PLC092375. Our Company is registered under section 45-IA of the Reserve Bank of India Act, 1934 to commence/carry on the business as a Non-Systemically Important Non-Deposit taking Non-Banking Finance Companies (NSI-ND-NBFC), Loan Company. The registration number is 14.00955 vide the Certificate of Registration dated May 09, 1998. For details of changes in the name and registered office of our Company, refer chapter titled "General Information" on page 41 of this Draft Letter of Offer.

Registered Office: Upper Ground Floor, 62, Okhla Industrial Estate, Phase-III, Okhla Industrial Estate, New Delhi, India - 110020

Corporate Office: NSIC Complex, Maa Anand Mayee Marg, Okhla Industrial Estate, Phase-III, New Delhi, India, - 110020

Telephone No. 011-46557134.

Contact Person: Ms. Krashmee Bhartiya; Company Secretary and Compliance Officer

E-mail: cs@megacorp.ltd.com; info@megacorp.ltd.com; **Website:** www.megacorp.ltd.com

Corporate Identification Number: L65100DL1985PLC092375

OUR PROMOTERS: MR. KUNAL LALANI, MR. HULASMAL LALANI, MS. VIMI LALANI, MS. VARSHA BENGANI, MR. MAYANK LALANI AND MS. SEEMA LALANI

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF MEGA CORPORATION LIMITED (OUR "COMPANY" OR "THE ISSUER") ONLY

RIGHTS ISSUE OF UP TO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹1.00/- (RUPEES ONE ONLY) EACH OF OUR COMPANY (THE 'RIGHTS EQUITY SHARES') FOR CASH AT A PRICE OF ₹[●] (RUPEES [●] ONLY) PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●] (RUPEES [●] ONLY) PER RIGHTS EQUITY SHARE AGGREGATING UP TO ₹ 1,000 LAKHS* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS AS ON THE RECORD DATE, THAT IS ON [●] ("RECORD DATE") (THE "ISSUE"). FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 219 OF THIS DRAFT LETTER OF OFFER.

*Assuming full subscription with respect to Rights Equity Shares

WILFUL DEFAULTERS OR FRAUDULENT BORROWER

Neither our Company, nor our Promoters or Directors are categorised as willful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters or fraudulent borrowers issued by the Reserve Bank of India.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Rights Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer. Specific attention of the investors is invited to the section titled "Risk Factors" on page 21 of this Draft Letter of Offer.

OUR COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The existing Equity Shares are listed on BSE Limited ("BSE" "Stock Exchanges"). Our Company has received 'in-principle' approvals from the BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide their letter dated [●], [●] and [●] respectively. Our Company will also make applications to the Stock Exchanges to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022. For the purpose of this Issue, the Designated Stock Exchange is BSE Limited.

LEAD MANAGER TO THE ISSUE

Narnolia®

NARNOLIA FINANCIAL SERVICES LIMITED

Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India

Telephone: +91- 8130678743; 033-40501500

Email: pankaj.passi@narnolia.com

Website: www.narnolia.com

Contact Person: Mr. Pankaj Pasi

SEBI Registration Number: INM000010791

CIN: U51909WB1995PLC072876

REGISTRAR TO THE ISSUE

LINKIntime

LINK INTIME INDIA PRIVATE LIMITED

Address: C-101, 1st Floor, 247 Park, LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West), Mumbai -400 083, Maharashtra, India

Telephone: +91 81081 14949

Email: megacorp.rightsissue@linkintime.co.in

Website: <https://www.linkintime.co.in>

Contact Person: Shanti Gopalakrishnan

SEBI Registration Number: INR000004058

CIN: U67190MH1999PTC118368

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON#
[●]	[●]	[●]

* Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

Our Board or the Rights Issue Committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in sections / chapters titled "Industry Overview", "Statement of Tax Benefits", "Financial Information" "Outstanding Litigation and Defaults" and "Terms of the Issue" on pages 54, 50, 79, 207 and 219 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

General Terms

Term	Description
"Mega Corporation Limited" or "Our Company" or "the Company" or "the Issuer" or "MCL"	Mega Corporation Limited, a public limited company incorporated under the provisions of the Companies Act, 1956, as amended from time to time and having its Registered Office at Upper Ground Floor, 62, Okhla Industrial Estate, Phase-III, Okhla Industrial Estate, New Delhi 110020, India and Corporate Office at NSIC Complex, Maa Anand Mayee Marg, Okhla Industrial Estate, Phase-III, New Delhi, India, - 110020.
"We"/"Our"/"Us"/"our Group"	Unless the context otherwise requires, indicates or implies or unless otherwise specified, Our Company. as applicable, as at and during the relevant Financial Year.

Company Related Terms

Term	Description
Articles of Association" or "Articles	Articles of Association of our Company, as amended from time to time
Audit Committee	The Committee of Board of Directors constituted as our Company's Audit Committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") and section 177 of the Companies Act, 2013
Auditors or Statutory Auditors	The current statutory auditors of our Company M/s Manish Pandey & Associates (FRN: 019807C), Chartered Accountants;
Audited Financial Statements	The audited financial statements of our Company prepared in accordance with Indian Accounting Standards for the Financial Years ended on March 31, 2024, March 31, 2023, March 31, 2022.
Board of Directors, or Board or our Board	Board of Directors of our Company including duly constituted committee thereof. For details of the Board of Directors, see "Our Management" on page 67 of the Draft Letter of Offer.
Chief Financial Officer / CFO	Mr. Surendra Chhalani, the Chief Financial Officer of our Company.
Committee(s)	Duly constituted committee(s) of our Board of Directors.
Company Secretary and Compliance Officer	Ms. Krashmee Bhartiya, the Company Secretary and the Compliance Officer of our Company.
Directors	Directors on the Board, as may be appointed from time to time.

Equity Shareholder / Shareholders	A Holder of Equity Share(s) of our Company, from time to time.
Equity Shares	Equity shares of face value of ₹ 1 each of our Company.
Group Companies	Group companies of our Company as determined in terms of Regulation 2(1)(t) of SEBI ICDR Regulations
Independent Directors	An Independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "Our Management" beginning on page 67 of this Draft Letter of Offer.
Key Managerial Personnel / KMP	Key Managerial Personnel of our Company as per the definition provided in Section 2(51) of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI ICDR Regulations as described in the "Our Management" on page 67 of this Draft Letter of Offer.
Limited Reviewed Financial Information/ Limited Reviewed Financial Statements	The limited reviewed unaudited financial statements for the three months period ended June 30, 2024, prepared in accordance with the Companies Act and SEBI Listing Regulations. For details, see "Financial Information" on page 79 of this Draft Letter of Offer.
Materiality Policy	Policy for Determination and Disclosure of Materiality of an Event or Information adopted by our Board in accordance with the requirements under Regulation 30 of the SEBI Listing Regulations, read with the materiality threshold adopted by the Board of Directors through its resolution dated August 10, 2023, for the purpose of litigation disclosures in this Draft Letter of Offer.
Memorandum of Association / Memorandum / MoA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The Board of Directors of our Company constituted Nomination and Remuneration Committee in accordance with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Section 178 of the Companies Act, 2013
Non-executive Director	Non-executive Director(s) on our Board, as described in "Our Management" on page 67 of this Draft Letter of Offer.
Promoters	The promoter of our Company, being, Mr. Kunal Lalani, Mr. Hulasmal Lalani, Ms. Vimi Lalani, Ms. Varsha Bengani, Mr. Mayank Lalani and Ms. Seema Lalani.
Promoter Group	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations.
Registered Office	Registered office of our Company is situated at Upper Ground Floor, 62, Okhla Industrial Estate, Phase-III, Okhla Industrial Estate, New Delhi 110020, India.
Registrar of Companies / RoC	Registrar of Companies NCT of Delhi & Haryana.
Rights Issue Committee	The Rights issue committee of our Board constituted through the resolution of the Board dated August 31, 2024.
Subsidiaries	Subsidiaries of our Company as defined under the Companies Act, 2013 and the applicable Accounting Standards. Our Company had a subsidiary namely M/s Mega Airways Limited and the same was merged with the company on 09th August, 2019 by the order of hon'ble National Company Law Tribunal of Delhi vide Order No.1257.
Stakeholders Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations and Section 178 of Companies Act,2013.
Unaudited Financial Results	The limited review of unaudited financial results of our Company for Three months period ended June 30, 2024.

Issue Related Terms

Term	Description
Abridged Letter of Offer or ALOF	The Abridged Letter of Offer to be sent to the Eligible Equity Shareholders of our Company with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act.
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allotment or Allot or Allotted	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying credit to the escrow account and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013.
Allotment Account Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, Axis Bank Limited.
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
Allotment Date	Date on which the Allotment is made pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
Applicant(s) or Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer, including an ASBA Investor.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by Applicant(s) to make an application authorising the SCSB to block the Application Money in a specified bank account maintained with the SCSB.
ASBA Account	An account maintained with SCSBs and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application.
ASBA Applicant/ ASBA Investors	Eligible Equity Shareholders who make an application to subscribe to the Issue through ASBA process
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard
Banker(s) to the Issue	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank, in this case being Axis Bank Limited.
Banker(s) to the Issue Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange in this Issue, as described in "Terms of the Issue" on page 219 of this Draft Letter of Offer.

Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on SEBI updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor's address, PAN, DP ID, Client ID, bank account details and occupation, where applicable.
Designated Branch(es)	Such branches of the SCSBs which shall collect the Applications, as the case may be, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time.
Designated Stock Exchange	BSE Limited.
Draft Letter of Offer/DLoF/DLOF	This Draft Letter of Offer dated [●] filed with the Stock Exchanges, for its observations and in-principle approval.
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996
Eligible Equity Shareholder(s)	Existing Equity Shareholders as at the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, please see "Notice to Investors" on page 11 of this Draft Letter of offer
Equity Shareholder(s) or Shareholders	Holder(s) of the Equity Shares of our Company
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the escrow account will be opened, in this case being, Axis Bank Limited.
Escrow Account	One or more no-lien and non-interest-bearing accounts with the Escrow Collection Bank for the purposes of collecting the Application Money from Eligible Equity Shareholders as on record date making an Application through the ASBA facility
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower(s) as defined under Regulations 2(1)(III) of the SEBI ICDR Regulations
Investor(s)	Eligible Equity Shareholder(s) of our Company on the Record Date, [●], and the Renouncee(s).
ISIN	International securities identification number i.e., INE804B01023.
Issue or Rights Issue	This issue of up to [●] fully paid-up Equity Shares of face value of ₹1/- each of our Company for cash at a price of ₹[●] aggregating up to ₹1,000 Lakhs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date. <i>*Assuming full subscription respect to Rights Equity Shares</i>
Issue Closing Date	[●]
Issue Materials	Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Application, in accordance with the SEBI ICDR Regulations.
Issue Price	₹[●] per Equity Share
Issue Proceeds	The gross proceeds raised through the Issue.
Issue Size	The issue of up to [●] Rights Equity Shares aggregating up to ₹1,000 Lakhs * <i>*Assuming full subscription with respect to Rights Equity Shares</i>
Letter of Offer	The Letter of Offer dated [●] to be filed with the Stock Exchange and SEBI

Listing Agreement	The listing agreements entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application.
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please see “Objects of the Issue” on page 47 of this Draft Letter of Offer
Non-ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process.
Non-Institutional Investors	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars, circulars issued by the Depositories from time to time and other applicable laws
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars, circulars issued by the Stock Exchange from time to time and other applicable laws, on or before [●]
Payment Schedule	Payment schedule under which 100% of the Issue Price is payable on Application, i.e. ₹ [●] per Rights Equity Share
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares in the Issue, being [●], [●]
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being Axis Bank Limited.
Registrar Agreement	Agreement dated October 28, 2024 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar to the Company	Link Intime India Private Limited
Registrar to the Issue	Link Intime India Private Limited
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI Rights Issue Circulars, the Companies Act and any other applicable law.
RE ISIN	ISIN for Rights Entitlement i.e. [●]
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Rights Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder
Rights Equity Shares	Equity Shares to be Allotted pursuant to this Issue
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The Rights Entitlements are also accessible on the website of our Company.
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34

Stock Exchanges	Stock exchanges where the Equity Shares are presently listed is BSE Limited.
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalisation of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter / Fraudulent Borrower	Company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI.
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI.

Industry Related Terms

Term/Abbreviation	Description/ Full Form
AFC	Asset Finance Company
CIC-ND-SI	Systemically Important Core Investment Company
CRAR/ Capital to risk weighted assets	The ratio measures a bank's financial stability by measuring its available capital as a percentage of its risk-weighted credit exposure
Commercial Banks	A bank that offers services to the general public and to companies
DFIs	Development Finance Institutions
Gross non-performing assets / GNPA	Gross non-performing loans are the sum of all the loans that have been defaulted by the individuals who have acquired loans from the financial institution.
IBC	Insolvency and Bankruptcy Code
IC	Investment Company
IFC	Infrastructure Finance Company
Insurance Companies	A financial intermediary which offer direct insurance or reinsurance services, providing financial protection from possible hazards in the future
LC	Loan Company
MGC	Mortgage Guarantee Companies
MSMEs	Micro, Small and Medium Enterprises
MUDRA or Micro Units Development and Refinance Agency	MUDRA is a public sector financial institution in India. It provides loans at low rates to micro-finance institutions and non-banking financial institutions which then provide credit to MSMEs
Mutual Funds	A mutual fund is a Company that brings together money from many people and invests it in stocks, bonds or other assets
NBFCs or Non-Banking Finance Companies	The entities that provide certain bank-like financial services but do not hold a banking license. NBFCs are not subject to the banking regulations and oversight by federal and state authorities adhered to by traditional banks
NOFHC	NBFC- Non-Operative Financial Holding Company
NSI-ND-NBFC	Non-Systemically Important Non-Deposit taking Non-Banking Finance Companies
Net Owned Fund	Net Owned Funds means the aggregate of paid-up equity share capital and free reserves as reduced by accumulated losses and intangible assets
Pension Funds	A fund from which pensions are paid, accumulated from contributions from employers, employees, or both.
Private Sector Banks or PVBs	Private sector banks are those in which private individuals or private corporations own a significant portion of the bank's equity
Public Sector Banks or PSBs	A public bank is a bank, a financial institution, in which a state, municipality, or public actors are the owners. It is an enterprise under government control
RBI	The Reserve Bank of India
Return on Assets or ROA	The term return on assets (ROA) refers to a financial ratio that indicates how profitable a Company is in relation to its total assets
Return on Equity or ROE	It is a measure of financial performance calculated by dividing net income by

	shareholders' equity
SCBs	Scheduled Commercial Banks
UPI	Unified Payments Interface
YoY	Year on Year

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
₹ or Rs. or Rupees or INR	Indian Rupee
Adjusted Loans and Advances	Adjustment in the nature of addition to the loans and advances made in relation to certain loans which are treated as investments under Ind AS, but considered as loans by our Company
Adjusted EBITDA	Adjusted earnings before interest, taxes, depreciation, and amortisation
AIF(s)	Alternative Investment Fund, as defined and registered with SEBI under the SEBI AIF Regulations
AS or Accounting Standards	Accounting standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identity Number
Civil Code	The Code of Civil Procedure, 1908
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act or Companies Act, 2013	The Companies Act, 2013, read with the rules, regulations, clarifications and modifications notified thereunder
Companies Act 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP / Depository Participant	Depository participant as defined under the Depositories Act
DP ID	Depository Participant Identity
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, and amortisation
EGM	Extraordinary general meeting

EPF	Employees' Provident Fund
EPFO	Employees' Provident Fund Organisation
EPS	Earnings Per Share
EUR	Euro
FCNR Account	Foreign Currency Non-Resident (Bank) Account
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal Year / FY	Period of 12 months ending March 31 of that particular year
FDI Policy	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October 15, 2020
FIR	First Information Report
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors registered under the SEBI FVCI Regulations
GAAR	General Anti-Avoidance Rules
GAAP	Generally Accepted Accounting Principles in India
Gazette	Official Gazette of India
GDP	Gross Domestic Product
GIR	General Index Register
GOI	Government of India
Government	Central Government and/ or the State Government, as applicable
GST	The Goods and Services Tax
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
Income-tax Act	The Income Tax Act, 1961
Ind AS	Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015
India	Republic of India
ISIN	International Securities Identification Number
IST	Indian Standard Time

IT	Information Technology
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	The aggregate value of the equity share capital, other equity and non-controlling interests
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR	Non-resident or person(s) resident outside India, as defined under the FEMA
NRE	Non- Residential External
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- Resident Ordinary
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
OCBs or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in this Issue
OCI	Overseas Citizen of India
p.a.	Per annum
P/E Ratio	Price to Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PMLA	The Prevention of Money Laundering Act, 2002
RBI	Reserve Bank of India.
Regulation S	Regulation S under the United States Securities Act of 1933, as amended
RoC	Registrar of Companies, Delhi and Haryana
ROE	Return on Equity
RoNW	Return on Net Worth

RTGS	Real Time Gross Settlement
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed and replaced by the SEBI AIF Regulations
Securities Act	The United States Securities Act of 1933
Stamp Act	The Indian Stamp Act, 1899
STT	Securities Transaction Tax
State Government	Government of a State of India
TAN	Tax deduction account number
TDS	Tax deductible at source
Trademarks Act	Trade Marks Act, 1999
USD	United States Dollar
U.S./USA/United States	United States of America, its territories or possessions, any state of the United States, and the District of Columbia
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
w.e.f.	With Effect From
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter (collectively “**Issue Material**”) and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Material may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and will send / dispatch the Issue Material only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, through email and sent / dispatched, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access the Issue Material from the websites of the Registrar to the Issue, our Company and the Stock Exchange. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials. Our Company and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent to the registered email addresses of such Eligible Equity Shareholders

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Material or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Material will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Issue Material must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Issue Material should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Material to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in the Issue Material.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar to the Issue or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form. Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information.

Neither the delivery of the Issue Material nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of the Issue Material or the date of such information.

The contents of this Draft Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, neither our Company nor the Lead Manager or its affiliates are making any representation to an offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the prescribed limits under applicable laws or

regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

The Issue Materials are supplied to you solely for the use of the person who receive it from our Company or from the Registrar and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof (“**United States**”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, the Issue Material should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Issue Material will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR TO THE ISSUE. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

CERTAIN CONVENTIONS, USE OF FINANCIAL INDUSTRY & MARKET DATA, AND CURRENCY PRESENTATION

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to (i) the 'US' or 'U.S.' or the 'United States' are to the United States of America, its territories and possessions, any state of the United States, and the District of Columbia; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable. Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year. Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated otherwise, the financial information in this Draft Letter of Offer is extracted from Limited Reviewed Unaudited Financial Results for the quarter ended June 30, 2024 and comparative financials for June 30, 2023, Audited Financial Statements for the period ended 31 March 2024, Audited Financial Statements of the Company for the financial Year ended 31 March 2023 which have been prepared in accordance with Indian Accounting Standard (Ind AS).

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Letter of Offer, including in the Sections titled "Risk Factors"; "Our Business"; "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page no. 21, 67, and 200 respectively, have been calculated on the basis of the Audited Financial Statements of our Company included in this Draft Letter of Offer.

Non-GAAP Financial Measures

We have included certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance (collectively, "Non-GAAP Financial Measures" and each, a "Non-GAAP Financial Measure") in this Draft Letter of Offer, such as Return on Average Equity, Debt to Equity Ratio, Interest Coverage Ratio, EBITDA Margin, Current Ratio, Inventory Turnover Ratio, Trade Receivable Turnover Ratio, Net Profit Ratio, Return on Capital Employed, Trade Payable Turnover Ratio, Net Capital Turnover Ratio, Return on Investment, Return on Net Worth and Net Worth. These Non-GAAP Financial Measures are not required by or presented in accordance with Ind AS. We compute and disclose such Non-GAAP Financial Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such Non-GAAP Financial Measures and other statistical and operational information when reporting their financial results. However, these Non-GAAP Financial Measures and other statistical information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other financial services companies.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” or “Re.” re to the legal currency of the Republic of India;
- “USD” or “US\$” or “\$” re to the legal currency of the United States of America; and
- “Euro” or “€” are to Euro, the official currency of the European Union.

Please note:

- One million is equal to 1,000,000 or 10 lakhs;
- One crore is equal to 10 million or 100 lakhs; and
- One lakh is equal to 100,000.

Conversion Rates for Foreign Currency:

This Draft Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	June 28, 2024	March 31, 2024	March 31, 2023
1 USD	83.45	83.37	82.22
1 Euro	89.24	90.21	89.61

(Source: www.rbi.org.in and www.fbil.org.in)

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 21 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENTS

This Draft Letter of Offer contains certain “forward-looking statements”. Forward looking statements appear throughout this Draft Letter of Offer, including, without limitation, under the chapters titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Industry Overview*”. Forward-looking statements include statements concerning our Company’s plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company’s competitive strengths and weaknesses, our Company’s business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “likely”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek to”, “will”, “will continue”, “will pursue”, “forecast”, “target”, or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, the competition in our industry and markets, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes, incidence of natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- adverse effect of competition on our market share and profits;
- changes in technology and our ability to manage any disruption or failure of our technology systems;
- our ability to:
 - manage our growth effectively;
 - manage our credit risk;
 - manage our quality of services;
 - hire and retain senior management personnel and other skilled manpower;
 - manage cost of compliance with labor laws or other regulatory developments;
 - manage our operating costs;
 - successfully implement our business strategies and expansion plans;
 - maintain effective internal controls;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- economic uncertainties, fiscal crises or instability in India.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the sections entitled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 21, 60 and 200 respectively, of this Draft Letter of Offer.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, nor our Directors, our Promoters, the Syndicate Member(s) or any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

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SECTION II-SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures and terms of the Issue included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including “Risk Factors”, “Objects of the Issue”, “Our Business” and “Outstanding Litigation and Defaults” beginning on pages 21, 47, 60, and 207, respectively.

SUMMARY OF INDUSTRY

NBFCs encompass a heterogeneous group of intermediaries and provide a whole range of financial services. Though heterogeneous, NBFCs can be broadly classified into three categories, viz., asset finance companies (such as equipment leasing and hire purchase), loan companies and investment companies. A separate category of NBFCs, called the residuary non-banking companies (RNBCs), also exists as it has not been categorised into any one of the above referred three categories. Besides, there are miscellaneous non-banking companies (Chit Fund), mutual benefit financial companies (Nidhis and unnotified Nidhis) and housing finance companies.

For further details, please refer to the chapter titled “Industry Overview” at page 54.

PRIMARY BUSINESS OF OUR COMPANY

We are a NBFC not accepting Public Deposits bearing certificate of registration No: 14.00955 issued by the Reserve Bank of India (“RBI”) on May 09, 1998. We are a Non-Banking Financial Company (NBFC), registered with Reserve Bank of India and categorised as “Non-deposit taking Non-banking financial company (Non-SI) registered with RBI and classified as an NBFC”, Loan Company. We are in the business of providing financial services to its customers engaged in corporate finance, retail loan, gold loan, personal loan and fulfilling the financial requirements in various sections of the society.

For further details, please refer to the chapter titled “Our Business” beginning on page 60.

OUR PROMOTERS

The Promoters of our Company are Mr. Kunal Lalani, Mr. Hulasmal Lalani, Ms. Vimi Lalani, Ms. Varsha Bengani, Mr. Mayank Lalani and Ms. Seema Lalani.

OBJECTS OF THE ISSUE

Our Company intends to utilise the Net Proceeds from the Issue towards funding of the following objects:

Particulars	Estimated amount (up to) (₹ Lakhs)
Gross Proceeds from the Issue#*	1000.00
Less: Estimated Issue related Expenses*	20.00
Net Proceeds from the Issue	980.00

*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.
To be finalised upon determination of the Issue Price and updated in this Draft Letter of Offer.

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

Particulars	Estimated amount (up to) (₹ Lakhs)
To augment the capital base and to provide for our fund requirements for increasing our operational scale with respect to our NBFC activities	755.00
General Corporate Purposes#	225.00
Total Net Proceeds	980.00

#The amount shall not exceed 25% of the Gross Proceeds.

For further details, please see “Objects of the Issue” on page 47 of this Draft Letter of Offer.

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS/ PROMOTER GROUP WITH RESPECT TO (I) THEIR RIGHTS ENTITLEMENT; AND (II) THEIR INTENTION TO SUBSCRIBE OVER AND ABOVE THEIR RIGHT ENTITLEMENT

Pursuant to letter dated October 21, 2024 our Promoters have confirmed that they shall (i) subscribe, to the full extent of their Rights Entitlements and shall not renounce them in favour of third parties.

Further, they reserve the right to apply for, and subscribe to, additional Rights Equity Shares, including subscribing to the unsubscribed portion (if any), subject to compliance with the minimum public shareholding requirement as prescribed under the SCRR and the SEBI Listing Regulations.

The ex-rights price of the Equity Shares offered pursuant to this Issue and in compliance with the valuation formula set out in Regulation 10(4)(b)(ii) of the Takeover Regulations is ₹[●] per Equity Share.

Further, with respect to the Minimum subscription, this is to submit that the objects of the Issue are capital base and to provide for our fund requirements for increasing our operational scale with respect to our NBFC activities and General Corporate Purpose, and do not involve financing of capital expenditure for a project. Also, the promoters and the promoter group of the issuer undertake to subscribe fully to their portion of rights entitlement and do not renounce their rights except to the extent of renunciation within the promoter group.

Accordingly, minimum subscription criteria shall not be applicable in terms of Regulation 86 of the SEBI(ICDR) Regulations 2009.

Our Company is in compliance with Regulation 38 of the SEBI(LODR) Regulations, 2015 and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

FINANCIAL INFORMATION

The following table sets forth the summary of the financial information derived from the Audited Standalone Financial Statements for the Financial Years ended on March 31, 2024, March 31, 2023 and unaudited limited review for the six months ended June 30, 2024.

(Amount in Lakhs)

Sr. No.	Particulars	Unaudited Limited Review	Audited Financial Statements for the period ending.	
		June 30, 2024	March 31, 2024	March 31, 2023
1.	Authorized Share Capital	4,000.00	4,000.00	4,000.00
2.	Paid-up Capital	1,000.00	1,000.00	1,000.00
3.	Net Worth attributable to Equity Shareholders [#]	2,449.02	2,445.58	2,400.70
4.	Total Revenue [§]	120.18	382.70	316.99
5.	Profit / (Loss) after tax	3.44	25.94	22.74
6.	Earnings per Share (basic & diluted) (in ₹) [@]	0.00	0.04	0.03
7.	Net Asset Value per Equity Share (in ₹) [*]	2.44	2.44	2.40
8.	Total Borrowings [^]	3,667.97	2,912.42	1,283.47

[#]Net worth= Paid up share capital plus reserves and surplus less miscellaneous expenditure to the extent not written Off.

[§]Total Revenue = Restated Revenue from operations plus Restated Other Income

[@]Earnings per share (Basic & diluted) = Restated profit after tax for the period divided by Restated weighted average number of Equity Shares outstanding during the period.

^{*}Net Asset Value per Equity Share = Restated Net worth / No. of equity shares.

[^]Total Borrowings = Restated Long-Term Borrowings Plus Restated Short-Term Borrowings.

For further details, please refer to section titled ‘Financial Information’ beginning on page 79 of this Draft Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATIONS

A summary of outstanding legal proceedings as of the date of this Draft Letter of Offer as disclosed in the section titled '**Outstanding Litigations, Defaults and Material Developments**' in terms of the SEBI (ICDR) Regulations and the Materiality Policy is provided below.

As on date of this Draft Letter of Offer, except as stated in this Draft Letter of Offer there are no litigations or proceedings subsisting or existing by or against the Company, Directors, Promoter, summary of outstanding litigation proceedings involving our Company, Directors, and Promoter, is specified as below:

Nature of Entity	Criminal Proceedings	Civil Proceedings	Tax Proceedings	Statutory regulatory proceedings	Disciplinary actions by SEBI or BSE	Aggregate amount involved (₹ in Lakhs)
Company						
By the Company	1	1	NIL	NIL	NIL	212.14
Against the Company	NIL	NIL	NIL	NIL	NIL	-
Directors						
By the Directors	NIL	NIL	NIL	NIL	NIL	-
Against the Directors	NIL	NIL	NIL	NIL	NIL	-
Promoters						
By the Promoter	NIL	NIL	NIL	NIL	NIL	-
Against the Promoter	NIL	NIL	NIL	NIL	NIL	-
Group Entities						
By The Group Entities	1	2	NIL	NIL	NIL	44.02
Against the Group Entities	NIL	1	NIL	NIL	NIL	28.78

*Excluding interest on disputed demand and amount involved in litigations for which tax amount is unascertainable.

The Company has submitted the response on the demand notice issued by the authority to waive the demand and the reply is awaited from authority.

For further details, please refer to section titled '**Outstanding Litigations, Defaults and Material Developments**' beginning on page 207 of this Draft Letter of Offer

RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations that impacts the business of the Company, and other economic factors, please refer to the section titled '**Risk Factors**' beginning on page 21 of this Draft Letter of Offer.

SUMMARY OF CONTINGENT LIABILITIES

Please refer to the chapters titled "**Financial Information**" on page 79 of the Financial Information section in this Draft Letter of Offer.

SUMMARY OF RELATED PARTY TRANSACTIONS

For details regarding our related party transactions as per Ind AS 24 entered into by our Company in Fiscal 2024, please see “*Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Related party transactions*” on pages 200 and 78 respectively.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued Equity Shares for consideration other than cash during the period of one year preceding the date of this Draft Letter of Offer.

SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

There has been no split or consolidation of equity shares in the last one year preceding the date of this Draft Letter of Offer.

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SECTION III – RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 54, 60 and 200 respectively. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue, has independently verified the information in the industry report or other publicly available information cited in this section.

This Draft Letter of Offer also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 15.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information, prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

Materiality:

The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality of Risk Factors:

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

In this Draft Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

INTERNAL RISK FACTORS

1. There are outstanding legal proceedings involving our Company, its Promoters, its Directors, and Group Entities.

We are involved in certain regulatory proceedings which may adversely affect our operations and financial position. A summary of outstanding legal proceedings involving our Company as on the date of this Letter of Offer, including the aggregate approximate amount involved to the extent ascertainable, is set out below:

Nature of Entity	Criminal Proceedings	Civil Proceedings	Tax Proceedings	Statutory regulatory proceedings	Disciplinary actions by SEBI or BSE	Aggregate amount involved (₹ in Lakhs)
Company						
By the Company	1	1	NIL	NIL	NIL	212.14
Against the Company	NIL	NIL	NIL	NIL	NIL	-
Directors						
By the Directors	NIL	NIL	NIL	NIL	NIL	-
Against the Directors	NIL	NIL	NIL	NIL	NIL	-
Promoters						
By the Promoter	NIL	NIL	NIL	NIL	NIL	-
Against the Promoter	NIL	NIL	NIL	NIL	NIL	-
Group Entities						
By The Group Entities	1	2	NIL	NIL	NIL	44.02
Against the Group Entities	NIL	1	NIL	NIL	NIL	28.78

*Excluding interest on disputed demand and amount involved in litigations for which tax amount is unascertainable.

The Company has submitted the response on the demand notice issued by the authority to waive the demand and the reply is awaited from authority.

2. *We, as an NBFC have to adhere to several regulatory norms prescribed by RBI from time to time. Any non-compliance with such norms or any adverse change in the norms could negatively affect our Company's operations, business, financial condition and the trading price of Equity Shares.*

NBFCs in India are subject to strict regulation and supervision by the RBI. We require certain approvals, licenses, registrations and permissions for operating our business. Such approvals, licenses, registrations and permissions must be maintained / renewed over time and we may have to comply with certain conditions in relation to these approvals. Moreover, the applicable requirements may change from time to time. We are required to obtain and maintain a license for carrying on business as an NBFC. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. RBI has the authority to change these norms/ criteria as and when required. Inability to meet the prescribed norms/ criteria, can adversely affect the operations and profitability of our Company.

3. *As an NBFC, we face the risk of default and non-payment by borrowers and other counterparties. Any such defaults and non-payments would result in write-offs and/or provisions in our financial statements which may materially and adversely affect our profitability and asset quality.*

Any lending or investment activity is exposed to credit risk arising from the risk of default and non-payment by borrowers and other counterparties. Our loan book stood at Rs. 4,253.13 Lakhs for FY 2023-24 consisting entirely of Unsecured Loans. Many of our loans in the portfolio are loans granted to Small Business Firms (Proprietors / Partnerships) and Individuals (Personal Loans). Further, in relation to the unsecured loans, our ability to realise the amounts due to us for such loans would be restricted to initiating legal proceedings for recovery, as we will not have the benefit of enforcing any security interest related to such loans. There can be no guarantee as to the time that would be taken for the final disposal of such legal proceedings and/or our ability to obtain favourable decisions in connection therewith. Our inability to recover the amounts due from customers in connection with such loans in a timely manner or at all and/or to comply with applicable statutory/regulatory requirements in

connection with such loans could adversely affect our operations and profitability. For the F.Y 2023-24 company has written off bad debts of Rs. 3.16 Lakhs which constitutes 0.07% of the total loan amount. The size of our loan portfolio is expected to grow as a result of our expansion strategy. This will expose us to an increasing risk of defaults as our portfolio expands. The borrowers and/or guarantors and/or third parties may default in their repayment obligations due to various reasons including insolvency, a lack of liquidity, and operational failure.

In future, we may do business of “Loan against Shares” and “Loan against Property” which may have relatively higher sensitivity to equity and real estate market conditions and also the targeted individual borrowers are generally less financially robust than larger corporate borrowers and often do not have any credit history supported by tax returns and other related documents, as a result, are likely to be more severely affected by deteriorating economic conditions. In deciding whether to extend credit to, or to enter into transactions with, customers and counterparties, we rely on published credit information relating to such parties and financial and other relevant information furnished to us by customers, and our personal contacts and networks based on which we perform our credit assessment. We cannot be certain that our risk management controls will continue to be sufficient or that additional risk management policies for individual borrowers will not be required. Failure to continuously monitor the loan accounts, particularly for individual borrowers, could adversely affect our credit portfolio which could have a material and adverse effect on our business, future financial performance and results of operations. If any of the aforesaid information, as obtained from customers and third parties, is misleading or inaccurate, the procedures that we follow may not be adequate or sufficient to provide accurate data as to the creditworthiness of our customers and counterparties. In the event that we do not accurately identify the risk of default, or if we rely on information that may not be true or may be materially misleading, we may face the risk of default and non-payment by borrowers and other counterparties. Any such defaults and non-payments would result in write-offs and/or provisions in our financial statements which may materially and adversely affect our profitability and asset quality.

4. *Any disruption in our sources of funding or increase in costs of funding could adversely affect our liquidity and financial condition.*

The liquidity and profitability of our business majorly depend on our timely access to, and the costs associated with, raising funds. Our business thus depends and will continue to depend on our ability to access a variety of funding sources. Further, our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost funding at rates lower than the interest rates at which we lend to our customers. Our ability to raise funds on acceptable terms and at competitive rates depends on various factors including our current and future results of operations and financial condition, global and local macroeconomic conditions and the effect of events such as a pandemic, our risk management policies, the shareholding of Promoter in our Company, our brand equity, the regulatory environment and policy initiatives in India and developments in the international markets affecting the Indian economy. If we are unable to access funds at an effective cost that is comparable to or lower than that of our competitors, our net interest margins, income, and market share may be adversely affected.

Certain regulatory developments including the restrictions imposed on NBFCs by the RBI through a Master Circular – Bank Finance to Non- Banking Financial Companies dated July 1, 2015 (the “Master Circular”) may restrict our ability to obtain bank financing for specific activities. Pursuant to the Master Circular, the RBI has imposed certain restrictions on banks providing financing to NBFCs. Under this Master Circular, certain activities by NBFCs are ineligible for financing by banks, including certain types of discounting and rediscounting of bills, current and long term investments in shares, debentures, loans and advances by NBFCs to their subsidiaries and group companies, lending by NBFCs to individuals for subscribing to public offerings and purchasing shares from the secondary market, unsecured loans, inter-corporate deposits provided by NBFCs, and subscription to shares or debentures by NBFCs. In addition, the Master Circular prohibits:

- banks from granting bridge loans of any nature, provide interim finance against capital or debenture issues or in the form of loans of a temporary nature pending the raising of long-term funds from the market by way of capital, deposits, or other means to any category of NBFCs;
- banks from accepting shares and debentures as collateral for secured loans granted to NBFCs; and
- banks from executing guarantees covering inter-Company deposits or loans that guarantee refund of deposits or loans accepted by NBFCs. The Master Circular also requires that guarantees not be issued by banks for the purpose of indirectly enabling the placement of deposits with NBFCs.

Changes in economic, regulatory and financial conditions or any lack of liquidity in the market could adversely affect our ability to access funds at competitive rates, or at all, which could adversely affect our liquidity and financial condition.

5. ***We are affected by volatility in interest rates for both our lending and fund raisings operations, which could cause our net interest income to decline and adversely affect our results of operations and profitability.***

Our net interest margins are affected by any volatility in interest rates in our lending operations. Interest rates are highly sensitive to many factors beyond our control, including competition from other banks and NBFCs, the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors, which have historically generated a relatively high degree of volatility in interest rates in India. Persistently high inflation in India may discourage the Government from implementing policies that would cause interest rates to decrease. Moreover, if there is an increase in the interest rates, we may be unable to pass it fully or partially to our customers. Further, we may find it difficult to compete with our competitors, who may have access to funds at a lower cost or lower cost deposits. To the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than competitors that may borrow only at fixed interest rates. Further, our ability to pass on any increase in interest rates to borrowers may also be constrained by regulations implemented by the Government or the RBI. In a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest earning assets, it could lead to a reduction in our net interest income and net interest margin.

6. ***Our Company does not have any documentary evidence for the educational qualifications for some of our Promoters/Directors.***

Reliance has been placed on undertakings and affidavits furnished by them to disclose details of their educational qualifications in this DLOO and we have not been able to independently verify these details. Therefore, we cannot assure you that all information relating to the educational qualifications and experiences of our Promoter and Director of this DLOO are complete, true and accurate. Furthermore, below in the table, we have provided the qualification achieved by some directors/promoters whose educational documents were misplaced and were not made available for diligence purpose, FIRs with their respective police station has been filed on respective dates as provided below.

Name of Directors	Category	Qualification	FIR with Police station and Date
Mr. Kunal Lalani	Promoter	Matriculate (Secondary School)	With Crime Branch of Delhi police on February 14,2023.
Mr. Hulasmal Lalani	Promoter	Matriculate (Secondary School)	With Crime Branch of Delhi police on February 14,2023.
Ms. Vimi Lalani	Promoter	South Delhi Polytechnic 3-year Diploma in Commercial Art Certificate- 1988 and Aptech 6month Advance Multimedia Course Certificate- 2004	With Crime Branch of Delhi police on February 09,2023.
Mr. Surendra Kumar Pagaria	Independent Director	Graduate Certificate from St. Xaviers College	With Chetla Police Station on February 08, 2023.

7. ***Any inability on our part to effectively utilize the Issue Proceeds could adversely affect our financial results. The objects of the Issue are based on the internal estimates of our management and have not been appraised by any bank or financial institution.***

The objects of the Issue are based on management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financial results. Utilization of Issue proceeds would be disclosed to our Company's shareholders in the manner required under the SEBI LODR Regulations. For further details, please see to the section titled "Objects of the Issue" on page 47 of this Draft Letter of Offer.

8. ***We require a number of regulatory approvals, registrations, licenses and permits in respect of our business operations. Failure to obtain, maintain or renew licenses, registrations, permits and approvals in a timely manner or at all, which if they result in adverse outcome would materially and adversely affect the operations or the financial of our Company.***

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at the local, state and central government levels for doing our business.

While we have obtained all necessary and material approvals, licenses, registrations and permits from the relevant authorities, they may contain conditions, some of which could be onerous. Additionally, we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or seek fresh approvals, from time to time, as and when required in the ordinary course of our business.

There can be no assurance that the relevant authority will issue an approval or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could adversely affect our related operations. Further, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all. Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or cancelled or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may adversely affect our business and results of operations.

9. *Our success depends largely on our management and our ability to attract and retain our key personnel. Any significant changes in the key managerial personnel, may affect the performance of our Company.*

Our success depends on the continued services and performance of the members of the management team and other key employees. Competition for senior and experienced personnel in the industry is intense at present. The loss of the services of our key managerial personnel and any of our other executive officers, and our inability to find suitable replacements, could result in a decline in sales, delays in product development, and harm to our business and operations.

We may incur significant costs to attract and recruit skilled personnel, and we may lose new personnel to our competitors or other companies before we realise the benefit of our investment in recruiting and training them. If we fail to attract new personnel or fail to retain and motivate our current personnel who are capable of meeting our growing technical, operational, and managerial requirements on a timely basis or at all, our business may be adversely affected.

10. *Our Company may incur penalties or liabilities for non-compliances with few provisions of the Companies Act and other applicable laws.*

Our Company may incur penalties or liabilities for non-compliance with few provisions including lapses/ delays in certain filings and/or erroneous filing/ non-filing of e-forms under Company Act, 2013. Such non compliances/delay Compliances / erroneous filing/ non-filing /non-registration may incur penalties or liabilities which may affect the results of operations and financial conditions.

11. *We are a listed company and are required to comply with rules and regulations imposed by the Stock Exchanges and SEBI with respect to continuous listing and the Companies Act. Any failure to comply with such rules and regulations or any wrong disclosure made to the Stock Exchange or any statutory authority could result in penalties being imposed on us, which may adversely affect our business and operations.*

As a listed company, we are required to comply with certain conditions for continuous listing under the SEBI Listing Regulations and other rules and regulations imposed by SEBI, which require us to make certain periodic disclosures, including disclosures about any material events or occurrences with respect to our Company, disclosure of our financial statements and disclosure of our updated shareholding pattern. Any failure to comply with these continuous disclosure requirements or any wrongful disclosure made by us to the Stock Exchange or any other statutory authority may lead to penalties being imposed on us.

12. *The Registered Office & Corporate Office of our Company are located/ carried on land parcels that are not owned by us and are held by us on a leasehold/ rental basis. In the event we lose or are unable to renew such leasehold rights, our business, results of operations, financial condition and cash flows may be adversely affected.*

As of the date of this Draft Letter of Offer, our Registered Office & Corporate Office of our Company are held on a leasehold/Rental basis. Set out in the table below are details of the address of our Registered Office and Corporate Office, taken on lease/Rental:


Particulars of Property	Address	Lessee	Lessor	Validity of Agreement
Registered Office of our company	Upper Ground Floor, 62, Okhla Industrial Estate, Phase-III, Okhla Industrial Estate, New Delhi, India - 110020	Mega Corporation Limited	Three Hands Infrastructure (India) Private Limited	From September 25, 2023 to September 24, 2032 (i.e. for 09 Years)
Corporate Office of the Company	NSIC Complex, Maa Anand Mayee Marg, Okhla Industrial Estate, Phase-III, New Delhi, India-110020	Mega Corporation Limited	Crayons Advertising Limited	From April 01, 2024 to March 31, 2027 (i.e. for 03 Years)

We cannot assure you that we will be able to renew our leases on commercially acceptable terms, or at all. In the event that we are required to vacate the aforesaid leased premises, we would be required to make alternative arrangements and we cannot assure that the new arrangements will be on commercially acceptable terms. Further, since the registered office of our Company is taken on lease, any negative set-back could materially adversely affect our business, results of operations, financial condition, cash flows and prospects. If we are required to relocate our business operations, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

13. *Some of our corporate records including forms filed with the Registrar of Companies are not traceable.*

We cannot assure you that these forms filings will be available in the future or that we will not be subject to any penalties imposed by the relevant regulatory authority in this respect. Our Company is unable to trace certain corporate and other documents in relation to our Company including forms filed with the Registrar of Companies. Certain forms filed with the ROC like increase in authorised capital could not be traced. Our Company cannot assure you that the filings were made in timely manner, or the information gathered through other available documents of the Company are correct. Also, our Company may not be in a position to attend to and / or respond appropriately to any legal matter due to lack of lost records and to that extent the same could adversely affect our business operations.

14. *Our company has not taken any Trade Marks Registry of New Delhi it could result in loss of brand equity and the company's right to use the said brand and Logo.*

The trademark  which we are using for our business, is not registered with Trademark Authorities. Further company is in process of applying registration with Authorities for registering its Trademark. We are unable to comment on the conformity of grant of registration of our applied mark. We may be subjected to opposition or any remarks from Authority, which may leave our brand and business name open for competition with same brand name by competitors or third parties. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. Any litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

15. *Unsecured loans are taken by the company that can be recalled at any time.*

Our Company has availed certain interest unsecured loan amounting to Rs 3,528.27 Lakhs & Rs. 2,769.34 Lakhs as on June 30, 2024 & March, 31,2024 respectively. The unsecured loan taken by our Company may be recalled at any time. Sudden recall may disrupt our operations and also may force us to find alternative sources of financing, which may not be available on commercial reasonable terms or at all. opt for funding at higher interest rates, resulting in higher financial burden. We may not have adequate +capital to meet business requirements of our Company, and, as a result, any such demand by the lenders may affect our business, cash flows, financial condition and results of operations.

16. *High levels of customer defaults or delays in repayment of loans could adversely affect our business, financial condition and results of operations.*

Our business involves lending money and accordingly we are subject to customer default risks including default or delay in repayment of principal and/or interest on our loans. In the financial year 2023-24 company has written off bad debts of Rs. 3.16 Lakhs. Customers may default on their obligations to us as a result of various factors including bankruptcy, lack of liquidity, lack of business and operational failure. If borrowers fail to repay loans in a timely manner or at all, our financial condition and results of operations will be adversely impacted.

Although we believe that our risk management controls are sufficient, we cannot be certain that they will continue to be sufficient or that additional risk management policies for individual borrowers will not be required. Failure to continuously monitor the loan contracts, could adversely affect our credit portfolio which could have a material and adverse effect on our results of operations and financial condition.

17. *Our indebtedness and the conditions and restrictions imposed by our financing agreements could restrict our ability to conduct our business and operations in the manner we desire.*

Our Company reported a financial indebtedness of Rs. 4,235.13 Lakhs and Rs. 2,898.06 Lakhs, respectively for FY 2023-24 and FY 2022-23. We may incur additional indebtedness in the future. In future our financing agreements may include various restrictive conditions and covenants restricting certain corporate actions, and our Company may be required to take the prior approval of the lender before carrying out such activities. Our indebtedness could have several important consequences, including our cash flows being used towards repayment of our existing debt, which will reduce the availability of our cash flow to fund our working capital, capital expenditures and other general corporate requirements. Moreover, our ability to obtain additional financing or renewal of existing facilities, in the future at reasonable terms may be restricted or our cost of borrowings may increase due to sudden adverse market conditions, including decreased availability of credit or fluctuations in interest rates. There could be a material adverse effect on our business, financial condition and results of operations if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements and we may be more vulnerable to economic downturns, which may limit our ability to withstand competitive pressures and may reduce our flexibility in responding to changing business, regulatory and economic conditions.

18. *We are significantly dependent on a few major borrowers. Our inability to expand our loan book to include more number of borrowers and hence reduce dependence on certain borrowers could result in large write-offs or other financial instability.*

We earn interest income from our Loan Portfolio. Being a NBFC dealing in unsecured short-term finance our ability to grow our loan book is restricted to only those clients whom we either know through our networks or come from a good reference. The interest earned from our top 10 borrowers constituted 215.32 Lakhs of the Total Interest Earned for the F.Y. 2023-24.

While our Company has done substantial business with these customers in the past, we do not have any legally binding long-term agreements or commitments to supply capital / funds to them in the future and we cannot assure that we would receive any business at all from any of these customers in the future or receive business from them on terms and conditions commercially acceptable to us.

Secondly, due to the major portion of loans being short term and not severely secured, we rely substantially on our promoter and key manager's judgment and long-term relations with such clients to whom we lend money. We do not have a large retail loan portfolio i.e. to the public at large and are hence a niche loan provider to a specific class of customers, and we shall hence be more dependent on regular business from such customers. Loss of one or more of our major customers would have a material adverse effect on our business, results of operations and financial condition.

19. *We depend on the accuracy and completeness of information about customers and counterparties for certain key elements of our credit assessment and risk management process. Any misrepresentation, errors in or incompleteness of such information could adversely affect our business and financial performance.*

In deciding whether to extend credit or enter into other transactions with customers, for certain key elements of the credit assessment process, we rely on representation and/or information furnished to us by or on behalf of customers (including in relation to their financial transactions and past credit history). We may also rely on certain representations from our customers as to the accuracy and completeness of that information. All of our loans are unsecured, however in future for ascertaining the creditworthiness and encumbrances on collateral we may depend on the representations by the customer, third parties and we also exercise our own judgement and

experience in relation to the representations (whether written or otherwise) by the customer, the value of the collateral, and our reliance on any misleading information given, may affect our judgement of credit worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, prospects, results of operations and financial condition. We may receive inaccurate or incomplete information as a result of negligence or fraudulent misrepresentation. Our risk management measures may not be adequate to prevent or deter such activities in all cases, which may adversely affect our business prospects, financial condition and results of operations.

20. *Our measures to prevent money laundering may not be completely effective and we may be subject to scrutiny and penalties by the RBI for failure to implement effective measures.*

Our Company is required to comply with applicable anti-money-laundering and anti-terrorism laws and other regulations in India. Our measures to prevent money laundering as required by the RBI and other KYC compliance applicable in India, including the Reserve Bank of India (Know Your Customer) Master Directions, 2016 dated February 25, 2016, as amended ("KYC Directions") and the adoption of anti-money laundering policies and compliance procedures may not be completely effective. In the event, if any regulatory authorities believes that we are not complying with required money laundering compliances and/or KYC Compliances, there may be civil and criminal penalties for non-compliance and our business and results of operations could be adversely affected.

21. *The new bankruptcy code in India may affect our rights to recover loans from borrowers.*

The Insolvency and Bankruptcy Code, 2016 ("Bankruptcy Code") was notified on August 5, 2016. The Bankruptcy Code offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision, and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process.

In case insolvency proceedings are initiated against a debtor to our Company, we may not have complete control over the recovery of amounts due to us. Under the Bankruptcy Code, upon invocation of an insolvency resolution process, a committee of creditors is constituted by the interim resolution professional, wherein each financial creditor is given a voting share proportionate to the debts owed to it. Bankruptcy Code provides a 180-day timeline which may be extended by 90 days when dealing with insolvency resolution applications. Subsequently, the insolvency resolution plan prepared by the insolvency professionals has to be approved by 66% of voting share of financial creditors, which requires sanction by the adjudicating authority and, if rejected, the adjudicating authority will pass an order for liquidation. Any resolution plan approved by committee of creditors is binding upon all creditors, even if they vote against it. In case a liquidation process is opted for, the Bankruptcy Code provides for a fixed order of priority in which proceeds from the sale of the debtor's assets are to be distributed. Before sale proceeds are distributed to a secured creditor, they are to be distributed for the costs of the insolvency resolution and liquidation processes, debts owed to workmen and other employees. Further, under this process, dues owed to the Central and State Governments rank at par with those owed to secured creditors. Moreover, other secured creditors may decide to opt out of the process, in which case they are permitted to realise their security interests in priority.

Accordingly, if the provisions of the Bankruptcy Code are invoked against any of the borrowers of our Company, it may affect our Company's ability to recover our loans from the borrowers and enforcement of our Company's rights will be subject to the Bankruptcy Code.

Further, the GoI vide notification dated March 24, 2020 ("Notification") has amended section 4 of the Bankruptcy Code due the lingering impact of the COVID-19 pandemic. Pursuant to the said Notification, GoI has increased the minimum amount of default under the insolvency matters from ₹1,00,000 to ₹1,00,00,000. Therefore, the ability of our Company to initiate insolvency proceedings against the defaulters where the amount of default in an insolvency matter is less the ₹1,00,00,000 may impact the recovery of outstanding loans and profitability of our Company.

22. *We have in the past entered into related party transactions and we may continue to do so in the future.*

We have entered into certain related party transactions as on the date of this Draft Letter of Offer. While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated

parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. For further details, please refer to the chapter titled — “Financial Information-Related Party Transactions” at page 78.

23. ***page in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We have not paid any dividend during the last 3 years. Our Company may retain all our future earnings, if any, for use in the operations, and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholder’s investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate.

24. ***Our Company is subject to periodic inspections by the RBI. Non-compliance with observations made during any such inspections could result in penalties and fines on our Company and could adversely affect the reputation of the business of our Company.***

Our Company is subject to periodic inspections by the RBI of our Company’s books of accounts and other records for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the RBI or for obtaining any information, which our Company have failed to furnish when called upon to do so. RBI inspections are a regular exercise and are carried out periodically by RBI for banks, financial institutions and NBFCs. Any major failure to meet the RBI’s directions could materially and adversely affect our Company’s pending applications or requests with the RBI and our Company’s ability to obtain the regulatory permits and approvals required to expand our business or result in the interruption of all or some of our Company’s operations, which could have a material adverse effect on our Company’s business, financial condition and results of operations.

25. ***Any losses in the future may have a significant adverse impact on our financial condition and may lead to further erosion of our net wo***

Our company may incur losses in the future. There can be no assurance that the company will not incur losses in any future periods, or that there will not be any other adverse effect on our financial condition. Given the industry we are functioning in where there are chances of bad debts and fluctuation in demand and supply.

26. ***We have experienced negative cash flows in prior years.***

As per our Audited Financial Statements our Company has experienced negative cash flow for the Financial Years ended on March 31, 2024 & March 31, 2023, details of which are specified as under:

(Rs. In Lakhs)

Cash flow	F.Y. 2023- 24	F.Y. 2022-23
Net cash flow from Operating Activity	(1,414.25)	541.19
Net cash flow from Investing Activity	(70.99)	(19.45)
Net cash flow from Financing Activity	1,628.95	(512.03)

We may experience earning declines or negative cash flows in the future as well. Any such negative cash flows in the future could adversely affect our business, financial condition and results of operations. For more details, kindly refer to page no. 79 in the chapter title “Financial Information as restated”.

27. ***We face increasing competition in our business which may result in declining margins if we are unable to compete effectively.***

We face competition in all our lines of business. Our primary competitors are other NBFCs, public sector banks, private sector banks, co-operative banks and foreign banks and the unorganized financiers who principally operate in the markets where we operate. Banks have access to low cost funds which enables them to enjoy higher margins and / or offer finance at lower rates. NBFCs do not have access to large quantities of low cost deposits, a factor which can render them less competitive. In addition, interest rate deregulation and other liberalization measures affecting the retail and small and medium enterprises finance sector, together with increased demand for capital by individuals as well as small and medium enterprises, have resulted in an increase in competition.

We face competition from other NBFCs, microfinance companies as well as both commercial and small finance banks. In addition, our target customers also borrow from money lenders and non-institutional lenders which may lend at higher rates of interest. Our ability to compete effectively will depend, to some extent, on our ability to raise low-cost funding in the future. Furthermore, as a result of increased competition in the finance sector, finance products are becoming increasingly standardized and variable interest rate and payment terms and lower processing fees are becoming increasingly common in the finance sector in India. There can be no assurance that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive finance industry. Increasing competition may have an adverse effect on our net interest margin, and, if we are unable to compete successfully, our market share may decline. If we are unable to compete effectively with other participants in the finance sector, our business, future financial performance may be adversely affected.

- 28. *We are exposed to operational risks, including employee negligence, petty theft, burglary and embezzlement and fraud by employees, customers or third parties, which could harm our results of operations and financial position.***

We are exposed to the risk of theft, burglary and misappropriation or unauthorized transactions by our employees and fraud by employees, customers or third parties. Our security systems and measures undertaken to detect and prevent these risks may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations and profitability. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transaction, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill.

- 29. *Our business requires substantial capital, and any disruption in funding sources would have a material and adverse effect on our liquidity and financial condition.***

The liquidity and ongoing profitability of our business are, in large part, dependent upon our timely access to, and the costs associated with, raising capital. Our funding requirements historically have been met from a combination of shareholder funding, secured and unsecured loan funds, with equity being a pre-dominant source. Thus, our business depends and will continue to depend on our ability to access diversified funding sources. Our ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors including our credit ratings, the regulatory environment and policy initiatives in India, developments in the international markets affecting the Indian economy, investors' and/or lenders perception of demand for debt and equity securities of NBFCs, and our current and future results of operations and financial condition. Further as we grow, we may have to finance our funding from debt also. Any disruption in our primary funding sources at competitive costs would have a material adverse effect on our liquidity and financial condition.

- 30. *Our business is based on the trust and confidence of our customers; any damage to that trust and confidence may materially and adversely affect our business, future financial performance, and results of operations.***

We are dedicated to earning and maintaining the trust and confidence of our customers and we believe that the good reputation is essential to our business. The reputation of our Company could be adversely affected by any threatened and/or legal proceedings and/or any negative publicity or news articles in connection with our Company. As such, any damage to our reputation could substantially impair our ability to maintain or grow our business. If we fail to maintain brand recognition with our target customers due to any issues with our product offerings, a deterioration in service quality, or otherwise, declines our market perception and customer acceptance of our brands may also decline.

- 31. *Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be impaired.***

Certain of our agreements, including, but not limited to, the Loan Agreements and KYC Documents etc may not be adequately stamped or registered under Indian law. In the event of any such irregularity, we may not be able to enforce our rights under such agreements, businesses or properties in the event of a dispute with a third party unless we pay the applicable duty as well as a penalty of up to ten times the amount of the stamp duty.

- 32. *System failures or inadequacy and security breaches in computer systems may adversely affect our business.***

Our trade portfolio dashboard, financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are wholly or partially beyond our control including a disruption of electrical or communications services. Our ability to operate and remain competitive will depend in part on our ability to maintain and upgrade our information technology systems on a timely and cost-effective basis. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our online trading systems, computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security. Any failure to effectively maintain or improve or upgrade our management information systems in a timely manner could materially and adversely affect our competitiveness, financial position and results of operations. Moreover, if any of these systems do not operate properly or are disabled or if there are other shortcomings or failures in our internal processes or systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation. In addition, our ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports our businesses and the localities in which we are located.

33. *Our inability to effectively implement our growth strategies or manage our growth could have an adverse effect on our business, results of operations and financial condition.*

Our growth strategy envisages a very strong asset size and operational income growth. However, there could be a possibility that we may not grow at a comparable rate to our growth rate in the past or the required growth rate to effectively compete in the market either in terms of profit or income. Further, such growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls and more importantly adhering to quality and high standards that meet customer expectations. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

34. *Our Promoter and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.*

Our Promoters and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs. So long as the Promoters have a significant holding, they will be able to influence in election of the entire Board and control most matters affecting us, including the appointment and removal of the officers of our Company, our business strategy and policies and financing. Further, the extent of the Promoters' shareholding in our Company may result in the delay or prevention of a change of management or control of our Company, even if such a transaction may be beneficial to the other shareholders of our Company. Our Promoter & Promoter Holdings are as follows:

Sr. No.	Name of the Shareholder	Category	No. of Shares
01.	Kunal Lalani	Promoter	33,95,000
02.	Hulasmal Lalani	Promoter	7,51,000
03.	Vimi Lalani	Promoter	5,41,000
04.	Varsha Bengani	Promoter	5,00,000
05.	Mayank Lalani	Promoter	1,11,586
06.	Seema Lalani	Promoter	2,50,000
07.	Vimi Investments & Finance Pvt Ltd	Promoter Group	4,62,60,878

35. *Our funding requirements and deployment of the issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution.*

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our Board. In addition, schedule of implementation as described herein are based on management's current expectations and are subject to change due to various factors some of which may not be in our control.

36. ***Any variation in the utilization of the Net Proceeds as disclosed in this Draft Letter of Offer shall be subject to certain compliance requirements, including prior Shareholders' approval.***

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Letter of Offer without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Issue as prescribed in the SEBI (ICDR) Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations.

37. ***Our Company's management will have flexibility in utilizing the Net Proceeds. There is no monitoring agency appointed by our Company and the deployment of funds is at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.***

The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors and is not subject to monitoring by external independent agency. As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above Rs. 10,000.00 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Net Issue Proceeds to the BSE Limited and shall also simultaneously make the material deviations / adverse comments of the audit committee public. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

38. ***Certain data mentioned in this Draft Letter of Offer has not been independently verified.***

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

39. ***We have not commissioned an industry report for the disclosures made in the section titled 'Industry Overview' and made disclosures based on the data available on the internet and such third-party data has not been independently verified by us.***

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled "Industry Overview" on page 54 of this Draft Letter of Offer. We have made disclosures in the said section based on the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such third-party data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Letter of Offer. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

ISSUE SPECIFIC RISK FACTORS

40. ***Our Company will not distribute the Offer Documents to certain overseas shareholders who have not provided an address in India for service of documents.***

Our Company will dispatch the Offer Documents to such shareholders who have provided an address in India for the service of documents or who are in jurisdictions where the offer and sale of the Rights Equity Shares permitted under laws of such jurisdictions and in each case who make a request in this regard. The Offer Documents will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies

to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act and may subject us to fines or penalties.

41. *There is no public market for the Rights Equity Shares or Equity Shares outside India.*

After this Issue, there will continue to be no public market for our Equity Shares in the United States or any country other than India. In addition, the holders of the partly paid-up Rights Equity Shares will not be able to trade in these Equity Shares till they are credited to the holders' account as fully paid-up, and thereafter there will also be no public market for the Rights Equity Shares outside of India. We cannot assure you that the face value of the Rights Equity Shares will correspond to the price at which the Rights Equity Shares will trade subsequent to this Issue. This may also affect the liquidity of our Rights Equity Shares and Equity Shares and restrict your ability to sell them.

42. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.*

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further in case the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements.

43. *Any future issuance of the Equity Shares, or convertible securities by our Company may dilute your future shareholding and sales of the Equity Shares by our Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.*

Any future issuance of the Equity Shares, or convertible securities by our Company, including through exercise of employee stock options or restricted stock units may lead to dilution of your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, any future sales of the Equity Shares by the Promoters and members of our Promoter Group, or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

44. *You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.*

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. We cannot assure you that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

45. *Investors will not have the option of getting the Allotment of Rights Equity Shares in physical form and the Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholders") may lapse in case they fail to furnish the details of their demat account to the Registrar.*

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date

to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of the Equity Shares and except the pending transfers).

For details, refer chapter titled “Terms of the Issue – Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” on page 219 of this Draft of Letter of Offer.

46. *Rights Entitlement of Physical Equity Shareholders may lapse in case they fail to furnish the details of their demat account to the Registrar.*

In accordance with the SEBI Circular bearing reference number ‘SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020’, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Equity Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Equity Shareholders are requested to furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least 1 (One) day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 03, 2018 issued by the SEBI, with effect from April 01, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

47. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.*

In terms of the SEBI ICDR Regulations, the Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant’s decision to invest in the Issue Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their Applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Issue Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants’ ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

48. *Investors will be subject to market risks until the Issue Shares credited to their demat accounts are listed and permitted to trade.*

Investors can start trading the Issue Shares allotted to them only after they are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Issue Shares to the date when trading approval is granted for them. Further, we cannot assure you that the Issue Shares allocated to an Investor will be credited to the Investor’s demat account or that trading in the Equity Shares will commence in a timely manner.

49. *Your ability to acquire and sell the Issue Shares offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Draft Letter of Offer.*

No actions have been taken to permit an offering of the Issue Shares in the Issue in any jurisdiction except India. As such, our Issue Shares have not and will not be registered under the U.S. Securities Act, any state securities laws or the law of any jurisdiction other than India. Further, your ability to acquire Issue Shares is restricted by the distribution and solicitation restrictions set forth in this Draft Letter of Offer. For further information, please

refer to the chapters entitled 'Notice to Investors', 'Other Regulatory and Statutory Disclosures' and 'Restrictions on Foreign Ownership of Indian Securities' on pages 214 and 254, respectively. You are required to inform yourself about and observe these restrictions. Our representatives, our agents and us will not be obligated to recognize any acquisition, transfer or resale of the Issue Shares made other than in compliance with applicable law.

50. *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.*

Under the Companies Act, any company incorporated in India must offer its holders of equity shares preemptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained Government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

51. *The Issue Price of our Rights Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.*

The Issue Price of Rights Equity Share may not be indicative of the market price for our Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that the Investors will be able to sell their Equity Shares at or above the Issue Price. The factors that could affect our share price are:

- (a) quarterly variations in the rate of growth of our financial indicators such as earnings per share;
- (b) changes in revenue or earnings estimates or publication of research reports by analysts;
- (c) speculation in the press or investment community;
- (d) general market conditions; and,
- (e) domestic and international economic, legal and regulatory factors unrelated to our performance.

52. *There is no guarantee that the Rights Equity Shares issued pursuant to the Issue will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares.*

In accordance with Indian law and practice, permission for listing of the Rights Equity Shares will not be granted until after those Rights Equity Shares have been issued and allotted. In addition, we are required to deliver the Draft Letter of Offer to SEBI and the Stock Exchanges under the applicable provisions of the Companies Act and the SEBI ICDR Regulations. The trading approvals shall be granted subject to the submission of all other relevant documents authorizing the issuing of Rights Equity Shares. There could be a failure or delay in listing the Rights Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict investors' ability to dispose of their Equity Shares. Further, a closure of, or trading stoppage on the Stock Exchanges could adversely affect the trading price of the Equity Shares.

53. *No market for the Right Entitlements may develop and the price of the Right Entitlements may be volatile.*

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchanges, the trading of Rights Equity Shares may not track the trading of Equity Shares. The trading price of the Rights Entitlements may be subject to greater price fluctuations than that of the Equity Shares.

We will not distribute the Issue Materials to overseas Shareholders who have not provided an address in India for service of documents. We will dispatch the Issue Materials to the shareholders who have provided an address

in India for service of documents. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdiction where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act and may subject us to fines or penalties.

54. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

55. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a Company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian Company than as shareholder of a corporation in another jurisdiction.

56. *SEBI operates an index-based market-wide circuit breaker. Any operation of a circuit breaker may adversely affect a shareholder's ability to sell, or the price at which it can sell, our Equity Shares at a particular point in time.*

We are subject to an index-based market-wide circuit breaker generally imposed by SEBI on Indian stock exchanges. This may be triggered by an extremely high degree of volatility in the market activity (among other things). Due to the existence of this circuit breaker, there can be no assurance that shareholders will be able to sell our Equity Shares at their preferred price or at all at any particular point in time.

EXTERNAL RISK FACTORS

57. *Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and IFRS, which investors may be more familiar with and consider material to their assessment of our financial condition.*

Our audited summary statements of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022 and audited summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Financial Year 2024, 2023 and 2022 have been prepared in accordance with the Ind AS, read with the Ind AS Rules and in accordance with the SEBI ICDR Regulations, the SEBI Circular and the Prospectus Guidance Note.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Financial Information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

58. *Political, economic or other factors that are beyond our control may have adversely affect our business and results of operations.*

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

59. *A slowdown in economic growth in India could cause our business to suffer.*

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

60. *Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.*

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares.

61. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

62. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

63. *Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.*

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

64. *The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.*

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions including wars amongst nations like the current Russia Ukraine conflict could adversely affect our results of operations, cash flows or financial condition. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

SECTION IV: INTRODUCTION

THE ISSUE

The Issue has been authorised by way of resolution passed by our Board of Directors on 31st August 2024 pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been approved by the Board of Directors at their meeting held on [●].

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” on page 219.

Rights Equity Shares being offered by our Company	[●] Rights Equity Shares
Rights Entitlement for the Rights Equity Shares	[●] Rights Equity Share for every [●] Equity Shares held on the Record Date
Record Date	[●]
Face Value per Equity Share	₹1/- each
Issue Price	₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share). On Application, Investors will have to pay ₹ [●] per Rights Equity Share, which constitutes 100% of the Issue price including premium.
Issue Size	[●] Equity Shares of face value of ₹ 1 each for cash at a price of ₹ [●] per Rights Equity Share up to an amount of up to Rs. 1,000 Lakhs* <i>*Assuming full subscription</i>
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari-passu</i> in all respects with the Equity Shares of our Company.
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares or is not in multiples of [●] ([●]), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Equity Shares issued, subscribed and paid up and outstanding prior to the Issue	10,00,00,000 Equity Shares issued subscribed and paid-up. For details, please see “Capital Structure” on page 44.
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Equity Shares)	[●] Equity Shares* <i>*Assuming full subscription</i>
Security Codes for the Equity Shares	ISIN: INE804B01023 BSE Scrip Code: 531417
ISIN for Rights Entitlements	[●]
Terms of the Issue	For details, please see “ <i>Terms of the Issue</i> ” on page 219.
Use of Issue Proceeds	For details, please see “ <i>Objects of the Issue</i> ” on page 47.

GENERAL INFORMATION

MEGA CORPORATION LIMITED

Our Company was originally incorporated as 'Assam Impex Limited' on March 26, 1985 at Shillong as a Public Limited Company, under the Companies Act, 1956 pursuant to the Certificate of Incorporation issued by the Registrar of Companies, Shillong (RoC). Thereafter, our Company obtained a Certificate of Commencement on March 27, 1985 issued by the Registrar of Companies, Shillong (RoC). Subsequently, the name of our Company was changed to 'Vibgyor Corporation Limited' pursuant to which fresh Certificate of Incorporation consequent on change of name was issued by ROC, Shillong on November 28, 1996. Further after obtaining the necessary approval /consent, the registered office of the Company was shifted from the State of Assam to the NCT of Delhi vide order dated 1st December, 1997 of the Eastern Region Bench of Company Law Board and the certificate of Registration of Company Law Board, Eastern Region Bench was issued on February 20, 1998 by the Registrar of Companies, NCT Delhi and Haryana. Further the name of our Company was changed to its present name i.e. 'Mega Corporation Limited' pursuant to which fresh Certificate of Incorporation consequent on change of name was issued by Registrar of Companies, NCT Delhi and Haryana on May 10, 1999. The Corporate Identification Number of our Company is L65100DL1985PLC092375. Our Company is registered under section 45-IA of the Reserve Bank of India Act, 1934 to commence/carry on the business as a Non-Systemically Important Non-Deposit taking Non-Banking Finance Companies (NSI-ND-NBFC), Loan Company. The registration number is 14.00955 vide the Certificate of Registration dated May 09, 1998.

REGISTERED OFFICE OF THE COMPANY

COMPANY	MEGA CORPORATION LIMITED
CIN	L65100DL1985PLC092375
Registered Office Address	Upper Ground Floor, 62, Okhla Industrial Estate, Phase-III, Okhla Industrial Estate, New Delhi, India – 110020.
Contact Number	011 46557134
Email-ID	cs@megacorpltd.com ; cs@groupmega.in
Website	www.megacorpltd.com

CORPORATE OFFICE OF THE COMPANY

COMPANY	MEGA CORPORATION LIMITED
CIN	L65100DL1985PLC092375
Corporate Office Address	NSIC Complex, Maa Anand Mayee Marg, Okhla Industrial Estate, Phase-III, New Delhi, India, - 110020
Contact Number	011 41630000
Email-ID	cs@megacorpltd.com ; cs@groupmega.in
Website	www.megacorpltd.com

ADDRESS OF THE REGISTRAR OF COMPANIES

REGISTRAR OF COMPANIES	NCT of Delhi and Haryana
Corporate Office Address	4th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019.
Contact Number	011-26235703.
Email-ID	roc.delhi@mea.gov.in

COMPANY SECRETARY AND COMPLIANCE OFFICER	CHIEF FINANCIAL OFFICER
Ms. Krashmee Bhartiya Upper Ground Floor, 62, Okhla Industrial Estate, Phase-III, Okhla Industrial Estate, New Delhi, India - 110020 Tel. No.: +91 11 46557134 Email id: cs@megacorpltd.com	Mr. Surendra Chhalani Upper Ground Floor, 62, Okhla Industrial Estate, Phase-III, Okhla Industrial Estate, New Delhi, India - 110020 Tel. No.: +91 98101 18186 Email id: info@megacorpltd.com

STATUTORY AND PEER REVIEW AUDITOR OF OUR COMPANY	LEGAL ADVISOR TO THE ISSUE
M/s Manish Pandey & Associates, Chartered Accountants B-102, 1st Floor, Sector-6, Noida-201301 Email: camanishpandey@hotmail.com Telephone: +91-9910236769 Contact Person: Mr. Manish Pandey Firm Registration Number: 019807C Peer Review Certificate Number: 014953	Name: CSK Partners Address: A-4 First Floor, Friends Colony East, New Delhi - 110065 Telephone: +919650606114 Email: vierat@cskpartners.in Website: https://www.cskpartners.in Contact Person: Mr. Vierat K Anand
BANKERS TO THE ISSUE	LEAD MANAGER TO THE ISSUE
Name: AXIS BANK LIMITED Address: Axis House”, 7th Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025. Telephone: 9711347712 Email: Chitranjanpark.operationshead@axisbank.com Website: www.axisbank.com Contact Person: Priyanka Ghosh SEBI Registration Number: INBI00000017.	NARNOLIA FINANCIAL SERVICES LIMITED Address: 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India Telephone: +91- 8130678743; 033-40501500 Email: pankaj.passi@narnolia.com Website: www.narnolia.com Contact Person: Mr. Pankaj Pasi SEBI Registration Number: INM000010791 CIN: U51909WB1995PLC072876
REGISTRAR TO THE COMPANY	REGISTRAR TO THE ISSUE
Link Intime India Private Limited Address: Noble Heights, 1st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi – 110058, India Telephone: 011-49411000 Email: delhi@linkintime.co.in Website: https://www.linkintime.co.in Contact Person: Mr. Swapan Kumar Naskar SEBI Registration Number: INR000004058 CIN: U67190MH1999PTC118368	Link Intime India Private Limited Address: C-101, 1st Floor, 247 Park, LBS Marg, Surya Nagar, Gandhi Nagar Vikhroli (West), Mumbai –400 083, Maharashtra, India Telephone: +91 81081 14949 Email: megacorp.rightsissue@linkintime.co.in Website: https://www.linkintime.co.in Contact Person: Shanti Gopalakrishnan SEBI Registration Number: INR000004058 CIN: U67190MH1999PTC118368

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since **Narnolia Financial Services Limited** the sole Lead Manager will be responsible for all the responsibilities related to coordination and other related activities in relation to the Issue. Hence, there is no inter-se allocation of responsibilities.

CREDIT RATING

As the Issue is of Equity Shares, there is no credit rating required for the Issue.

DEBENTURE TRUSTEES

As the Issue is of Equity Shares, the appointment of a debenture trustee is not required.

MONITORING AGENCY

Since the size of the issue is less than Rs.10,000 lacs, under Regulation 82 of the SEBI ICDR Regulations, a monitoring agency is not required to be appointed by our Company.

EXPERT

Our Company has received a written consent dated September 30, 2024 from our Statutory Auditors, M/s **Manish Pandey & Associates**, to include their name in this Draft Letter of Offer as an "expert", as defined under applicable laws, to the extent and in their capacity as statutory auditors, and in respect of the reports issued by them and the Statement of Tax Benefits, included in this Draft Letter of Offer. Such consent has not been withdrawn as on the date of this Draft Letter of Offer.

UNDERWRITING

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

CHANGES IN THE AUDITORS DURING THE LAST 3 (THREE) FINANCIAL YEARS

During the 3 (Three) Financial Years immediately preceding the date of this Draft Letter of Offer M/s. AGMS & Co. were appointed as the statutory auditor of the company for the financial year 2020-21 to 2023-24. However, M/s. AGMS & Co. has given resignation from the post of Statutory Auditor on 09th August, 2023. M/s. Manish Pandey & Associates has been appointed to fill the casual vacancy caused due to resignation given by the M/s. M/s. AGMS & Co. for the FY 2024-25.

FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchanges and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

MINIMUM SUBSCRIPTION

As the object of the Issue does not involve financing of capital expenditure, and as our Promoters through their letter dated October 21, 2024 has confirmed their intention to subscribe to the full extent of their aggregate Rights Entitlements in the Issue and shall not renounce their Rights Entitlements except to the extent of renunciation within the Promoters and Promoter Group. Accordingly, the minimum subscription criteria mentioned under the SEBI ICDR Regulations will not be applicable to the Issue. Further, the Promoters may subscribe to additional Rights Equity Shares, over and above their Rights Entitlements (including the unsubscribed portion in the Issue, if any) jointly or severally, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations in order to achieve the minimum subscription of 90% of the Issue in accordance with Regulation 86 of the SEBI ICDR Regulations.

ISSUE SCHEDULE

Last Date for credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights Entitlements#	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing/ Trading (on or about)	[●]

Note:

#Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date;

**Our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

The above schedule is indicative and does not constitute any obligation on our Company.

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CAPITAL STRUCTURE

The equity share capital of our Company as at the date of this Draft Letter of Offer, and the details of the Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue, are set forth below.

(₹ Lakhs except share data)

		Aggregate Value at Face Value	Aggregate Value at Issue Price
A	AUTHORISED SHARE CAPITAL		
	40,00,00,000 Equity Shares of ₹1 each	4000.00	-
B	ISSUED SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE		
	10,00,00,000 Equity Shares of ₹1 each	1,000.00	-
C	PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER ⁽¹⁾		
	Up to [●] Rights Equity Shares, at a premium of ₹ [●] per Rights Equity Share, <i>i.e.</i> , at a price of ₹[●] per Rights Equity Share	[●]	Up to 1,000.00 Lakhs
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE ⁽²⁾		
	Up to [●] Equity Shares	[●]	
E	SECURITIES PREMIUM ACCOUNT		
	Before the Issue		Nil
	After the Issue		[●] ⁽³⁾

(1) The present Issue has been authorised vide a resolution passed at the meeting of the Board of Directors dated August 31, 2024

(2) Assuming full subscription for and Allotment of the Rights Equity Shares.

(3) As per Unaudited Financial results for the six months ended 30, June 2024.

(4) Assuming full subscription for and Allotment of Equity Shares. Subject to finalisation of Basis of Allotment, Allotment and deduction of Issue related expenses

NOTES TO CAPITAL STRUCTURE

- Intention and extent of participation by our Promoters and Promoter Group in the Issue Pursuant to letter dated October 21, 2024 our Promoters have confirmed that they will (i) subscribe, to the full extent of their Rights Entitlements and have also confirmed that all the members of promoters do intend to subscribe, jointly and / or severally, to their Rights Entitlements and shall not renounce them in favour of third parties. Further, they reserve the right to apply for, and subscribe to, additional Rights Securities, including subscribing to the unsubscribed portion (if any), subject to compliance with the minimum public shareholding requirement as prescribed under the SCRR and the SEBI Listing Regulations.
- The ex-rights price of the Equity Shares as per regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ [●].
- Our Company shall ensure that any transaction in the Equity Shares by the Promoters and the Promoter Group during the period between the date of filing this Draft Letter of Offer and the date of closure of the Issue shall be reported to the Stock Exchange within 24 hours of such transaction.
- At any given time, there shall be only one denomination of the Equity Shares of our Company.
- All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid up.
- The statement showing holding of Equity Shares of persons belonging to the category “Promoters and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon, as on June 30, 2024, can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=531417&qtrid=122.00&QtrName=June%202024>
- The shareholding pattern of our Company as on June 30, 2024, can be accessed on the website of BSE at <https://www.bseindia.com/stock-share-price/mega-corporation-Ltd/megacor/531417/shareholding-pattern/>

8. The statement showing details of shareholders of our Company belonging to the category “Public” including Equity Shareholders holding more than 1% of the total number of Equity Shares as on June 30, 2024 as well as details of shares which remain unclaimed for public can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=531417&qtrid=122.00&CompName=MEGA%20CORPORATION%20LTD.&QtrName=June%202024&Type=TM>
9. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into Equity Shares as on the date of filing of this Draft Letter of Offer.
10. Details of specified securities acquired by our Promoters and Promoter Group in the last one year immediately preceding the date of filing of the Draft Letter of Offer
11. None of our Promoters or members of our Promoter Group have acquired any securities in the last one year, immediately preceding the date of filing of this Draft Letter of Offer.
12. Details of shares locked-in, pledged, encumbrance by Promoters and Promoter Group: As on date of filing of this Draft Letter of Offer, none of the shares held by Promoters and Promoter Group are Locked-in nor pledged nor encumbered.

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SECTION V-PARTICULARS OF THE ISSUE
OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds towards funding the following Objects:

1. To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities; and
 2. General Corporate Purposes.
- (Collectively, referred to hereinafter as the “**Objects**”)

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the abovementioned Objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue and the activities for which the borrowings proposed to be prepaid in full or part from the Net Proceeds.

Net Proceeds

The details of the proceeds of the Issue are set forth in the following table:

<i>(₹ in lakhs)</i>	
Particulars	Amount
Gross Proceeds from the Issue##*	Up to 1000.00
Less: Issue related expenses*	20.00
Net Proceeds from the Issue	980.00

*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

To be finalised upon determination of the Issue Price and updated in this Draft Letter of Offer

Requirement of Funds

The details of the Net Proceeds are set forth in the following table:

<i>(₹ in lakhs)</i>	
Particulars	Amount
To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities	Up to 755.00
General Corporate Purposes#	225.00
Net proceeds from the Issue	980.00

#The amount shall not exceed 25% of the Gross Proceeds.

Funding plan (Means of Finance):

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Schedule of Implementation and Deployment of Funds

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

Details of the Objects of the Issue

1. To augment our capital base and provide for our fund requirements for increasing our operational scale with respect to our NBFC activities.

Our Company is RBI Registered NBFC primarily involved in the business of providing financial services with a paramount focus in both corporate as well as in non-corporate sector. We propose to augment our capital base by Rs 755.00 lakhs through this Issue and utilize the funds raised to further increase the operational scale of its business of NBFC activities, including but not limited to expansion of the financing business to provide for funding of fresh loans in the form of LAP (Loan against Property).

The amount raised will primarily be used to expand our business operations. Our Company proposes to expand its loan portfolio to provide loans to retail businesses at competitive rate of interest. This is expected to arise out of growth of our business and assets.

2. General Corporate Purposes

In terms of Regulation 62(2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes shall not exceeding 25% of the Gross proceeds of the Issue. Our Board will have flexibility in applying the balance amount towards general corporate purposes, including repayment of outstanding loans, meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Undertaking by our Promoter

Please refer to page No 45 of this Draft Letter of Offer regarding the intention of the promoters and extent of subscription in the issue.

Interest of Promoters and Directors in the objects of the Issue

None of our Promoter, members of the Promoter Group and Directors have any interest in the objects of the Issue. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, Directors and Key Managerial Personnel of our Company.

Issue Related Expenses

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Particulars	Amount* (Rs. In Lakhs)	As a percentage of total expenses*	As a percentage of Issue size*#
Fees of the Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	[●]	[●]	[●]
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue expenses[^]	[●]	[●]	[●]

* Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards

general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Equity Shares.

^Excluding taxes

#Assuming full subscription.

Interim use of funds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not use the Net Proceeds for any investment in the equity markets.

Appraisal and Bridge Financing Facilities

Our Company has not raised any bridge loan from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Monitoring of utilization of funds

Since the Issue is for an amount not exceeding ₹ 10,000 lakhs, in terms of Regulation 82(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18 of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses/ applications of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchange on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Letter of Offer. Further, this information shall be furnished to the Stock Exchange along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Letter of Offer, which are proposed to be repaid from the Issue Proceeds.

Other Confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoter and Promoter Group, Directors, Key Managerial Personnel of our Company.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors
Mega Corporation Limited
Upper Ground Floor, 62, Okhla Industrial Estate, Phase-III,
Okhla Industrial Estate, South Delhi 110020, India

Dear Sir/Ma'am,

Subject - Statement of possible tax benefits (“the statement”) available to Mega Corporation Limited (hereinafter referred as “the Company”) and its shareholder prepared in accordance with the requirement in Point No. 9 (L) of Part A of Schedule VI to the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018.

Reference - Rights Issue Offer of Equity Shares by Mega Corporation Limited.

We hereby confirm that the attached **Annexure 1 and 2** (together “the Annexures”), prepared by the Mega Corporation Limited (“the Company”), provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (“the Act”) as amended by the Finance Act 2024, Circulars and Notifications issued thereunder from time to time, as applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, the Central Goods and Services Tax Act, 2017/ the Integrated Goods and Services Tax Act, 2017 (“GST Act”), as amended by the Finance Act 2024, Circulars and Notifications issued from time to time, as applicable for the Financial Year 2024-25, presently in force in India (together, the “Tax Laws”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and/ or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

1. The benefits discussed in the attached Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the management of the Company. We are informed that these Annexures are only intended to provide information to the investors and are neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Rights Issue offering.

2. We do not express any opinion or provide any assurance as to whether:

i) the Company or its shareholders will continue to obtain these benefits in future;

ii) the conditions prescribed for availing the benefits have been/ would be met with; and

iii) the Revenue Authorities/Courts will concur with the views expressed herein.

3. The contents of the attached Annexures are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

4. We do not give any assurance that the Revenue Authorities/ Courts will concur with the view expressed herein. Our views are solely based on existing provisions of law being force in India and implementation of such laws, which are subject to change from time to time. We do not assume any responsibility to updates the views consequent to such changes.

5. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

6. This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Letter of Offer (“DLOO”) in connection with the proposed Rights issue of equity shares and is not be used, referred to or distributed for any other purpose without our written consent.

For M/s. Manish Pandey & Associates
Chartered Accountants
FRN: 019807C

Sd/-
Nisha Goverdhandas Narayani
Partner
Membership No. 623330

Place: Noida
Date: September 30, 2024
UDIN: 24623330BKGWCI5734

ANNEXURE 1 TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Tax Laws.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the Tax Laws.

Note:

1. All the above benefits are as per the current Tax Laws and will be available only to the sole/ first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant Direct Tax Law benefits and does not cover any Indirect Tax Law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Letter of Offer (“DLOO”).

ANNEXURE 2 TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Goods and Service Tax Act (hereinafter referred to as 'GST Act') presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the GST Acts.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the GST Acts.

Note:

1. All the above benefits are as per the current Tax Laws and will be available only to the sole/ first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant Indirect Tax Law benefits and does not cover any Direct Tax Law benefits or benefit under any other law.

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its shareholders in the Draft Letter of Offer ("DLOO").

SECTION VI – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is obtained or extracted from “www.ibef.org” and also extracted from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have independently verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

Indian Economy



Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 295.36 lakh crores (US\$ 3.54 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government’s continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-June 2025, India’s exports stood at US\$ 109.11 billion, with Engineering Goods (25.35%), Petroleum Products (18.33%) and electronic goods (7.73%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 173.82 lakh crores (US\$ 2.08 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores

(US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's current account deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at US\$ 23.2 billion for the 2023-24 compared to US\$ 67.0 billion or 2.0% of GDP in the preceding year. This was largely due to decrease in merchandise trade deficit. Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

Introduction to the Financial Services Industry

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payment banks to be created recently, thereby adding to the type of entities operating in the sector. However, the financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64% of the total assets held by the financial system.

The Government of India has introduced several reforms to liberalise, regulate and enhance this industry. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). These measures include launching Credit Guarantee Fund Scheme for MSMEs, issuing guidelines to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency (MUDRA). With a combined push by Government and private sector, India is undoubtedly one of the world's most vibrant capital markets.

(Source : <https://www.ibef.org/industry/financial-services-india>)

Historical Context

Historically, NBFCs have been a vital cornerstone of the Indian financial ecosystem as important financial intermediaries channelizing savings and investments, especially for small-scale and retail sectors as well as underserved areas and unbanked sectors of the Indian economy.

A Non-Banking Financial company (NBFC) is a company registered under the Companies Act, 1956 or under Companies Act, 2013 engaged in the business of loans and advances, acquisition of shares /stocks /bonds /debentures /securities issued by Government or local authority or other marketable securities of a like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of agriculture activity, industrial activity, purchase or sale of any goods (other than securities) or providing any services and sale/purchase/construction of immovable property. A non-banking institution which is a company and has principal business of receiving deposits under any scheme or arrangement in one lump sum or in instalments by way of contributions or in any other manner, is also a non-banking financial company (Residuary non-banking company).

In terms of 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 a) obtaining a certificate of registration from the Bank and without having a Net Owned Funds of ₹ 25 lakhs (₹ Two crore since April 1999). However, in terms of the powers given to the Bank, to obviate dual regulation, certain categories of NBFCs which are regulated by other regulators are exempted from the requirement of registration with RBI viz. Venture Capital Fund/Merchant Banking companies/Stock broking companies registered with SEBI, Insurance company holding a valid Certificate of Registration issued by IRDA, Nidhi companies as notified under Section 620A of the Companies Act, 1956, Chit companies as defined in clause (b) of Section 2 of the Chit Funds Act, 1982, Housing Finance Companies regulated

by National Housing Bank, Stock Exchange or a Mutual Benefit Company.

A Company incorporated under the Companies Act, 1956 and desirous of commencing business of non-banking financial institution as defined under Section 45-IA of the RBI Act, 1934 should comply with the following:

1. it should be a company registered under Section 3 of the companies Act, 1956
2. It should have a minimum net owned fund of ₹ 200 lakh.

(Source: <https://www.rbi.org.in/Scripts/FAQView.aspx?Id=92>)

Categories of NBFCs

NBFCs are categorized

- a) in terms of the type of liabilities into Deposit and Non-Deposit accepting NBFCs,
- b) non deposit taking NBFCs by their size into non-systemically important and other non-deposit holding companies (NBFC-NDSI and NBFC-ND) and
- c) by the kind of activity they conduct. Within this broad categorization the different types of NBFCs are as follows:
 1. **Asset Finance Company (AFC):** An AFC is a company which is a financial institution carrying on as its principal business the financing of physical assets supporting productive/economic activity, such as automobiles, tractors, lathe machines, generator sets, earth moving and material handling equipment, moving on own power and general purpose industrial machines. Principal business for this purpose is defined as aggregate of financing real/physical assets supporting economic activity and income arising therefrom is not less than 60% of its total assets company total income respectively.
 2. **Investment Company (IC):** IC means any Company which is a financial institution carrying on as its principal business the acquisition of securities,
 3. **Loan Company (LC):** LC means any company which is a financial institution carrying on as its principal business the providing of finance whether by making loans or advances or otherwise for any activity other than its own but does not include an Asset Finance Company.
 4. **Infrastructure Finance Company (IFC):** IFC is a non-banking finance company a) which deploys at least 75 per cent of its total assets in infrastructure loans, b) has a minimum Net Owned Funds of ₹ 300 crore, c) has a minimum credit rating of 'A 'or equivalent d) and a CRAR of 15%.
 5. **Systemically Important Core Investment Company (CIC-ND-SI):** CIC-ND-SI is an NBFC carrying on the business of acquisition of shares and securities which satisfies the following conditions:
 - a. it holds not less than 90% of its Total Assets in the form of investment in equity shares, preference shares, debt or loans in group companies;
 - b. its investments in the equity shares (including instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue) in group companies constitutes not less than 60% of its Total Assets;
 - c. it does not trade in its investments in shares, debt or loans in group companies except through block sale for the purpose of dilution or disinvestment;
 - d. it does not carry on any other financial activity referred to in Section 45I(c) and 45I(f) of the RBI Act, 1934 except investment in bank deposits, money market instruments, government securities, loans to and investments in debt issuances of group companies or guarantees issued on behalf of group companies.
 - e. Its asset size is ₹ 100 crore or above; and
 - f. It accepts public funds
 6. **Infrastructure Debt Fund: Non- Banking Financial Company (IDF-NBFC):** IDF-NBFC is a company registered as NBFC to facilitate the flow of long term debt into infrastructure projects. IDF-NBFC raise resources through issue of Rupee or Dollar denominated bonds of minimum 5 year maturity. Only Infrastructure Finance Companies (IFC) can sponsor IDF-NBFCs.
 7. **Non-Banking Financial Company - Micro Finance Institution (NBFC-MFI):** NBFC-MFI is a non-deposit taking NBFC having not less than 85% of its assets in the nature of qualifying assets which satisfy

the following criteria:

- a. loan disbursed by an NBFC-MFI to a borrower with a rural household annual income not exceeding ₹ 1,00,000 or urban and semi-urban household income not exceeding ₹ 1,60,000;
 - b. loan amount does not exceed ₹ 50,000 in the first cycle and ₹ 1,00,000 in subsequent cycles;
 - c. total indebtedness of the borrower does not exceed ₹ 1,00,000;
 - d. tenure of the loan not to be less than 24 months for loan amount in excess of ₹ 15,000 with prepayment without penalty;
 - e. loan to be extended without collateral;
 - f. aggregate amount of loans, given for income generation, is not less than 50 per cent of the total loans given by the MFIs;
 - g. loan is repayable on weekly, fortnightly or monthly instalments at the choice of the borrower
 - h. Non-Banking Financial Company – Factors (NBFC-Factors): NBFC-Factor is a non-deposit taking NBFC engaged in the principal business of factoring. The financial assets in the factoring business should constitute at least 50 percent of its total assets and its income derived from factoring business should not be less than 50 percent of its gross income.
8. **Mortgage Guarantee Companies (MGC)** - MGC are financial institutions for which at least 90% of the business turnover is mortgage guarantee business or at least 90% of the gross income is from mortgage guarantee business and net owned fund is ₹ 100 crore.
9. **NBFC- Non-Operative Financial Holding Company (NOFHC)** is financial institution through which promoter / promoter groups will be permitted to set up a new bank. It's a wholly-owned Non- operative Financial Holding Company (NOFHC) which will hold the bank as well as all other financial services companies regulated by RBI or other financial sector regulators, to the extent permissible under the applicable regulatory prescriptions.

(Source: <https://www.rbi.org.in/Scripts/FAQView.aspx?Id=92>)

Evolution

Over the years, NBFCs have evolved given the extensive changes in the regulatory framework for NBFCs in India which have moved from simplified regulations to stringent and extensive regulations as well as towards rationalisation per the currently revised NBFC regulatory framework. Given these high levels of regulation, NBFCs have also emerged as preferred options to meet credit needs since the low cost of operations has provided these NBFCs an edge over banks.

Financial Access and Supportive Government Schemes

Additionally, NBFCs have gradually become important mechanisms to fuel growth and entrepreneurship due to the launch of government-backed schemes including Pradhan Mantri Jan-Dhan Yojana which has contributed to a significant increase in the number of bank accounts.

These NBFCs have also been key in being able to mitigate and manage the spread of risks during times of financial duress and have increasingly become recognized as complementary services to banks.

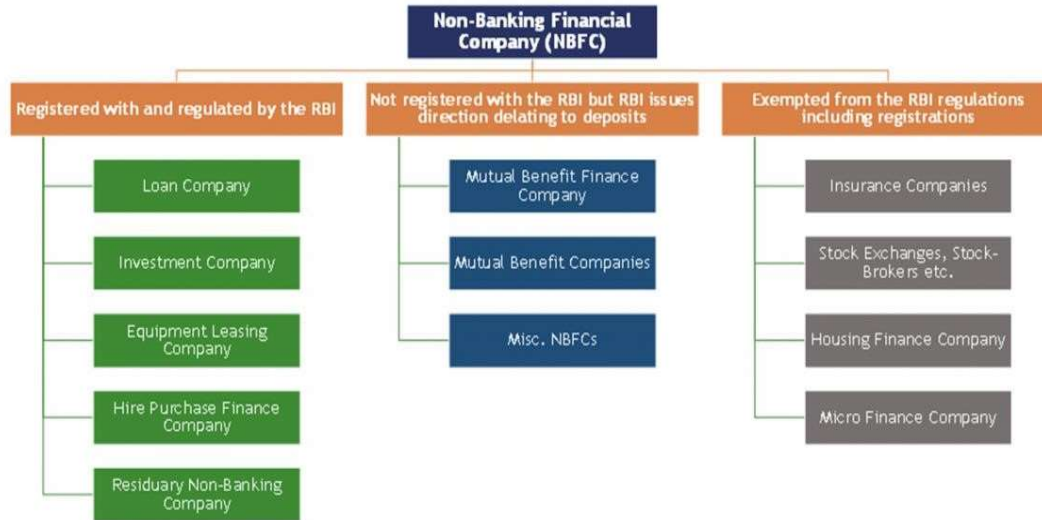
NBFCs have become integral for all business services, including loans and credit facilities, retirement planning, money markets, underwriting and merger activities. As such these companies play an important role in providing credit to the unorganized sector and for small borrowers at local level. Additionally, hire purchase finance is also the largest activity of NBFCs and the rapid growth of NBFCs has gradually blurred the lines between banks and NBFCs although commercial banks have retained importance. These NBFCs facilitate long term investment and financing, which is challenging for banking sector, and the growth of NBFCs widens range of products available for individuals/institutions with resources to invest.

Opportunities for NBFCs

Ongoing stress in public sector banks (PSUs) because of increasing bad debt, lending in rural areas deterioration has provided NBFCs with the opportunity to increase presence. The success of these NBFCs vs. PSUs can be attributed to product lines, lower cost, wider and effective reach, strong risk management capabilities to check and control bad debts, and a better understanding of customer segments versus banks. NBFCs have witnessed success in the passenger and commercial vehicle finance segments as well as growing AUM in personal loan and housing finance sector. Additionally, improving macro-economic conditions, higher credit penetrations,

consumption themes and disruptive digital trends have influenced NBFC credit growth. Stress in public sector units (PSUs), underlying credit demand, digital disruption for MSMEs and SMEs as well as increased consumption and distribution access and sectors where traditional banks do not lend are major reasons for the switch from traditional banks to NBFCs.

Present NBFC Classifications and Industry Structure

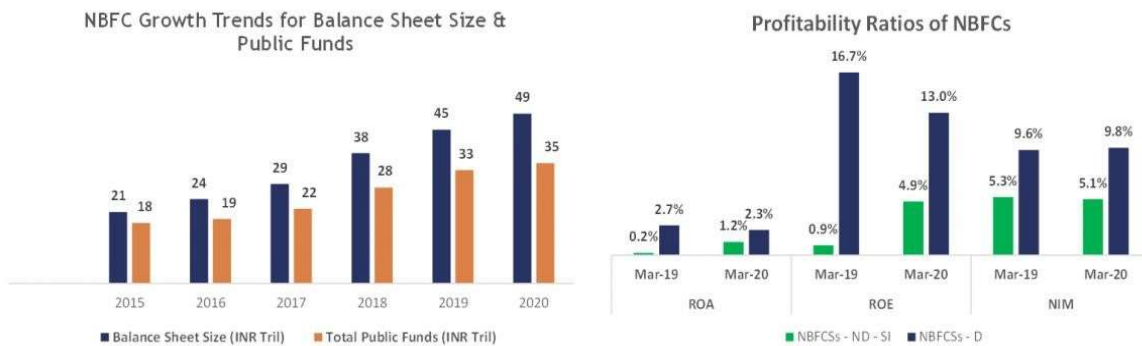


Source: RBI; Pradhan Mantri Jan Dhan Yojana; Indian Banks' Association - Indian Banking Sector 2020

As of May 31, 2024, there were 9,404 NBFCs registered with the RBI categorized as Asset Finance Companies, Loan Companies, Infrastructure Finance Companies (IFCs), Systematically Important Core Investment Company (NBFC – CIC – ND – SI), Infrastructure Debt Fund (NBFC – IDF) and Micro Finance Institutions (NBFC – MFIs).

NBFC Engines of Growth as Growth Drivers

NBFCs have also been an integral cornerstone of key financing to MSMEs, and been driven by significant growth in rural, small scale and unbanked sectors. Structural catalysts include a large vibrant start-up and entrepreneurial ecosystem which has created NBFC demand and government policy initiatives such as Pradhan Mantri Yojana and National Rural Financial plan further augmenting the industry. These include diversified financial needs of Indian economy driven by growth in lending, credit, and vehicle financing. As a result of these growth drivers, we see that NBFCs have seen bigger balance sheets & increasing public funds. Improved profitability ratios of NBFCs has been observed for NBFC-ND-SIs across metrics for ROA, ROE and NIMs with impressive returns Y-o-Y returns between 2019-2020. For NBFC-Ds the ROA has been relatively flat, ROE has declined while NIMs improved Y-o-Y for 2019-2020.



Source: RBI; Pradhan Mantri Jan Dhan Yojana; Indian Banks' Association - Indian Banking Sector 2020

Challenges in NBFC sector:

- Business is highly regulated, and it may be adversely affected by future regulatory changes.
- Financial performance is vulnerable to interest rate risk, as most of the funding is from banking channels.
- Greater competition from NBFCs/banks/fintech could impact growth in AUM and profits.

The Road Ahead

NBFC segments provides huge growth opportunities particularly after the development of last few years. We have witnessed reasonable degree of consolidation in the NBFC sector. Liability side stress in the sector has largely reduced in last couple of years led by focussed efforts from the regulators side. With the passing of the second COVID wave, the outlook is brightening. During the year under review, the balance sheet of NBFCs expanded at a faster rate than a year ago, driven essentially by growth in credit and investments of NBFCs-ND-SI.

Source : <https://www.investindia.gov.in/team-india-blogs/importance-nbfc-india>
https://m.rbi.org.in/scripts/BS_ViewBulletin.aspx?Id=21206#

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read "Risk Factors" on page 21 of this Draft Letter of Offer, for a discussion of the risks and uncertainties related to those statements, as well as "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 79 and 200 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Financial Statements.

BUSINESS OVERVIEW

Our Company was originally incorporated as 'Assam Impex Limited' on March 26, 1985 at Shillong as a Public Limited Company, under the Companies Act, 1956 pursuant to the Certificate of Incorporation issued by the Registrar of Companies, Shillong (RoC). Thereafter our Company obtained a Certificate of Commencement on March 27, 1985 issued by the RoC. Subsequently, the name of our Company was changed to 'Vibgyor Corporation Limited' pursuant to which fresh Certificate of Incorporation consequent on change of name was issued by ROC, Shillong on November 28, 1996. Further after obtaining the necessary approval /consent, the registered office of the Company was shifted from the State of Assam to the NCT of Delhi vide order dated 1st December, 1997 of the Eastern Region bench of Company Law Board, and Registrar of Companies, NCT Delhi and Haryana issued the order on February 20, 1998. Further the name of our Company was changed to 'Mega Corporation Limited' pursuant to which fresh Certificate of Incorporation consequent on change of name was issued by Registrar of Companies, NCT Delhi and Haryana on May 10, 1999. The Corporate Identification Number of our Company is L65100DL1985PLC092375. Our company is a NBFC registered with the RBI to carry out NBFC activities under Section 45IA of the Reserve Bank of India Act, 1934 bearing Registration No. 14.00955 dated May 09, 1998. We operate as a Non-Deposit taking Non-Banking Finance Company engaged primarily in the business of advancing loans and investing/trading in securities.

The objects clause of our Memorandum of Association enables us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

Mr. Dibyendu Chakraborty, Mr. Sahanka Sekhar Lahiri, Mr. Provash Kumar Guha, Mr. Mahesh Barkataki, Mr. Narnaryan Deva Sharma, Mr. Laxmi Narain Biyani and Mr. Pradip Kumbhat were the initial subscribers to the Memorandum of Association and initial Promoters of our Company, Currently Mr. Kunal Lalani, Mr. Hulasmal Lalani, Ms. Vimi Lalani, Ms. Varsha Bengani, Mr. Mayank Lalani and Ms. Seema Lalani. We operate under the leadership of our Director, Mr. Kunal Lalani, who possesses expertise in financing activities and has been involved with our company since 2015. He has played a crucial role in advancing our business operations, growth, and prospects. Under his leadership, our Company has managed to develop a base in the non-banking financial sector and have over the years, evolved, expanded and diversified to become an established NBFC.

As on the date of this Draft Letter of Offer the Promoter & Promoter Group holds of 5,18,09,464 Equity Shares of Re. 1/- each constituting 51.81% of the paid-up capital of the company.

Main objects of our company are: 1. To carry on the business or businesses of a holding and investment company, and to buy, underwrite and to invest in and acquire and hold shares, stocks, debentures, debenture stock, bonds, obligation or securities of companies or partnership firms or body corporates or any other entities whether in India or elsewhere either singly or jointly with any other person(s), body corporate or partnership firm or any other entity carrying out or proposing to carry out any activity whether in India or elsewhere in any manner including but not limited to the following: (a) To acquire any such shares, stocks, debenture, debenture stock, bonds, obligation or securities by original subscription, exchange or otherwise and to subscribe for the same either conditionally or otherwise, to guarantee the subscription thereof issued or guaranteed by any government, state, public body, or authority, firm, body corporate or any other entity or persons in India or elsewhere. (b) To purchase or acquire, hold, trade and further to dispose of any right, stake or controlling interest in the shares, stocks, debentures, debenture stock, bonds, obligation or securities of companies or partnership firms either singly or jointly with any other person(s), body corporate or partnership firm carrying out or proposing to carry out any activity in India or in any other part of the world. (c) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investment made. (d) To facilitate and encourage the creation, issue or conversion of debentures, debenture stock, bonds, obligation, shares, stocks, and securities, and to act as trustees in connection with any

such securities, and to take part in the conversion of business concerns and undertakings into companies. 2. To give any guarantee in relation to the payment of any debentures, debenture stock, bonds, obligation or securities. 3. To subscribe for, conditionally or unconditionally, to underwrite issue on commission or otherwise take, hold, deal in, and convert stocks, shares and securities, of all kinds, and to enter into partnership, or into any arrangement for sharing profits, union of interest, reciprocal concession or co-operation with any person, partnership, or organize companies, syndicates, or partnerships of all kinds, for the purpose of acquiring and undertaking any property and liabilities of this company, or of any other company or of advancing, directly or indirectly, the object thereof, or for any other purpose which this company may think expedient. 4. To borrow and raise money in any manner for the purpose of any business of the company or of any company in which the company is interested and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future). 5. To transact or carry on all kinds of agency business, and in particular in relation to the investment of money, the sale of property and the collection and receipt of money. 6. To Purchase or otherwise acquire, and to sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of , and deal with property and rights of all kinds, and in particular, mortgages, debentures, produce, concessions, options, contracts, patents, licenses, stocks, shares, bonds, policies, book debts, business concerns, and undertakings and claims, privileges, and chooses in action of all kinds. 7. To carry on activities of leasing and /or hire-purchase. 8. To carry on the business of the company as per RBI regulation & compliances.

Our Business

Our Company was incorporated in the year 1985 and after completing 39 years, we continue to provide competitive and tailor- made financial services. Our company specializes in providing financial services to corporate entities and individuals, comprising of corporate finance, retail loans, gold loans and personal loans.

We actively contribute to project financing through the utilization of long-term investment instruments. Additionally, we offer tailored financial solutions for major groups, aiming to address the diverse financial needs of businesses and individuals across all classes.

Our Company is mainly into the business of fulfilling the financial requirements of all sections of the society. It has assisted many individuals and corporate by providing them with customised financial products and services which has given them access to low cost finance and in turn improve their standard of living and operations respectively. We have a bouquet of products to cater to different customer needs.

OUTLINING THE KEY STEPS IN THE LOAN APPROVAL PROCESS:

1. Loan Application Reception

- Application Submission: Borrower submits a loan application form along with necessary documentation (e.g., ID proof, address proof, income proof).

2. Initial Review

- Application Acknowledgment: Confirm receipt of application and documentation.
- Preliminary Screening: Check for completeness of the application and required documents.

3. Borrower Verification

- Identity Verification: Verify the identity of the borrower through valid ID proofs (e.g., Aadhaar, Passport, Driver's License).
- Address Verification: Validate the address provided using address proof documents.
- Credit Score Check: Assess the creditworthiness of the borrower by checking their credit score with credit bureaus.
- Employment Verification: Confirm employment status and income through employer verification or income statements.

4. Blacklist Checking

- Blacklist Screening: Verify if the borrower's name appears in any financial blacklist or defaulter list.
- Special Cases: Investigate any discrepancies or concerns related to blacklist checks.

5. KYC (Know Your Customer) Compliance

- Document Collection: Collect and verify KYC documents such as ID proof, address proof, and recent photographs.
- KYC Validation: Ensure that all documents are valid and authentic.

6. Loan Assessment and Approval

- Financial Analysis: Analyze the borrower's financial situation including income, debts, and repayment capacity.
- Risk Assessment: Evaluate the risk associated with lending to the borrower.
- Loan Terms and Conditions: Determine the terms, interest rate, and repayment schedule based on the assessment.
- Approval Decision: Finalize the loan amount and approval decision.

7. Agreement Execution

- Loan Agreement Drafting: Prepare the loan agreement outlining terms, conditions, interest rates, repayment schedule, etc.
- MOU (Memorandum of Understanding) Preparation: Draft an MOU if required, detailing the understanding between the borrower and the NBFC.
- Signing of Agreements: Arrange for the borrower to sign the loan agreement and MOU.
- Document Collection: Collect signed agreements and additional documentation if needed.

8. Bank Account Verification

- Account Verification: Verify the borrower's bank account details provided for loan disbursement.
- Account Authenticity: Ensure the bank account is active and in the borrower's name.

9. Loan Disbursement

- Disbursement Authorization: Obtain necessary approvals for loan disbursement.
- Fund Transfer: Transfer the approved loan amount to the borrower's bank account.
- Disbursement Confirmation: Send a confirmation notice to the borrower regarding the loan disbursement.

10. Post-Disbursement Activities

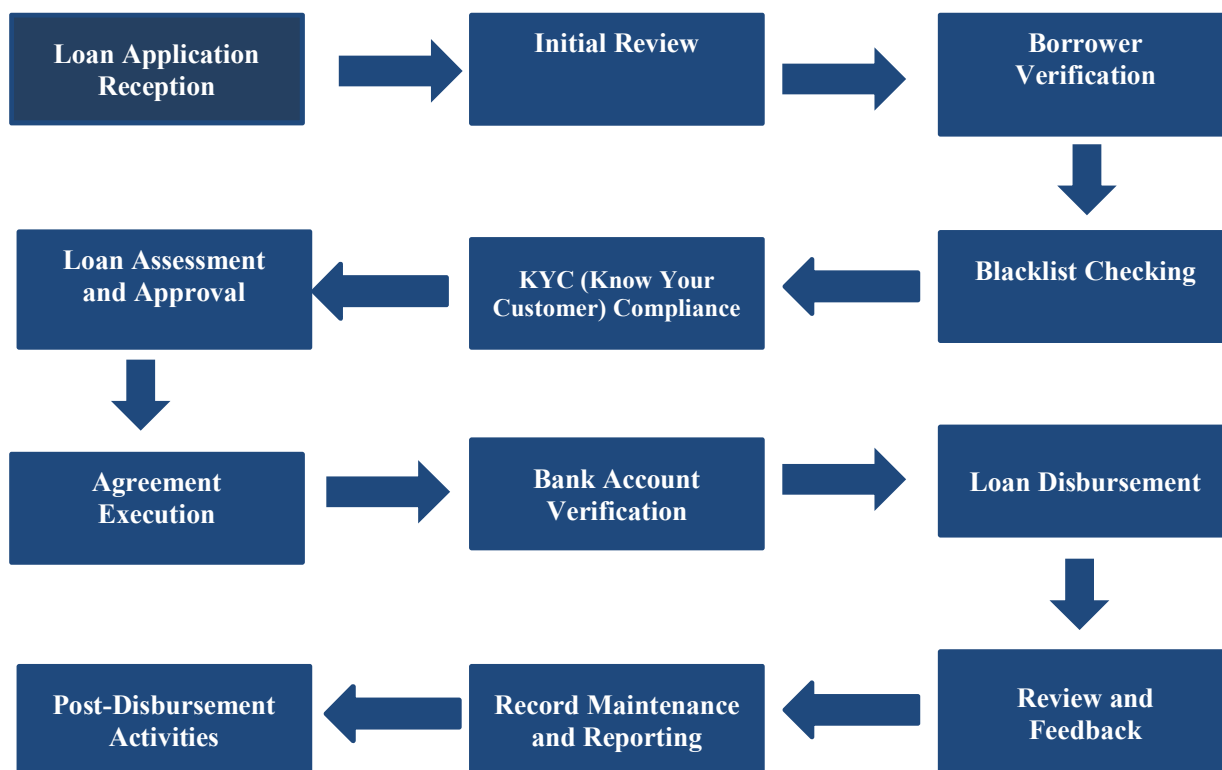
- Quarterly Interest Collection: Monitor and collect interest payments as per the loan agreement on a quarterly basis.
- Repayment Monitoring: Track loan repayments and send reminders for any overdue payments.
- Customer Service: Provide ongoing support and assistance to the borrower throughout the loan tenure.

11. Record Maintenance and Reporting

- Documentation: Maintain records of all loan-related documents and correspondence.
- Reporting: Generate periodic reports for internal review and regulatory compliance.

12. Review and Feedback

- Process Review: Regularly review and update the loan disbursement process for efficiency and compliance.
- Borrower Feedback: Collect feedback from borrowers to improve service quality.



FINANCIAL HIGHLIGHTS:

Set out below is a summary of our financial and operational performance, for the periods indicated.

(Amount in ₹ Lakhs)

Particulars	Quarter ended June 30, 2024 (Unaudited)	Fiscal 2024	Fiscal 2023
Total Income from operations	120.18	382.70	316.95
EBITDA	3.44	53.50	29.71
Profit / (Loss) after Tax	3.44	53.50	29.71
Equity Share Capital	1,000.00	1,000.00	1,000.00
Net worth	2,449.02	2,445.58	2,400.7
Net Asset Value	2,449.02	2,445.58	2,400.7
Total Borrowings	3,667.97	2,912.41	1,283.47

Our Competitive Strengths

- **Faster Loan Processing:**

Quicker decision-making and loan disbursement processes compared to traditional banks, often due to less stringent regulatory requirements.

- **Strong Customer Relationships:**

Personalized customer service and relationship management, leading to higher customer satisfaction and loyalty.

- **Flexible Lending Criteria:**

Ability to assess creditworthiness using alternative data and metrics, allowing for lending to customers who may not qualify under traditional banking criteria.

- **Efficient Decision-Making:**

Faster decision-making processes due to fewer layers of management, leading to quicker loan approvals and disbursements.

- **Cost Efficiency:**

Lower operational costs compared to larger financial institutions, allowing for competitive pricing of products and services.

OUR BUSINESS STRATEGIES

To brand our self globally:

To brand ourselves globally in order to come over with every need of a corporate, organization and even an in “To delight our customers while building trust through our professional, innovative and customized financial solutions with integrity.

- To focus on the launch of new business lines i.e. Gold Loan, Education Loan and Medical Equipment Loans.
- To meet every emerging need of the finance world.
- To turn our self as one of the leading NBFC company in all major sectors of India.
- To see ourselves on the top while assisting and supporting all banking and finance aspects with worthy solutions.
- To launch multiple online platforms for the ease of our clients.
- To enhance customer relationships for the continuous growth of our organization.

Mission of our Company:

- To constantly add to our bouquet of products to meet with every emerging need of the finance world.
- To turn ourselves into one of the leading NBFC companies in all major sectors.
- To enhance customer relationships for the continuous growth of our organization while maintaining integrity.
- To provide our customers with a state-of-the-art experience by constantly updating and upgrading our technology and processes.
- To launch and expand deep into the affordable housing segment.
- To create range of products catering to both secured and unsecured lending segment.

Our Subsidiaries

There is no Subsidiary Company as on the date of Draft Letter of Offer

Competition

We may face competition from organized as well as unorganized players in the domestic market. The financial services industry is highly competitive, and we expect competition to intensify in the future. We may face competition in the lending business from domestic and international banks as well as other NBFCs, fintech lending platforms and private unorganized lenders. Banks are increasingly expanding into retail loans in the rural and semi-urban areas of India. We may be exposed to the risk that these banks continue to expand their operations into the markets in which we operate, which would result in greater competition and lower spreads on our loans. In particular, many of our competitors may have operational advantages in terms of access to cost-effective sources of funding and in implementing new technologies and rationalising related operational costs. Competition in our industry depends on, amongst others, the ongoing evolution of government and regulatory policies, the entry of new participants and the extent to which there is consolidation among banks and financial institutions in India.

Collaborations/Tie Ups/ Joint Ventures

As on date of this Draft Letter of Offer, we do not have any Collaboration/Tie Ups/ Joint Ventures.

Human Resources

Our company is dedicated to fostering a talent-rich environment. We offer our employees a supportive atmosphere with ongoing learning opportunities and recognize outstanding performance

Department	Strength
Finance and Accounts	1
Legal & Secretarial	2
Operations	4
Total	7

Intellectual Property

Our Company does not own any intellectual property rights as on date of this Draft Letter of Offer.

Corporate Social Responsibility

We as a responsible corporate citizen are committed to take up different developmental projects, towards improving the quality of lives of the underprivileged sections of the society and other stakeholders. We are not required to constitute a Corporate Social Responsibility Committee as our Company does not fall within purview of Section 135(1) of the Companies Act, 2013. We are also not required to formulate a policy on corporate social responsibility.

Insurance

We do not have any insurance policy as on the date of this Draft Letter of Offer.

SWOT Analysis:

STRENGTH
<ul style="list-style-type: none"> Specialized Services Flexibility in Operations Customer Reach Innovative Product Good Customer Relationship

WEAKNESSES
<ul style="list-style-type: none"> Higher Cost Limited access to Capital Market. Regulatory Risk High Risk of Default Liquidity Concern

OPPRTUINITIES
<ul style="list-style-type: none"> Growing Demand for Credit Partnership & Collaboration Regulatory support Diversification of Business

THREATS
<ul style="list-style-type: none"> Intense Competition Economic Slowdown Credit risk & Default Cybersecurity Threats.

Our Immovable Properties

We carry out business operations from the following properties:

a) *Owned property:*

Sr. No.	Particulars of the Property	Usage
	Nil	

b) *Leasehold/Rental property:*

Particulars of Property	Address	Lessee	Lessor	Validity of Agreement
Registered Office of our company	Upper Ground Floor, 62, Okhla Industrial Estate, Phase-III, Okhla Industrial Estate, New Delhi, India - 110020	Mega Corporation Limited	Three Hands Infrastructure (India) Private Limited	From September 25, 2023 to September 24, 2032 (i.e. for 09 Years)
Corporate Office of the Company	NSIC Complex, Maa Anand Mayee Marg, Okhla Industrial Estate, Phase-III, New Delhi, India-110020	Mega Corporation Limited	Crayons Advertising Limited	From April 01, 2024 to March 31, 2027 (i.e. for 03 Years)

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OUR MANAGEMENT

Board of Directors

The composition of the Board is governed by the provisions of the Companies Act, 2013, the SEBI Listing Regulations and the Articles of Association. In accordance with the Articles, unless otherwise determined by our Company in general meeting, our Company shall not have more than 15 Directors. As at the date of this Draft Letter of Offer, our Board comprises of 6 Directors, including one as Whole Time Director, Two as Executive Directors, one as Non-Executive Non - Independent Directors and two as Non-Executive Independent Directors.

The following table provides details regarding the Board of Directors of our Company as at the date of filing this Draft Letter of Offer:

Name, address, designation, occupation, term, period of directorship, DIN and date of birth	Age (in years)	Other Directorships
<p>Name: Mr. Kunal Lalani</p> <p>DIN: 00002756</p> <p>Date of Birth: August 01, 1960</p> <p>Designation: Executive Director</p> <p>Address: 14, Oak Drive, DLF Chhatarpur Farms, New Delhi 110074, India</p> <p>Occupation: Business</p> <p>Term: Re-Appointed as a Director on September 29, 2020</p> <p>Original Date of Appointment: June 30, 2005</p> <p>Nationality: Indian</p>	64	<p>Indian Companies:</p> <ol style="list-style-type: none"> 1. New Age Mobility Private Limited 2. Bollywood Merchandise Private Limited 3. Crayons Advertising Limited 4. Sanya Resorts and Hospitality Private Limited 5. Britonna Hotel and Yacht Club Private Limited 6. Bengaluru Megacabs Private Limited 7. Plasopan Engineers India Private Limited 8. Vimi Investments And Finance Private Limited 9. Mega Cabs Limited 10. Advertising Agencies Association of India 11. Ecotec Developers Private Limited 12. V and R Auto Gauges Private Limited <p>Limited Liability Partnership:</p> <ol style="list-style-type: none"> 1. Mega Luxuries & Hotels LLP 2. All White Communications LLP 3. Ultraviolet Digital Solutions LLP
<p>Name: Mr. Surendra Kumar Chajjer</p> <p>DIN: 00672769</p> <p>Date of Birth: July 07, 1954</p> <p>Designation: Non-Executive - Independent Director-Chairperson</p> <p>Address: E-104, 2nd Floor Kalkaji New Delhi 110019, India</p> <p>Occupation: Business</p> <p>Term: Appointed as Independent Director for a period of 5 years with effect from September 24, 2022.</p> <p>Original Date of Appointment: October 28, 2021</p>	70	<p>Indian Companies:</p> <ol style="list-style-type: none"> 1. Aarham Engineers Private Limited <p>Limited Liability Partnership: NIL</p>

Nationality: Indian		
<p>Name: Mr. Surendra Chhalani</p> <p>DIN: 00002747</p> <p>Date of Birth: June 03, 1959</p> <p>Designation: Executive Director and Chief Financial Officer</p> <p>Address: H.N. 246, Sector-31, Faridabad Haryana 121003, India.</p> <p>Occupation: Private Employment</p> <p>Term: NA</p> <p>Original Date of Appointment: March 27, 1998</p> <p>Nationality: Indian</p>	65	<p>Indian Companies:</p> <ol style="list-style-type: none"> 1. OPM Promoters Private Limited 2. BB&HV Private Limited 3. Ecotec Developers Private Limited <p>Limited Liability Partnership: NIL</p>
<p>Name: Ms. Anisha Anand</p> <p>DIN: 00407509</p> <p>Date of Birth: January 01, 1971</p> <p>Designation: Whole-Time director</p> <p>Address: 116 Uday Park New Delhi 110049, India</p> <p>Occupation: Private Employment</p> <p>Term: Re - Appointed as Whole Time Director for a period of 5 years with effect from April 23, 2024</p> <p>Original Date of Appointment: June 23, 2014</p> <p>Nationality: Indian</p>	53	<p>Indian Companies:</p> <ol style="list-style-type: none"> 1. Anand Control Systems Private Limited 2. Anand Power Private Limited <p>Limited Liability Partnership: NIL</p> <ol style="list-style-type: none"> 1. Pure Power Services LLP
<p>Name: Mr. Surendra Pagaria</p> <p>DIN: 02945040</p> <p>Date of Birth: October 21, 1965</p> <p>Designation: Independent Director</p> <p>Address: 2A, Alipore Avenue, Kolkata, West Bengal 700027, India</p> <p>Occupation: Business</p> <p>Term: Re- Appointed as Independent Director for a period of 5 years with effect from August 13, 2024</p> <p>Original Date of Appointment: August 13, 2019</p> <p>Nationality: Indian</p>	58	<p>Indian Companies:</p> <ol style="list-style-type: none"> 1. Crayons Advertising Limited 2. Mega Cabs Limited <p>Limited Liability Partnership: NIL</p>

<p>Name: Mr. Vikram Anand</p> <p>DIN: 00407415</p> <p>Date of Birth: December 18, 1968</p> <p>Designation: Non-Executive Director</p> <p>Address: 116 Uday Park New Delhi 110049, India</p> <p>Occupation: Business</p> <p>Term: Appointed as Non-Executive Director with effect from July 18, 2024</p> <p>Original Date of Appointment: February 01, 2024</p> <p>Nationality: Indian</p>	<p>55</p>	<p>Indian Companies:</p> <ol style="list-style-type: none"> 1. BB&HV Private Limited 2. Britonna Hotel and Yacht Club Private Limited 3. Anand Control Systems Private Limited 4. Mega Cabs Limited 5. Anand Power Private Limited <p>Limited Liability Partnership:</p> <ol style="list-style-type: none"> 1. Augment Soft Skills LLP 2. Crayons Academy for Skills Excellence LLP
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BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

Ms. Anisha Anand, age 53 years is the Whole-Time director of our company. She has been Director of our Company since June 23, 2014. She is Graduated from Delhi University in a degree of Commerce and a qualified Chartered Financial Analyst from the Institute of Chartered Financial Analysis of India (ICFAI). She has over 10 years of experience in diverse fields. Her strengths include high level of organisational skills, handling multiple tasks simultaneously and working diligently and tirelessly.

Mr. Vikram Anand, age 55 years is the Non-Executive Director of our company. an Electrical Engineer by qualification. An experienced professional and thought leader in skill development, he keeps himself updated with the latest technological trends driving the mobility industry in India. He has 3 plus years' experience in this business.

Mr. Kunal Lalani, aged 64 years, hails from a highly respected Marwari Business and Promoter Executive Director of our Company. He was originally appointed on the Board on October 20, 2015 as the Executive Director of the Company. He has an experience of around 10 years in our Industry. He is the key driver of the growth of the Company since his association. He is responsible for managing and supervising operations, expansion of business, sourcing new projects and overall management of the business of our Company.

Mr. Surendra Pagaria, aged 58 years, is an Independent Director of our Company. He is an B.com from St Xaviers, Kolkata. is an Independent Director of our Company, He is a Graduate in Commerce from St. Xaviers College, Kolkata. He has a vast Knowledge of Finance and Manufacturing as he started his career handling his Family Business of Hire Purchase of Consumer Goods since 1984, also handling his Family's Finance portfolio. Since 2011, he has started a Food Processing Unit for Frozen Food Products as a Private label supplier to some of the top Brands in India.

Mr. Surendra Chhalani, age 65 years is the Executive Director and Chief Financial Officer of our company. He has been Director of our Company since March 27, 1998. He has completed his Bachelor of Commerce from University of Rajasthan, Jaipur. Mr. Surendra Chhalani brings over 40 years of extensive experience in accounts and finance, currently serving as the Chief Financial Officer (CFO) of the Company. With a Bachelor of Commerce degree, he has honed his expertise in financial strategy, budgeting, and financial reporting. Throughout his career, Mr. Surendra has been instrumental in optimizing financial processes and providing robust support to the accounting and finance departments, driving the company towards sustained growth and stability. His leadership and in-depth knowledge make him a vital asset to the organization.

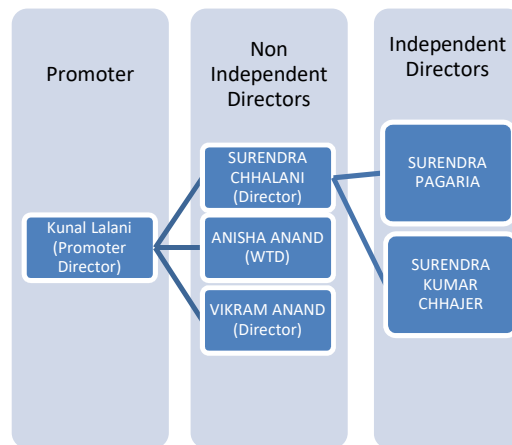
Mr. Surendra Kumar Chhajjer, aged 70 years, is the Non-Executive - Independent Director of our Company and was appointed with effect from October 28, 2021. Mr. Surendra Kumar Chhajjer boasts an impressive 42 years of diverse experience across various industries, currently holding a directorship position in the Company. An engineer by qualification, he brings a unique perspective to financial management, leveraging his technical background to enhance operational efficiency. Although he does not come from a traditional finance background, Mr. Chhajjer has developed a strong understanding of financial principles and has effectively supported the accounts and finance teams. His ability to implement strategic processes and foster collaboration has significantly contributed to the company's overall financial health, making him a valuable asset to the organization.

Note:

1. None of the above-mentioned Directors are on the RBI List of willful defaulters as on the date of this Draft Letter of Offer.
2. None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the Stock Exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Draft Letter of Offer.
3. none of our Directors are or were a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Draft Letter of Offer.

Management Organization Structure

The following is the Organization Structure of our Company:



Corporate Governance

We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI (ICDR) Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders’ Relationship Committee;
- c) Nomination and Remuneration Committee; and
- d) Rights Issue Committee

Details of each of these committees are as follows:

a. **Audit Committee**

Our Audit Committee was last reconstituted by our Board of Directors in their meeting held on October 28, 2021 with the following members forming a part of the said Committee:

Sr. No.	Name of Member	Designation
1.	Mr. Surendra Pagaria	Chairperson
2.	Mr. Surendra Kumar Chhajjer	Member
3.	Mr. Surendra Chhalani	Member

The Company Secretary acts as the secretary of the Audit Committee.

Audit Committee is entrusted with the responsibility to supervise the Company's financial reporting process and internal controls. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

Given below is a gist of the responsibilities of the Audit Committee:

1. Reviewing with the management, quarterly/annual financial statements and Auditors Report thereon before submission to the Board, focusing primarily on:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on exercise of judgment by Management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report.
2. Reviewing with the management, external auditor and internal auditor, adequacy of internal control systems and recommending improvements to the management.
3. Review Management letters/Letters of internal control weakness issued by the statutory auditors.
4. Recommending the appointment/removal of the statutory auditor, cost auditor, fixing audit fees and approving non-audit/consulting services provided by the statutory auditors' firms to the Company and its subsidiaries; evaluating auditors' performance, qualifications, experience, independence and pending proceedings relating to professional misconduct, if any.
5. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the chief internal auditor, coverage and frequency of internal audit, appointment, removal, performance and terms of remuneration of the chief internal auditor.
6. Discussing with the internal auditor and senior management, significant internal audit findings and follow-up thereon.
7. Reviewing the findings of any internal investigation by the internal auditor into matters involving suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board.
8. Discussing with the statutory auditor before the audit commences, the nature and scope of audit, as well as conduct post-audit discussions to ascertain any area of concern.
9. Establish and review the functioning of the Vigil Mechanism under the Whistle-Blower Policy of the Company.
10. Reviewing the financial statements and investments made by subsidiary companies and subsidiary oversight, relating to areas such as adequacy of the internal audit structure and function of the subsidiaries, their status of audit plan and its execution, key internal audit observations, risk management and the control environment.
11. Look into the reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any.
12. Reviewing the effectiveness of the system for monitoring compliance with laws and regulations.
13. Approving the appointment of CFO after assessing the qualification, experience and background etc. of the candidate.

14. Review the system of storage, retrieval, display or printout of books of accounts maintained in electronic mode during the required period under law.
15. Approve all or any subsequent modification of transactions with related parties.
16. To approve policies in relation to the implementation of the Code of Conduct for Prevention of Insider Trading.
17. To note and take on record the status reports, detailing the dealings by Designated Persons in Securities of the Company, as submitted by the Compliance Officer on a quarterly basis and to provide directions on any penal action to be initiated, in case of any violation of the Code, by any person.
18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
19. Approval or any subsequent modification of transactions with related parties, including omnibus related party transactions and
20. Any other function as may be required from time to time by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 along with rules made there under and any other statutory, contractual or other regulatory requirements to be attended by such Committee.

During the year, the Committee inter alia reviewed key audit findings covering operational, financial and compliance areas. The Chairman of the Audit Committee briefs the Board on significant discussions at Audit Committee meetings.

b. Stakeholders Relationship Committee

Our Stakeholders Relationship Committee was last reconstituted by our Board of Directors in their meeting held on October 28, 2021. The members of the said Committee are as follows:

Sr. No.	Name of Member	Designation
1.	Mr. Surendra Pagaria	Chairperson
2.	Mr. Surendra Kumar Chhajjer	Member
3.	Mr. Surendra Chhalani	Member

The Company Secretary acts as the secretary of the Stakeholders Relationship Committee.

(a) Terms of Reference:

The Stakeholders Relationship Committee of the Board of Directors was constituted in line with the provision of Regulation 20 of SEBI (LODR) Regulations 2015 read with section 178 of the Act to look after Shareholders'/Investors' Grievance like redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports etc.

The Stakeholders Relationship Committee of the Board is constituted with powers and responsibilities including, but not limited to:

- (i) approves and monitors transfers, transmission, splits and consolidation of securities of the Company,
- (ii) reviews and resolves the grievances of security holders / depositors / debenture holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, non-receipt of interest on deposits/debentures, issue of new/duplicate certificates, general meetings etc., and
- (iii) reviews the compliances with various statutory and regulatory requirements.

c. Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was last reconstituted by our Board of Directors in their meeting held on February 01, 2024 with the following members:

Sr. No.	Name of Member	Designation
1.	Mr. Surendra Pagaria	Chairperson
2.	Mr. Surendra Kumar Chhajjer	Member
3.	Mr. Vikram Anand	Member

The Company Secretary acts as the secretary of the Nomination and Remuneration Committee.

(a) Terms of reference

The terms of the Committee are wide enough covering the matters specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and Terms of reference of the Committee briefly are as under:

The Nomination, Compensation & Remuneration Committee formulated criteria for evaluation of the Board and Non-Independent Directors for the purpose of review of their performance at a separate meeting of the Independent Directors. Further, the Committee has recommended a policy relating to the remuneration of the directors, key managerial personnel, senior management and other employees, which, inter alia, includes the principles for identification of persons who are qualified to become directors.

It also designed benchmarks and continuously reviews the compensation program for the Board and the CEO & MD against the achievement of measurable performance goals. The committee also reviews and approves senior executive compensation to ensure that it is competitive in the global markets in which we operate, to attract and retain the best talent.

The committee makes recommendations to the Board on candidates for:

- i. Nomination for election of re-election by the shareholders and
- ii. Any Board vacancies that are to be filled.
- iii. It may act on its own in identifying potential candidates, inside or outside the Company, or may act upon proposal submitted by the Chairman of the Board. The committee annually reviews and approves for CEO and MD, the executive directors and executive officers:
- iv. The annual base salary.
- v. The annual incentive bonus including the specific performance-based goal and amount.
- vi. Equity Compensation.
- vii. Employment agreements, severance agreements, and change in control agreements/provisions.
- viii. Any other benefits, compensation or agreements.

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

d. Rights Issue Committee

The Rights Issue Committee was constituted by our Board of Directors in their meeting held on August 31, 2024 with the following members forming a part of the said Committee:

Sr. No.	Name of Member	Designation
1.	Mr. Surendra Pagaria	Chairperson
2.	Mr. Surendra Kumar Chhajjer	Member
3.	Mr. Kunal Lalani	Member

Our Key Managerial Personnel

In addition to our Managing Director and Whole-Time Director whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Letter of Offer:

Mr. Surendra Chhalani, aged 65 years, is the Chief Financial Officer of our Company and was appointed from May 30, 2014. He has completed his Bachelor of Commerce from University of Rajasthan, Jaipur. Mr. Surendra Chhalani brings over 40 years of extensive experience in accounts and finance, currently serving as the Chief Financial Officer (CFO) of the Company. With a Bachelor of Commerce degree, he has honed his expertise in financial strategy, budgeting, and financial reporting. Throughout his career, Mr. Surendra has been instrumental in optimizing financial processes and providing robust support to the accounting and finance departments, driving the company towards sustained growth and stability. His leadership and in-depth knowledge make him a vital asset to the organization.

Ms. Krashmee Bhartiya, aged 27 years, is the Company Secretary and Compliance Officer of our Company and was appointed with effect from October 06, 2022. She is graduated and is an Associate member of The Institute of Company Secretaries of India. She has more than 3 years of experience as a Company Secretary. Practical knowledge of compliances of Listing Agreement, Corporate Governance and other Securities Laws Compliances; well acquainted with handling of Legal Affairs through hands-on exposure. Conversant with compliances related to the Companies Act, 2013, SEBI (LODR) and other allied laws. Experience in handling secretarial & legal work of NBFC, Listed Companies, Public Companies.

All our Key Managerial Personnel are permanent employees of our Company.

None of our Key Managerial Personnel are entitled to receive any termination or retirement benefits.

Relationship of Key Managerial Personnel with our Key Managerial Personnel

None of the key managerial personnel are related to each other.




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OUR PROMOTERS

OUR INDIVIDUAL PROMOTERS:

1. Mr. Kunal Lalani
2. Ms. Vimi Lalani
3. Mr. Hulasmal Lalani
4. Ms. Varsha Bengani
5. Mr. Mayank Lalani
6. Ms. Seema Lalani

Details of our Individual Promoters:

MR. KUNAL LALANI	
	<p>Mr. Kunal Lalani, aged 64 years, hails from a highly respected Marwari Business and Promoter Executive Director of our Company. He was originally appointed on the Board on October 20, 2015 as the Executive Director of the Company. He has an experience of around 10 years in our Industry. He is the key driver of the growth of the Company since his association. He is responsible for managing and supervising operations, expansion of business, sourcing new projects and overall management of the business of our Company.</p>
Qualification	Matriculate
Permanent Account Number	AAGPL0992C
Passport No.	Z6360171
MS. VIMI LALANI	
	<p>Mrs. Vimi Lalani, aged 58 years, is the Promoter of our Company. She holds a diploma in Commercial Arts and has further done an Advance Multimedia Course from APTECH. She has over 5 years of experience in finance industry. Further, she will look into key regulatory policies implementation within the organization as prescribed by the regulator from time to time.</p>
Qualification	Polytechnic 3-year Diploma in Commercial Art Certificate*
Permanent Account Number	AACPL7519F
Passport No.	Z2620091
MR HULASMAL LALANI	
	<p>Mr. Hulasmal Lalani, aged 80 years, is the Promoter of our Company. hails from a highly respected Marwari Business Family. He's the Promoter and Managing Director of Plasopan Engineers INDIA Pvt Ltd. – India's Oldest Plastic Extrusion manufacturing company.</p> <p>He shifted to Delhi from Bikaner and started his entrepreneurial ventures in Textile, Beverage and Plastic Industry.</p> <p>He set up Plasopan Engineers INDIA Pvt Ltd. In 1979 which is into extruding Plastic profiles for various industries including Building & construction, Electricals, Automobile, Textile & various other industries. He is actively looking after the Company in the Administration.</p>
Qualification	Matriculate

Permanent Account Number	AAFPL1208E
Passport No.	M8585953
MS. VARSHA BENGANI	
	Varsha, a promoter of our NBFC, holds a Bachelor of Commerce from Delhi University. While she plays a primarily supportive role in the organization, her educational background provides a strong foundation for the company's financial framework. Varsha's presence as a promoter adds credibility to our brand, and her insights can be valuable in shaping our overall vision and strategy. Though she is not heavily involved in day-to-day operations or decision-making, her association with our team reflects our commitment to maintaining a diverse and well-rounded leadership structure.
Qualification	B.Com
Permanent Account Number	ABXPB5517B
Passport No.	Z6721116
MR. MAYANK LALANI	
	Mayank Lalani, MBA holder, is a promoter of our NBFC. While his involvement in day-to-day operations and decision-making is limited, his academic credentials contribute to the company's strategic vision and governance. Mayank Lalani insights from his MBA background provide valuable perspective, enhancing our overall leadership structure. His role as a promoter adds a layer of professionalism to our organization, underscoring our commitment to strong financial practices and effective management.
Qualification	MBA
Permanent Account Number	AAAPL5773D
Passport No.	S6402696
MS. SEEMA LALANI	
	Seema Lalani, a promoter of our NBFC, holds a Master of Science in Applied Psychology and brings approximately five years of experience in the financial sector. Her expertise in understanding human behavior and decision-making enhances our customer engagement strategies and improves client relationships. Seema Lalani analytical skills enable her to assess market trends and customer needs effectively, ensuring our offerings are both relevant and impactful. With her background, she plays a pivotal role in fostering a culture of empathy and innovation within our team, driving sustainable growth for the company.
Qualification	Master of Science in applied Psychology.
Permanent Account Number	AAKPL2718G
Passport No.	Z6725397

***Notes- * Educational documents were misplaced and were not made available for diligence purpose.
For Further details please refer Risk Factor no. 6 on page no. 24***

Confirmations

1. None of our Promoters have been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.
2. Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
3. None of our Promoters or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
4. Except as disclosed in the '*Outstanding Litigation and Material Developments - Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*' on page 207 of this Draft Letter of Offer, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoters.

PROMOTER GROUP

Our Promoter Group as defined under Regulations 2(1)(pp) of the SEBI ICDR Regulations includes the following individuals and body corporates: For Promoter Group, we have restricted it only to the entities that hold equity shares in the Company and have been disclosed as Promoter Group to the Stock Exchanges in the shareholding pattern.

The following is the promoter group, with their shareholding pattern as on date of filing of the DLOF:

Sr. No.	Name of Promoter Group	No. of Shares	Percentage (%)
01.	Vimi Investments And Finance Private Limited	4,62,60,878	46.26

OUR SUBSIDIARIES

As on the date of this Draft Letter of Offer, our Company has no subsidiaries, joint venture and associate companies.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, during the last three Fiscals, as per the requirements under the relevant accounting standards and as reported in the Financial Information, see section titled “*Financial Information*” at page 79 of this Draft Letter of Offer.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements of our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

Dividends paid on Equity Shares:

We have not paid any dividends for the last 3 years. For details in relation to the risk involved, see “*Risk Factor No. 23 – “Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.”*” on page 21 of this Draft Letter of Offer.

SECTION VII – FINANCIAL INFORMATION

FINANCIAL INFORMATION

S. No.	Details	Page Number
1.	Unaudited Limited Review Financial Statements for three months ended June 30, 2024	80-85
2.	Audited Financial Statements as at and for the years ended March 31, 2024 and March 31, 2023.	86-198

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A G M S & CO
Chartered Accountants

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as amended

To
The Board of Directors
Of Mega Corporation Limited,
62, Upper Ground Floor,
Okhla Industrial Estate-III,
New Delhi, Delhi,
India, 110020

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of **MEGA CORPORATION LIMITED** (the "Company") for the quarter ended **June 30, 2024**. The Statement has been submitted by the Company pursuant to requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statement are free of material misstatement. A review is limited primarily to inquiries of company personnel, and analytical procedures applied to financial data and thus provides less assurance than audit. We have not performed an audit and accordingly, we do not express as audit opinion.



Plot No.:1/583, 1st and 2nd Floor, Near Max Specialty Hospital, Sector-1, Vaishali, Ghaziabad (UP)-201010
Tel. No.: 0120-4266194, M. 9810500901/9810355174 E-Mail: co.agmsca@gmail.com Website: www.agmsca.com



A G M S & CO
Chartered Accountants

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For A G M S & CO
Chartered Accountants
Firm Regn. No. 021141N



Chunni Lal Golchha

CA Chunni Lal Golchha
Partner
Membership No. 080597
UDIN: 24080597BK9WZV4851
Dated: 08th August 2024
Place: Vaishali Ghaziabad



MEGA CORPORATION LIMITED

CIN L45100DL1983PLC092375

Regd. Office: 62, Upper Ground Floor, OSHA Industrial Estate-III, New Delhi, New Delhi, India, 110003
Ph: +91 11 4635 7134

E-mail: info@megacorppltd.com; Website: www.megacorppltd.com

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2024

(Rs. In Lakhs except per share data)

Sl.	Particulars	STANDALONE		
		Quarter Ended		Year Ended
		(Unaudited) 30.06.2024	(Audited) 31.03.2024	(Unaudited) 30.06.2023
				(Audited) 31.03.2024
	Revenue from operations			
	(i) Interest income	120.18	116.11	73.32
	(ii) Dividend income	0.01	0.00	-
	(iii) Rental income	-	-	-
	(iv) Fees and Commission income	-	-	-
	(v) Net gain/ (loss) on fair value changes	-	-	-
	(vi) Net gain on derecognition of financial instruments under amortised cost category	-	-	-
	(vii) Sale of Products	-	-	-
	(viii) Sale of services	-	-	-
	(ix) Service charges	-	-	-
	(i) Total Revenue from operations	120.19	116.11	73.32
				262.70
	(ii) Other income	0.05	37.62	-
				41.76
	(iii) Total Income (i + ii)	120.24	153.73	73.32
				454.46
	Expenses			
	(i) Finance Cost	82.31	76.90	35.81
	(ii) Impairment on financial instruments	5.74	5.98	(12.32)
	(iii) Employee benefit expenses	8.06	9.58	9.02
	(iv) Depreciation, amortisation and impairment	10.25	10.48	9.41
	(v) Other Expenditures	12.45	21.35	10.62
				36.97
	(iv) Total Expenses (IV)	116.80	124.29	52.56
				370.96
	(V) Exceptional items	-	-	-
				-
	(VI) Profit before tax (III-IV-V)	3.44	29.43	20.76
				53.50
	(VII) Tax Expenses			
	(1) Current tax	-	-	-
	(2) Deferred tax	-	27.56	-
	(3) Taxes relating to prior years	-	-	-
	(4) MAT Credit entitlement	-	-	-
	Total Tax Expenses (VII)	-	27.56	-
				27.56
	(VIII) Profit for the period (VI-VII)	3.44	1.87	20.76
				25.94
	(IX) Other Comprehensive Income			
	A(i) Items that will not be reclassified to profit or loss			
	Reversal/adjustment of defined benefit plans	-	0.11	-
				(0.11)
	Fair value changes on equity instruments through Other Comprehensive Income	-	19.54	-
				19.54
	B(i) Income tax relating to items that will not be reclassified to profit or loss	-	(0.49)	-
				(0.49)
	Subtotal (A)	-	18.94	-
				18.94
	B(ii) Items that will be reclassified to profit or loss			
	Gain / (Loss) from translating financial statement of a foreign operation	-	-	-
	Fair value change in debt instruments through Other Comprehensive Income	-	-	-
				-
	B(i) Income tax relating to items that will be reclassified to profit or loss	-	-	-
				-
	Subtotal (B)	-	-	-
				-
	Other Comprehensive Income (A+B) (IX)	-	18.94	-
				18.94
	(X) Total comprehensive income for the period (VIII+ IX)	3.44	20.82	20.76
				64.88
	(XI) Other Equity (excluding revaluation reserve as per the audited balance sheet)			
				1,445.58
	(XII) Paid up Equity Capital (FV of Rs. 1/- each)	1,000.00	1,000.00	1,000.00
				1,000.00
	(XIII) Earning per equity share			
	(Face value of Rs. 1 each)			
	Basic (Rs.)	0.00	0.02	0.02
				0.04
	Diluted (Rs.)	0.00	0.02	0.02
				0.04

Notes-

- The above unaudited results, reviewed by the Audit Committee were taken on record, by the Board of Directors in the meeting held on 08th August 2024.
- Previous Year/ Qtr. Have been regrouped/ rearranged, wherever necessary.
- Provision for taxation and deferred tax adjustment will be considered at the end of the year.



For Mega Corporation Limited
Surendra Chhabani
(Surenndra Chhabani)
(Director & CFO)
DIN:00002747

Place: New Delhi
Date: 08th August 2024

MEGA CORPORATION LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

BALANCE SHEET AS AT JUNE 30, 2024

Particulars	(All amounts in lakhs unless otherwise stated)	
	As at 30 June 2024 (Unaudited)	As at 31 March 2024 (Audited)
ASSETS		
1 Financial Assets		
a. Cash and cash equivalents	72.88	242.29
b. Bank Balance other than (a) above	-	-
c. Derivatives Financial Instruments	-	-
d. Receivables	-	-
(I) Trade Receivables	-	-
(II) Other Receivables	-	-
e. Loans	5,168.95	4,235.13
f. Investments	279.42	279.42
g. Other financial assets	1.25	1.63
2 Non-Financial assets		
a. Inventories	-	-
b. Current tax assets (net)	7.72	24.21
c. Deferred tax assets (Net)	52.17	52.17
d. Investment Property	-	-
e. Biological assets other than bearer plants	-	-
f. Property, Plant and Equipment	248.67	258.00
g. Capital work in Progress	-	-
h. Intangible assets under development	-	-
i. Goodwill	-	-
j. Other Intangible Assets	-	-
k. Right of use under a lease	30.23	31.14
l. Net Investment in finance lease	112.60	113.48
m. Other non-financial assets	486.59	457.27
TOTAL ASSETS	6,460.48	5,694.74
LIABILITIES AND EQUITY		
Liabilities		
1 Financial liabilities		
a. Derivative financial instruments	-	-
b. Payables		
(I) Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(II) Other payables		
(i) Total outstanding dues of micro enterprises and small enterprises	1.89	1.58
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
c. Debt Securities	-	-
d. Borrowings (Other than Debt Securities)	3,667.97	2,912.42
e. Deposits	-	-
f. Subordinated Liabilities	-	-
g. Other Financial liabilities	299.57	297.89
2 Non-Financial liabilities		
a. Current Tax liabilities (Net)	-	-
b. Provisions	32.91	28.92
c. Deferred Tax Liabilities (Net)	-	-
d. Other Non-Financial liabilities	9.12	8.35
Equity		
3		
a. Equity share capital	1,000.00	1,000.00
b. Other equity	1,449.02	1,445.58
Total Liabilities and Equity	6,460.48	5,694.74

For and on behalf of the Board of Directors


 Surendra Chhalani
 Director & CFO
 DIN: 00002747



Place New Delhi
Date 08-08-2024

MEGA CORPORATION LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED JUNE 30, 2024

Particulars	(All amounts in lakhs unless otherwise stated)		
	Quarter Ended	Quarter Ended	Year Ended
	30 June 2024	30 June 2023	31 March 2024
	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations			
(i) Interest Income	120.18	73.32	382.70
(ii) Dividend Income	0.01	-	0.00
(iii) Rental Income	-	-	-
(iv) Fees and Commission Income	-	-	-
(v) Net gain on fair value changes	-	-	-
(vi) Net Gain on derecognition of financial instruments under amortised cost category	-	-	-
(vii) Sale of Services	-	-	-
(ix) Others	-	-	-
(I) Total Revenue from operations	120.18	73.32	382.70
(II) Other income	0.05	-	41.76
(III) Total income (I+2)	120.24	73.32	424.46
Expenses			
(i) Finance costs	82.31	35.82	236.37
(ii) Fees and Commission Expense	-	-	-
(iii) Net gain on fair value changes	-	-	-
(iv) Net Gain on derecognition of financial instruments under amortised cost category	-	-	-
(v) Impairment on financial instruments	3.74	(12.32)	-
(vi) Cost of Material Consumed	-	-	-
(vii) Purchase of Stock in Trade	-	-	-
(viii) Changes in inventories of finished goods, stock in trade and work in progress	-	-	-
(ix) Employee benefit expense	8.06	9.02	38.16
(x) Depreciation, amortisation and impairment	10.25	9.42	39.66
(xi) Other expenses	12.45	10.62	56.97
(IV) Total expenses	116.80	52.56	370.96
(V) Profit/(Loss) before exceptional item and tax (III - IV)	3.44	20.76	53.50
(VI) Exceptional item	-	-	-
(VII) Profit before tax (V - VI)	3.44	20.76	53.50
(VIII) Tax expense:			
Current tax	-	-	-
Deferred tax	-	-	27.56
Adjustment of tax relating to earlier period	-	-	-
Less : MAT credit entitlement	-	-	-
Total tax expense	-	-	27.56
(IX) Profit/(Loss) for the period from continuing operations (VII - VIII)	3.44	20.76	25.94
(X) Profit/(Loss) for the period from discontinued operations	-	-	-
(XI) Tax Expense of discontinued operations	-	-	-
(XII) Profit/(Loss) for the period from discontinued operations after tax (X - XI)	-	-	-
(XIII) Profit/(Loss) for the period (IX + XII)	3.44	20.76	25.94
(XIV) Other e (i) Items that will not be reclassified to profit and loss			
(A) (a) Changes in fair valuation of equity instruments	-	-	19.54
(b) Remeasurements of the defined benefit plans	-	-	(9.11)
(ii) Income tax relating to items that will not be reclassified to profit and loss	-	-	(0.49)
(ii) Income tax relating to items that will be reclassified to profit and loss	-	-	-
Total other comprehensive income	-	-	18.94
Changes in fair valuation of equity instruments	-	-	-
Equity instruments through other comprehensive income	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
Total other comprehensive income (Net of Tax)	-	-	-
(XV) Total comprehensive income for the year (XIII + XIV)	3.44	20.76	44.88
(XVI) Earnings per equity share:			
(Face value Rs. 1 per share)	0.00	0.02	0.64
- Basic and diluted (Rupees)			

For and on behalf of the Board of Directors

Surendra Chhalani
 Surendra Chhalani
 Director & CFO
 DIN: 00902747

Place New Delhi
 Date 08-08-2024



MEGA CORPORATION LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

STATEMENT OF CASH FLOW FOR THE QUARTER ENDED JUNE 30, 2024

(All amounts in lakhs unless otherwise stated)

PARTICULARS	As on	As on
	June 30, 2024	March 31, 2024
	(Unaudited)	(Audited)
1 Cash flow from operating activities :-		
Profit for the year	3.44	53.50
Adjusted for:		
Depreciation and Amortisation expense	9.33	37.83
(Profit)/Loss on sale of fixed assets	-	-
MAT Credit adjusted to Retained Earnings	-	-
Dividend Received (Long Term Investments)	(0.01)	(0.00)
Balance written off	-	(41.03)
Impairment on financial instruments	-	-
Operating Profit / (loss) before working capital changes	12.76	50.30
Changes in Assets and Liabilities		
Adjusted for:		
(Increase)/ Decrease in trade receivables	-	16.99
(Increase)/ Decrease in loans	(933.82)	(1,337.08)
(Increase)/ Decrease in tax assets	16.48	(6.63)
(Increase)/Decrease in Right to use assets	0.92	(31.14)
(Increase)/Decrease in Net Investment in finance lease	0.87	(113.48)
(Increase)/ Decrease in other financial assets	0.38	(1.63)
(Increase)/ Decrease in other non financial assets	(29.32)	11.83
Increase/ (Decrease) in trade payables and other payables	0.32	0.62
Increase/ (Decrease) in other liabilities	0.77	4.75
Increase/ (Decrease) in Other Financial liabilities	1.68	(9.95)
Increase/ (Decrease) in provisions	3.99	1.17
Cash generated from operations	(924.97)	(1,414.25)
Add: Amount received on merger of subsidiary company		
Less : Taxation paid /refund (net off)	-	-
Net cash from operating activities	(924.97)	(1,414.25)
2 Cash flow from Investing activities		
Purchase of fixed assets	-	(1.62)
Purchase of Investments	-	(100.00)
Unrealised (Gain)/loss on fair valuation of financial instruments	-	-
Sale of Fixed Assets	-	-
Sale of investment (net of profit)	-	30.63
Dividend received	0.01	0.00
Net cash used in investing activities	0.01	(70.99)
3 Cash flow from financing activities		
Proceeds from short-term borrowings	755.56	1,628.95
Net cash used in financing activities	755.56	1,628.95
Net (Increase/ Decrease) in Cash and Cash Equivalents	(169.41)	143.71
Cash and cash equivalent at the beginning of the year	242.29	98.58
Cash and cash equivalent at the end of the year	72.88	242.29

For and on behalf of the Board of Directors


 Surendra Chhalani
 Director & CFO
 DIN: 00002747



Place New Delhi
Date 08-08-2024

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
MEGA Corporation Limited,
 Upper Ground Floor, 62,
 Okhla Industrial Estate, Phase-III,
 South Delhi, New Delhi, India, 110020

1. Opinion

- a. We have audited the accompanying Financial Statements of Mega Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other Comprehensive Income), Statement of changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").
- b. 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

2. Basis for Opinion

We have conducted our audit of the Financial Statements in accordance with the Standards 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 ethical requirements that are relevant to our audit of the financial statements under the provisions 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.

3. Key Audit Matters (KAM)

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 Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key matters to be communicated in our report.

4. Information Other than the Financial Statements and Auditor's Report thereon

- a. The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the Board Report and we do not express any form of assurance conclusion thereon.

- b. In connection with our audit of the financial statements, our responsibility is to read the other information identified above, when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 in this Board Report, we are required to report that fact.

5. Management's Responsibility for the Financial Statements

- a. The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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, changes in equity and cash flows

of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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.

- b. In preparing the Financial Statements, 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 are responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Financial Statements

- a. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.
- b. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
 - iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- c. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.
- d. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- e. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- f. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

II. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - g. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.
 - h. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements- Refer Note 31 to the Financial Statements.
 - ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity including foreign entities ("Funding Parties") with

the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under sub clause (a) and (b) contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

3. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As the proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 is applicable from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ending 31st March 2024."

For A G M S & CO
Chartered Accountants
Firm Registration Number: 021141N

Sd/-
CA Chunni Lal Golchha
Partner
M. No.: 080597
UDIN: 24080597BKGWZN8075

Date: 27 May 2024
Place: Vaishali, Ghaziabad

Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements"

We report that:

- i. a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) As explained to us, the company has no intangible assets therefore no comments are required whether the company is maintaining proper records showing full particulars of intangible assets;
- b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification
- c) According to the information and explanations given by the management, **there are no immovable properties**, hence reporting whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, are not applicable to the company.
- d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. a) As explained to us, the company has no inventories therefore no comments are required whether physical verification of inventory has been conducted at reasonable intervals by the management.
- b) As explained to us, the company has no sanctioned working capital limits on the security of current assets therefore no comments are required whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. a) Clause (iii) (a) is not applicable as the principal business of the company is to give loans.
- b) According to the information and explanations given to us and the records produced before us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest.
- c) The loans are repayable on demand on or before the agreed period. Tenure of loan can be mutually extended as well. Schedule of repayment of interest, as agreed, is regularly accounted for.
- d) The total amount overdue for more than ninety days is Rs. Nil/-.
- e) Clause (iii) (e) is not applicable as the principal business of the company is to give loans.
- f) The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment:
 - Aggregate amount of loans or advances in the nature of loans given during the year is Rs. 31,13,50,000/-
 - Percentage thereof to the total loans granted is 100%.
 - Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is 3,40,00,000/-.
- iv. In respect of loans, investments, guarantees, and security, provisions of sections 185 and 186 of the Companies Act have been complied with.
- v. The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, the provisions of clause 3(v) of the order are not applicable.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- vii. a) According to the records made available to us, company is regular in depositing undisputed statutory dues including Goods and Services Tax, 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 to the appropriate authorities. According to the information and explanation given to us there were no outstanding

statutory dues as on 31st of March, 2024 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.
- viii. According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix a) In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender except following lenders.

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
As per annexure 1					

- b) According to the information and explanations given by the management, the company is not declared wilful defaulter by any bank or financial institution or other lender;
- c) In our opinion and according to the information and explanations given by the management, the Company has not obtained any term loan therefore clause 3(ix) (c) of CARO, 2020 is not applicable whether term loan was applied for the purpose for which the loans were obtained.
- d) In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilised for long term purposes.
- e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.
- x. a) Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;
- b) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed therefore report under sub-section (12) of section 143 of the Companies Act is not applicable;
- c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- xii. The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.
- xiii According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
- xiv. a) According to the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business;
- b) The reports of the Internal Auditors for the period under audit were considered by us.
- xv. On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.

- xvi. a) In our Opinion and based on our examination, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and the registration has been obtained;
- b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- xvii. Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- xix. Based on our examination, the provision of section 135 of Companies Act are not applicable on the company. Hence this clause is not applicable on the company.
- xx. The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

For A G M S & CO
Chartered Accountants
Firm Registration Number: 021141N

Sd/-
CA Chunni Lal Golchha
Partner
M. No.: 080597
UDIN: 24080597BKGWZN8075

Date: 27th May 2024
Place: Ghaziabad

REPORT ON INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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 Corporation Limited ("the Company") as of March 31, 2024 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 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. 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 judgement, 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 unauthorized 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, 2024, 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 A G M S & CO
Chartered Accountants
Firm Registration Number: 021141N

Sd/-
CA Chunni Lal Golchha
Partner
M. No.: 080597
UDIN: 24080597BKGWZN8075

Date: 27th May 2024
Place: Ghaziabad

NOTES TO THE FINANCIAL STATEMENTS

Annexure 1 to Clause3(ix)(a) -Delay in the payment of Principal or Interest not paid on due date.

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Borrowings (Other than Debt Securities)	All White Communications LLP	2,07,123	Interest	178	Default has been made good during the year.
		2,36,250	Interest	86	
		4,43,373			
	Anand Power Pvt. Ltd.	1,07,063	Interest	4	Default has been made good during the year.
		1,04,146	Interest	2	
		94,882	Interest	2	
		91,131	Interest	3	
		32,733	Interest	6	
		75,713	Interest	13	
		54,788	Interest	4	
		16,758	Interest	30	
		32,535	Interest	7	
		6,09,749			
	BB & HV Pvt. Ltd.	38,758	Interest	70	Loan Paid off during the Year
		10,745	Interest	15	
		288	Interest	87	
		20,710	Interest	42	
	70,501				
	Cash U Drive Marketing P Ltd	1,89,000	Interest	232	Default has been made good during the year.
		1,89,000	Interest	140	
		1,89,000	Interest	48	
		2,31,554	Interest	64	
	7,98,554				
	Crayons Advertising Limited	1,51,397	Interest	273	Default has been made good during the year.
		7,571	Interest	199	
		5,53,019	Interest	181	
		34,00,964	Interest	89	
	41,12,951				
	Mega Cabs Limited	5,00,000	Interest	8	Default has been made good during the year.
		1,29,749	Interest	24	
		55,000	Interest	2	
		2,00,000	Interest	8	
		4,00,000	Interest	30	
		6,748	Interest	12	
69,317		Interest	9		
63,018		Interest	13		
52,601		Interest	9		
24,855		Interest	29		
3,00,000		Interest	89		
2,50,000		Interest	58		
3,00,000		Interest	28		
1,72,867		Interest	8		
4,00,000	Interest	55			
1,01,917	Interest	16			
3,47,426	Interest	7			
1,00,000	Interest	26			
34,73,498					

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
	Omni Media Communications P Ltd	27,123	Interest	218	Default has been made good during the year.
		2,49,534	Interest	126	
		2,23,343	Interest	34	
		26,191	Interest	48	
		5,26,191			
	Sanya Resorts & Hospitality P Ltd	2,16,780	Interest	180	Loan Paid off during the Year
		54,319	Interest	142	
		2,71,099			
	Ultraviolet Digital Solutions LLP	2,32,151	Interest	274	Loan Paid off during the Year
		12,23,508	Interest	182	
		6,57,616	Interest	135	
		21,13,275			
	VIG K Finance Pvt Ltd	52,500	Interest	63	Default has been made good during the year.
		52,500	Interest	85	
		52,500	Interest	77	
		52,500	Interest	53	
		52,500	Interest	55	
		52,500	Interest	59	
		52,500	Interest	55	
		52,500	Interest	54	
		52,500	Interest	47	
		52,500	Interest	41	
		52,500	Interest	26	
		5,77,500			
	Vimi Investments And Finance Pvt Ltd	17,559	Interest	2	Loan Paid off during the Year
		2,713	Interest	14	
		20,272			
	Grand Total	1,30,16,963			

BALANCE SHEET AS AT MARCH 31, 2024

(All amounts in lakhs unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
1 Financial Assets			
a. Cash and cash equivalents	3	242.29	98.58
b. Bank Balance other than (a) above		-	-
c. Derivatives Financial Instruments		-	-
d. Receivables	4	-	-
(I) Trade Receivables		-	16.99
(II) Other Receivables		-	-
e. Loans	5	4,235.13	2,898.06
f. Investments	6	279.42	190.50
g. Other financial assets	7	1.63	-
2 Non-Financial assets			
a. Inventories		-	-
b. Current tax assets (net)	8	24.21	17.58
c. Deferred tax assets (Net)	9	52.17	80.22
d. Investment Property		-	-
e. Biological assets other than bearer plants		-	-
f. Property, Plant and Equipment	10	258.00	294.21
g. Capital work in Progress		-	-
h. Intangible assets under development		-	-
i. Goodwill		-	-
j. Other Intangible Assets		-	-
k. Right of use under a lease	11	31.14	-
l. Net Investment in finance lease	12	113.48	-
m. Other non-financials assets	13	457.27	469.10
TOTAL ASSETS		5,694.74	4,065.23
LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
a. Derivative financial instruments		-	-
b. Payables	14	-	-
(I) Trade payables	14.1	-	-
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(II) Other payables	14.2	-	-
(i) Total outstanding dues of micro enterprises and small enterprises		1.58	0.95
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
c. Debt Securities		-	-
d. Borrowings (Other than Debt Securities)	15	2,912.42	1,283.47
e. Deposits		-	-
f. Subordinated Liabilities		-	-
g. Other Financial liabilities	16	297.89	307.84
2 Non-Financial liabilities			
a. Current Tax liabilities (Net)		-	-
b. Provisions	17	28.92	68.67
c. Deferred Tax Liabilities (Net)		-	-
d. Other Non-Financial liabilities	18	8.35	3.60
3 Equity			
a. Equity share capital	19	1,000.00	1,000.00
b. Other equity	20	1,445.58	1,400.70
Total Liabilities and Equity		5,694.74	4,065.23

The accompanying notes are integral part of the financial statements

In terms of our report attached

For A G M S & CO

Chartered Accountants

Firm Registration No. 021141N

Sd/-

CA Chunni Lal Golchha

Partner

M. No. 080597

UDIN: 24080597BKGWZLN8075

Place: Ghaziabad

Date: 27th May 2024

For and on behalf of the Board of Directors

Sd/-

Surendra Chhalani

Director & CFO

DIN: 00002747

Sd/-

Kunal Lalani

Director

DIN: 00002756

Sd/-

Krashmee Bhartiya

Company Secretary

(ACS 66667)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in lakhs unless otherwise stated)

	Notes	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from operations			
(i) Interest Income	21	382.70	316.95
(ii) Dividend Income	22	0.00	-
(iii) Rental Income		-	-
(iv) Fees and Commission Income		-	-
(v) Net gain on fair value changes		-	-
(vi) Net Gain on derecognition of financial instruments under amortised cost category		-	-
(vii) Sale of Services		-	-
(viii) Others		-	-
(I) Total Revenue from operations		382.70	316.95
(II) Other income	23	41.76	0.04
(III) Total income (1+2)		424.46	316.99
Expenses			
(i) Finance costs	24	236.17	161.34
(ii) Fees and Commission Expense		-	-
(iii) Net gain on fair value changes		-	-
(iv) Net Gain on derecognition of financial instruments under amortised cost category		-	-
(v) Impairment on financial instruments	25	-	23.65
(vi) Cost of Material Consumed		-	-
(vii) Purchase of Stock in Trade		-	-
(viii) Changes in Inventories of finished goods, stock in trade and work in progress		-	-
(ix) Employee benefits expense	26	38.16	35.14
(x) Depreciation, amortisation and impairment	27	39.66	37.33
(xi) Other expenses	28	56.97	29.83
(IV) Total expenses		370.96	287.28
(V) Profit/(Loss) before exceptional item and tax (III - IV)		53.50	29.71
(VI) Exceptional item		-	-
(VII) Profit before tax (V - VI)		53.50	29.71
(VIII) Tax expense:	29		
Current tax		-	-
Deferred tax		27.56	6.97
Adjustment of tax relating to earlier period		-	-
Less : MAT credit entitlement		-	-
Total tax expense		27.56	6.97
(IX) Profit/(Loss) for the period from continuing operations (VII - VIII)		25.94	22.73
(X) Profit/(Loss) for the period from discontinued operations		-	-
(XI) Tax Expense of discontinued operations		-	-
(XII) Profit/(Loss) for the period from discontinued operations after tax (X - XI)		-	-
(XIII) Profit/(Loss) for the period (IX + XII)		25.94	22.73
(XIV) Other comprehensive income			
(A) (i) Items that will not be reclassified to profit and loss			
(a) Changes in fair valuation of equity instruments		19.54	2.27
(b) Remeasurements of the defined benefit plans		(0.11)	-
(ii) Income tax relating to items that will not be reclassified to profit and loss		(0.49)	-
(ii) Income tax relating to items that will be reclassified to profit and loss		-	-
Total other comprehensive income		18.94	2.27
Changes in fair valuation of equity instruments		-	-
Equity instruments through other comprehensive income		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income (Net of Tax)		-	-
(XV) Total comprehensive income for the year (XIII + XIV)		44.88	25.00
(XVI) Earnings per equity share:			
(Face value Rs. 1 per share)			
- Basic and diluted (Rupees)	30	0.04	0.02

The accompanying notes are integral part of the financial statements

In terms of our report attached

For A G M S & CO
Chartered Accountants
Firm Registration No. 021141N
Sd/-
CA Chhuni Lal Golchha
Partner
M. No. 080597
UDIN: 24080597BKGWZN8075
Place: Ghaziabad
Date: 27th May 2024

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-
Surendra Chhalani	Kunal Lalani	Krashmee Bhartiya
Director & CFO	Director	Company Secretary
DIN: 00002747	DIN: 00002756	(ACS 66667)

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in lakhs unless otherwise stated)

PARTICULARS	As on	As on
	March 31, 2024	March 31, 2023
1 Cash flow from operating activities :-		
Profit for the year	53.50	29.71
Adjusted for:		
Depreciation and Amortisation expense	37.83	37.33
(Profit)/Loss on sale of property, plant and equipment (net)	-	(0.04)
Dividend Received (Long Term Investments)	(0.00)	-
Balance written off	(41.03)	-
Impairment on financial instruments	-	23.65
Operating Profit / (loss) before working capital changes	50.30	90.65
Changes in Assets and Liabilities		
Adjusted for:		
(Increase)/ Decrease in trade receivables	16.99	-
(Increase)/ Decrease in loans	(1,337.08)	200.22
(Increase)/ Decrease in tax assets	(6.63)	1.08
(Increase)/Decrease in Right to use assets	(31.14)	-
(Increase)/Decrease in Net Investment in finance lease	(113.48)	-
(Increase)/ Decrease in other financial assets	(1.63)	0.20
(Increase)/ Decrease in other non financial assets	11.83	248.07
Increase/ (Decrease) in trade payables	0.62	0.05
Increase/ (Decrease) in other liabilities	4.75	(2.55)
Increase/ (Decrease) in Other Financial liabilities	(9.95)	1.90
Increase/ (Decrease) in provisions	1.17	1.57
Cash generated from operations	(1,414.25)	541.19
Add: Amount received on merger of subsidiary company	-	-
Less : Taxation paid /refund (net off)	-	-
Net cash from operating activities	(1,414.25)	541.19
2 Cash flow from Investing activities		
Purchase of fixed assets	(1.62)	(10.72)
Purchase of Investments	(100.00)	(9.23)
Unrealised (Gain)/loss on fair valuation of financial instruments	-	-
Sale of investment (net of profit)	30.63	-
Sale of fixed assets	-	0.50
Dividend received	0.00	-
Net cash used in investing activities	(70.99)	(19.45)
3 Cash flow from financing activities		
Proceeds from short-term borrowings	1,628.95	(512.03)
Net cash used in financing activities	1,628.95	(512.03)
Net (Increase/ Decrease) in Cash and Cash Equivalents	143.71	9.70
Cash and cash equivalent at the beginning of the year	98.58	88.87
Cash and cash equivalent at the end of the year	242.29	98.58

The accompanying notes are integral part of the financial statements

For A G M S & CO

Chartered Accountants

Firm Registration No. 021141N

Sd/-

CA Chunni Lal Golchha

Partner

M. No. 080597

UDIN: 24080597BKGWZ8075

Place: Ghaziabad

Date: 27th May 2024

For and on behalf of the Board of Directors

Sd/-

Surendra Chhalani

Director & CFO

DIN: 00002747

Sd/-

Kunal Lalani

Director

DIN: 00002756

Sd/-

Krashmee Bhartiya

Company Secretary

(ACS 66667)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in lakhs unless otherwise stated)

a. Equity Share Capital

Balance as at March 31, 2023	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2024
10,00,00,000	-	-	-	10,00,00,000

Balance as at March 31, 2022	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2023
10,00,00,000	-	-	-	10,00,00,000

b. Other Equity

Particulars	Reserves and surplus		
	Retained earnings	Reserve Fund as per RBI Act	Total Other Equity
Balance as at March 31, 2022	1,351.35	24.35	1,375.70
Profit for the year	22.73	-	22.73
Other comprehensive income	2.27	-	2.27
	25.00	-	25.00
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(4.55)	4.55	-
Amount of MAT credit lapsed due to opting for section 115BAA under Income Tax act 1956	-	-	-
Balance as at March 31, 2023	1,371.80	28.90	1,400.70
Profit for the year	25.94	-	25.94
Other comprehensive income	18.94	-	18.94
	44.88	-	44.88
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(5.19)	5.19	-
Amount of MAT credit lapsed due to opting for section 115BAA under Income Tax act 1956	-	-	-
Balance as at March 31, 2024	1,411.49	34.08	1,445.58

The accompanying notes are integral part of the financial statements

In terms of our report attached

For A G M S & CO

Chartered Accountants
Firm Registration No. 021141N
Sd/-CA Chundi Lal Golchha
Partner
M. No. 080597
UDIN: 24080597BKGWZN8075
Place: Ghaziabad
Date: 27th May 2024

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-
Surendra Chhalani	Kunal Lalani	Krashmee Bhartiya
Director & CFO	Director	Company Secretary
DIN: 00002747	DIN: 00002756	(ACS 66667)

Notes forming part of the financial statements for the year ended March 31, 2024

1-A. Overview of the Company

Mega Corporation Limited (the Company) is a Public Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 on 26th March 1985. The securities of the Company are presently listed on "Mumbai Stock Exchange", being the Exchange having nationwide terminals.

The Company is Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI) with registration No. 14.00955 dated 09th May, 1998. The Company is engaged in investment in securities and provides loans and leasing & financial services to other establishments

2-A. Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Compliance with Ind AS:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company–Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (the NBFC Master Directions) issued by RBI. The financial statements have been prepared on a going concern basis.

The Company is a "non-deposit taking and non-systematically important" company.

The Company uses accrual basis of accounting except in case of significant uncertainties.

For all periods up to and including the year ended 31 March 2019, the Company had prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the NBFC Master Directions (hereinafter referred as 'Previous GAAP').

b) Historical Cost Conversion

The Financial Statements have been prepared on a historical cost basis except for the following:

"Certain financial assets and liabilities that are measured at fair value"

c) Rounding off amounts

The financial statements are presented in INR and all values are rounded off nearest to the lacs, except when otherwise indicated.

d) Significant estimates, judgements and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the end of the financial statements and reported amounts of income and expense during the year.

The management believes that these estimates are prudent and reasonable and are based on management's best knowledge of current events and actions. Actual results could differ from these estimates and difference between actual results and estimates are recognised in the period in which results are known or materialised.

e) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating business cycle (12 months) and other criteria set out in the Schedule III to the Act.

2-B. Significant Accounting Policies

a) Property, Plant and Equipment

All items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any; Historical cost includes expenditure that is directly attributable to the acquisition of the items. No CENVAT credit is avail on the assets capitalized.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the reporting date are disclosed as Capital work-in-progress.

b) Depreciation / amortization on property, plant and equipment

Depreciable amount for Property, plant and equipment is the cost of an asset, less its residual value.

Depreciation on Property, plant and equipment is provided on the written down value method (except Aircraft where depreciation has been charged at straight line value method to provide more reliable estimate of value of assets) over the useful lives of assets as prescribed under para C of Schedule II of the Companies Act, 2013.

Depreciation is calculated on a pro-rata basis from the date of acquisition/installation till the date, the assets are sold or disposed off. Leasehold land is amortized over period of lease. Assets costing individually up to 5000 are written off to statement of profit and Loss.

c) Impairment of Property, plant and equipment

The carrying amounts of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An impairment loss on such assessment will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

d) De-recognition of property, plant and equipment

The carrying amount of an item of Property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, plant and equipment is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is de-recognised.

e) Borrowings and Borrowing costs

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the statement of Profit and Loss in the period in which they are incurred.

f) Financial Instruments - Financial Asset

1. Classification:

The Company classifies its financial assets in the following measurement categories:

(I) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)

(II) Those measured at amortised cost

The classification depends on the business model of the entity for managing financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Other Comprehensive Income or profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held.

2. Recognition and measurement:

(I) Initial Recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(II) Subsequent Measurement:

After Initial recognition, financial assets are measured at:

(i) Financial assets carried at amortized cost

(ii) Financial assets at fair value through profit and loss

g) Debt Instruments

(I) Measured at amortized cost

Financial Assets that are held for collection of contractual cash flow where those cash flows represent solely payment of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the Effective Interest Rate (EIR) method the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(II) Measured at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVTOCI, is classified as Fair Value through Profit or Loss (FVTPL). Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

(III) Measured at fair value through other comprehensive income (FVTOCI)

"Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income (FVTOCI). Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain/ (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

h) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVTPL. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.

i) De-recognition of financial assets

A financial asset is de-recognised only when the Company

- (i) has transferred the rights to receive cash flows from the financial asset or
- (ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

"Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised"

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

j) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

k) Other Financial liabilities**(I) Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(II) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

(III) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

(IV) De-recognition:

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

l) Off-setting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

m) Equity instruments:

The Company measures all its investments in equity instruments other than those in subsidiary companies, at fair value. The management of the Company has elected to present fair value gains and losses on such equity investments as at the transition date in profit and loss and there is change subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss, and Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss.

Dividends from such investments continue to be recognized in profit or loss as other income when the right to receive payment is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

n) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposit with original maturity up to three months, which are subject to insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft, if any; as they are considered as an integral part of Company's cash management.

o) Inventories

Stock in trade is valued at lower of cost and net realisable value. Cost is determined on weighted average cost method, which is determined on their specific individual costs which includes only purchase cost.

p) Revenue Recognition

"Revenue is the gross inflow of economic benefits received/receivable by the entity on its own account. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government."

(I) Sale of Shares

Revenue from sale of shares is recognised at the time of transaction

(II) Interest Income

Interest income is recognised by applying (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL, taking into account the amount outstanding and the applicable interest rate. Interest income is recognised on nonperforming assets at net of ECL.

(a) As the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset

(b) By considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) in estimating the cash flows

(c) Including all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts

(III) Dividend Income

Dividend income is recognised when the right to receive the payment is established

(IV) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as FVTPL held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

q) Foreign currency transactions**(I) Functional and presentation currency**

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of the Company are presented in Indian currency (INR), which is also the functional and presentation currency of the Company.

(II) Transactions and Translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary items denominated in foreign currencies at the year-end are restated at closing rates.

Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value

was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain/ (loss) Foreign exchange gain/(loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss

All foreign exchange gain / (loss) are presented in the Statement of Profit and Loss on a net basis within other income/ (expense)

r) Employee Benefits

Short-term employee benefits

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet.

Defined benefit Plans:

The Company pays gratuity to the employees who have completed five years of service with the company at the time of resignation / superannuation. The gratuity is paid @15days basic salary for every completed year of service as per the payment of gratuity act 1972.

The valuation has been carried out using the Project Unit Credit Method as per IND AS-19 (refer paragraph 67 of IND AS-19) to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost. It should be noted that valuations do not affect the ultimate cost of the plan, only the timing of when the benefit costs are recognized.

s) Income Tax

Tax expense comprises of current and deferred tax.

(I) Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period in accordance with Income Tax Act, 1961. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Previous Year the Company opts to pay lessor tax under Section 115BAA of the Income Tax Act 1956, resulting to which the standing credit of MAT (Minimum alternate Tax) available in the financial statement are lapsed, and the same is adjusted with retained earnings in preparation of the financial statement.

(II) Deferred tax:

Deferred tax assets and liabilities are recognized using the balance sheet approach for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

t) Earnings per share

Earnings per share (EPS) are calculated by dividing the net profit or loss (excluding other comprehensive income) for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period.

Diluted EPS is determined by dividing the profit / (loss) after tax attributable to equity shareholders for the period by weighted average number of equity shares and potential equity shares outstanding during the year, except where the results are anti-dilutive.

u) Leases

(I) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

At the commencement date, the Company shall recognize a right-of-use (ROU) asset and a lease liability. The ROU asset is initially measured at the amount of the lease liability, adjusted for lease prepayments, lease incentives received, initial direct costs, and an estimate of restoration costs. The lease liability is initially measured at the present value of lease payments over the lease term, discounted using the interest rate implicit in the lease, if readily determinable. If not, the Company's incremental borrowing rate should be used. Subsequent measurement of the ROU asset involves depreciation and impairment testing. The lease liability is increased by interest and reduced by lease payments.

(II) Sub-Lessee Accounting

When the Company sub-leases a part of a building, it shall assess whether the sub-lease is a finance lease or an operating lease. A finance lease is one where the sub-lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. Otherwise, it is an operating lease. For finance sub-leases, the Company derecognizes the ROU asset relating to the underlying asset that it transfers to the sub-lessee and recognizes a lease receivable at an amount equal to the net investment in the sub-lease.

For operating sub-leases, the Company continues to recognize the leased asset in its balance sheet and recognizes lease income on a straight-line basis or another systematic basis.

Income from sub-leases should be recognized in profit or loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the use of the underlying asset is diminished. Expenses incurred under the head lease (such as depreciation of the ROU asset and interest on the lease liability) are recognized separately from income from sub-leases.

(II) As a lessor

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income.

The interest income is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

v) Provisions, Contingent liabilities and Contingent assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements; however, they are disclosed where the inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is no longer a contingent asset and is recognized as an asset.

w) Current and Non-Current Classification:

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An Asset is treated as Current when it is –

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading / basic business activity of the company;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-Current.

A Liability is current when –

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading / basic business activity of the company;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

Deferred Tax Assets and liabilities are classified as non-current assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
3. Cash and cash equivalents		
a. Balance with banks		
- in current accounts	200.63	96.22
b. Cash on hand	4.60	2.36
c. Cheques, Drafts on hand	37.05	-
Cash and cash equivalents as per balance sheet	242.29	98.58
Cash and cash equivalents as per statements of cash flows	242.29	98.58
4. Receivables (Unsecured)		
Trade receivables		
a. Considered good	-	16.99
b. Considered doubtful	-	-
	-	16.99
Less: Allowance for doubtful debts (expected credit loss allowances)	-	-
	-	16.99
Age of receivables		
Within the credit period	-	-
Others	-	16.99
Total	-	16.99
4.1 Trade Receivables outstanding ageing schedule. (As Annexed)		
5. Loans		
Loans repayable on Demand		
A. At amortised cost		
Loans to related parties	565.04	600.25
Less: Impairment loss allowance	-	-
	565.04	600.25
B. At amortised cost		
Loan to Other Entities	3,670.09	2,297.81
Less: Impairment loss allowance	-	-
	3,670.09	2,297.81
Total	4,235.13	2,898.06
C. Out of the Above		
Loans in India		
-Others	4,235.13	2,898.06
Less: Impairment loss allowance	-	-
Loans outside India		
-Others	-	-
Less: Impairment loss allowance	-	-
Total net loans at amortised cost	4,235.13	2,898.06
5.1 Loans Disclosure Schedule. (As Annexed)		

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
6. Investments		
<u>Investments in Equity Instruments</u> <u>(Quoted, fully paid up)</u> <u>At fair value through other comprehensive income</u>		
Held for Trading	1.09	0.46
	<u>1.09</u>	<u>0.46</u>
Investments in Equity Instruments (Unquoted, fully paid up)		
(A) At fair value through other comprehensive income		
a. Plasopan Engineers (India) Pvt. Ltd. C.Y. Nil Shares of Face Value Rs. 10 each (P.Y. 37500 Shares of Face Value Rs. 10 each)	-	13.12
b. Mediaware Infotech Private Ltd. C.Y. 62000 Shares of Face Value Rs. 10 each (P.Y. 62000 Shares of Face Value Rs. 10 each)	51.58	49.04
c. Britonna Hotel & Yatch Club Pvt. Ltd. C.Y. 2132319 Shares of Face Value Rs. 10 each (P.Y. 1132319 Shares of Face Value Rs. 10 each)	211.06	112.19
	<u>262.65</u>	<u>174.36</u>
	<u>263.74</u>	<u>174.82</u>
#The investments in certain unquoted equity instruments which are held for medium or long-term strategic purpose and are not held for trading. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI as the management believe that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value in profit or loss. During the year ended 31 March 2024, the Company has recorded a fair valuation gain of ₹ 2.04 Lakhs in other comprehensive income (31 March 2023 : ₹ 2.27 Lakhs) on account of fair valuation of investments measured through other comprehensive income.		
*Note: Fair Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. The company has used audited financial statement as on 31 march 2023 as base for deriving fair value of investment in unquoted shares.		
(B) Other Investments		
Acrylicon Canvas Paintings	15.68	15.68
	<u>15.68</u>	<u>15.68</u>
Out of above		
In India	279.42	190.50
Outside India	-	-
	<u>279.42</u>	<u>190.50</u>
6.1 Disclosure of Investments (As Annexed)		
7. Other financial assets		
a. Security deposits	0.98	-
b. Advance to staff	0.66	-
Total	<u>1.63</u>	<u>-</u>
8. Current tax assets		
i. Current tax assets		
a. Advance tax/TDS (Net of Provision) Current Year only	24.21	17.58
Current Tax Assets (Net)	<u>24.21</u>	<u>17.58</u>

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

9. Deferred tax assets (Net)

The following is the analysis of deferred tax assets/(liabilities) in the Balance Sheet.

	As at 31 March 2024	As at March 31, 2023	
a. Deferred tax assets	(97.25)	149.23	
b. Deferred tax liabilities	52.17	(69.01)	
Total	52.17	80.22	

2023-24	Opening Balance	Recognised in Profit or loss	Closing balance
Deferred tax assets in relation to			
Property, plant and equipment	(69.01)	8.68	(60.34)
Fair valuation of investments	-	(0.51)	(0.51)
Lease Assets	-	(7.84)	(7.84)
Net Investment in Finance Lease	-	(28.56)	(28.56)
(A)	(69.01)	(28.23)	(97.25)
Deferred tax assets			
Lease Liabilities	-	36.46	36.46
Employee benefits	1.76	1.26	3.02
Unabsorbed depreciation	147.48	(37.54)	109.94
Brought forward loss	-	-	-
(B)	149.23	0.18	149.42
	80.22	(28.05)	52.17

Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

10: Property, plant and equipment

	As at		Capital work-in-progress	Total		
	March 31, 2024	March 31, 2023				
Carrying amounts of :						
Air Craft- Commercial	250.00	284.97	-	258.00		
Furniture & Fixtures	0.73	0.31	-	258.00		
Computer	0.01	0.03	-	258.00		
Vehicles	0.79	0.16	-	258.00		
Office Equipment	6.47	8.74	-	258.00		
Capital work-in-progress	258.00	294.21	-	258.00		
Total	258.00	294.21	-	258.00		
Particulars	Air Craft- Commercial	Furniture & Fixtures	Office Equipment	Computer	Vehicles	Total
Balance at March 31, 2023	1,255.73	0.90	0.79	1.54	10.72	1,269.68
Additions	-	0.58	-	1.04	-	1.62
Disposals	-	-	-	-	-	-
Balance at March 31, 2024	1,255.73	1.48	0.79	2.57	10.72	1,271.30
Accumulated depreciation						
Balance at March 31, 2023	970.76	0.59	0.73	1.36	1.98	975.41
Depreciation expense	34.97	0.17	0.01	0.41	2.26	37.83
Elimiated on Disposal of Assets	-	-	-	-	-	-
Balance at March 31, 2024	1,005.73	0.75	0.74	1.77	4.25	1,013.24
Carrying amount						
Balance at March 31, 2023	284.97	0.31	0.03	0.16	8.74	294.21
Additions	-	0.58	-	1.04	-	1.62
Disposals	-	-	-	-	(0.46)	(0.46)
Depreciation expense	34.97	0.17	0.01	0.41	2.26	37.83
Balance at March 31, 2024	250.00	0.73	0.01	0.79	6.47	258.00

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

11. Right-of-use assets *

The Company has lease contract for commercial Building ranging up to 9 years. The Company doesn't have leases of premises with lease terms of 12 months or less and with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Particulars	Building	Total
Gross carrying value		
As at 01 April 2022	-	-
Additions	-	-
Disposals	-	-
Adjustment	-	-
As at 31 March 2023	-	-
Additions	32.98	32.98
Disposals	-	-
Adjustment	-	-
As at 31 March 2024	32.98	32.98
Accumulated depreciation		
As at 01 April 2022	-	-
Depreciation	-	-
Disposals	-	-
Adjustment	-	-
As at 31 March 2023	-	-
Depreciation for the year	1.83	1.83
Disposals	-	-
Adjustment	-	-
As at 31 March 2024	1.83	1.83
Net carrying value		
As at 31 March 2023	-	-
As at 31 March 2024	31.14	31.14

(i) All the title deeds of immovable property related to right of use assets are in the name of the Company.

The movement in lease liabilities is as follows :

Particulars	Building	Total
Balance as at 31 March 2022	-	-
Additions	-	-
Add: Addition during the year	-	-
Add: Finance cost accrued during the year	-	-
Less: Payments of lease liabilities during the year	-	-
Less: Gain on foreclosure of lease	-	-
Reversal	-	-
Balance as at 31 March 2023	-	-
Additions	-	-
Add: Addition during the year	148.39	148.39
Add: Finance cost accrued during the year	6.95	6.95
Less: Payments of lease liabilities during the year	(10.46)	(10.46)
Less: Gain on foreclosure of lease	-	-
Reversal	-	-
Balance as at 31 March 2024	144.88	144.88

The weighted average incremental borrowing rate is 11%

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

The following amounts are included in the balance sheet as at 31 March 2024

Particulars	31 March 2024	31 March 2023
Current lease liabilities	6.15	-
Non-current lease liabilities	138.73	-
Total lease liability	144.88	-

The following are the amounts recognised in statement of profit and loss:

Particulars	FY 2023-24	FY 2022-23
Depreciation expense on right-of-use assets	1.83	-
Interest expense on lease liabilities	6.95	-
Total	8.79	-

The Company had total cash outflows for leases of Rs. 10.46 lakhs in March 31, 2024 (31 March 2023: Rs.Nil).

12. Net investment in Finance Lease *

The Company has lease contract of tenancy right of commercial building ranging up to 9 years. The Company doesn't have leases of premises with lease terms of 12 months or less and with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Particulars	FY 2023-24	FY 2022-23
Gross investment in lease	179.21	-
Less: Unearned Finance Income	(65.74)	-
Net Investment in Lease	113.48	-

Maturity Analysis of Lease Payments:

Particulars	FY 2023-24	FY 2022-23
Less than one year	8.14	-
Between one and five years	76.26	-
Over five years	94.82	-
Total Gross Investment in Lease	179.21	-

The unearned finance income represents the difference between the gross investment in the lease and the net investment in the lease. The total unearned finance income to be recognized as income over the lease term is ₹ 65.74 lakhs (Previous Year Rs. Nil)

Changes in Net Investment in Lease:

Particulars	Amount
Net Investment in Lease at the As at 31 March 2023	-
Add: New leases entered into during the year	115.41
Less: Lease payments received during the year	8.14
Add: Interest income accrued during the year	6.20
Net Investment in Lease at the end of the year	113.48

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
13.1 Other Non-Financial assets - Current		
a. Prepaid expenses	0.29	0.37
b. Other Advances	0.29	-
b. GST Credit	6.62	4.78
Total	7.19	5.16
13.2 Other Non-Financial assets - Non Current		
a. Capital advances	-	-
b. Customs Duty deposit under protest	236.82	236.82
c. Insurance claim receivable	175.09	175.09
d. Income Tax refundable	38.17	52.03
Total	450.08	463.94
Total	457.27	469.10
*Year wise break up of Income Tax Refund		
FY 2019-20 (AY 2020-21)	3.78	16.30
FY 2020-21 (AY 2021-22)	15.73	17.07
FY 2021-22 (AY 2022-23)	18.66	18.66
Total	38.17	52.03
14.1(I) Trade payables		
a. Total outstanding dues of micro enterprises and small enterprises	-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	-	-
14.2(II) Other payables		
a. Total outstanding dues of micro enterprises and small enterprises	1.58	0.95
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	1.58	0.95
Details of Other Payables		
a. Audit fee payable	1.58	0.95
Total	1.58	0.95

*Disclosure required under section 22 of the Micro small and Medium enterprises Development Act, 2006 are as below:

a) Dues remaining unpaid as at March 31		
- Principal	-	-
- Interest on the above	-	-
b) Interest paid in terms of Sec 16 of the Act, alongwith the amount of payment made to the supplier beyond the appointed day during the year.		
- Principal paid beyond the appointed date	-	-
- Interest paid in terms of section 16 of the Act.	-	-
c) Amount of interest due and payable for the period of delay on payments made beyond the appointed date during the year.	-	-
d) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.	-	-
e) Amount of interest accrued and remaining unpaid as at March 31.	-	-
Dues to Micro and small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
14.3 Trade Payables outstanding ageing schedule. (As Annexed)		
15. Borrowings (Other than Debt Securities)		
A Secured Loans		
a. Loans from Bank - Secured Loans (Against the hypothecation of vehicle)	4.34	5.97
B Unsecured Loans		
a. Loans from related parties	2,664.34	1,157.50
b. Loans from other parties	105.00	120.00
C Lease liabilities (Refer note no. 11)	138.7	-
Total	<u>2,912.42</u>	<u>1,283.47</u>
15.1 Classification of Borrowings (As Annexed)		
16. Other Financial liabilities		
Employees Dues	2.60	1.83
Security Deposits	287.52	304.51
Lease liabilities (Refer note no. 11)	6.15	-
Current Maturity of Loan		
Loans from Bank - Secured Loans	1.63	1.50
Total	<u>297.89</u>	<u>307.84</u>
17. Provisions		
17.1 Provision - Non Current		
a. Provision for employee benefits		
- Gratuity	2.43	1.50
- Leave Encashment	0.35	0.44
b. Provision against standard assets	16.94	10.01
c. Provision against sub-standard/Doubtful/Loss assets	-	47.96
Total	<u>19.73</u>	<u>59.91</u>
17.2 Provision - Current		
Provision for employee benefits		
- Gratuity	8.60	8.06
- Leave Encashment	0.60	0.70
Total	<u>9.20</u>	<u>8.76</u>
Total	<u>28.92</u>	<u>68.67</u>
18. Other Non Financial liabilities		
Duties and Taxes	6.82	2.42
EPF payable	0.01	0.01
ESIC payable	0.02	0.04
Expenses Payable	1.50	1.14
Total	<u>8.35</u>	<u>3.60</u>

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
	Number of shares	Number of shares
	Amount (Rs.)	Amount (Rs.)
19. Equity share capital		
(a) Authorised share capital		
Equity shares of Rs. 1 (Previous year Rs. 1) each with voting rights	4,000.00	4,000.00
(b) Issued, subscribed and fully paid up		
Equity shares of Rs. 1 (Previous year Rs. 1) each with voting rights	1,000.00	1,000.00
(c) Subscribed and fully paid up		
Equity shares of Rs. 1 (Previous year Rs. 1) each with voting rights	1,000.00	1,000.00
(d) Subscribed but not fully paid up		
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	-	-
Total Equity Share Capital (c+d)	1,000.00	1,000.00
a) Terms / rights attached to equity shares		
(i) The Company has only one class of equity shares having a par value of Rs. 1 per share. Each holder of equity share is entitled to one vote per share.		
(ii) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining 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.		
b) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :		
	Year ended March 31, 2024	Year ended March 31, 2023
Particulars	Number of shares	Number of shares
Shares outstanding at the beginning of the year	1,000.00	1,000.00
Shares issued during the year	1,000.00	1,000.00
Shares outstanding at the end of the year	1,000.00	1,000.00
(iii) Subscribed but not Fully paid equity shares		
	Year ended March 31, 2024	Year ended March 31, 2023
Particulars	Number of shares	Number of shares
Shares outstanding at the beginning of the year	-	-
Add: Calls in Received	-	-
Less: Partly paid up shares converted into fully paid up shares	-	-
Shares outstanding at the end of the year	-	-
(iv) Details of shares held by each shareholder holding more than 5% shares:		
	As at March 31, 2024	As at March 31, 2023
Class of shares / Name of shareholder	Number of shares held	Number of shares held
Equity shares with voting rights	% of holding	% of holding
Viml Investments & Finance Pvt. Ltd.	462.61	462.61
	46.26	46.26

19.1 Details of Shareholding of Promoters (As Annexed)

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
20. Other equity		
Retained earnings	1,411.50	1,371.81
Statutory Reserve	34.08	28.90
Total	1,445.58	1,400.70
20.1 Retained earnings		
i. Balance at the beginning of the year	1,371.80	1,351.35
iii Add: Profit for the year	25.94	22.74
iii. Item of other comprehensive income recognised directly in retained earnings	18.94	2.27
	1,416.68	1,376.35
iv Less: Amount transferred to statutory reserve @ 20% out of current year profits	5.19	4.55
v Less: Amount of loss transferred from Mega Airways Limited on merger with the Company	-	-
vi Less: Amount of MAT credit lapsed due to opting for section 115BAA under Income Tax Act 1956	5.19	4.55
Balance at the end of the year	1,411.50	1,371.81
20.2 Statutory Reserve		
Reserve fund in terms of Section 45I C(1) of the Reserve Bank of India Act, 1934		
i. Balance at the beginning of the year	28.90	24.35
ii. Add: Transferred from Surplus (20% for current period)	5.19	4.55
iii. Balance at the end of the year	34.08	28.90
20.3 Other Equity (As Annexed)		

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
21. Interest Income		
Interest on loans and advances (Net)	382.70	316.95
Total	382.70	316.95
21.1 Interest Income disclosure (As Annexed)		
22. Rental Income		
Rent Received	0.00	-
Total	0.00	-
23. Other income		
Profit on sale of investments	-	-
Profit on sale of assets	-	0.04
Interest income from security deposit	0.10	-
Interest income on income tax refund	0.44	-
Excess provision for standard assets written back	41.03	-
Miscellaneous income	0.20	-
Total	41.76	0.04
24. Finance costs		
On financial liabilities measured at amortised cost	229.22	161.34
On lease liabilities	6.95	-
Total	236.17	161.34
24.1 Disclosure of Finance Costs (As Annexed)		
25. Impairment on financial instruments		
Provision for Standard Assets	-	23.65
Provision for impairment of investment valued at fair value	-	-
Total	-	23.65

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at March 31, 2024	As at March 31, 2024
26. Employee benefits expense		
Salaries and wages	27.92	25.79
Director's Remuneration	8.76	8.04
Gratuity	1.36	1.16
Staff Welfare	0.12	0.15
Total	38.16	35.14
27. Depreciation and amortisation expenses		
related to		
- Property, plant & equipment	37.83	37.33
- Right-of-use assets	1.83	-
	39.66	37.33
28. Other expenses		
Legal and professional charges	20.23	12.89
Auditor's remuneration (Refer Note (i) below)	2.15	1.40
Advertisement	0.67	0.65
Balance written off	3.16	-
Common area maintenance charges	0.22	-
Insurance	0.23	0.23
Filing Fee	0.13	0.05
Listing Fees	3.25	3.00
Expected Credit Loss on financial assets	1.37	-
Printing & Stationery	0.11	0.02
Books & Periodicals	0.11	0.12
Telephone Expenses	0.18	0.22
Vehicle Running & Maintenance	2.12	1.73
Fee & Subscription	3.86	2.68
Rate, fee and taxes	12.55	-
General Expenses	0.95	0.77
Coveyance Expenses	0.30	0.30
Travelling Expenses:		
- Foreign Expense	-	2.57
- Domestic Expense	-	0.15
Bank charges	0.02	0.08
Meeting (AGM) Expenses	0.89	0.84
Direct Tax Expenses	0.03	0.01
Indirect Tax Expenses	4.43	2.14
Total	56.97	29.83
Note		
i. Payment to auditors comprises		
A. To Auditors		
(a) for Statutory audit (excluding GST)	1.75	1.00
(b) for Certification & Other Services (excluding GST)	0.40	0.40
	2.15	1.40

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

29 Income taxes

29.1 Income taxes recognised in profit and loss

	Year Ended March 31, 2024	Year Ended March 31, 2023
Current tax		
In respect of the current year	-	-
Mat Credit Entitlement for Current Year	-	-
	-	-
Deferred tax		
In respect of the current year	27.56	6.97
Adjustments to deferred tax attributable to changes in tax laws	-	-
	27.56	6.97
Total income tax expense recognised in the current year	27.56	6.97

The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit before tax	53.50	29.71
Statutory Income tax	25.17%	25.17%
Tax at Indian statutory income tax rate	13.47	7.48
Add: Effect of expenses that are not deductible in determining taxable profit	1.76	14.83
Effect of tax expenses for prior years	-	-
Tax effect on various other Items	(15.23)	(22.31)
Income tax expense recognised in profit or loss	-	-
Effective tax Rate	-	-

29.2 Income tax recognised in other comprehensive income

	Year Ended March 31, 2024	Year Ended March 31, 2023
Current tax		
Arising on Income and expenses recognised in other comprehensive income		
Remeasurements of defined benefit obligation	-	-
Total income tax recognised in other comprehensive income	-	-
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will be reclassified to profit or loss	-	-
Items that will not be reclassified to profit or loss	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

30 Earnings per share

Basic earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Units	Year Ended	
		March 31, 2024	March 31, 2023
a. Profit for the year		44.88	25.00
b. Weighted average number of equity shares used in computing the basic and diluted earnings per share	No. of shares (In lakhs)	1,000.00	1,000.00
c. Earnings per share basic and diluted		0.04	0.02

31 Contingent liabilities

Particulars	As at	
	March 31, 2024	March 31, 2023
a. Claims against the Company not acknowledged as debts		
- Customs Duty**	286.96	286.96
- Penalty*	30.00	30.00
- Fine*	250.00	250.00
Total	566.96	566.96
Less: paid under protest	236.82	236.82
Net Liability	330.14	330.14

Note:

*The Company has deposited a sum of Rs. 236.82 Lacs out of the above as additional Custom Duty on Import of Aircraft in FY 2007-08. Though the Company had disputed the said demand but had deposited the said amount in FY 2008-09 under protest to safeguard its business interest. The matter is still pending for disposal before the Customs Authorities. The Company has been advised that the contention of the Customs Authorities is not tenable hence there shall be no liability for payment of additional customs duty. The order sheet dated 24/02/2023 states that this case involves the question of competence of DRI to issue the show cause notice, which issue is pending before the Hon'ble Supreme Court. Therefore, the case will list on 14th October, 2024.

a. Claims against the Company not acknowledged as debts		
- Input Tax Credit Reversal under DGST Act 2017 *	9.53	-
- Interest*	9.53	-
- Penalty*	0.95	-
Total	20.01	-
Less: Pre-deposit for Appeal	0.95	-
Net Liability	19.05	-

Note:

*The Company has deposited a sum of Rs. 0.95 Lacs as a pre-deposit amount required for filing an appeal before the Appellate Authority regarding the GST demand for the FY 2017-18 assessment. Although the Company has disputed the demand, it deposited the said amount in FY 2023-24 under protest to safeguard its business interests. The matter is still pending disposal before the Appellate Authorities. The Company has received expert advice that the Sales Tax Officer's contention is not tenable, and therefore, there should be no liability for the GST demand arising from the reversal of input tax credit claimed in FY 2017-18. The order sheet dated 20/12/2023 indicates that the case involves issues of fact not considered by the Sales Tax Officer before issuing the show cause notice. This issue is currently pending before the Appellate Authority.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

32 Commitments

Particulars	As at	As at
	March 31, 2024	March 31, 2023
a. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-
b. The Company did not have any long term commitments/ contracts including derivative contracts for which there were any material foreseeable losses.		
c. There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.		

33 Disclosure as per Ind AS 24 'Related Party Disclosures

The Company's material related party transactions and outstanding balances are with whom the Company routinely enters into transactions in the ordinary course of business.

A. Name of the related parties and nature of relationship (With whom the Company has transactions during the year):

Related party transactions

Details of related parties:

Description of relationship

Key Management Personnel

Names of related parties

- (i) Mr. Surendra Chhalani – Director cum Chief Financial Officer
- (ii) Mr. Kunal Lalani – Director
- (iii) Mr. Surendra Kumar Chhajer – Chairman and Director
- (iv) Mr. Surendra Kumar Pagaria – Director
- (v) Mrs. Anisha Anand – Whole Time Director
- (vi) Mr. Vikram Anand – Additional Director (appointed w.e.f. 01.02.2024)
- (vii) Mr. Lokesh Kumar Sethia – Director (resigned w.e.f. 01.02.2024)
- (viii) Mrs. Abhilasha Lalani – Director (resigned w.e.f. 30.05.2023)
- (ix) Mrs. Krashmee Bhartiya – Company Secretary

Entities with management personnel and their relative are able to exercise significant influence - where transaction have taken place during the year

- (i) Crayons Advertising Limited
- (ii) All White Communications LLP
- (iii) Anand Power Private Limited
- (iv) Mega Cabs Limited
- (v) BB & HV Private Limited
- (vi) Sanya Resorts & Hospitality Private Limited
- (vii) Ultraviolet Digital Solutions LLP
- (viii) Vimi Investments and Finance Private Limited
- (ix) Omni Media Communications Private Limited
- (x) Bengaluru Megacabs Private Limited
- (xi) Britonna Hotel and Yatch Club Private Limited

Note: Related parties have been identified by the Management.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Details of related party transactions during the year :

NAME OF PARTY	Nature of transactions	Year ended March 31, 2024	Year ended March 31, 2023
Britonna Hotel & Yatch Club P Limited	Investment	-	9.23
Kunal Lalani	Loan taken	-	1.00
	Loan repaid	-	1.00
	Interest Credited	-	-
Surendra Chhalani	Salary paid	9.07	8.35
Gagan Mahajan	Salary paid	-	3.45
Krashmee Bhartiya	Salary paid	5.65	2.58
Anand Power Private Limited	Loan taken	-	-
	Loan repaid	97.00	94.00
	Interest Credited	9.29	21.68
Bengaluru Megacabs Private Limited	Loan given	25.00	20.00
	Loan received back	34.00	230.40
	Interest Charged	3.58	2.48
	Software Maintenance	-	0.11
Crayons Advertising Limited	Loan given	-	-
	Loan repaid	400.00	-
	Interest Credited	93.86	-
	Interest Charged	-	-
	Loan taken	2,270.00	-
	Interest Received	-	-
	Loan received back	-	-
Indication Instruments Limited	Loan taken	-	-
	Loan repaid	-	130.00
	Interest Charged	-	6.88
	Interest Credited	-	6.88
Mega Cabs Limited	Loan taken	336.65	338.51
	Interest Credited	65.35	77.96
	Interest Charged	-	-
	Loan repaid	551.65	374.51
Omni Media Communications Pvt Limited	Loan given	12.00	190.00
	Interest Charged	1.05	7.71
	Loan received back	88.00	120.00
	Advertising Charges paid	-	0.70
	Loan taken	150.00	55.00
	Loan repaid	75.00	55.00
	Interest Charged	7.24	0.02
Sanya Resorts & Hospitality P. Limited	Loan given	43.00	-
	Loan taken	-	240.00
	Loan repaid	138.00	197.00
	Loan received back	2.00	-
	Interest Credited	3.01	-
	Interest Charged	2.54	23.97
Ultraviolet Digital Solutions LLP	Loan given	-	-
	Loan taken	710.00	-
	Loan Repaid	810.00	-
	Interest Charged	23.48	9.00
All White Communications LLP	Loan given	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

NAME OF PARTY	Nature of transactions	Year ended March 31, 2024	Year ended March 31, 2023
	Loan taken	100.00	-
	Interest Credited	7.55	-
	Loan Repaid	-	-
	Interest Charged	-	-
BB & HV Pvt. Ltd.	Loan given	-	-
	Loan taken	27.00	45.00
	Loan Repaid	54.00	18.00
	Interest Credited	0.78	-
	Interest Charged	-	1.01
Vimi Investments And Finance Pvt Ltd	Loan taken	93.50	-
	Loan repaid	93.50	-
	Interest Charged	0.23	-
Sahyog Properties Private Limited	Loan taken	-	20.00
	Loan repaid	-	119.00
	Interest Credited	-	0.95
Britonna Hotel & Yatch Club P Limited	Loan repaid	-	50.00
	Interest Credited	-	3.04
	Loan Given	260.00	500.00
	Loan received back	260.00	-
	Interest Charged	45.56	3.68

Outstanding balance of related parties

Name of Party	Nature of Balance	Year ended March 31, 2024	Year ended March 31, 2023
Surendra Chhalani	Salary Payable	0.72	0.65
Krashmee Bhartiya	Salary Payable	0.50	0.46
All White Communications LLP	Loan Refundable	100.00	-
Crayons Advertising Limited	Loan Refundable	1,913.34	-
Omni Media Communications Pvt Limited	Loan Refundable	75.00	-
Anand Power Private Limited	Loan Refundable	20.00	117.00
Mega Cabs Limited	Loan Refundable	556.00	771.00
BB & HV Pvt. Ltd.	Loan Refundable	-	27.00
Sanya Resorts & Hospitality P. Limited	Loan Refundable	-	138.00
Ultraviolet Digital Solutions LLP	Loan Refundable	-	104.50
Omni Media Communications Pvt Limited	Loan Receivable	-	76.93
Sanya Resorts & Hospitality P. Limited	Loan Receivable	42.38	-
Britonna Hotel & Yatch Club P Limited	Loan Receivable	511.66	-
Bengaluru Megacabs Private Limited	Loan Receivable	11.00	20.00
Britonna Hotel & Yatch Club P Limited	Loan Receivable	-	503.31
Britonna Hotel & Yatch Club P Limited	Investment	-	112.19
Plasopan Engineers (India) Pvt. Ltd.	Investment	-	13.12

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

34 Employee Benefit Plans**(I) Defined Benefit Plans****A) Gratuity**

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service, managerial grade and salary at retirement age.

(i) Movement in Defined Benefit Obligations

Particulars	As at	
	March 31, 2024	March 31, 2023
Defined benefit obligation as at the opening of the year	9.56	8.40
Current service cost	0.96	0.87
Past Service cost	-	-
Interest on defined benefit obligation	0.40	0.61
Re-measurement gain/ (loss)	-	-
Actuarial loss / (gain) arising from change in financial assumptions	0.04	-
Actuarial loss / (gain) arising from change in demographical assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	0.07	(0.32)
Benefits paid	-	-
Liabilities assumed / (settled)	11.03	9.56
Liabilities extinguished on settlements	-	-
Defined Benefit Obligation as at the end of the year	11.03	9.56

(ii) Movement in Plan Assets

Particulars	As at	
	March 31, 2024	March 31, 2023
Fair value of plan asset as at the beginning of the year	-	-
Employer contributions	-	-
Interest on plan assets	-	-
Administration Expenses	-	-
Re-measurements due to:	-	-
Actual return on plan assets less interest on plan assets	-	-
Benefits paid	-	-
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
Fair value of Plan Asset as at the end of the year	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

(iii) Reconciliation of Net Liability/ Asset

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Net defined benefit liability/ (asset) as at the beginning of the year	9.56	8.40
Expense charged to settlement of profit and loss	-	-
Amount recognized in other comprehensive income	0.11	(0.32)
Employers contribution	1.36	1.48
Impact of liability assumed or (settled)	11.03	9.56
Net Defined Benefit Liability/ (Asset) as at the end of the year	11.03	9.56

(iv) Expenses charged to the statement of profit and loss

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Current service cost	0.96	0.87
Interest cost	0.40	0.61
Total	1.36	1.48

(v) Remeasurement gains/ (losses) in other comprehensive income

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Opening amount recognised in other comprehensive income		
Changes in financial assumptions	-	-
Changes in demographic assumptions	-	-
Experience adjustments	-	-
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognize the effect of asset ceiling	-	-
Closing amount recognized outside profit or loss in other comprehensive income		

(vi) Amount recognized in Balance Sheet

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Present value of funded defined benefit obligation	-	-
Fair value of plan assets	-	-
Net funded obligation	-	-
Present value of funded defined benefit obligation	11.03	9.56
Amount not recognized due to asset limit	-	-
Net Defined Benefit Liability recognized in Balance Sheet	11.03	9.56
Current	8.60	8.06
Non-Current	2.43	1.50

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

(vii) Key Actuarial Assumptions

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Discount rate	7.20%	7.30%
Salary escalation rate (p.a.)	8.00%	8.00%

(viii) A Quantitative Sensitivity Analysis for Significant Assumption as at 31 March 2024 is as shown below:

Particulars	Discount	Salary
	Rate	Escalation Rate
Impact of increase in 50 bps on defined benefit obligation	10.84	9.38
Impact of increase in 50 bps on defined benefit obligation	(11.25)	(9.76)

B) Leave Encashment**(i) Movement in Defined Benefit Obligations**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Defined benefit obligation as at the opening of the year	1.14	0.73
Current service cost	0.15	0.13
Past Service cost	-	-
Interest on defined benefit obligation	0.06	0.05
Re-measurement gain/ (loss)	-	-
Actuarial loss / (gain) arising from change in financial assumptions	0.00	-
Actuarial loss / (gain) arising from change in demographical assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	(0.40)	0.31
Benefits paid	-	(0.08)
Liabilities assumed / (settled)	0.95	1.14
Liabilities extinguished on settlements	-	-
Defined Benefit Obligation as at the end of the year	0.95	1.14

(ii) Movement in Plan Assets

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Fair value of plan asset as at the beginning of the year	-	-
Employer contributions	-	-
Interest on plan assets	-	-
Administration Expenses	-	-
Re-measurements due to:	-	-
Actual return on plan assets less interest on plan assets	-	-
Benefits paid	-	-
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
Fair value of Plan Asset as at the end of the year	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

(iii) Reconciliation of Net Liability/ Asset

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Net defined benefit liability/ (asset) as at the beginning of the year	1.14	0.73
Expense charged to settlement of profit and loss	-	-
Amount recognized in other comprehensive income	-	-
Employers contribution	(0.19)	0.49
Impact of liability assumed or (settled)	0.95	1.22
Benefits paid by the company	-	(0.08)
Net Defined Benefit Liability/ (Asset) as at the end of the year	0.95	1.14

(iv) Expenses charged to the statement of profit and loss

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Current service cost	0.15	0.13
Interest cost	0.06	0.05
Net value of remeasurements on the obligation and plan assets	(0.40)	0.31
Total	(0.19)	0.49

(v) Remeasurement gains/ (losses) in other comprehensive income

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Opening amount recognised in other comprehensive income	-	-
Changes in financial assumptions	-	-
Changes in demographic assumptions	-	-
Experience adjustments	-	-
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognize the effect of asset ceiling	-	-
Closing amount recognized outside profit or loss in other comprehensive income	-	-

(vi) Amount recognized in Balance Sheet

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Present value of funded defined benefit obligation	-	-
Fair value of plan assets	-	-
Net funded obligation	-	-
Present value of funded defined benefit obligation	0.95	1.14
Amount not recognized due to asset limit	-	-
Net Defined Benefit Liability recognized in Balance Sheet	0.95	1.14
Current	-	-
Non-Current	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

(vii) Key Actuarial Assumptions

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Discount rate	7.20%	7.30%
Salary escalation rate (p.a.)	8.00%	8.00%

(viii) A Quantitative Sensitivity Analysis for Significant Assumption as at 31 March 2023 is as shown below:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Impact of increase in 50 bps on defined benefit obligation	0.93	1.12
Impact of decrease in 50 bps on defined benefit obligation	(0.97)	(1.17)

35 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Financial Risk Management**35.1 Interest Rate Risk Management**

Floating rate financial assets are largely mutual fund investments which have debt securities as underlying assets. The returns from these financial assets are linked to market interest rate movements; however the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

35.2 Counterparty and Concentration of Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company is exposed to credit risk for receivables, cash and cash equivalents, and short-term investments.

35.3 Liquidity Risk Management

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

(a) Liquidity

The Company requires funds both for short-term operational needs as well as for the long-term investment programme mainly in for repayment of loans. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening our balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

35. Financial Instruments-Disclosures

35.4 Category-wise classification for applicable financial assets and financial liabilities:

	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Measured at Amortised cost		
Net Investment in finance lease	113.48	-
Cash and cash equivalents	242.29	98.58
Receivables	-	16.99
Loans	4,235.13	2,898.06
Other financial assets	1.63	-
Measured at FVTOCI		
(a) Investments in equity instruments designated upon initial recognition	279.42	190.50
Financial Liabilities		
Measured at Amortised cost (including trade payables balance in a disposal group held for sale)		
Lease liabilities (current / non current)	144.88	-
Borrowing (current / non current)	2,775.31	-
Trade payables	-	-
Other payables	1.58	0.95
Other Financial liabilities	297.89	307.84

Note: Carrying amounts of cash and cash equivalents, Loans, trade receivables, other payables as at March 31, 2024 & March 31, 2023 approximate the fair value because of their short term nature. Carrying amount other financial liabilities is taken Present value.

35.5 Fair value of the financial assets and liabilities that at fair value

Except as detailed in the following table, the Company considered that the carrying amount of Financials assets and financial liabilities recognised in the financial statement approximate their fair value

	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Investment	279.42	190.50
Total Financial Assets	279.42	190.50
Financial Liabilities		
borrowings	-	-
Total Financial Liabilities	-	-

35.6 Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:

	Fair value hierarchy as at March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Other Financial liabilities			297.89	297.89
Total	-	-	297.89	297.89
	Fair value hierarchy as at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Other Financial liabilities			307.84	307.84
Total	-	-	307.84	307.84

The fair value of the Financial liabilities included in the level 2 categories have been determined in accordance with generally accepted pricing models based on a discounted cash flows analysis, with the most significant inputs being discount that reflects the credit risk of counterparties

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

35.7 Maturity profile of assets and liabilities

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Net Investment in finance lease	8.14	171.08	179.21	-	-	-
Cash and cash equivalents	242.29	-	242.29	98.58	-	98.58
Bank Balance other than Cash and cash equivalents	-	-	-	-	-	-
Trade receivables	-	-	-	-	16.99	16.99
Loans	4,235.13	-	4,235.13	2,898.06	-	2,898.06
Investments	-	279.42	279.42	-	190.50	190.50
Other financial assets	-	1.63	1.63	-	-	-
	4,485.56	452.13	4,937.69	2,996.63	207.49	3,204.13
Non-Financial Assets						
Current tax assets (net)	-	24.21	24.21	-	17.58	17.58
Deferred tax assets (Net)	-	52.17	52.17	-	80.22	80.22
Property, plant and equipment	-	258.00	258.00	-	294.21	294.21
Capital work in Progress	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-
Lease Assets	3.66	27.48	31.14	-	-	-
Other non-financial assets	-	457.27	457.27	-	469.10	469.10
	3.66	819.13	822.79	-	861.11	861.11
Total assets	4,489.22	1,271.26	5,760.48	2,996.63	1,068.60	4,065.23
Liabilities						
Financial Liabilities						
Lease liabilities	6.15	138.73	144.88	-	-	-
Trade payables	-	-	-	-	-	-
Other payables	1.58	-	1.58	0.95	-	0.95
Borrowings (Other than Debt Securities)	2,912.42	-	2,912.42	1,283.47	-	1,283.47
Other Financial liabilities	-	297.89	297.89	-	307.84	307.84
	2,920.14	436.62	3,356.76	1,284.42	307.84	1,592.26
Non Financial Liabilities						
Current Tax Liabilities	-	-	-	-	-	-
Provisions	9.20	19.73	28.92	8.76	59.91	68.67
Other Non-Financial liabilities	-	8.35	8.35	-	3.60	3.60
	9.20	28.08	37.28	8.76	63.51	72.27
Total Liabilities	2,929.34	464.70	3,394.04	1,293.18	371.35	1,664.53

36 Disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 on 31 March, 2024 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid during the year or is payable under the terms of the MSMED Act, 2006. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

37 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total capital plus total debts.

Particulars	As at	As at
	31 March 2024	March 31, 2023
Total debts	2,912.42	1,283.47
Total equity	2,445.58	2,400.70
Total debts to equity ratio (Gearing ratio)	1.19	0.53

38 In accordance with the revised framework issued by SEBI for Listed Companies (LCs) for the financial year ending March 2024:

(a) Borrowings by Issuance of Qualified borrowing and Debt Securities*:

Particulars	Qualified Borrowings	Debt Securities
Balance as at 31 March 2022	-	-
Incremental Borrowing	-	-
Dept repayment	-	-
Balance as at 31 March 2023	-	-
Incremental Borrowing	-	-
Dept repayment	-	-
Balance as at 31 March 2024	-	-

*Note: The company does not have qualified borrowings and borrowing by way of issuance of debt securities during the financial year 31 March 2024 (Previous year Rs Nil)

(b) The company does not have unsupported bank borrowings or plain vanilla bonds.

39 There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2024.

40 Aggregate amount of loans or advances in the nature of loans given during the year is Rs.31,61,45,250/-.

Percentage thereof to the total loans granted is 100%.

Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is Rs. 3,40,00,000.

41 Following disclosures shall be made where loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

(a) Repayable on demand

or

(b) without specifying any terms or period of repayment

Type of Borrower	Amount of loans or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	565.04	13.34%

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

42

42.1 (a) That other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) That other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42.2 That the company has not entered into any non-cash transactions with directors or persons connected with him.

43 The company is not required to prepare Consolidate financial statement.

44 That the company has no borrowings from banks or financial institution on the basis of security of current asset.

45 That the company is not declared wilful defaulter by any bank or financial institution or other lender.

46 Details of delay in the payment of Principal or Interest not paid on due date. **(As Annexed)**

47 That the company has not entered any transaction with the companies struck off under section 248 of Companies Act 2013 or section 560 of the Companies Act 1956.

48 That there is charge or satisfaction which is yet to be registered with ROC beyond the statutory period against the vehicle.

49 The board of Director has decided not to declare dividend in the current year.

50 **Title deed of immovable property not held in name of the company:**

The company does not possess any immovable property which is not held in the name of the company.

51 **Proceeding under Benami transactions (prohibition) act, 1988:**

There is no proceedings initiated or is pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

52 **Compliance with number of layers of companies:**

Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act, read with Companies (Restriction on number of Layers) Rules, 2017.

53 **Compliance with approved Scheme(s) of Arrangements:**

The company has not entered into any scheme of arrangement.

54 **Re-valuation of property, plant and equipment and intangible assets:**

The Company has not revalued any of its Property, Plant and Equipment and Intangible Assets.

55 **Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

56 **Undisclosed income:**

That there has been no surrendered or disclosed income during the year in the tax assessments under the Income-tax Act, 1961(such as, search or survey or any other relevant provisions of the Income- tax Act,1961). Also, previously there was no unrecorded income and related assets in the books of account during the year which have not been properly recorded.

57 **Ratios :**

	As at	As at
	March 31, 2024	March 31, 2023
(a) Capital to risk-weighted assets ratio (CRAR)	50.86%	70.61%
(b) Tier I CRAR	50.86%	70.61%
(c) Tier II CRAR	-	-
(d) Liquidity Coverage Ratio	88.76%	172.51%

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

- 58 Corporate Social Responsibility - That the provision of section 135 of the Companies Act, are not applicable on the company.
- 59 **Events after the reporting period**
There have been no events after the reporting date that require disclosure in the financial statements.
- 60 Previous year ended figures have been regrouped/ rearranged wherever necessary, to conform with the current year.
- 61 The above financial statements have been reviewed by the audit committee and subsequently approved by the Board of Directors at its meeting held on May 27, 2024.

For A G M S & CO

Chartered Accountants
Firm Registration No. 021141N
Sd/-
CA Chunni Lal Golchha
Partner
M. No. 080597
UDIN: 24080597BKGWZN8075
Place: Ghaziabad
Date: 27th May 2024

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-
Surendra Chhalani	Kunal Lalani	Krashmee Bhartiya
Director & CFO	Director	Company Secretary
DIN: 00002747	DIN: 00002756	(ACS 66667)

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 4.1 Trade Receivables outstanding ageing schedule.

For the year ended on 31.03.2024

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

For the year ended on 31.03.2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	16.99	16.99
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 5.1 Loans Disclosure Schedule

	For the year ended on 31.03.2024				For the year ended on 31.03.2023					
	Amortised Cost		At Fair Value		Amortised Cost		At Fair Value			
	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss	Subtotal	Total	Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		
Loans	1	2	3	4	(5+2+3+4)	7	8	10	(11+8+9+10)	(12+(7) + (11))
(A)										
(i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	4,235.13	-	-	-	4,235.13	2,898.06	-	-	-	2,898.06
(iii) Term Loans	-	-	-	-	-	-	-	-	-	-
(iv) Leasing	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-
(vi) Others	-	-	-	-	-	-	-	-	-	-
Total (A) - Gross	4,235.13	-	-	-	4,235.13	2,898.06	-	-	-	2,898.06
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-
Total (A) - Net	4,235.13	-	-	-	4,235.13	2,898.06	-	-	-	2,898.06
(B)										
(i) Secured by tangible assets	-	-	-	-	-	-	-	-	-	-
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-
(iv) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-
(v) Unsecured	4,235.13	-	-	-	4,235.13	2,898.06	-	-	-	2,898.06
Total (B) - Gross	4,235.13	-	-	-	4,235.13	2,898.06	-	-	-	2,898.06
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-
Total (B) - Net	4,235.13	-	-	-	4,235.13	2,898.06	-	-	-	2,898.06
(C)										
(i) Loans in India	-	-	-	-	-	-	-	-	-	-
(ii) Public Sector	-	-	-	-	-	-	-	-	-	-
(iii) Others	4,235.13	-	-	-	4,235.13	2,898.06	-	-	-	2,898.06
Total (C) - Gross	4,235.13	-	-	-	4,235.13	2,898.06	-	-	-	2,898.06
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-
Total (C) (i)-Net	4,235.13	-	-	-	4,235.13	2,898.06	-	-	-	2,898.06
(C)										
(i) Loans outside India	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-
Total (C) (ii) - Net	-	-	-	-	-	-	-	-	-	-
Total C(i) and C(ii)	4,235.13	-	-	-	4,235.13	2,898.06	-	-	-	2,898.06

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 6.1 Disclosure of Investments

Investments	For the year ended on 31.03.2024						For the year ended on 31.03.2023							
	Amortised cost	At Fair Value			Sub-Total	Others*	Total	Amortised cost	At Fair Value			Sub-Total	Others*	Total
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss					Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss			
Mutual funds	1	2	3	4	5 = 2+3+4	6	7 = 1+5+6	8	9	10	11	12 = 9+10+11	13	14 = 8+12+13
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	279.42	-	-	279.42	-	279.42	-	190.50	-	-	190.50	-	190.50
Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Gross (A)	-	279.42	-	-	279.42	-	279.42	-	190.50	-	-	190.50	-	190.50
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	-	279.42	-	-	279.42	-	279.42	-	190.50	-	-	190.50	-	190.50
Total (B)	-	279.42	-	-	279.42	-	279.42	-	190.50	-	-	190.50	-	190.50
Total (A) to tally with (B)	-	279.42	-	-	279.42	-	279.42	-	190.50	-	-	190.50	-	190.50
Less:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for Impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net D=(A)-(C)	-	279.42	-	-	279.42	-	279.42	-	190.50	-	-	190.50	-	190.50

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 14.3 Trade Payables outstanding ageing schedule.

For the year ended on 31.03.2024

Particulars	Outstanding for following periods from due date of payment#				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

For the year ended on 31.03.2023

Particulars	Outstanding for following periods from due date of payment#				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 15.1 Classification of Borrowings

	For the year ended on 31.03.2024			For the year ended on 31.03.2023				
	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total
	1	2	3	(4)=(1)+(2)+(3)	1	2	3	(4)=(1)+(2)+(3)
(a) Term loans								
(i) from banks	4.34	-	-	4.34	5.97	-	-	5.97
(ii) from other parties	-	-	-	-	-	-	-	-
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	2,664.34	-	-	2,664.34	1,157.50	-	-	1,157.50
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand	-	-	-	-	-	-	-	-
(i) from banks	-	-	-	-	-	-	-	-
(ii) from other parties	105.00	-	-	105.00	120.00	-	-	120.00
(g) Other loans	-	-	-	-	-	-	-	-
Total (A)	2,773.69	-	-	2,773.69	1,283.47	-	-	1,283.47
Borrowings in India	2,773.69	-	-	2,773.69	1,283.47	-	-	1,283.47
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	2,773.69	-	-	2,773.69	1,283.47	-	-	1,283.47

NOTES TO THE FINANCIAL STATEMENTS

Annexure 19.1 Details of Shareholding of Promoters

Shares held by promoters at the end of the year 31.03.2024				% Change during the year
S. No.	Promoter name	No. of Shares	% of total shares	
1	Vimi Investments And Finance Pvt Ltd	4,62,60,878	46.26%	0.00%
2	Kunal Lalani	33,95,000	3.40%	0.00%
3	Hulas Mal Lalani	7,51,000	0.75%	0.04%
4	Vimi Lalani	5,41,000	0.54%	0.00%
5	Varsha Bengani	5,00,000	0.50%	0.00%
6	Seema Lalani	2,50,000	0.25%	0.00%
7	Mayank Lalani	111,586	0.11%	0.02%
Total		5,18,09,464	51.81%	0.05%

Shares held by promoters at the end of the year 31.03.2023				% Change during the year
S. No.	Promoter name	No. of Shares	% of total shares	
1	Vimi Investments And Finance Pvt Ltd	4,62,60,878	46.26%	0.31%
2	Kunal Lalani	33,95,000	3.40%	0.00%
3	Hulas Mal Lalani	7,86,000	0.79%	0.00%
4	Vimi Lalani	5,41,000	0.54%	0.00%
5	Varsha Bengani	5,00,000	0.50%	0.00%
6	Seema Lalani	2,50,000	0.25%	0.00%
7	Mayank Lalani	1,28,586	0.13%	0.00%
Total		5,18,61,464	51.86%	0.31%

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 20.3 Other Equity

For the year ended on 31.03.2024

Particular	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Statutory Reserve	Retained Earnings								
Balance at the beginning of the current reporting period	-	-	28.90	1,371.80	-	-	-	-	-	-	-	-	-	1,400.70
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	18.94	-	-	-	-	-	-	-	-	-	18.94
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	25.94	-	-	-	-	-	-	-	-	-	25.94
Any other change - Transferred to Statutory Reserve	-	-	5.19	(5.19)	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	34.08	1,411.50	-	-	-	-	-	-	-	-	-	1,445.58

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 20.3 Other Equity
For the year ended on 31.03.2023

Particular	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Statutory Reserve	Retained Earnings								
Balance at the beginning of the current reporting period	-	-	-	24.35	1,351.35	-	-	-	-	-	-	-	-	1,375.70
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	-	2.27	-	-	-	-	-	-	-	-	2.27
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	22.74	-	-	-	-	-	-	-	-	22.74
Any other change - Transferred to Statutory Reserve	-	-	-	4.55	(4.55)	-	-	-	-	-	-	-	-	-
Any other change - Amount of MAT credit lapsed due to opting for section 115BAA under Income Tax Act 1956	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	28.90	1,374.81	-	-	-	-	-	-	-	-	1,400.70

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 21.1. Interest Income disclosure

Particulars	For the year ended on 31.03.2024			For the year ended on 31.03.2023		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans	-	382.70	-	-	316.95	-
Interest income from investments	-	-	-	-	-	-
Interest from deposits with bank	-	-	-	-	-	-
Other interest income	-	-	-	-	-	-
Total	-	382.70	-	-	316.95	-

Annexure 24.1 Disclosure of Finance Costs.

Particulars	For the year ended on 31.03.2024		For the year ended on 31.03.2023	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Interest on deposits	-	-	-	-
Interest on borrowings	-	229.22	-	161.34
Interest on debt securities	-	6.95	-	-
Interest on subordinated liabilities	-	-	-	-
Other interest expense	-	-	-	-
Total	-	236.17	-	161.34

NOTES TO THE FINANCIAL STATEMENTS

Annexure 46 - Delay in the payment of Principal or Interest not paid on due date.

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Borrowings (Other than Debt Securities)	All White Communications LLP	2,07,123	Interest	178	Default has been made good during the year.
		2,36,250	Interest	86	
		4,43,373			
	Anand Power Pvt. Ltd.	1,07,063	Interest	4	Default has been made good during the year.
		1,04,146	Interest	2	
		94,882	Interest	2	
		91,131	Interest	3	
		32,733	Interest	6	
		75,713	Interest	13	
		54,788	Interest	4	
		16,758	Interest	30	
		32,535	Interest	7	
	6,09,749				
	BB & HV Pvt. Ltd.	38,758	Interest	70	Loan Paid off during the Year
		10,745	Interest	15	
		288	Interest	87	
		20,710	Interest	42	
	70,501				
	Cash U Drive Marketing P Ltd	1,89,000	Interest	232	Default has been made good during the year.
		1,89,000	Interest	140	
		1,89,000	Interest	48	
		2,31,554	Interest	64	
	7,98,554				
	Crayons Advertising Limited	1,51,397	Interest	273	Default has been made good during the year.
		7,571	Interest	199	
		5,53,019	Interest	181	
		34,00,964	Interest	89	
	41,12,951				
	Mega Cabs Limited	5,00,000	Interest	8	Default has been made good during the year.
		1,29,749	Interest	24	
		55,000	Interest	2	
		2,00,000	Interest	8	
		4,00,000	Interest	30	
6,748		Interest	12		
69,317		Interest	9		
63,018		Interest	13		
52,601		Interest	9		
24,855		Interest	29		
3,00,000		Interest	89		
2,50,000		Interest	58		
3,00,000		Interest	28		
1,72,867		Interest	8		
4,00,000		Interest	55		
1,01,917	Interest	16			
3,47,426	Interest	7			
1,00,000	Interest	26			
34,73,498					

NOTES TO THE FINANCIAL STATEMENTS

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
	Omni Media Communications P Ltd	27,123	Interest	218	
		2,49,534	Interest	126	Default has been made good during the year.
		2,23,343	Interest	34	
		26,191	Interest	48	
		5,26,191			
	Sanya Resorts & Hospitality P Ltd	2,16,780	Interest	180	
		54,319	Interest	142	
		2,71,099			
	Ultraviolet Digital Solutions LLP	2,32,151	Interest	274	Loan Paid off during the Year
		12,23,508	Interest	182	
		6,57,616	Interest	135	
		21,13,275			
	VIG K Finance Pvt Ltd	52,500	Interest	63	Default has been made good during the year.
		52,500	Interest	85	
		52,500	Interest	77	
		52,500	Interest	53	
		52,500	Interest	55	
		52,500	Interest	59	
		52,500	Interest	55	
		52,500	Interest	54	
		52,500	Interest	47	
		52,500	Interest	41	
		52,500	Interest	26	
		5,77,500			
	Vimi Investments And Finance Pvt Ltd	17,559	Interest	2	Loan Paid off during the Year
		2,713	Interest	14	
		20,272			
	Grand Total	1,30,16,963			

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
MEGA Corporation Limited,
A-33, Second Floor, F.I.E.E.
Okhla Industrial Area, Phase-II,
New Delhi-110020

OPINION**1. Opinion**

- a. We have audited the accompanying Financial Statements of Mega Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other Comprehensive Income), Statement of changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").
- b. 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards 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 ethical requirements that are relevant to our audit of the financial statements under the provisions 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.

3. Key Audit Matters (KAM)

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 Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key matters to be communicated in our report.

4. Information Other than the Financial Statements and Auditor's Report thereon

- a. The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the Board Report and we do not express any form of assurance conclusion thereon.

- b. In connection with our audit of the financial statements, our responsibility is to read the other information identified above, when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 in this Board Report, we are required to report that fact.

5. Management's Responsibility for the Financial Statements

- a. The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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, changes in equity and cash flows

of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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.

- b. In preparing the Financial Statements, 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 are responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Financial Statements

- a. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.
- b. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
 - iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- c. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.
- d. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- e. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- f. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

II. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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 it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - g. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is not in accordance with the provisions of section 197 read with Schedule V of the Act. The remuneration paid to the director aggregating to Rs. 8.04 lacs during the FY 2022-23 exceeds the limit laid down under Section 197 read with Schedule V of the Act by Rs. 4.85 lacs.
 - h. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements- Refer Note 28 to the Financial Statements.
 - ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.

- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and
- c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under sub clause (a) and (b) contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.
3. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company w.e.f. 01st April 2023 so reporting under this clause for Financial Year 2022-23 is not applicable.

For A G M S & CO
Chartered Accountants
Firm Registration Number: 021141N

Sd/-
CA Chunni Lal Golchha
Partner
M. No.: 080597
UDIN: 23080597BGTSRW9475

Date: 30th May 2023
Place: Ghaziabad

Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements"

We report that:

- i. a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) As explained to us, the company has no intangible assets therefore no comments are required whether the company is maintaining proper records showing full particulars of intangible assets;
- b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification
- c) According to the information and explanations given by the management, there are no immovable properties, hence reporting whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, are not applicable to the company.
- d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. a) As explained to us, the company has no inventories therefore no comments are required whether physical verification of inventory has been conducted at reasonable intervals by the management.
- b) As explained to us, the company has no sanctioned working capital limits on the security of current assets therefore no comments are required whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. a) Clause (iii) (a) is not applicable as the principal business of the company is to give loans.
- b) According to the information and explanations given to us and the records produced before us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prima facie prejudicial to the company's interest.
- c) The loans are repayable on demand on or before the agreed period. Tenure of loan can be mutually extended as well. Schedule of repayment of interest, as agreed, is regularly accounted for.
- d) The total amount overdue for more than ninety days is Rs.46,39,940/- and reasonable steps have been taken by the company for recovery of the principal and interest.
- e) Clause (iii) (e) is not applicable as the principal business of the company is to give loans.
- f) The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment:
 - Aggregate amount of loans or advances in the nature of loans given during the year is Rs. 18,28,00,000/-
 - Percentage thereof to the total loans granted is 100%.
 - Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is 5,90,00,000/-.
- iv. In respect of loans, investments, guarantees, and security, provisions of sections 185 and 186 of the Companies Act have been complied with.
- v. The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, the provisions of clause 3(v) of the order are not applicable.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- vii. a) According to the records made available to us, company is regular in depositing undisputed statutory dues including Goods and Services Tax, 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 to the

appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.
- viii. According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. a) In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender except following lenders.

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
As per annexure 1					

- b) According to the information and explanations given by the management, the company is not declared wilful defaulter by any bank or financial institution or other lender;
- c) In our opinion and according to the information and explanations given by the management, the Company has not obtained any term loan therefore clause 3(ix) (c) of CARO, 2020 is not applicable whether term loan was applied for the purpose for which the loans were obtained.
- d) In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilised for long term purposes.
- e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.
- x. a) Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;
- b) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed therefore report under sub-section (12) of section 143 of the Companies Act is not applicable;
- c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- xii. The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.
- xiii According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
- xiv. a) According to the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business;
- b) The reports of the Internal Auditors for the period under audit were considered by us.

- xv. On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. a) In our Opinion and based on our examination, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and the registration has been obtained;
b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- xvii. Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- xx. Based on our examination, the provision of section 135 of Companies Act are not applicable on the company. Hence this clause is not applicable on the company.
- xxi. The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

For A G M S & CO
Chartered Accountants
Firm Registration Number: 021141N

Sd/-
CA Chunni Lal Golchha
Partner
M. No.: 080597
UDIN: 23080597BGTSRW9475

Date: 30th May 2023
Place: Ghaziabad

REPORT ON INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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 Corporation Limited ("the Company") as of March 31, 2023 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 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. 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 judgement, 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 unauthorized 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, 2023, 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 A G M S & CO
Chartered Accountants
Firm Registration Number: 021141N

Sd/-
CA Chunni Lal Golchha
Partner
M. No.: 080597
UDIN: 23080597BGTSRW9475

Date: 30th May 2023
Place: Ghaziabad

BALANCE SHEET AS AT MARCH 31, 2023

(All amounts in lakhs unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
1 Financial Assets			
a. Cash and cash equivalents	3	98.58	88.87
b. Bank Balance other than (a) above		-	-
c. Derivatives Financial Instruments		-	-
d. Receivables	4		
(I) Trade Receivables		16.99	16.99
(II) Other Receivables		-	-
e. Loans	5	2,898.06	3,098.28
f. Investments	6	190.50	179.00
g. Other financial assets	7	-	0.20
2 Non-Financial assets			
a. Inventories		-	-
b. Current tax assets (net)	8	17.58	18.66
c. Deferred tax assets (Net)	9	80.22	87.20
d. Investment Property		-	-
e. Biological assets other than bearer plants		-	-
f. Property, Plant and Equipment	10	294.21	321.28
g. Capital work in Progress		-	-
h. Intangible assets under development		-	-
i. Goodwill		-	-
j. Other Intangible Assets		-	-
k. Other non-financial assets	11	469.10	717.17
TOTAL ASSETS		4,065.23	4,527.64
LIABILITIES AND EQUITY			
Liabilities			
1 Financial liabilities			
a. Derivative financial instruments		-	-
b. Payables	12		
(I) Trade payables	12.1	-	-
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(II) Other payables	12.2	0.95	0.90
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
c. Debt Securities		-	-
d. Borrowings (Other than Debt Securities)	13	1,283.47	1,795.51
e. Deposits		-	-
f. Subordinated Liabilities		-	-
g. Other Financial liabilities	14	307.84	305.94
2 Non-Financial liabilities			
a. Current Tax liabilities (Net)		-	-
b. Provisions	15	68.67	43.45
c. Deferred Tax Liabilities (Net)		-	-
d. Other Non-Financial liabilities	16	3.60	6.15
3 Equity			
a. Equity share capital	17	1,000.00	1,000.00
b. Other equity	18	1,400.70	1,375.70
Total Liabilities and Equity		4,065.23	4,527.64
The accompanying notes are integral part of the financial statements			
In terms of our report attached			

For A G M S & CO

Chartered Accountants
Firm Registration No. 021141N
Sd/-

CA Chunni Lal Golchha
Partner
M. No. 080597
UDIN: 23080597BGTSRW9475
Place: Ghaziabad
Date: 30th May 2023

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-
Surendra Chhalani	Kunal Lalani	Krashmee Bhartiya
Director & CFO	Director	Company Secretary
DIN: 00002747	DIN: 00002756	(ACS 66667)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in lakhs unless otherwise stated)			
	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from operations			
(i) Interest Income	19	316.95	308.78
(ii) Dividend Income		-	-
(iii) Rental Income	20	-	3.00
(iv) Fees and Commission Income		-	-
(v) Net gain on fair value changes		-	-
(vi) Net Gain on derecognition of financial instruments under amortised cost category		-	-
(viii) Sale of Services		-	1.57
(ix) Others		-	-
(I) Total Revenue from operations		316.95	313.36
(II) Other income	21	0.04	(0.80)
(III) Total income (1+2)		316.99	312.56
Expenses			
(i) Finance costs	22	161.34	205.35
(ii) Fees and Commission Expense		-	-
(iii) Net gain on fair value changes		-	-
(iv) Net Gain on derecognition of financial instruments under amortised cost category		-	-
(v) Impairment on financial instruments	23	23.65	20.63
(vi) Cost of Material Consumed		-	-
(vii) Purchase of Stock in Trade		-	-
(viii) Changes in Inventories of finished goods, stock in trade and work in progress		-	-
(ix) Employee benefits expense	24	35.14	21.22
(x) Depreciation, amortisation and impairment	10	37.33	35.55
(xi) Other expenses	25	29.83	23.70
(IV) Total expenses		287.28	306.45
(V) Profit/(Loss) before exceptional item and tax (III - IV)		29.71	6.10
(VI) Exceptional item		-	-
(VII) Profit before tax (V - VI)		29.71	6.10
(VIII) Tax expense:	26		
Current tax		-	-
Deferred tax		6.97	(9.94)
Adjustment of tax relating to earlier period		-	-
Less : MAT credit entitlement		-	-
Total tax expense		6.97	(9.94)
(IX) Profit/(Loss) for the period from continuing operations (VII - VIII)		22.74	16.04
(X) Profit/(Loss) for the period from discontinued operations		-	-
(XI) Tax Expense of discontinued operations		-	-
(XII) Profit/(Loss) for the period from discontinued operations after tax (X - XI)		-	-
(XIII) Profit/(Loss) for the period (IX + XII)		22.74	16.04
(XIV) Other comprehensive income			
(A) (i) Items that will not be reclassified to profit and loss			
(a) Changes in fair valuation of equity instruments		2.27	2.77
(b) Remeasurements of the defined benefit plans		-	-
(ii) Income tax relating to items that will not be reclassified to profit and loss		-	-
(ii) Income tax relating to items that will be reclassified to profit and loss		-	-
Total other comprehensive income		2.27	2.77
Changes in fair valuation of equity instruments		-	-
Equity instruments through other comprehensive income		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income (Net of Tax)		-	-
(XV) Total comprehensive income for the year (XIII + XIV)		25.00	18.81
(XVI) Earnings per equity share:			
(Face value Rs. 1 per share)			
- Basic and diluted (Rupees)	27	0.03	0.02

The accompanying notes are integral part of the financial statements

In terms of our report attached

For A G M S & CO
Chartered Accountants
Firm Registration No. 021141N
Sd/-
CA Chhuni Lal Golchha
Partner
M. No. 080597
UDIN: 23080597BGTSRW9475
Place: Ghaziabad
Date: 30th May 2023

For and on behalf of the Board of Directors

Sd/- Surendra Chhalani Director & CFO DIN: 00002747	Sd/- Kunal Lalani Director DIN: 00002756	Sd/- Krashmee Bhartiya Company Secretary (ACS 66667)
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STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in lakhs unless otherwise stated)

PARTICULARS	As on March 31, 2023	As on March 31, 2022
1 Cash flow from operating activities :-		
Profit for the year	29.71	6.10
Adjusted for:		
Depreciation and Amortisation expense	37.33	35.55
(Profit)/Loss on sale of fixed assets	(0.04)	-
MAT Credit adjusted to Retained Earnings	-	-
Dividend Received (Long Term Investments)	-	-
Balance written off	-	0.06
Impairment on financial instruments	23.65	20.63
Operating Profit / (loss) before working capital changes	90.65	62.35
Changes in Assets and Liabilities		
Adjusted for:		
(Increase)/ Decrease in trade receivables	-	(3.31)
(Increase)/ Decrease in loans	200.22	17.95
(Increase)/ Decrease in tax assets	1.08	(1.59)
(Increase)/ Decrease in other financial assets	0.20	0.01
(Increase)/ Decrease in other non financial assets	248.07	8.35
Increase/ (Decrease) in trade payables	0.05	1.33
Increase/ (Decrease) in other liabilities	(2.55)	-
Increase/ (Decrease) in Other Financial liabilities	1.90	-
Increase/ (Decrease) in provisions	1.57	0.63
Cash generated from operations	541.19	85.71
Add: Amount received on merger of subsidiary company	-	-
Less : Taxation paid /refund (net off)	-	-
Net cash from operating activities	541.19	85.71
2 Cash flow from Investing activities		
Purchase of fixed assets	(10.72)	(0.49)
Purchase of Investments	(9.23)	-
Unrealised (Gain)/loss on fair valuation of financial instruments	-	-
Sale of investment (net of profit)	-	50.00
Sale of fixed assets	0.50	-
Dividend received	-	-
Net cash used in investing activities	(19.45)	49.51
3 Cash flow from financing activities		
Proceeds from short-term borrowings	(512.03)	(63.15)
Net cash used in financing activities	(512.03)	(63.15)
Net (Increase/ Decrease) in Cash and Cash Equivalents	9.70	72.07
Cash and cash equivalent at the beginning of the year	88.87	16.80
Cash and cash equivalent at the end of the year	98.58	88.87

The accompanying notes are integral part of the financial statements

For A G M S & CO

Chartered Accountants
Firm Registration No. 021141N

Sd/-

CA Chunni Lal Golchha

Partner
M. No. 080597
UDIN: 23080597BGTSRW9475
Place: Ghaziabad
Date: 30th May 2023

For and on behalf of the Board of Directors

Sd/-

Surendra Chhalani

Director & CFO
DIN: 00002747

Sd/-

Kunal Lalani

Director
DIN: 00002756

Sd/-

Krashmee Bhartiya

Company Secretary
(ACS 66667)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(All amounts in lakhs unless otherwise stated)

a. Equity Share Capital

Balance as at March 31, 2022	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2023
10,00,00,000	-	-	-	10,00,00,000

Balance as at March 31, 2021	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at March 31, 2022
10,00,00,000	-	-	-	10,00,00,000

b. Other Equity

Particulars	Reserves and surplus		
	Retained earnings	Reserve Fund as per RBI Act	Total Other Equity
Balance as at March 31, 2021	1,335.747	21.139	1,356.887
Profit for the year	16.04	-	16.04
Other comprehensive income	2.77	-	2.77
	18.81	-	18.81
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(3.21)	3.21	-
Amount of MAT credit lapsed due to opting for section 115BAA under Income Tax act 1956	-	-	-
Balance as at March 31, 2022	1,351.35	24.35	1,375.70
Profit for the year	22.74	-	22.74
Other comprehensive income	2.27	-	2.27
	25.00	-	25.00
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(4.55)	4.55	-
Amount of MAT credit lapsed due to opting for section 115BAA under Income Tax act 1956	-	-	-
Balance as at March 31, 2023	1,371.81	28.90	1,400.70

The accompanying notes are integral part of the financial statements

In terms of our report attached

For A G M S & CO

Chartered Accountants
Firm Registration No. 021141N
Sd/-

CA Chinni Lal Golchha

Partner
M. No. 080597
UDIN: 23080597BGTSRW9475
Place: Ghaziabad
Date: 30th May 2023

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-
Surendra Chhalani	Kunal Lalani	Krashmee Bhartiya
Director & CFO	Director	Company Secretary
DIN: 00002747	DIN: 00002756	(ACS 66667)

Notes forming part of the financial statements for the year ended March 31, 2023

1-A. Overview of the Company

Mega Corporation Limited (the Company) is a Public Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 on 26th March 1985. The securities of the Company are presently listed on "Mumbai Stock Exchange", being the Exchange having nationwide terminals.

The Company is Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI) with registration No. 14.00955 dated 09th May, 1998. The Company is engaged in investment in securities and provides loans and leasing & financial services to other establishments

2-A. Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Compliance with Ind AS:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company–Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (the NBFC Master Directions) issued by RBI. The financial statements have been prepared on a going concern basis.

The Company is a "non-deposit taking and non-systematically important" company.

The Company uses accrual basis of accounting except in case of significant uncertainties.

For all periods up to and including the year ended 31 March 2019, the Company had prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the NBFC Master Directions (hereinafter referred as 'Previous GAAP').

b) Historical Cost Conversion

The Financial Statements have been prepared on a historical cost basis except for the following:
"Certain financial assets and liabilities that are measured at fair value"

c) Rounding off amounts

The financial statements are presented in INR and all values are rounded off nearest to the lacs, except when otherwise indicated.

d) Significant estimates, judgements and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the end of the financial statements and reported amounts of income and expense during the year.

The management believes that these estimates are prudent and reasonable and are based on management's best knowledge of current events and actions. Actual results could differ from these estimates and difference between actual results and estimates are recognised in the period in which results are known or materialised.

e) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating business cycle (12 months) and other criteria set out in the Schedule III to the Act.

2-B. Significant Accounting Policies

a) Property, Plant and Equipment

All items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any; Historical cost includes expenditure that is directly attributable to the acquisition of the items. No CENVAT credit is avail on the assets capitalized.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the reporting date are disclosed as Capital work-in-progress'.

b) Depreciation / amortization on property, plant and equipment

Depreciable amount for Property, plant and equipment is the cost of an asset, less its residual value.

Depreciation on Property, plant and equipment is provided on the straight line method value method over the useful lives of assets as prescribed under para C of Schedule II of the Companies Act, 2013.

Depreciation is calculated on a pro-rata basis from the date of acquisition/installation till the date, the assets are sold or disposed off. Leasehold land is amortized over period of lease. Assets costing individually up to 5000 are written off to statement of profit and Loss.

c) Impairment of Property, plant and equipment

The carrying amounts of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An impairment loss on such assessment will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

d) De-recognition of property, plant and equipment

The carrying amount of an item of Property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, plant and equipment is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is de-recognised.

e) Borrowings and Borrowing costs

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the statement of Profit and Loss in the period in which they are incurred.

f) Financial Instruments - Financial Asset

1. Classification:

The Company classifies its financial assets in the following measurement categories:

(I) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)

(II) Those measured at amortised cost

The classification depends on the business model of the entity for managing financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Other Comprehensive Income or profit or loss. For investments in debt instruments, this will depend on the business model in which the investment is held.

2. Recognition and measurement:

(I) Initial Recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

(II) Subsequent Measurement:

After Initial recognition, financial assets are measured at ;

(i) Financial assets carried at amortized cost

(ii) Financial assets at fair value through profit and loss

g) Debt Instruments

(I) Measured at amortized cost

Financial Assets that are held for collection of contractual cash flow where those cash flows represent solely payment of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the Effective Interest Rate (EIR) method the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

(II) Measured at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVTOCI, is classified as Fair Value through Profit or Loss (FVTPL). Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

(III) Measured at fair value through other comprehensive income (FVTOCI)

"Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income (FVTOCI). Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain/ (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

h) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVTPL. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.

i) De-recognition of financial assets

A financial asset is de-recognised only when the Company

- (i) has transferred the rights to receive cash flows from the financial asset or
- (ii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

"Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised"

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

j) Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

k) Other Financial liabilities

(I) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(II) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

(III) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

(IV) De-recognition:

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

l) Off-setting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

m) Equity instruments:

The Company measures all its investments in equity instruments other than those in subsidiary companies, at fair value. The management of the Company has elected to present fair value gains and losses on such equity investments as at the transition date in profit and loss and there is change subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss, and Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss.

Dividends from such investments continue to be recognized in profit or loss as other income when the right to receive payment is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are not reported separately from other changes in fair value.

n) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft, if any; as they are considered as an integral part of Company's cash management.

o) Inventories

Stock in trade is valued at lower of cost and net realisable value. Cost is determined on weighted average cost method, which is determined on their specific individual costs which includes only purchase cost.

p) Revenue Recognition

"Revenue is the gross inflow of economic benefits received/receivable by the entity on its own account. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government."

(I) Sale of Shares

Revenue from sale of shares is recognised at the time of transaction

(II) Interest Income

Interest income is recognised by applying (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL, taking into account the amount outstanding and the applicable interest rate. Interest income is recognised on nonperforming assets at net of ECL.

(a) As the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset

(b) By considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) in estimating the cash flows

(c) Including all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts

(III) Dividend Income

Dividend income is recognised when the right to receive the payment is established

(IV) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as FVTPL held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

q) Foreign currency transactions**(I) Functional and presentation currency**

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of

the Company are presented in Indian currency (INR), which is also the functional and presentation currency of the Company.

(II) Transactions and Translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary items denominated in foreign currencies at the year-end are restated at closing rates.

Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain/ (loss) Foreign exchange gain/(loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss

All foreign exchange gain / (loss) are presented in the Statement of Profit and Loss on a net basis within other income/ (expense)

r) Employee Benefits

Short-term employee benefits

All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet.

Defined benefit Plans:

The Company pays gratuity to the employees who have completed five years of service with the company at the time of resignation / superannuation. The gratuity is paid @15days basic salary for every completed year of service as per the payment of gratuity act 1972.

The valuation has been carried out using the Project Unit Credit Method as per IND AS-19 (refer paragraph 67 of IND AS-19) to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost. It should be noted that valuations do not affect the ultimate cost of the plan, only the timing of when the benefit costs are recognized.

s) Income Tax

Tax expense comprises of current and deferred tax.

(I) Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period in accordance with Income Tax Act, 1961. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Previous Year the Company opts to pay lessor tax under Section 115BAA of the Income Tax Act 1956, resulting to which the standing credit of MAT (Minimum alternate Tax) available in the financial statement are lapsed, and the same is adjusted with retained earnings in preparation of the financial statement.

(II) Deferred tax:

Deferred tax assets and liabilities are recognized using the balance sheet approach for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in equity, respectively.

t) Earnings per share

Earnings per share (EPS) are calculated by dividing the net profit or loss (excluding other comprehensive income) for the period attributable to Equity Shareholders by the weighted average number of Equity shares

outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period. Diluted EPS is determined by dividing the profit / (loss) after tax attributable to equity shareholders for the period by weighted average number of equity shares and potential equity shares outstanding during the year, except where the results are anti-dilutive.

u) Leases

(I) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

(II) As a lessor

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated between the asset and interest income.

The interest income is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

v) Provisions, Contingent liabilities and Contingent assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements; however, they are disclosed where the inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is no longer a contingent asset and is recognized as an asset.

w) Current and Non-Current Classification:

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An Asset is treated as Current when it is –

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading / basic business activity of the company;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-Current.

A Liability is current when –

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading / basic business activity of the company;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current.

Deferred Tax Assets and liabilities are classified as non-current assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at 31 March 2023	As at March 31, 2022
3. Cash and cash equivalents		
a. Balance with banks		
- in current accounts	96.22	82.54
b. Cash on hand	2.36	6.34
c. Cheques, Drafts on hand	-	-
Cash and cash equivalents as per balance sheet	98.58	88.87
Cash and cash equivalents as per statements of cash flows	98.58	88.87
4. Receivables (Unsecured)		
Trade receivables		
a. Considered good	16.99	16.99
b. Considered doubtful	-	-
	16.99	16.99
Less: Allowance for doubtful debts (expected credit loss allowances)	-	-
	16.99	16.99
Age of receivables		
Within the credit period	-	-
Others	16.99	16.99
Total	16.99	16.99
4.1 Trade Receivables outstanding ageing schedule. (As Annexed)		
5. Loans		
Loans repayable on Demand		
A. At amortised cost		
Loans to related parties	600.25	230.40
Less: Impairment loss allowance	-	-
	600.25	230.40
B. At amortised cost		
Loan to Other Entities	2,297.81	2,867.88
Less: Impairment loss allowance	-	-
	2,297.81	2,867.88
Total	2,898.06	3,098.28
C. Out of the Above		
<u>Loans in India</u>		
-Others	2,898.06	3,098.28
Less: Impairment loss allowance	-	-
<u>Loans outside India</u>		
-Others	-	-
Less: Impairment loss allowance	-	-
Total net loans at amortised cost	2,898.06	3,098.28

5.1 Loans Disclosure Schedule. (As Annexed)

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at 31 March 2023	As at March 31, 2022	
6. Investments			
<u>Investments in Equity Instruments</u>			
<u>(Quoted, fully paid up)</u>			
<u>At fair value through other comprehensive income</u>			
Held for Trading	0.46	0.47	
	<u>0.46</u>	<u>0.47</u>	
Investments in Equity Instruments (Unquoted, fully paid up)			
(A) At fair value through other comprehensive income			
a. Plasopan Engineers (India) Pvt. Ltd. C.Y. 37500 Shares of Face Value Rs. 10 each (P.Y. 37500 Shares of Face Value Rs. 10 each)	13.12	12.71	
b. Mediaware Infotech Private Ltd. C.Y. 62000 Shares of Face Value Rs. 10 each (P.Y. 62000 Shares of Face Value Rs. 10 each)	49.04	47.18	
c. Britonna Hotel & Yatch Club Pvt. Ltd. C.Y. 1132319 Shares of Face Value Rs. 10 each (P.Y. 1039999 Shares of Face Value Rs. 10 each)	112.19	102.96	
	<u>174.36</u>	<u>162.85</u>	
	<u>174.82</u>	<u>163.32</u>	
(B) Other Investments			
Acrylcon Canvas Paintings	15.68	15.68	
	<u>15.68</u>	<u>15.68</u>	
Out of above			
In India	190.50	179.00	
Outside India	-	-	
	<u>190.50</u>	<u>179.00</u>	
6.1 Disclosure of Investments (As Annexed)			
7. Other financial assets			
a. Security deposits	-	0.20	
Total	-	<u>0.20</u>	
8. Current tax assets			
I. Current tax assets			
a. Advance tax/TDS (Net of Provision) Current Year only	17.58	18.66	
Current Tax Assets (Net)	<u>17.58</u>	<u>18.66</u>	
9. Deferred tax assets (Net)			
The following is the analysis of deferred tax assets/(liabilities) in the Balance Sheet.			
a. Deferred tax assets	149.23	164.68	
b. Deferred tax liabilities	(69.01)	(77.48)	
Total	<u>80.22</u>	<u>87.20</u>	
2022-23	Opening Balance	Recognised in Profit or loss	Closing balance
Deferred tax assets in relation to			
Property, plant and equipment	(77.48)	(8.47)	(69.01)
Employee benefits	2.15	0.40	1.76
Unabsorbed depreciation	155.51	8.04	147.48
Brought forward loss	7.01	7.01	-
	<u>87.20</u>	<u>6.97</u>	<u>80.22</u>

Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

10: Property, plant and equipment

	As at		As at		Computer	Vehicles	Total
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022			
Carrying amounts of :							
Air Craft- Commercial	284.97	319.95					
Furniture & Fixtures	0.31	0.42					
Computer	0.03	0.06					
Vehicles	0.16	0.39					
Office Equipment	8.74	0.46					
Total	294.21	321.28					
Capital work-in-progress	-	-					
Total	294.21	321.28					
Particulars	Air Craft- Commercial	Furniture & Fixtures	Office Equipment	Computer	Vehicles	Total	
Balance at March 31, 2022	1,255.73	0.90	0.79	1.54	9.20	1,268.16	
Additions	-	-	-	-	10.72	10.72	
Disposals	-	-	-	-	(9.20)	(9.20)	
Balance at March 31, 2023	1,255.73	0.90	0.79	1.54	10.72	1,269.68	
Accumulated depreciation							
Balance at March 31, 2022	935.78	0.48	0.70	1.12	8.74	946.82	
Depreciation expense	34.97	0.10	0.03	0.23	1.98	37.33	
Elimiated on Disposal of Assets	-	-	-	-	(8.74)	(8.74)	
Balance at March 31, 2023	970.76	0.59	0.73	1.36	1.98	975.41	
Carrying amount							
Balance at March 31, 2022	319.95	0.42	0.06	0.39	0.46	321.28	
Additions	-	-	-	-	10.72	10.72	
Disposals	-	-	-	-	(0.46)	(0.46)	
Depreciation expense	34.97	0.10	0.03	0.23	1.98	37.33	
Balance at March 31, 2023	284.97	0.31	0.03	0.16	8.74	294.21	

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at 31 March 2023	As at March 31, 2022
11 Other Non-Financial assets - Current		
a. Prepaid expenses	0.37	0.10
b. GST Credit	4.78	4.78
Total	<u>5.16</u>	<u>4.89</u>
Other Non-Financial assets - Non Current		
a. Capital advances	-	267.00
b. Customs Duty deposit under protest	236.82	236.82
c. Insurance claim receivable	175.09	175.09
d. Income Tax refundable	52.03	33.37
Total	<u>463.94</u>	<u>712.28</u>
Total	<u>469.10</u>	<u>717.17</u>
*Year wise break up of Income Tax Refund		
FY 2019-20 (AY 2020-21)	16.30	16.30
FY 2020-21 (AY 2021-22)	17.07	17.07
FY 2021-22 (AY 2022-23)	18.66	-
Total	<u>52.03</u>	<u>33.37</u>
12.1(I) Trade payables		
a. Total outstanding dues of micro enterprises and small enterprises		-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	<u>-</u>	<u>-</u>
12.2(II) Other payables		
a. Total outstanding dues of micro enterprises and small enterprises	0.95	0.90
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	<u>0.95</u>	<u>0.90</u>
Details of Other Payables		
a. Audit fee payable	0.95	0.90
Total	<u>0.95</u>	<u>0.90</u>
12.3 Trade Payables outstanding ageing schedule. (As Annexed)		
13. Borrowings (Other than Debt Securities)		
Secured Loans		
a. Loans from Bank - Secured Loans (Against the hypothecation of vehicle)	5.97	-
Unsecured Loans		
a. Loans from related parties	1,157.50	1,514.70
b. Loans from other parties	120.00	280.81
Total	<u>1,283.47</u>	<u>1,795.51</u>
13.1 Classification of Borrowings (As Annexed)		

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at 31 March 2023	As at March 31, 2022
14. Other Financial liabilities		
Employees Dues	1.83	1.43
Security Deposits	304.51	304.51
Current Maturity of Loan		
Loans from Bank - Secured Loans	1.50	-
Total	307.84	305.94
15. Provisions		
15.1 Provision - Non Current		
a. Provision for employee benefits		
- Gratuity	1.50	8.40
- Leave Encashment	0.44	-
b. Provision against standard assets	57.97	34.32
Total	59.91	42.72
15.2 Provision - Current		
Provision for employee benefits		
- Gratuity	8.06	-
- Leave Encashment	0.70	0.73
Total	8.76	0.73
16. Other Non Financial liabilities		
Duties and Taxes	2.42	3.56
EPF payable	0.01	0.01
ESIC payable	0.04	-
Expenses Payable	1.14	2.58
Total	3.60	6.15

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
17. Equity share capital				
(a) Authorised share capital				
Equity shares of Rs. 1 (Previous year Rs. 1) each with voting rights Issued, subscribed and fully paid up	4,000.00	4,000.00	4,000.00	4,000.00
Equity shares of Rs. 1 (Previous year Rs. 1) each with voting rights Subscribed and fully paid up	1,000.00	1,000.00	1,000.00	1,000.00
Equity shares of Rs. 1 (Previous year Rs. 1) each with voting rights Subscribed but not fully paid up	1,000.00	1,000.00	1,000.00	1,000.00
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	-	-	-	-
Total Equity Share Capital (c+d)	1,000.00	1,000.00	1,000.00	1,000.00
a) Terms / rights attached to equity shares				
(i) The Company has only one class of equity shares having a par value of Rs. 1 per share. Each holder of equity share is entitled to one vote per share.				
(ii) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining 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.				
b) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :				
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Particulars	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
Shares outstanding at the beginning of the year	1,000.00	1,000.00	1,000.00	1,000.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	1,000.00	1,000.00	1,000.00	1,000.00
(iii) Subscribed but not Fully paid equity shares				
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Particulars	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
Shares outstanding at the beginning of the year	-	-	-	-
Add: Calls in Received	-	-	-	-
Less: Partly paid up shares converted into fully paid up shares	-	-	-	-
Shares outstanding at the end of the year	-	-	-	-
(iv) Details of shares held by each shareholder holding more than 5% shares:				
Class of shares / Name of shareholder	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Equity shares with voting rights	Number of shares held	% of holding	Number of shares held	% of holding
Vimi Investments & Finance Pvt. Ltd.	465.73	46.26	465.73	46.26

17.1 Details of Shareholding of Promoters (As Annexed)

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at 31 March 2023	As at March 31, 2022
18. Other equity		
Retained earnings	1,371.81	1,351.35
Statutory Reserve	28.90	24.35
Total	1,400.70	1,375.70
18.1 Retained earnings		
i. Balance at the beginning of the year	1,351.35	1,335.75
iii Add: Profit for the year	22.74	16.04
iii. Item of other comprehensive income recognised directly in retained earnings	2.27	2.77
	1,376.35	1,354.56
iv Less: Amount transferred to statutory reserve @ 20% out of current year profits	4.55	3.21
v Less: Amount of loss transferred from Mega Airways Limited on merger with the Company	-	-
vi Less: Amount of MAT credit lapsed due to opting for section 115BAA under Income Tax Act 1956	4.55	3.21
	3,20,874	38,71,748
Balance at the end of the year	1,371.81	1,351.35
18.2 Statutory Reserve		
Reserve fund in terms of Section 45I C(1) of the Reserve Bank of India Act, 1934		
i. Balance at the beginning of the year	24.35	21.14
ii. Add: Transferred from Surplus (20% for current period)	4.55	3.21
iii. Balance at the end of the year	28.90	24.35
18.3 Other Equity (As Annexed)		

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at 31 March 2023	As at March 31, 2022
19. Interest Income		
Interest on loans and advances (Net)	316.95	308.78
Total	316.95	308.78
19.1 Interest Income disclosure (As Annexed)		
20. Rental Income		
Rent Received	-	3.00
Total	-	3.00
21. Other income		
Interest on FDRs	0.04	-
Excess Liability Written Back	-	(0.80)
Total	0.04	(0.80)
22. Finance costs		
On financial liabilities measured at amortised cost	161.34	205.35
Total	161.34	205.35
22.1 Disclosure of Finance Costs (As Annexed)		
23. Impairment on financial instruments		
Provision for Standard Assets	23.65	20.63
Provision for impairment of investment valued at fair value	-	-
Total	23.65	20.63

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

	As at 31 March 2023	As at March 31, 2022
24. Employee benefits expense		
Salaries and wages	25.79	13.94
Director's Remuneration	8.04	6.95
Gratuity	1.16	0.27
Staff Welfare	0.15	0.06
Total	35.14	21.22
25. Other expenses		
Legal and professional charges	12.89	11.28
Rent paid	-	0.35
Auditor's remuneration (Refer Note (i) below)	1.40	1.40
Advertisement	0.65	0.62
Insurance	0.23	0.15
Filing Fee	0.05	0.15
Listing Fees	3.00	3.00
Printing & Stationery	0.02	0.00
Books & Periodicals	0.12	0.11
Telephone Expenses	0.22	0.21
Vehicle Running & Maintenance	1.73	2.30
Fee & Subscription	2.68	1.49
General Expenses	0.77	0.43
Coveyance Expenses	0.30	0.13
Travelling Expenses:		
- Foreign Expense	2.57	-
- Domestic Expense	0.15	-
Bank charges	0.08	0.02
Meeting (AGM) Expenses	0.84	0.58
Electricity Expenses	-	0.04
Direct Tax Expenses	0.01	-
Indirect Tax Expenses	2.14	1.45
Total	29.83	23.70
Note		
i. Payment to auditors comprises		
A. To Auditors		
(a) for Statutory audit (excluding GST)	1.00	1.00
(b) for Certification & Other Services (excluding GST)	0.40	0.40
	1.40	1.40

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

26 Income taxes**26.1 Income taxes recognised in profit and loss**

	Year Ended March 31, 2023	Year Ended March 31, 2022
Current tax		
In respect of the current year	-	-
Mat Credit Entitlement for Current Year	-	-
	-	-
Deferred tax		
In respect of the current year	6.97	(9.94)
Adjustments to deferred tax attributable to changes in tax laws	-	-
	6.97	(9.94)
Total income tax expense recognised in the current year	6.97	(9.94)

The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit before tax	29.71	6.10
Statutory Income tax	25.17%	25.17%
Tax at Indian statutory income tax rate	7.48	1.54
Add: Effect of expenses that are not deductible in determining taxable profit	14.83	13.51
Effect of tax expenses for prior years	-	-
Tax effect on various other Items	(22.31)	(15.05)
Income tax expense recognised in profit or loss	-	-
Effective tax Rate	-	-

26.2 Income tax recognised in other comprehensive income

	Year Ended March 31, 2023	Year Ended March 31, 2022
Current tax		
Arising on Income and expenses recognised in other comprehensive income		
Remeasurements of defined benefit obligation	-	-
Total income tax recognised in other comprehensive income	-	-
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will be reclassified to profit or loss	-	-
Items that will not be reclassified to profit or loss	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

27 Earnings per share

Basic earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Units	Year Ended	Year Ended
		March 31, 2023	March 31, 2022
a. Profit for the year		25.00	18.81
b. Weighted average number of equity shares used in computing the basic and diluted earnings per share	No. of shares	1,000.00	1,000.00
c. Earnings per share basic and diluted		0.03	0.02

28 Contingent liabilities

Particulars	As at	As at
	March 31, 2023	March 31, 2022
a. Claims against the Company not acknowledged as debts		
- Customs Duty**	286.96	286.96
- Penalty*	30.00	30.00
- Fine*	250.00	250.00
Total	566.96	566.96
Less: paid under protest	236.82	236.82
Net Liability	330.14	330.14

Note:

*The Company has deposited a sum of Rs. 236.82 Lacs out of the above as additional Custom Duty on Import of Aircraft in FY 2007-08. Though the Company had disputed the said demand but had deposited the said amount in FY 2008-09 under protest to safeguard its business interest. The matter is still pending for disposal before the Customs Authorities. The Company has been advised that the contention of the Customs Authorities is not tenable hence there shall be no liability for payment of additional customs duty. The order sheet dated 24/02/2023 states that this case involves the question of competence of DRI to issue the show cause notice, which issue is pending before the Hon'ble Supreme Court. Therefore, the case will list on 28th July, 2023.

29 Commitments

Particulars	As at	As at
	March 31, 2023	March 31, 2022
a. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	352.25
b. The Company did not have any long term commitments/ contracts including derivative contracts for which there were any material foreseeable losses.		
c. There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.		

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

30 Related party transactions

The Company's material related party transactions and outstanding balances are with whom the Company routinely enters into transactions in the ordinary course of business.

A. Name of the related parties and nature of relationship (With whom the Company has transactions during the year):**Related party transactions****Details of related parties:****Description of relationship**

Key Management Personnel

Names of related parties

- (i) Sh. Surendra Chhalani (CFO/Director)
- (ii) Sh. Kunal Lalani (Executive Director)
- (iii) Ms. Anisha Anand (Executive Director)
- (iv) Sh. Surendra Kumar Chhajjer (Non-Executive-Independent Director)
- (v) Sh. Surendra Pagaria (Non-Executive-Independent Director)
- (vi) Ms. Abhilasha Lalani (Non-Executive-Non Independent Director)
- (vii) Sh. Gagan Mahajan (Company Secretary)
- (viii) Ms. Krashmee Bhartiya (Company Secretary)

Relative of Key Management Personnel with whom transaction have taken place

Entities in which KMP / Relatives of KMP can exercise significant influence

- (i) Bengaluru Megacabs Pvt Ltd
- (ii) Crayons Advertising Ltd.
- (iii) Indication Instruments Limited
- (iv) Mega Cabs Private Limited
- (v) Omni Media Communications Pvt Limited
- (vi) Sanya Resorts & Hospitality P. Limited
- (vii) Sahyog Properties Private Limited
- (viii) Ultraviolet Digital Solutions LLP
- (ix) Mega Luxuries & Hotels LLP
- (x) Anand Power Private Limited
- (xi) All White Communications LLP
- (xii) BB & HV Pvt. Ltd.
- (xiii) Britonna Hotel & Yacht Club Pvt Ltd
- (xiv) Plasopan Engineers India Pvt Ltd
- (xv) Vimi Investments & Finance Pvt. Ltd.

Note: Related parties have been identified by the Management.

Details of related party transactions during the year :

NAME OF PARTY	Nature of transactions	Year ended	Year ended
		March 31, 2023	March 31, 2022
Britonna Hotel & Yatch Club P Limited	Investment	9.23	-
Kunal Lalani	Loan taken	1.00	-
	Loan repaid	1.00	-
	Interest Credited	-	-
Surendra Chhalani	Salary paid	8.35	7.26
Aagat Singh	Salary paid	-	2.70
Gagan Mahajan	Salary paid	3.45	3.42
Krashmee Bhartiya	Salary paid	2.58	-
Anand Power Private Limited	Loan taken	-	-
	Loan repaid	94.00	57.00
	Interest Credited	21.68	33.93

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

NAME OF PARTY	Nature of transactions	Year ended	Year ended
		March 31, 2023	March 31, 2022
Bengaluru Megacabs Private Limited	Loan given	20.00	17.50
	Loan received back	230.40	108.60
	Interest Charged	2.48	26.89
	Software Maintenance	0.11	-
Crayons Advertising Private Limited	Loan given	-	50.00
	Loan repaid	-	50.00
	Interest Credited	-	-
	Interest Charged	-	0.21
	Loan taken	-	50.00
	Interest Received	-	0.37
	Loan received back	-	50.00
Indication Instruments Limited	Loan taken	-	-
	Loan repaid	130.00	-
	Interest Charged	6.88	13.00
	Interest Credited	6.88	30.57
Mega Cabs Private Limited	Loan taken	338.51	516.20
	Interest Credited	77.96	85.23
	Interest Charged	-	-
	Loan repaid	374.51	189.20
Omni Media Communications Pvt Limited	Loan given	190.00	2,500.00
	Interest Charged	7.71	3.24
	Loan received back	120.00	2,500.00
	Advertising Charges paid	0.70	0.62
	Loan taken	55.00	-
	Loan repaid	55.00	-
	Interest Charged	0.02	-
Sanya Resorts & Hospitality P. Limited	Loan given	-	3.00
	Loan taken	240.00	350.00
	Loan repaid	197.00	275.00
	Loan received back	-	8.00
	Interest received	-	0.77
	Interest Charged	23.97	7.72
Ultraviolet Digital Solutions LLP	Loan given	-	-
	Loan taken	-	100.00
	Loan received back	-	-
	Interest Charged	9.00	0.51
All White Communications LLP	Loan given	-	-
	Loan taken	-	-
	Loan Repaid	-	125.00
	Interest Charged	-	3.81
BB & HV Pvt. Ltd.	Loan given	-	-
	Loan taken	45.00	5.00
	Loan Repaid	18.00	5.00
	Interest Charged	1.01	0.03
Mega Luxuries & Hotels LLP	Loan given	-	25.00
	Loan received back	-	25.00
	Interest Credited	-	0.40
Sahyog Properties Private Limited	Loan taken	20.00	133.00
	Loan repaid	119.00	472.00
	Interest Credited	0.95	33.67
Brittona Hotel & Yatch Club P Limited	Loan repaid	50.00	45.00
	Loan taken	-	23.00
	Interest Credited	3.04	7.28
	Loan Given	500.00	-
	Interest Charged	3.68	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Outstanding balance of related parties

Name of Party	Nature of Balance	Year ended March 31, 2023	Year ended March 31, 2022
Vimi Investments & Finance Pvt. Ltd.	Shareholding	465.73	465.73
Surendra Chhalani	Salary Payable	0.65	0.65
Krashmee Bhartiya	Salary Payable	0.46	-
Gagan Mahajan	Salary Payable	-	0.60
Anand Power Private Limited	Loan Refundable	117.00	211.00
BB & HV Pvt. Ltd.	Loan Refundable	27.00	-
Indication Instruments Limited	Loan Refundable	-	141.70
Mega Cabs Private Limited	Loan Refundable	771.00	814.00
Sanya Resorts & Hospitality P. Limited	Loan Refundable	138.00	75.00
Sahyog Properties Private Limited	Loan Refundable	-	103.00
Ultraviolet Digital Solutions LLP	Loan Refundable	104.50	100.00
Britonna Hotel & Yatch Club P Limited	Loan Refundable	-	50.00
Bengaluru Megacabs Private Limited	Loan Receivable	20.00	230.40
Britonna Hotel & Yatch Club P Limited	Loan Receivable	503.31	-
Omni Media Communications Pvt Limited	Loan Receivable	76.93	-
Britonna Hotel & Yatch Club P Limited	Investment	112.19	102.96
Plasopan Engineers (India) Pvt. Ltd.	Investment	13.12	12.71

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

31 Employee Benefit Plans

(I) Defined Benefit Plans

A) Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service, managerial grade and salary at retirement age.

(i) Movement in Defined Benefit Obligations

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Defined benefit obligation as at the opening of the year	8.40	--
Current service cost	0.87	--
Past Service cost	-	--
Interest on defined benefit obligation	0.61	--
Re-measurement gain/ (loss)	-	--
Actuarial loss / (gain) arising from change in financial assumptions	-	--
Actuarial loss / (gain) arising from change in demographical assumptions	-	--
Actuarial loss / (gain) arising on account of experience changes	(0.32)	--
Benefits paid	-	--
Liabilities assumed / (settled)	9.56	8.40
Liabilities extinguished on settlements	-	--
Defined Benefit Obligation as at the end of the year	9.56	8.40

(ii) Movement in Plan Assets

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Fair value of plan asset as at the beginning of the year	-	--
Employer contributions	-	--
Interest on plan assets	-	--
Administration Expenses	-	--
Re-measurements due to:	-	--
Actual return on plan assets less interest on plan assets	-	--
Benefits paid	-	--
Assets acquired / (settled)	-	--
Assets distributed on settlements	-	--
Fair value of Plan Asset as at the end of the year	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

(iii) Reconciliation of Net Liability/ Asset

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Net defined benefit liability/ (asset) as at the beginning of the year	8.40	-
Expense charged to settlement of profit and loss	-	-
Amount recognized in other comprehensive income	(0.32)	-
Employers contribution	1.48	-
Impact of liability assumed or (settled)	9.56	8.40
Net Defined Benefit Liability/ (Asset) as at the end of the year	9.56	8.40

(iv) Expenses charged to the statement of profit and loss

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Current service cost	0.87	-
Interest cost	0.61	-
Total	1.48	-

(v) Remeasurement gains/ (losses) in other comprehensive income

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Opening amount recognised in other comprehensive income		
Changes in financial assumptions	-	-
Changes in demographic assumptions	-	-
Experience adjustments	-	-
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognize the effect of asset ceiling	-	-
Closing amount recognized outside profit or loss in other comprehensive income		

(vi) Amount recognized in Balance Sheet

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Present value of funded defined benefit obligation	-	-
Fair value of plan assets	-	-
Net funded obligation	-	-
Present value of funded defined benefit obligation	9.56	8.40
Amount not recognized due to asset limit	-	-
Net Defined Benefit Liability recognized in Balance Sheet	9.56	8.40
Current	8.06	-
Non-Current	1.50	8.40

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

(vii) Key Actuarial Assumptions

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Discount rate	7.30%	6.80%
Salary escalation rate (p.a.)	8.00%	6.80%

(viii) A Quantitative Sensitivity Analysis for Significant Assumption as at 31 March 2023 is as shown below:

Particulars	Discount	Salary
	Rate	Escalation Rate
Impact of increase in 50 bps on defined benefit obligation	9.38	9.74
Impact of increase in 50 bps on defined benefit obligation	(9.76)	(9.40)

B) Leave Encashment

(i) Movement in Defined Benefit Obligations

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Defined benefit obligation as at the opening of the year	0.73	-
Current service cost	0.13	-
Past Service cost	-	-
Interest on defined benefit obligation	0.05	-
Re-measurement gain/ (loss)	-	-
Actuarial loss / (gain) arising from change in financial assumptions	-	-
Actuarial loss / (gain) arising from change in demographical assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	0.31	-
Benefits paid	(0.08)	-
Liabilities assumed / (settled)	1.14	0.73
Liabilities extinguished on settlements	-	-
Defined Benefit Obligation as at the end of the year	1.14	0.73

(ii) Movement in Plan Assets

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Fair value of plan asset as at the beginning of the year	-	-
Employer contributions	-	-
Interest on plan assets	-	-
Administration Expenses	-	-
Re-measurements due to:	-	-
Actual return on plan assets less interest on plan assets	-	-
Benefits paid	-	-
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
Fair value of Plan Asset as at the end of the year	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

(iii) Reconciliation of Net Liability/ Asset

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Net defined benefit liability/ (asset) as at the beginning of the year	0.73	-
Expense charged to settlement of profit and loss	-	-
Amount recognized in other comprehensive income	-	-
Employers contribution	0.49	-
Impact of liability assumed or (settled)	1.22	0.73
Benefits paid by the company	(0.08)	-
Net Defined Benefit Liability/ (Asset) as at the end of the year	1.14	0.73

(iv) Expenses charged to the statement of profit and loss

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Current service cost	0.13	-
Interest cost	0.05	-
Net value of remeasurements on the obligation and plan assets	0.31	-
Total	0.49	-

(v) Remeasurement gains/ (losses) in other comprehensive income

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Opening amount recognised in other comprehensive income	-	-
Changes in financial assumptions	-	-
Changes in demographic assumptions	-	-
Experience adjustments	-	-
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognize the effect of asset ceiling	-	-
Closing amount recognized outside profit or loss in other comprehensive income	-	-

(vi) Amount recognized in Balance Sheet

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Present value of funded defined benefit obligation	-	-
Fair value of plan assets	-	-
Net funded obligation	-	-
Present value of funded defined benefit obligation	1.14	0.73
Amount not recognized due to asset limit	-	-
Net Defined Benefit Liability recognized in Balance Sheet	1.14	0.73
Current	-	-
Non-Current	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

(vii) Key Actuarial Assumptions

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Discount rate	7.30%	6.80%
Salary escalation rate (p.a.)	8.00%	6.80%

(viii) A Quantitative Sensitivity Analysis for Significant Assumption as at 31 March 2023 is as shown below:

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Impact of increase in 50 bps on defined benefit obligation	1.12	1.17
Impact of decrease in 50 bps on defined benefit obligation	(1.17)	(1.12)

32 Disclosure pursuant to Ind AS 107 " Financial Instruments: Disclosures": Financial Risk Management

32.1 Interest Rate Risk Management

Floating rate financial assets are largely mutual fund investments which have debt securities as underlying assets. The returns from these financial assets are linked to market interest rate movements; however the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

32.2 Counterparty and Concentration of Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company is exposed to credit risk for receivables, cash and cash equivalents, and short-term investments.

32.3 Liquidity Risk Management

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

(a) Liquidity

The Company requires funds both for short-term operational needs as well as for the long-term investment programme mainly in for repayment of loans. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening our balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

32. Financial Instruments-Disclosures

32.4 Category-wise classification for applicable financial assets and financial liabilities:

	As at March 31, 2023	As at March 31, 2022
Financial Assets		
Measured at Amortised cost		
Cash and cash equivalents	98.58	88.87
Receivables	16.99	16.99
Loans	2,898.06	3,098.28
Other financial assets	-	0.20
Measured at FVTOCI		
(a) Investments in equity instruments designated upon initial recognition	190.50	179.00
Financial Liabilities		
Measured at Amortised cost (including trade payables balance in a disposal group held for sale)		
Trade payables	-	-
Other payables	0.95	0.90
Other Financial liabilities	307.84	305.94

Note: Carrying amounts of cash and cash equivalents, Loans, trade receivables, other payables as at March 31, 2023 & March 31, 2022 approximate the fair value because of their short term nature. Carrying amount other financial liabilities is taken Present value.

32.5 Fair value of the financial assets and liabilities that at fair value

Except as detailed in the following table, the Company considered that the carrying amount of Financials assets and financial liabilities recognised in the financial statement approximate their fair value

	As at March 31, 2023	As at March 31, 2022
Financial Assets		
Investment	190.50	179.00
Total Financial Assets	190.50	179.00
Financial Liabilities		
borrowings	-	-
Total Financial Liabilities	-	-

32.6 Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:

	Fair value hierarchy as at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Other Financial liabilities			307.84	307.84
Total	-	-	307.84	307.84
	Fair value hierarchy as at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Other Financial liabilities			305.94	305.94
Total	-	-	305.94	305.94

Note : The fair value of the Financial liabilities included in the level 2 categories have been determined in accordance with generally accepted pricing models based on a discounted cash flows analysis, with the most significant inputs being discount that reflects the credit risk of counterparties

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

32.7 Maturity profile of assets and liabilities

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and cash equivalents	98.58	-	98.58	88.87	-	88.87
Bank Balance other than Cash and cash equivalents	-	-	-	-	-	-
Trade receivables	-	16.99	16.99	-	16.99	16.99
Loans	2,898.06	-	2,898.06	3,098.28	-	3,098.28
Investments	-	190.50	190.50	-	179.00	179.00
Other financial assets	-	-	-	-	0.20	0.20
	2,996.63	207.49	3,204.13	3,187.15	196.19	3,383.34

Non-Financial Assets

Current tax assets (net)	-	17.58	17.58	-	18.66	18.66
Deferred tax assets (Net)	-	80.22	80.22	-	87.20	87.20
Property, plant and equipment	-	294.21	294.21	-	321.28	321.28
Capital work in Progress	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-
Other non-financial assets	-	469.10	469.10	-	717.17	717.17
	-	861.11	861.11	-	1,144.30	1,144.30
Total assets	2,996.63	1,068.60	4,065.23	3,187.15	1,340.50	4,527.64

Liabilities

Financial Liabilities

Trade payables	-	-	-	-	-	-
Other payables	0.95	-	0.95	0.90	-	0.90
Borrowings (Other than Debt Securities)	1,283.47	-	1,283.47	1,795.51	-	1,795.51
Other Financial liabilities	-	307.84	307.84	-	305.94	305.94
	1,284.42	307.84	1,592.26	1,796.41	305.94	2,102.34

Non Financial Liabilities

Current Tax Liabilities	-	-	-	-	-	-
Provisions	8.76	59.91	68.67	0.73	42.72	43.45
Other Non-Financial liabilities	-	3.60	3.60	-	6.15	6.15
	8.76	63.51	72.27	0.73	48.87	49.60

Total Liabilities	1,293.18	371.35	1,664.53	1,797.14	354.81	2,151.94
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33 Disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

"Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 on 31 March, 2023 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid during the year or is payable under the terms of the MSMED Act, 2006. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors."

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

34 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total capital plus total debts.

Particulars	As at	
	31 March 2023	March 31, 2022
Total debts	1,283.47	1,795.51
Total equity	2,400.70	2,375.70
Total debts to equity ratio (Gearing ratio)	0.53	0.76

35 There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2023.

36 Aggregate amount of loans or advances in the nature of loans given during the year is Rs.18,28,00,000/-.

Percentage thereof to the total loans granted is 100%.

Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is Rs. 5,90,00,000

37 Following disclosures shall be made where loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

(a) Repayable on demand

or

(b) without specifying any terms or period of repayment

Type of Borrower	Amount of loans or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	600.25	20.71%

38

38.1 (a) That other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) That other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38.2 That the company has not entered into any non-cash transactions with directors or persons connected with him.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

- 39 The company is not required to prepare Consolidate financial statement.
- 40 That the company has no borrowings from banks or financial institution on the basis of security of current asset.
- 41 That the company is not declared wilful defaulter by any bank or financial institution or other lender.
- 42 Details of delay in the payment of Principal or Interest not paid on due date: **(As Annexed)**
- 43 That the company has not entered any transaction with the companies struck off under section 248 of Companies Act 2013 or section 560 of the Companies Act 1956.
- 44 That there is charge or satisfaction which is yet to be registered with ROC beyond the statutory period against the vehicle.
- 45 **Title deed of immovable property not held in name of the company:**
The company does not possess any immovable property which is not held in the name of the company.
- 47 **Proceeding under Benami transactions (prohibition) act, 1988:**
There is no proceedings initiated or is pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 48 **Compliance with number of layers of companies:**
Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act, read with Companies (Restriction on number of Layers) Rules, 2017.
- 49 **Compliance with approved Scheme(s) of Arrangements:**
The company has not entered into any scheme of arrangement.
- 50 **Re-valuation of property, plant and equipment and intangible assets:**
The Company has not revalued any of its Property, Plant and Equipment and Intangible Assets.
- 51 **Details of Crypto Currency or Virtual Currency**
The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- 52 **Undisclosed income:**
That there has been no surrendered or disclosed income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income- tax Act, 1961). Also, previously there was no unrecorded income and related assets in the books of account during the year which have not been properly recorded.
- 53 **Ratios :**
- | | As at
31 March 2023 | As at
March 31, 2022 |
|--|------------------------|-------------------------|
| (a) Capital to risk-weighted assets ratio (CRAR) | 70.61% | 65.71% |
| (b) Tier I CRAR | 70.61% | 65.71% |
| (c) Tier II CRAR | - | - |
| (d) Liquidity Coverage Ratio | 172.51% | 54.41% |
- 54 Corporate Social Responsibility - That the provision of section 135 of the Companies Act, are not applicable on the company.
- 55 **Events after the reporting period**
There have been no events after the reporting date that require disclosure in the financial statements.
- 56 Previous year ended figures have been regrouped/ rearranged wherever necessary, to conform with the current year.
- 57 The above financial statements have been reviewed by the audit committee and subsequently approved by the Board of Directors at its meeting held on May 30, 2023.

For A G M S & CO

Chartered Accountants
Firm Registration No. 021141N

Sd/-

CA Chunni Lal Golchha

Partner

M. No. 080597

UDIN: 23080597BGTSRW9475

Place: Ghaziabad

Date: 30th May 2023

For and on behalf of the Board of Directors

Sd/-

Surendra Chhalani

Director & CFO

DIN: 00002747

Sd/-

Kunal Lalani

Director

DIN: 00002756

Sd/-

Krashmee Bhartiya

Company Secretary

(ACS 66667)

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 4.1 Trade Receivables outstanding ageing schedule.

For the year ended on 31.03.2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	16.99	16.99
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

For the year ended on 31.03.2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	16.99	16.99
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 5.1 Loans Disclosure Schedule

	For the year ended on 31.03.2023				For the year ended on 31.03.2022					
	Amortised Cost	At Fair Value		Subtotal	Total	At Fair Value		Subtotal	Total	
		Through Other Comprehensive Income	Through profit or loss			Designated at fair value through profit or loss	Through Other Comprehensive Income			Through profit or loss
	1	2	3	4	(5=2+3+4)	6=1+5	7	8	10	(12=(7) + (11))
Loans										
(A)										
(i) Bills Purchased and Bills Discounted	-	-	-	-	-	-	-	-	-	-
(ii) Loans repayable on Demand	2,898.06	-	-	-	2,898.06	-	3,098.28	-	-	3,098.28
(iii) Term Loans	-	-	-	-	-	-	-	-	-	-
(iv) Leasing	-	-	-	-	-	-	-	-	-	-
(v) Factoring	-	-	-	-	-	-	-	-	-	-
(vi) Others	-	-	-	-	-	-	-	-	-	-
Total (A) - Gross	2,898.06	-	-	-	2,898.06	-	3,098.28	-	-	3,098.28
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-
Total (A) - Net	2,898.06	-	-	-	2,898.06	-	3,098.28	-	-	3,098.28
(B)										
(i) Secured by tangible assets	-	-	-	-	-	-	-	-	-	-
(ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-
(iii) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-
(iv) Covered by Bank/Government Guarantees	-	-	-	-	-	-	-	-	-	-
(v) Unsecured	2,898.06	-	-	-	2,898.06	-	3,098.28	-	-	3,098.28
Total (B) - Gross	2,898.06	-	-	-	2,898.06	-	3,098.28	-	-	3,098.28
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-
Total (B) - Net	2,898.06	-	-	-	2,898.06	-	3,098.28	-	-	3,098.28
(C)										
(i) Loans in India	-	-	-	-	-	-	-	-	-	-
(ii) Public Sector	-	-	-	-	-	-	-	-	-	-
(iii) Others	2,898.06	-	-	-	2,898.06	-	3,098.28	-	-	3,098.28
Total (C) - Gross	2,898.06	-	-	-	2,898.06	-	3,098.28	-	-	3,098.28
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-
Total (C) (i) - Net	2,898.06	-	-	-	2,898.06	-	3,098.28	-	-	3,098.28
(C)										
(i) Loans outside India	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-
Total (C) (ii) - Net	-	-	-	-	-	-	-	-	-	-
Total (C) (i) and C(ii)	2,898.06	-	-	-	2,898.06	-	3,098.28	-	-	3,098.28

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 6.1 Disclosure of Investments

Investments	For the year ended on 31.03.2023						For the year ended on 31.03.2022							
	Amortised cost	At Fair Value		Designated at fair value through profit or loss	Sub-Total	Others*	Total	Amortised cost	At Fair Value		Designated at fair value through profit or loss	Sub-Total	Others*	Total
		Through Other Comprehensive Income	Through profit or loss						Through Other Comprehensive Income	Through profit or loss				
	1	2	3	4	5 = 2+3+4	6	7 = 1+5+6	8	9	10	11	12 = 9+10+11	13	14 = 8+12+13
Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other approved securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity instruments	-	190.50	-	-	190.50	-	190.50	-	179.00	-	-	179.00	-	179.00
Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Gross (A)	-	190.50	-	-	190.50	-	190.50	-	179.00	-	-	179.00	-	179.00
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	-	190.50	-	-	190.50	-	190.50	-	179.00	-	-	179.00	-	179.00
Total (B)	-	190.50	-	-	190.50	-	190.50	-	179.00	-	-	179.00	-	179.00
Total (A) to tally with (B)	-	190.50	-	-	190.50	-	190.50	-	179.00	-	-	179.00	-	179.00
Less:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Allowance for Impairment loss (C)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net D= (A)-(C)	-	190.50	-	-	190.50	-	190.50	-	179.00	-	-	179.00	-	179.00

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 12.3 Trade Payables outstanding ageing schedule.

For the year ended on 31.03.2023

Particulars	Outstanding for following periods from due date of payment#				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.95	-	-	-	0.95
(ii) Others	-	-	-	-	-
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

For the year ended on 31.03.2022

Particulars	Outstanding for following periods from due date of payment#				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.90	-	-	-	0.90
(ii) Others	-	-	-	-	-
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 13.1 Classification of Borrowings

	For the year ended on 31.03.2023			For the year ended on 31.03.2022				
	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total	At Amortised Cost	At fair value Through profit or loss	Designated at fair value through profit or loss	Total
	1	2	3	(4)=(1)+(2)+(3)	1	2	3	(4)=(1)+(2)+(3)
(a) Term loans								
(i) from banks	5.97	-	-	5.97	-	-	-	-
(ii) from other parties	-	-	-	-	-	-	-	-
(b) Deferred payment liabilities	-	-	-	-	-	-	-	-
(c) Loans from related parties	1,157.50	-	-	1,157.50	1,514.70	-	-	1,514.70
(d) Finance lease obligations	-	-	-	-	-	-	-	-
(e) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
(f) Loans repayable on demand	-	-	-	-	-	-	-	-
(i) from banks	-	-	-	-	-	-	-	-
(ii) from other parties	120.00	-	-	120.00	280.81	-	-	280.81
(g) Other loans	-	-	-	-	-	-	-	-
Total (A)	1,283.47	-	-	1,283.47	1,795.51	-	-	1,795.51
Borrowings in India	1,283.47	-	-	1,283.47	1,795.51	-	-	1,795.51
Borrowings outside India	-	-	-	-	-	-	-	-
Total (B) to tally with (A)	1,283.47	-	-	1,283.47	1,795.51	-	-	1,795.51

NOTES TO THE FINANCIAL STATEMENTS

Annexure 17.1 Details of Shareholding of Promoters

Shares held by promoters at the end of the year 31.03.2023				% Change during the year
S. No.	Promoter name	No. of Shares	% of total shares	
1	Vimi Investments And Finance Pvt Ltd	4,62,60,878	46.26%	0.00%
2	Kunal Lalani	33,95,000	3.40%	0.00%
3	Hulas Mal Lalani	7,86,000	0.79%	0.00%
4	Vimi Lalani	5,41,000	0.54%	0.00%
5	Varsha Bengani	5,00,000	0.50%	0.00%
6	Seema Lalani	2,50,000	0.25%	0.00%
7	Mayank Lalani	1,28,586	0.13%	0.00%
Total		5,18,61,464	51.86%	0.00%

Shares held by promoters at the end of the year 31.03.2022				% Change during the year
S. No.	Promoter name	No. of Shares	% of total shares	
1	Vimi Investments And Finance Pvt Ltd	4,62,60,878	46.26%	0.31%
2	Kunal Lalani	33,95,000	3.40%	0.00%
3	Hulas Mal Lalani	7,86,000	0.79%	0.00%
4	Vimi Lalani	5,41,000	0.54%	0.00%
5	Varsha Bengani	5,00,000	0.50%	0.00%
6	Seema Lalani	2,50,000	0.25%	0.00%
7	Mayank Lalani	1,28,586	0.13%	0.00%
8	Crayons Advertising Pvt Ltd	-	0.00%	1.45%
9	Hansraj Deepchand Jain	-	0.00%	0.45%
10	Smita Dhariwal	-	0.00%	0.24%
Total		5,18,61,464	51.86%	2.45%

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure '18.3 Other Equity

For the year ended on 31.03.2023

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Statutory Reserve	Retained Earnings							
Balance at the beginning of the current reporting period	-	-	24.35	1,351.35	-	-	-	-	-	-	-	1,375.70	
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	
Total Comprehensive Income for the current year	-	-	-	2.27	-	-	-	-	-	-	-	2.27	
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer to retained earnings	-	-	-	22.74	-	-	-	-	-	-	-	22.74	
Any other change - Transferred to Statutory Reserve	-	-	4.55	(4.55)	-	-	-	-	-	-	-	-	
Balance at the end of the current reporting period	-	-	28.90	1,371.81	-	-	-	-	-	-	-	1,400.70	

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure '18.3 Other Equity
For the year ended on 31.03.2022

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Statutory Reserve	Retained Earnings								
Balance at the beginning of the current reporting period	-	-	-	21.14	1,335.75	-	-	-	-	-	-	-	-	1,356.89
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	-	2.77	-	-	-	-	-	-	-	-	2.77
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	16.04	-	-	-	-	-	-	-	-	16.04
Any other change - Transferred to Statutory Reserve	-	-	-	3.21	(3.21)	-	-	-	-	-	-	-	-	-
Any other change - Amount of MAT credit lapsed due to opting for section 115BAA under Income Tax Act 1955	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	24.35	1,351.35	-	-	-	-	-	-	-	-	1,375.70

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in lakhs unless otherwise stated)

Annexure 19.1. Interest Income disclosure

Particulars	For the year ended on 31.03.2023			For the year ended on 31.03.2022		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans	-	316.95	-	-	308.78	-
Interest income from investments	-	-	-	-	-	-
Interest from deposits with bank	-	-	-	-	-	-
Other interest income	-	-	-	-	-	-
Total	-	316.95	-	-	308.78	-

Annexure 22.1 Disclosure of Finance Costs.

Particulars	For the year ended on 31.03.2023		For the year ended on 31.03.2022	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Interest on deposits	-	-	-	-
Interest on borrowings	-	161.34	-	205.35
Interest on debt securities	-	-	-	-
Interest on subordinated liabilities	-	-	-	-
Other interest expense	-	-	-	-
Total	-	161.34	-	205.35

NOTES TO THE FINANCIAL STATEMENTS

Annexure 42 Delay in the payment of Principal or Interest not paid on due date.

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any	
Borrowings (Other than Debt Securities)	Anand Power Pvt. Ltd.	2,02,747	Interest	4	Default has been made good during the year.	
		1,96,978	Interest	11		
		1,89,797	Interest	2		
		1,84,507	Interest	9		
		1,64,409	Interest	11		
		1,58,831	Interest	3		
		1,46,010	Interest	2		
		1,42,772	Interest	4		
		1,31,553	Interest	8		
		1,12,312	Interest	7		
		16,29,916				
	BB & HV Pvt. Ltd.	28,739	Interest	84	Default has been made good during the year.	
		28,739				
	Brittonna Hotel & Yacht Club P Ltd	1,23,711	Interest	257	Default has been made good during the year.	
		1,06,906	Interest	164		
		43,230	Interest	72		
		2,73,847				
	Cash U Drive Marketing P Ltd	1,89,000	Interest	269	Default has been made good during the year.	
		1,89,000	Interest	177		
		1,89,000	Interest	90		
		5,67,000	Interest			
	Indication Instruments Ltd	2,43,616	Interest	270	Loan Squared up during the Year	
		2,25,000	Interest	178		
		1,50,657	Interest	116		
		6,19,273				
	Mega Cabs P Ltd	6,57,672	Interest	7	Default has been made good during the year.	
		6,50,416	Interest	8		
		61,766	Interest	32		
		81,810	Interest	1		
		5,83,086	Interest	9		
		67,310	Interest	11		
		72,749	Interest	18		
		78,794	Interest	9		
		4,50,000	Interest	43		
		5,04,920	Interest	13		
		1,148	Interest	17		
			32,09,671			

NOTES TO THE FINANCIAL STATEMENTS

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
	Sanya Resorts & Hospitality P Ltd	3,61,300	Interest	85	Default has been made good during the year.
		5,80,333	Interest	11	
		8,32,764	Interest	3	
		17,74,397			
	Ultraviolet Digital Solutions LLP	2,25,000	Interest	274	Default has been made good during the year or before the date of signing of balance sheet.
		2,25,000	Interest	182	
		2,25,000	Interest	150	
		2,25,000	Interest	60	
		9,00,000			
	VIG K Finance Pvt Ltd	52,500	Interest	28	Default has been made good during the year.
		52,500	Interest	58	
		52,500	Interest	59	
		52,500	Interest	60	
		52,500	Interest	58	
		52,500	Interest	73	
		52,500	Interest	56	
		52,500	Interest	48	
		52,500	Interest	51	
		52,500	Interest	20	
		52,500	Interest	27	
		5,77,500			
	Grand Total	95,80,343			

NOTES TO THE FINANCIAL STATEMENTS

Annexure 42 Delay in the payment of Principal or Interest not paid on due date.

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Borrowings (Other than Debt Securities)	All White Communications LLP	76,661	Interest	365	Default has been made good during the year.
		2,81,250	Interest	264	
		61,582	Interest	242	
		4,19,493			
	Anand Power Pvt. Ltd.	3,18,855	Interest	2	Default has been made good during the year.
		2,97,370	Interest	4	
		3,05,988	Interest	4	
		2,95,816	Interest	4	
		2,55,893	Interest	4	
		2,43,553	Interest	1	
		2,48,201	Interest	11	
		2,31,949	Interest	3	
		21,97,625			
	BB Hospitality Ventures P Ltd	2,589	Interest	122	Default has been made good during the year.
		2,589			
	Britonna Hotel & Yacht Club P Ltd	1,70,119	Interest	7	Default has been made good during the year.
		1,99,312	Interest	110	
		2,15,467	Interest	18	
		55,028	Interest	90	
	6,39,926				
	Cash U Drive Marketing P Ltd	1,94,250	Interest	365	Default has been made good during the year.
		1,89,000	Interest	274	
		1,89,000	Interest	182	
		1,89,000	Interest	90	
	7,61,250	Interest			
	Chirag Associates P Ltd.	63,000	Interest	122	Loan along with interest has been squared up before the date of signing of balance sheet.
		63,000	Interest	153	
		63,000	Interest	162	
1,89,000		Interest	90		
3,78,000					
Indication Instruments Ltd.	3,25,000	Interest	301	Default has been made good before the date of signing of balance sheet.	
	3,25,000	Interest	209		
	3,25,000	Interest	117		
9,75,000					

CAPITALISATION STATEMENT

Particulars		<i>(In ₹ Lakhs)</i>	
		Pre-Issue 31st March, 2024	As adjusted for the issue (Post Issue) *
Borrowings:			
Current borrowings	A	2,912.42	[●]
Non-current borrowings	B	0	[●]
Total borrowings	C=A+B	2,912.42	[●]
Shareholder's fund (Net worth)			[●]
Share Capital	D	1,000.00	[●]
Other Equity [^]	E	1,445.58	[●]
Total shareholder's fund (Net worth)	F=D+E	2,445.58	[●]
Non-current borrowing's/shareholder's fund (Net worth) ratio	B/F	-	[●]
Total borrowings /shareholders' funds (Net worth) ratio	C/F	1.19	[●]

**To be updated in the Letter of Offer*

[^]excludes non-controlling interest

Notes:

1. Non-current borrowings are considered as borrowings other than short term borrowings and include current maturities of long-term borrowings.
2. The amounts disclosed above are based on the Audited Financial Statements of the Company for the year ended March 31, 2024.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with the "Financial Statements" beginning on page 79 of this Draft Letter of Offer.

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read "Risk Factors" and "Forward Looking Statements" beginning on pages 21 and 15 respectively of this Draft Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

*Our financial statements included in this Draft Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for three months ended 30th June, 2024, and Fiscal 2024 and 2023 included herein is based on the Financial Statements, included in this Draft Letter of Offer. For further information, see "**Financial Statements**" beginning on page 79 of this Draft Letter of Offer.*

Neither we, any of their affiliates or advisors, nor any other person connected with the Issue has independently verified such information.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in "Risk Factors" and "Our Business" on pages 21 and 60 respectively, which discuss a number of factors and contingencies that could affect our financial condition and results of operations. Also see "Forward Looking Statements" on page 15.

BUSINESS OVERVIEW

Our Company was originally incorporated as 'Assam Impex Limited' on March 26, 1985 at Shillong as a Public Limited Company, under the Companies Act, 1956 pursuant to the Certificate of Incorporation issued by the Registrar of Companies, Shillong (RoC). Thereafter our Company obtained a Certificate of Commencement on March 27, 1985 issued by the RoC. Further, the company got listed on February 08, 1996 with BSE. Subsequently, the name of our Company was changed to 'Vibgyor Corporation Limited' pursuant to which fresh Certificate of Incorporation consequent on change of name was issued by ROC, Shillong on November 28, 1996. Further after obtaining the necessary approval /consent, the registered office of the Company was shifted from the State of Assam to the NCT of Delhi vide order dated 1st December, 1997 of the Eastern Region bench of Company Law Board, and Registrar of Companies, NCT Delhi and Haryana issued the order on February 20, 1998. Further the name of our Company was changed to 'Mega Corporation Limited' pursuant to which fresh Certificate of Incorporation consequent on change of name was issued by Registrar of Companies, NCT Delhi and Haryana on May 10, 1999. The Corporate Identification Number of our Company is L65100DL1985PLC092375. Our company is a NBFC registered with the RBI to carry out NBFC activities under Section 45IA of the Reserve Bank of India Act, 1934 bearing Registration No. 14.00955 dated May 09, 1998. We operate as a Non-Deposit taking Non-Banking Finance Company engaged primarily in the business of advancing loans and investing/trading in securities.

The objects clause of our Memorandum of Association enables us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

Mr. Dibyendu Chakraborty, Mr. Sahanka Sekhar Lahiri, Mr. Provash Kumar Guha, Mr. Mahesh Barkataki, Mr. Narnaryan Deva Sharma, Mr. Laxmi Narain Biyani and Mr. Pradip Kumbhat were the initial subscribers to the Memorandum of Association and initial Promoters of our Company, Currently Mr. Kunal Lalani, Mr. Hulasmal Lalani, Ms. Vimi Lalani, Ms. Varsha Bengani, Mr. Mayank Lalani and Ms. Seema Lalani. We operate under the leadership of our Director, Mr. Kunal Lalani, who possesses expertise in financing activities and has been involved with our company since 2015. He has played a crucial role in advancing our business operations, growth, and prospects. Under his leadership, our Company has managed to develop a base in the non-banking financial sector and have over the years, evolved, expanded and diversified to become an

established NBFC.

Our total income for the three months ended on June 30, 2024 and for the financial year ended March 31, 2024 is ₹ 120.24 Lakhs and ₹ 424.46 Lakhs respectively. Whereas our profit after tax for the three months ended on June 30, 2024 and financial year ended on March 31, 2024 was ₹ 3.44 Lakhs and ₹ 25.94 Lakhs respectively. EBITDA of the company for the three months ended on June 30, 2024 and for the financial year ended March 31, 2024 is ₹ 13.69 Lakhs and ₹ 30.18 Lakhs respectively. For further details, please refer to the chapter titled 'Our Business' beginning on page 60 of this Draft Letter of Offer.

OUR BUSINESS STRATEGIES

To brand our self globally:

To brand ourselves globally in order to come over with every need of a corporate, organization and even an individual. "To delight our customers while building trust through our professional, innovative and customized financial solutions with integrity.

- To focus on the launch of new business lines i.e. Gold Loan, Education Loan and Medical Equipment Loans.
- To meet every emerging need of the finance world.
- To turn our self as one of the leading NBFC company in all major sectors of India.
- To see ourselves on the top while assisting and supporting all banking and finance aspects with worthy solutions.
- To launch multiple online platforms for the ease of our clients.
- To enhance customer relationships for the continuous growth of our organization.

Mission of our Company:

- To constantly add to our bouquet of products to meet with every emerging need of the finance world.
- To turn ourselves into one of the leading NBFC companies in all major sectors.
- To enhance customer relationships for the continuous growth of our organization while maintaining integrity.
- To provide our customers with a state-of-the-art experience by constantly updating and upgrading our technology and processes.
- To launch and expand deep into the affordable housing segment.
- To create range of products catering to both secured and unsecured lending segment.

SIGNIFICANT DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

To the knowledge of our Company, the date of the last balance sheet contained in this Draft Letter of Offer i.e. 30th June 2024, no circumstances have arisen which would materially and adversely affect or which would be likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 (twelve) months.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled 'Risk Factors' on page 21 of this Draft Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Adverse changes in central or state government policies
- Trends in the NBFC Sector;
- Adverse development that may affect our operations
- Performance of our key clients;
- Adverse effect of competition on our market share and profits;
- Any qualifications or other observations made by our future statutory auditors which may affect our Results of operations;
- Changes in technology and our ability to manage any disruption or failure of our technology systems;
- Our ability to:

- manage our growth effectively;
- manage our credit risk;
- manage our quality of services;
- hire and retain senior management personnel and other skilled manpower;
- manage cost of compliance with labor laws or other regulatory developments;
- manage our operating costs;
- manage breakdown or failure of equipment, power supply or processes, natural disasters and accidents;
- successfully implement our business strategies and expansion plans;
- maintain effective internal controls;
- Adequate and timely supply of equipment and raw materials necessary for our operations;
- Our ability to attract and retain qualified personnel;
- Changes in general, political, social and economic conditions in India and elsewhere;
- General levels of GDP growth, and growth in employment and personal disposable income; and
- Economic uncertainties, fiscal crises or instability in India.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled “Restated Financial Information” on page 79 of this Draft Letter of Offer.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

The accounting policies have been applied consistently to the periods presented in the Audited Financial Statements. For details of our significant accounting policies, please refer to the section titled ‘Financial Information’ beginning on page 79 of this Draft Letter of Offer.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

The Auditors’ Report and Secretarial Auditors’ Report do not contain any qualifications, reservations or adverse remarks. For details, please refer section titled ‘*Financial Information*’ beginning on page 79 of this Draft Letter of Offer.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

The following descriptions set forth information with respect to the key components of the Audited Financial Statements for the Fiscals 2024 and 2023 and Unaudited Financial Statements for the three months ended 30th June, 2024.

Income

Our total income comprises (i) revenue from operations, (ii) other income.

Revenue from operations

Our revenue from operations is predominantly from interest income on loans, dividend income & rental income.

Other income

Other income comprises of Finance Income.

Our total expenses comprise

(i) Purchase expense; (ii) changes in inventories; (iii) employee benefit expense; (iv) finance costs; (v) depreciation and amortisation expense; (vi) Impairment on Financial Instrument and (vii) other expenses

Employee benefits expense

Employee benefits expense comprises salaries and wages including bonus

Finance costs

Finance costs comprise Interest on Borrowings and Demat charges

Depreciation and Amortisation Expense

Depreciation and amortisation expense comprises of depreciation on fixed assets.

Other Expenses

Other expenses comprise of Auditors Remuneration, Annual Listing Fees, Custody Fees, Legal and Professional Fees, Printing and Stationery, Rent, Business Promotion Expenses, Travelling & Conveyance Expenses, Telephone Expenses, Repairs & Maintenance Expenses and Other Miscellaneous Expenditure.

Tax Expenses

Tax expense comprises of current tax, deferred tax and also Tax on earlier years. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is certain that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Tax on earlier years includes difference between the provision for tax made in books and actual tax paid.

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DISCUSSION ON RESULTS OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the unaudited financial statement for the period ending 30th June 2024 and Audited Financial Statement of our company for the financial years ended 31st March 2024 and 31st March, 2023.

(₹.in Lakhs)

Particulars	For the Period Ended							
	30 th June 2024	% of Total Revenue	30 th June 2023	% of Total Revenue	31 st March 2024	% of Total Revenue	31 st March 2023	% of Total Revenue
(1) Revenue								
(a) Revenue from Operations								
Interest Income	120.18	99.95%	73.32	100.00%	382.70	90.16%	316.95	99.99%
Dividend Income	0.01	0.01%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Rental Income	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
(b) Other Income	0.05	0.00%	0.00	0.00%	41.76	9.84%	0.04	0.01%
Total Revenue (1)	120.24	100.00%	73.32	100.00%	424.46	100.00%	316.99	100.00%
(2) Expenses								
Purchases	0.00	0.00%	0.00	00.00%	0.00	00.00%	0.00	00.00%
Change in Inventories	0.00	0.00%	0.00	00.00%	0.00	00.00%	0.00	00.00%
Employee Benefit Expenses	8.06	6.70%	9.02	12.30%	38.16	8.28%	35.14	11.09%
Finance Cost	82.31	68.45%	35.82	48.85%	236.17	38.01%	161.34	50.90%
Impairment on Financial Instrument	3.74	3.11%	(12.32)	(16.80) %	0.00	5.57%	23.65	7.46%
Depreciation & Amortisation Expenses	10.25	8.53%	9.42	12.85%	39.66	9.34%	37.33	11.78%
Other Expenses	12.45	10.45%	10.62	14.48%	56.97	13.42%	29.83	9.41%
Total Expenses (2)	116.80	97.13%	52.56	71.69%	370.96	87.40%	287.28	90.63%
Profit/(Loss) before extraordinary items and tax	3.44	2.86%	20.76	28.31%	53.50	12.60%	29.71	9.37%
Extraordinary items	0.00	0.00%	0.00	0.00%	0.00	0.00%	0.00	0.00%
Tax Expenses								
(a) Current Tax	0.00	00.00%	0.00	00.00%	0.00	0.00%	0.00	0.00%
(b) Deferred Tax	0.00	00.00%	0.00	00.00%	27.56	6.49%	6.97	2.20%
Profit/Loss for the period	0.00	00.00%	0.00	00.00%	25.94	6.11%	22.73	7.17%
Total Other Comprehensive Income	0.00	00.00%	0.00	00.00%	18.94	4.46%	2.27	0.72%
Total Comprehensive Income for the Year	3.44	2.86%	20.76	28.31%	44.88	10.57%	25.00	7.89%
Earning Per Equity Shares (Basis & Diluted)	0.00	--	0.02	---	0.04	--	0.02	--

COMPARISON OF THREE MONTHS ENDED JUNE 30, 2024 WITH THREE MONTHS ENDED JUNE 30, 2023

The total income for three months ended June 30, 2024 has increased by 46.86 Lakhs from Rs.73.32 Lakhs for three month ended June 30, 2023 to Rs.120.24 Lakhs for three month ended June 30, 2024. An increase of 63.99%, mainly due to increase in revenue from operations as detailed below.

Revenue from Operations

Revenue from operations has increased from Rs.73.32 lakhs for three months ended June 30, 2023 to Rs.120.24 for three month ended June 30, 2024, an increase of 46.86 lakhs or 63.99%. This was mainly due to an increase in interest income during the three months ended June 30, 2024.

Employee Benefit Expenses

Employee Benefit Expense has been decreased from Rs. 9.02 lakhs for the three months ended June 30, 2023 to Rs. 8.06 lakhs for three month ended June 30, 2024. A decrease of 0.96 lakhs mainly due to decrease in salary expenses during the period.

Finance Costs

Finance Costs for the three months ended June 30, 2024 was Rs 82.31 Lakhs compared to Rs 35.82 Lakhs for the three months ended June 30, 2023. This was an increase of Rs 46.49 Lakhs i.e. 129.78% over the previous period. This was due to an increase in interest on borrowings.

Depreciation & Amortisation Expenses

Depreciation & Amortisation expense in the three months ended June 30, 2023 was Rs. 9.42 Lakhs and for the three months ended June 30, 2024 was Rs.10.25 Lakhs.

Other Expenses

Other Expenses has been increased from Rs.10.62 Lakhs for three months ended June 30, 2023 to Rs. 12.45 Lakhs for three months ended June 30, 2024. An increase of 19.68%, this was mainly due to increase in the Legal & Professional fees, rates and taxes during the period.

Profit before tax

Profit before tax has decreased from Rs. 20.76 Lakhs for the three months ended June 30, 2023 to Rs. 3.44 Lakhs for three months ended June 30, 2024. A decrease of 83.43%, was due to increase in financing cost on the borrowings by the company during the period the three months ended June 30, 2024.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2024 WITH FINANCIAL YEAR ENDED MARCH 31, 2023

The total income for FY March 31, 2024 has increased by 107.47 Lakhs from Rs.316.99 Lakhs for F.Y. March 31, 2023 to Rs. 424.46 Lakhs for F.Y. March 31, 2024. An increase of 33.90%, mainly due to an increase in revenue from operations as detailed below.

Revenue from Operations

Revenue from operations has increased from Rs.316.95 Lakhs for F.Y. March 31, 2023, to Rs.382.70 Lakhs F.Y. March 31, 2024, an increase of 65.75 lakhs or 20.74%. This was mainly due to an increase in interest income during the F.Y. March 31, 2024.

Employee Benefit Expenses

Employee Benefit Expense has been increased from Rs. 35.14 Lakhs for F.Y. March 31, 2023, to Rs. 38.16 Lakhs F.Y. March 31, 2024, an increase of 3.02 Lakhs or 8.55%. This was mainly due to an increase in salaries during the F.Y. March 31, 2024.

Finance Costs

Finance Costs has been increased from Rs. 161.34 Lakhs for F.Y. March 31, 2023, to Rs. 236.17 Lakhs F.Y. March 31, 2024, an increase of 74.83 Lakhs or 46.38%. This was due to an increase in interest on borrowings during the F.Y. March 31, 2024.

Depreciation & Amortisation Expenses

Depreciation & Amortisation expense has been increased from Rs. 37.33 Lakhs for F.Y. March 31, 2023, to Rs. 39.66 Lakhs F.Y. March 31, 2024, an increase of 2.33 Lakhs or 6.24%.

Other Expenses

Other Expenses has been increased from Rs. 29.83 Lakhs for F.Y. March 31, 2023, to Rs. 56.97 Lakhs F.Y. March 31, 2024, an increase of 27.14 Lakhs or 90.98%, this was mainly due to increase in the Legal & Professional fees, rates and taxes during the period.

Profit before tax

Profit before tax has been increased from Rs. 22.74 Lakhs for F.Y. March 31, 2023, to Rs. 25.94 Lakhs F.Y. March 31, 2024, an increase of 3.20 Lakhs or 14.07%.

Tax Expenses

Tax Expense increased from F.Y.2022-23 was Rs. 6.97 Lakhs to Rs. 27.56 Lakhs in FY 2023-24. A decrease of 17.09%, The decrease was primarily due to decrease in taxable profit during the FY 2023-24.

Profit after tax

Due to all the combined reasons stated above the Profit after tax has decreased from Profit of Rs.32.73 lakhs in the F.Y. 2022-23 to profit of Rs. 27.13 lakhs in the F.Y. 2023-24. A decrease of 17.09%.

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SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against another company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Further, except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years immediately preceding the year of this Draft Red Herring Prospectus.
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.
- c) pending proceedings initiated against our Company for economic offences.
- d) default and non-payment of statutory dues by our Company.
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies' law in the last five years against our Company, including fines imposed or compounding of offences done in those five years.
- f) Material frauds committed against our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus.
- g) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations.
- h) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

All terms defined in a particular litigation disclosure pertain to that litigation only.

I. LITIGATIONS INVOLVING OUR COMPANY

A. CASES FILED BY OUR COMPANY

1) Litigation Involving Criminal Matters:

1.1 Mega Corporation Ltd V Bhuvnesh Suri Cc/ Ni Act/39369/2024, Before The CMM, Tis Hazari Court

Case Brief: Complaint under section 138, Negotiable Instruments Act, 1881 before the CMM, Tis Hazari Court bearing CC/ NI ACT/39369/2024 for dishonor of 3 cheques of Rs. 11, 65, 250, Rs. 12, 10,000 and Rs. 13,30,000.00 issued by Mr. Bhuvnesh Suri towards discharge of his liability towards loan availed by him vide Loan Agreement dated 25.03.2021.

Case Status: Pending Adjudication.

Next Date of Hearing: The matter is due to be listed before the allotted MM and notice is yet to be issued in the same.

Financial Exposure/Amount Involved: Rs. 37,05,250.00

2) Litigation Involving Civil Matters

2.1 Mega Corporation Ltd. V United India Insurance Co. Ltd. (Cc/3444/2017)

(Consumer Complaint filed by Mega Corporation against United India Insurance Co. Ltd)

Case Brief: The Company has filed the instant consumer complaint bearing CC No. 3444/2017 against United India Insurance Co. Ltd., which is pending before the Hon'ble National Consumer Disputes Redressal Commission (NCDRC). The Company has filed the complaint alleging deficiency of service on part of the insurance company in as much as the Insurance Company has failed to pay the total claim of Rs. 1,75,08,881 raised by the Complainant towards damage caused to its aircraft which was insured vide Aviation Hull, All Risk and Liability Insurance for aircraft model VT-MEG- PC-12 Type.

Next Date of Hearing: 19.11.2024 for final arguments.

Case status: Pending Adjudication.

Financial Exposure/Amount Involved: Rs. 1, 75,08,881.

3) Financial Exposure: NA3. Litigation Involving Action by Statutory or Regulatory Authorities
NIL

4) Litigation Involving Tax Liabilities	NIL
(i) Direct Tax	NIL
(ii) Indirect Tax	NIL

B. CASES FILED AGAINST OUR COMPANY

1. Litigation Involving Criminal Matters	NIL
2. Litigation Involving Civil Matters	NIL
3. Litigation Involving Action by Statutory or Regulatory Authorities	NIL
4. Litigation Involving Tax Liabilities	
(i) Direct Tax	NIL
(ii) Indirect Tax	NIL

II. LITIGATIONS INVOLVING OUR PROMOTERS

A. CASES FILED BY OUR PROMOTERS

1. Litigation Involving Criminal Matters	NIL
2. Litigation Involving Civil Matters	NIL
3. Litigation Involving Action by Statutory or Regulatory Authorities	NIL
4. Litigation Involving Tax Liabilities	
(i) Direct Tax	NIL
(ii) Indirect Tax	NIL

B. CASES FILED AGAINST OUR PROMOTERS

1. Litigation Involving Criminal Matters	NIL
2. Litigation Involving Civil Matters	NIL
3. Litigation Involving Action by Statutory or Regulatory Authorities	NIL
4. Litigation Involving Tax Liabilities	
(i) Direct Tax	NIL
(ii) Indirect Tax	NIL

III. LITIGATIONS INVOLVING OUR DIRECTORS (EXCLUDING OUR PROMOTERS)

A. CASES FILED AGAINST BY OUR DIRECTORS

1. Litigation Involving Criminal Matters	NIL
2. Litigation Involving Civil Matters	NIL
3. Litigation Involving Action by Statutory or Regulatory Authorities	NIL
4. Litigation Involving Tax Liabilities	
(i) Direct Tax	NIL
(ii) Indirect Tax	NIL

B. CASES FILED AGAINST OUR DIRECTORS

1. Litigation Involving Criminal Matters	NIL
2. Litigation Involving Civil Matters	NIL
3. Litigation Involving Action by Statutory or Regulatory Authorities	NIL
4. Litigation Involving Tax Liabilities	
(i) Direct Tax	NIL
(ii) Indirect Tax	NIL

IV. LITIGATIONS INVOLVING OUR GROUP COMPANIES

A. CASES FILED BY OUR GROUP COMPANIES: 3

1. Litigation Involving Criminal Matters

1.1 M/s Crayons Advertising Pvt. Ltd. Vs. Sonu Bhatia Ct. Cases 5056/2020, Before Ld. M.M., THC

Case Brief: Case under section 138 of Negotiable Instruments Act, 1881 filed by Crayons Advertising against Mr. Sonu Bhatia for dishonour of 3 cheques of Rs. 30,000.00 each issued by Mr. Sonu Bhatia. Bailable Warrants to the sum of Rs. 10,000.00 issued against the Accused Person.

Next date of Hearing: 20.11.2024

Financial Exposure: Rs. 90,000.00

Case Status: Pending Adjudication.

2. Litigation Involving Civil Matters

2.1 Mega Luxuries & Hotels LLP (formerly Mega Motoren & lifestyles Pvt. Ltd.) Vs. ICICI Bank Ltd. & Ors., DRAT-Delhi, Misc Appeal 353/2017

Case Brief: As detailed below (Cases filed Against our Group Companies – Litigation involving Civil Matters), this is the appeal filed by the Mega Luxuries against the order dated 12.7.17 passed by the Ld. DRT-II directing Mega to pay to the Appellant Bank an amount of Rs. 28.78 Lakh.

Case Status: Pending Adjudication

Next date of Hearing: 13.01.2025

Financial Exposure: As has been stated herein below, the company has been directed to pay an amount of Rs. 28.78 L which amount already stands deposited with the registry of Hon'ble DRAT- Delhi.

2.2 Crayons Advertising Pvt. Ltd. Vs. BSNL DIAC/5397D/10-22

Case Brief: Matter referred to Delhi International Arbitration Centre from MSME Facilitation Council. Crayons undertook works for BSNL to publish Tender and allied notifications for BSNL in various newspapers as detailed by BSNL, throughout various states like Jammu and Kashmir, Delhi-UP circle, Lucknow UP Circle, Jaipur Branch etc. Total outstanding due of Rs. 14,33,552.68.

Next date of Hearing: NA. Matter yet to be filed before DIAC

Financial Exposure: Rs.14,33,552.68

Case status: Matter yet to be filed.

3. Litigation Involving Action by Statutory or Regulatory Authorities **NIL**

4. Litigation Involving Tax Liabilities

(i) Direct Tax **NIL**

(ii) Indirect Tax **NIL**

B. CASES FILED AGAINST OUR GROUP ENTITIES:

1. Litigation Involving Criminal Matters **NIL**

2. Litigation Involving Civil Matters

2.1 ICICI Bank V Link Engineers Pvt Ltd and Ors. DRT-II, Oa No. 319/2012 Pending Before RC Vide RC/715/2019.

Case Brief: - This case has been filed by ICICI bank for auction of vehicle purchased by R-1 (Link Engineers) against which Loan was disbursed to Link Engineers. Mega Motoren Lifestyles Pvt Ltd (now Mega Luxuries and Hotel LLP) sold the said vehicle to one M/s European Motor Vehicle, being the dealer and received an advance of Rs. 28. 78 L. However, full amount was not received by Mega, so it was resold to some other entity. Meanwhile the vehicle was further sold by EMW to the Respondent No. 1. Mega (Respondent No.3) and EMW (Respondent

No. 4) both have been impleaded as a party in the matter. Vide order dated 12.07.2017, DRT-II issued a recovery certificate against Mega for the amount of Rs. 28.78 Lakhs being the amount of advance received.

This amount of Rs. 28.78 Lakhs, has been deposited with the registry of DRAT, Delhi pursuant to orders of the Hon'ble High Court in this regard. Mega Luxuries has filed an appeal against this order (details provided hereinbelow) which is pending adjudication before the Hon'ble DRAT, Delhi).

Next Date of Hearing: Matter listed on 16.01.2025.

Financial Exposure: The maximum financial exposure in this regard could be limited to Rs. 28.78L being the amount of recovery certificate and which amount stands deposited with the Hon'ble DRAT, Delhi.

Case Status: Pending Adjudication.

V. OTHER LITIGATIONS INVOLVING ANY OTHER ENTITIES WHICH MAY HAVE A MATERIAL ADVERSE EFFECT ON THE COMPANY

Apart from the above, the company certifies that there are no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against the company whose outcome could affect the operation or finances of the Company or have a material adverse effect on the position of the Company.

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Material Developments occurring after last balance sheet date

In the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Letter of Offer and which materially and adversely affect or is likely to affect within the next twelve months except authorization by the Board of Directors to raise the funds by way of Rights Issue of Security.

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GOVERNMENT APPROVALS OR LICENSING ARRANGEMENTS

Our Company is required to comply with the provisions of various laws and regulations and obtain approvals, registrations, permits and licenses under them for conducting our operations. The requirement for approvals may vary based on factors such as the activity being carried out and the legal requirements in the jurisdiction in which we are operating. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage. Our Company has obtained all material consents, licenses, permissions and approvals from governmental and regulatory authorities that are required for carrying on our present business activities. In the event, some of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we will apply for their renewal, from time to time. As on the date of this Letter of Offer, there are no pending material approvals required for our Company, to conduct our existing business and operations.

Material pending government and regulatory approvals pertaining to the Objects of the Issue

As on the date of this Letter of Offer, there are no material pending government and regulatory approvals pertaining to the Objects of the Issue.

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OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors at its meeting held on August 31, 2024 have authorised this Issue pursuant to Section 62(1)(a) of the Companies Act, 2013.

Our Board of Directors / Rights Issue Committee has, at its meeting held on [●], determined the Issue Price as ₹ [●] per Rights Equity Share and the Rights Entitlement as [●] Rights Equity Share for every [●] Equity Share held on the Record Date.

The Draft Letter of Offer was approved by the Rights Issue Committee (duly constituted by the Board in their meeting on [●] pursuant to its resolution dated [●]).

Our Company has received 'in-principle' approval letter from BSE Limited vide letter dated [●] for listing of the Rights Equity Shares to be allotted pursuant to Regulation 28(1) of SEBI Listing Regulations. Our Company will also make applications to BSE Limited to obtain their trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective Demat accounts of the Equity Shareholders of our Company. For details, see "Terms of the Issue" on page 219.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group and persons in control of the Promoter and the Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None of our Directors or Promoters are associated with the securities market in any manner. There is no outstanding action initiated against them by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Neither our Company, nor our Promoter and Directors have been categorized or identified as willful defaulters or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

Eligibility for the Issue

Our Company is a listed company, incorporated under the Companies Act, 1956. The Equity Shares of our Company are presently listed on the BSE. We are eligible to undertake the Issue in terms of Chapter III of SEBI ICDR Regulations. Pursuant to Clauses (1) and (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B of Schedule VI to the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

Disclaimer Clause of SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of the issue is less than Rs. 5,000 lakhs.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreement or the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of the Letter of Offer with the SEBI and until date.
2. The reports, statements and information referred to above are available on the websites of stock exchanges.
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, disclosures in this Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI ICDR Regulations.

Disclaimer from our Company and our Directors

Our Company and our Directors accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website <https://megacorp.ltd.com>

All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and its respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

No information which is extraneous to the information disclosed in this Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centre.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

Disclaimer in respect of Jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Indore.

Disclaimer Clause of BSE

As required, a copy of the Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Letter of Offer, has been included in the Letter of Offer prior to the filing with the Stock Exchange.

Designated Stock Exchange

BSE being the only stock exchange where the Company's shares are listed, the Designated Stock Exchange for the purposes of the Issue is BSE.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar to the Issue. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer / Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Listing

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer / Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Draft Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed “Overseas Shareholders” to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Filing

This Draft Letter of Offer is being filed with the BSE as per the provisions of the SEBI ICDR Regulations. SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted to SEBI for information and dissemination and will be filed with the Stock Exchanges.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue or our Company Secretary for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see “*Terms of the Issue*” at Page 219. The contact details of our Registrar to the Issue and our Company Secretary are as follows:

Registrar to the Issue

Link Intime India Private Limited

Address: C-101, 1st Floor, 247 Park, LBS Marg, Surya Nagar,
Gandhi Nagar Vikhroli (West), Mumbai –400 083, Maharashtra, India

Telephone: +91 81081 14949

Email: megacorp.rightsissue@linkintime.co.in

Website: <https://www.linkintime.co.in>

Contact Person: Shanti Gopalakrishnan

SEBI Registration Number: INR000004058

CIN: U67190MH1999PTC118368

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/post-Issue related matters such as non-receipt of Letters of Allotment / share certificates / demat credit /Refund Orders etc.

Ms. Krashmee Bhartiya is the Company Secretary and Compliance Officer of our Company. Her contact details are:

Ms. Krashmee Bhartiya

Upper Ground Floor, 62, Okhla Industrial Estate,
Phase-III, Okhla Industrial Estate, New Delhi, India - 110020

Tel. No.: +91 11 46557134

Email id: cs@megacorppltd.com

SECTION IX – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and the Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Circulars SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renounees) shall make an application for a rights issue only through ASBA facility.

OVERVIEW

The Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, the Memorandum of Association and the Articles of Association of our Company, the provisions of Companies Act, the terms and conditions as may be incorporated in the FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the SEBI, the RBI or other regulatory authorities, the terms of Listing Agreements entered into by our Company with the Stock Exchange and terms and conditions as stipulated in the Allotment Advice.

Important:

a) Dispatch and availability of Issue materials:

In accordance with the SEBI (ICDR) Regulations, and the ASBA Circular, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material (“**Issue Materials**”) only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard.

Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at <https://megacorppltd.com>
- b) the Registrar to the Issue at: <https://linkintime.co.in>
- c) the Stock Exchange at www.bseindia.com

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at <https://megacorppltd.com> by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., <https://megacorppltd.com>)

Further, our Company will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit. Resident Eligible Equity Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number.

The distribution of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Letter of Offer, Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid e-mail address and an Indian address to our Company.

The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

b) Process of making an application in the issue

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense account, as applicable. For further details on the Rights Entitlements and demat suspense account, please

see “*Terms of the Issue—Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” on page 219.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense account in case of resident Eligible Equity Shareholders holding shares in physical form as at Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or
- ii) the requisite internet banking.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see “Terms of the Issue—Grounds for Technical Rejection” on page 219. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, - please see “*Terms of the Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 219.

c) Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- v) renounce its Rights Entitlements in full.

d) Making of an Application through the ASBA process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company and its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's for Investors applying through ASBA:

- a. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- b. Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialised form only.
- c. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- d. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- e. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- f. Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- g. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- h. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in

joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

- i. Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Don'ts for Investors applying through ASBA:

- a. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- b. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- c. Do not send your physical Application to the Registrar, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- d. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- e. Do not submit Application Form using third party ASBA account.

e) Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar or the Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilise the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Mega Corporation Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity

Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;

5. Number of Equity Shares held as at Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total amount paid at the rate of ₹[●]per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
16. An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required, shall be sent to the Registrar to the Issue at megacorp.rightsissue@linkintime.co.in ; and
17. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in “*Restrictions on Purchases and Resales*” shall include the following:

“I/ We hereby make representations, warranties and agreements set forth in “Restrictions on Purchases and Resales”.

I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at <https://linkintime.co.in>

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

f) Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in

dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two clear Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in “*Terms of the Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 219.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as at the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialised Rights Entitlements are transferred from the suspense demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM, AS APPLICABLE, AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM, AS APPLICABLE

g) Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “*Terms of the Issue—Basis of Allotment*” on page 219.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

h) Additional general instructions for Investors in relation to making of an Application:

- a) Please read the Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) Please read the instructions on the Application Form sent to you. Application should be complete in all

respects. The Application Form found incomplete with regards to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under “*Terms of the Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 219.
- d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- e) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
- f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
- h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- j) Investors should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. The investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs

or the Registrar will not be liable for any such rejections.

- k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- m) Investors are required to ensure that the number of Rights Equity Shares applied by them do not exceed the prescribed limits under the applicable law.
- n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- r) Do not submit multiple Applications.
- s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.
- t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

i) Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- c) Sending an Application to our Company, Registrar, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f) Account holder not signing the Application or declaration mentioned therein.

- g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.
- m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- p) Applications which: (i) appear to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r) Application from Investors that are residing in U.S. address as per the depository records.

j) Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialised form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, please see “*Terms of the Issue—Procedure for Applications by Mutual Funds*” on page 219.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of our Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “*Capital Structure*” on page 44.

k) Procedure for Applications by certain categories of Investors

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100% under automatic route).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to, inter alia, the following conditions:

- a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of our Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole

responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any Allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Circular 2020 has been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], 2024, i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in “*Terms of the Issue—Basis of Allotment*” on page 219.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights

Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

1) Credit of Rights Entitlements in demat accounts of eligible equity shareholders

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as at the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e. <https://linkintime.co.in>;) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.megacorppltd.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialised form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required

to make an Application to apply for Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (<https://linkintime.co.in>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense account (namely, “[●] RE Suspense Account”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by [●], 2024 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

m) Renunciation and trading of Rights Entitlement

Renounees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have not furnished the details of their demat account to the

Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Rights Equity Shares

₹[●] per Rights Equity Share (including premium of ₹[●] per Rights Equity Share) shall be payable on Application.

Our Company accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialised form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●]2024 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] band indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE, under automatic order matching mechanism and on ‘T+1 rolling settlement basis’, where ‘T’ refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

n) Mode Of Payment

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorising the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalisation of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident renouces who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

o) Basis for this issue and terms of this issue

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of the Issue such as face value, Issue Price, Rights Entitlement ratio, please see “*The Issue*” on page 40.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Equity Share for every [●] Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or not in the multiple of [●] the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued

by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue shall, upon being fully paid-up rank *pari passu* with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE Limited through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 531417 under the ISIN: INE804B01023). The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by our Promoters and members of our Promoter Group

For details of the intent and extent of subscription by our Promoters and the Promoter Group, see “Capital Structure –Intent and extent of participation by the Promoters and the Promoter Group” on page 44.

Rights of Holders of Rights Equity Shares

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- d) The right to receive dividend, if declared;
- e) The right to receive surplus on liquidation;
- f) The right to receive offers for rights shares and be allotted bonus shares, if announced;
- g) The right to free transferability of Rights Equity Shares;
- h) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- i) Such other rights as may be available to a shareholder of a listed public company under the Companies

Act, 2013, the Memorandum of Association and the Articles of Association.

p) General Terms Of The Issue

Market Lot

The Rights Equity Shares shall be tradable only in dematerialised form. The market lot for the Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of the Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Hindi language daily newspaper with wide circulation (Hindi being the regional language of New Delhi, where our Registered Office is located).

This Draft Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out therein (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or

part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at <https://linkintime.co.in>. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. Further, Application Forms will be made available at Registered Office and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, OCBs have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and to obtain prior approval from RBI for applying in this Issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by email to delhi@linkintime.co.in and cs@megacorppltd.com respectively.

APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit website of Registrar.

PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date, i.e. [●] and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The Eligible Equity Shareholders can access the Common Application Form from:

Access of Documents on the website of	URL of websites
Company	https://megacorppltd.com
Registrar to the Issue	https://linkintime.co.in
BSE Limited	www.bseindia.com

- d) Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://linkintime.co.in>) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. <https://megacorppltd.com>);
- e) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, submit the Common Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020,

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE, i.e. [●] AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE.

ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS #	[●]
ISSUE CLOSING DATE*	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT (ON OR ABOUT)	[●]

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

* Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., <https://linkintime.co.in>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., <https://linkintime.co.in>) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE

General instructions for Investors

- a) Please read the Letter of Offer and Application Form carefully to understand the Application process and applicable settlement process.
- b) In accordance with the SEBI Rights Issue Circulars, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.
- c) Please read the instructions on the Application Form sent to you.
- d) The Application Form can be used by both the Eligible Equity Shareholders and the renouncees.
- e) Application should be made only through the ASBA facility or using.
- f) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected.
- g) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "Application on Plain Paper under ASBA process" on page 219 of the Chapter "Terms of the Issue".
- h) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their

Application through ASBA.

- i) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- j) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts,
- k) Applications through ASBA process will be uploaded until 5.00 P.M. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- l) **Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.**
- m) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- n) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- o) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Furthermore. Cash payment or payment by cheque or demand or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- p) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- q) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- r) All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- s) Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
- t) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

- u) In terms of the SEBI circular CIR /CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
- v) In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Additional general instructions for Investors in relation to making of an application.

- a) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete about any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- b) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“Demographic Details”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, and Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
- c) By signing the Application Forms, Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- d) Investors are required to ensure that the number of Equity Shares applied for by them does not exceed the prescribed limits under the applicable law.
- e) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- f) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- g) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- h) Do not pay the Application Money in cash, by money order, pay order or postal order.
- i) Do not submit multiple Applications.
- j) No investment under the FDI route (*i.e.*, any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible

for any allotments made by relying on such approvals.

- k) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

Do's:

- a) Ensure that the Application Form and necessary details are filled in.
- b) Except for Application submitted on behalf of the Central or the State Government, residents of Delhi and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("Demographic Details") are updated, true and correct, in all respects.
- d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

Don'ts:

- a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- e) Do not submit multiple Applications.

Do's for Investors applying through ASBA:

- a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- d) Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint

names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for Investors applying through ASBA:

- a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- b) Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), and a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- c) Sending an Application to our Company, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- d) Funds in the ASBA Account whose details are mentioned in the Application Form have been frozen pursuant to regulatory orders.
- e) Account holder not signing the Application or declaration mentioned therein.
- f) Submission of more than one Application Form for Rights Entitlements available in a particular Demat account.
- g) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- h) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- i) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- j) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- k) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Letter of Offer.
- l) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- m) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demands.
- n) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- o) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under

laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non- U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.

- p) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- q) Application from Investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

Our Company may, in consideration with the Designated Stock Exchange, decide to relax any of the grounds of technical rejection mentioned hereinabove.

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories.

The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

Multiple Applications

In case where multiple Applications are made in respect of the same Rights Entitlements using same demat account, such Applications shall be liable to be rejected. *A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications.* Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications.

A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. For details, please see “Procedure for Applications by Mutual Funds” below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications shall be treated as multiple Applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications and are liable to be rejected other than multiple applications submitted by any of our Promoters or members of Promoter Group for subscribing any unsubscribed portion of this Issue as described in “Capital Structure –Intention and extent of participation by our Promoters and Promoter Group” on page 44.

Underwriting

The Issue is not underwritten.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●] i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the heading, “Basis of Allotment” on page 246.

Please note that on the Issue Closing Date, (i) the Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges. Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, may withdraw their application post the Issue Closing Date.

Issue Schedule

Last Date for credit of Rights Entitlements:	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation#:	[●]
Issue Closing Date*:	[●]
Finalization of Basis of Allotment (on or about):	[●]
Date of Allotment (on or about):	[●]
Date of credit (on or about):	[●]
Date of listing (on or about):	[●]

#Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouces on or prior to the Issue Closing Date.

*Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renounce(s) who has/have applied for Rights Equity Shares renounced in its/their Favor, in full or in part, as adjusted for fractional entitlement.
- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of the Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- d) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed' for the purpose of Regulation 3(1)(b) of the SEBI Takeover Regulations.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Designated Branches, a list of the ASBA Investors who have been Allotted Rights Equity Shares in the Issue, along with:

- a) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Application;
- b) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- c) The details of rejected ASBA Applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

Allotment Advices/Refund Orders

Our Company will email Allotment advice, refund intimations or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialized mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay requisite interest at the rate of 15% per annum from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR

Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

Payment of Refund

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility.

Refund payment to Non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

Allotment advice or Demat Credit

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialised Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN\ BE ALLOTTED ONLY IN DEMATERIALISED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE ISSUE CLOSING DATE, AS THE CASE MAY BE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form only. Our Company has signed an agreement dated [●], with [●] which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALISED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the electronic form is as under:

- Open a beneficiary account with any Depository Participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for each such holding. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
- It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

- The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
- If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders whose Equity Shares are with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
- Renouces will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
- Non-transferable allotment advice/ refund orders will be sent directly to the Investors by the Registrar to the Issue.
- Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.
- Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue.

PROCEDURE FOR APPLICATIONS BY CERTAIN CATEGORIES OF INVESTORS

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be reclassified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying)

directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iii) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- i. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- ii. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue.

Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centers where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Payment by stock invest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest Scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- i. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- ii. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- iii. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 lakhs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lakhs or with both.

Disposal of Applications and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form to the Eligible Equity Shareholders upon submission of the Application. Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at the rate of 15% p.a. within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

Utilization of Issue Proceeds Our Board of Directors declares that:

- a) All monies received out of the Issue shall be transferred to a separate bank account;
- b) Details of all monies utilized out of the Issue shall be disclosed, and shall continue to be disclosed until the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- c) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- d) Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

Undertakings by our Company

Our Company undertakes the following:

- (i) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- (ii) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.
- (iii) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- (iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- (v) No further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc.
- (vi) In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- (vii) Adequate arrangements shall be made to collect all ASBA Applications and to consider them similar to non-ASBA Applications while finalizing the Basis of Allotment.
- (viii) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
- (ix) Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.
- (x) Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Filing

The Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is less than ₹ 50 Crores which does not require issuer to file Letter of Offer with SEBI. Issuer has filed Letter of Offer with BSE for obtaining in-principle approval.

Withdrawal of the Issue

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, Our Company, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared, and the Stock Exchanges will also be informed promptly.

The Company, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchange.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchanges

where the Equity Shares may be proposed to be listed.

Important

Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in “Risk Factors” on page 21.

All enquiries in connection with the Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “Mega Corporation Limited – Rights Issue” on the envelope to the Registrar at the following address:

Link Intime India Private Limited

Address: C-101, 1st Floor, 247 Park, LBS Marg, Surya Nagar,
Gandhi Nagar Vikhroli (West), Mumbai –400 083, Maharashtra, India

Telephone: +91 81081 14949

E-mail: megacorp.rightsissue@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Shanti Gopalakrishnan

Investor Grievance: megacorp.rightsissue@linkintime.co.in

CIN: U67190MH1999PTC118368

SEBI Registration No: INR000004058

Validity of Registration: Permanent

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar www.linkintime.co.in.

The Issue will remain open from [●]to [●]. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“DPIIT”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DPIIT also issues the Consolidated Foreign Direct Investment Policy (“FDI Policy”) from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments. India’s current FDI Policy issued by the DPIIT with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT till October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI. As per Regulation 7 of the Foreign Exchange Management (Nondebt Instruments) Rules, 2019, the RBI has given general permission to Indian companies to issue securities on rights basis to non-resident shareholders including additional securities under the rights issue. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018, as amended, issued by the RBI, non-residents may, inter alia, (i) subscribe for additional securities over and above their rights entitlement; (ii) renounce the securities offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the securities renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, Allotment of Rights Equity Shares and issue of Allotment advice. If an NR or NRI Investor has specific approval from the RBI, in connection with their shareholding, they should enclose a copy of such approval with the Application. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the allotment of Rights Equity Shares. The Rights Equity Shares purchased by non- residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis. The above information is given for the benefit of the Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The above information is given for the benefit of the Applicants / Investors. Our Company and are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

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SECTION X – STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at www.megacorppltd.com from the date of this Letter of Offer until the Issue Closing Date.

Material Contracts for the Issue

- (i) Registrar Agreement dated October 28 2024, entered into amongst our Company and the Registrar to the Issue.
- (ii) Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue.

Material Documents

- (i) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- (ii) Resolution of the Board of Directors dated August 31, 2024, in relation to the Issue.
- (iii) Resolution of our Board of Directors dated [●], finalizing the terms of the Issue including Issue Price and the Rights Entitlement Ratio.
- (iv) Resolution of our Rights Issue Committee dated [●], finalizing the Record Date.
- (v) Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, the Registrar to the Issue for inclusion of their names in the Letter of Offer in their respective capacities.
- (vi) Statement of Tax Benefits dated September 30, 2024 from the Statutory Auditor included in this Letter of Offer.
- (vii) Tripartite Agreement between our Company, NSDL, and the Registrar to the Issue.
- (viii) Tripartite Agreement between our Company, CSDL, and the Registrar to the Issue.
- (ix) In principle listing approval dated [●] issued by BSE Limited.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations, and guidelines issued by the Government of India, or the rules, regulations, or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR

**Sd/-
SURENDRA PAGARIA
DIN: 02945040
DIRECTOR**

**Date: 21st October 2024
Place: New Delhi**

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations, and guidelines issued by the Government of India, or the rules, regulations, or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR

Sd/-
SURENDRA CHHALANI
DIN: 00002747
DIRECTOR & CFO

Date: 21st October 2024
Place: New Delhi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations, and guidelines issued by the Government of India, or the rules, regulations, or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR

Sd/-
SURENDRA KUMAR CHHAJER
DIN: 00672769
DIRECTOR

Date: 21st October 2024
Place: New Delhi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations, and guidelines issued by the Government of India, or the rules, regulations, or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR

Sd/-
ANISHA ANAND
DIN: 00407509
WHOLE-TIME DIRECTOR

Date: 21st October 2024
Place: New Delhi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations, and guidelines issued by the Government of India, or the rules, regulations, or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR

Sd/-
KUNAL LALANI
DIN: 00002756
DIRECTOR

Date: 21st October 2024
Place: New Delhi

DECLARATION

I hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations, and guidelines issued by the Government of India, or the rules, regulations, or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE DIRECTOR

**Sd/-
VIKRAM ANAND
DIN: 00407415
DIRECTOR**

**Date: 21st October 2024
Place: New Delhi**