

**MEGA CORPORATION LIMITED**

CIN L65100DL1985PLC092375

Regd. Office: G- 155 (Basement), Kalkaji, New Delhi-110019

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**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2020**



GROUP  
MEGA

*Annexure-A*

(Rs. In Lakhs except per share data)

STANDALONE					
Sl.	Particulars	Quarter Ended			Year Ended
		(Audited)	(Unaudited)	(Audited)	(Audited)
		31.03.2020	31.12.2019	31.03.2019	31.03.2020 31.03.2019
	<b>Revenue from operations</b>	81.16	69.03	50.16	267.11 211.11
	(i) Interest income	-	-	-	1.30
	(ii) Dividend income	-	-	1.50	2.00 6.00
	(iii) Rental income	-	-	-	-
	(iv) Fees and Commission income	-	-	0.39	- 2.64
	(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	81.16	69.03	52.05	270.41 219.75
(I)	<b>Total Revenue from operations</b>	3.18	0.35	1.30	5.11 28.08
(II)	<b>Other Income</b>	84.34	69.38	53.35	275.52 247.83
(III)	<b>Total Income (I +II)</b>				
	<b>Expenses</b>	42.42	32.57	34.10	129.33 127.17
	(i) Finance Cost	5.14	-	-	5.14 (0.68)
	(ii) Impairment on financial instruments	5.71	6.72	8.61	26.23 48.34
	(iii) Employee benefit expenses	8.89	8.82	8.95	35.38 36.77
	(iv) Depreciation, amortisation and impairment	10.52	16.24	6.16	37.75 33.25
	(v) Other Expenditures	72.68	64.35	57.82	233.83 244.85
(IV)	<b>Total Expenses (IV)</b>	40.91	-	-	40.91 -
(V)	<b>Exceptional item (see note 40)</b>	(29.25)	5.03	(4.47)	0.78 2.98
(VI)	<b>Profit before tax (III-IV-V)</b>				
(VII)	<b>Tax Expenses</b>	8.51	-	-	8.51 -
	(1) Current tax	(7.81)	-	(8.58)	(7.81) (8.58)
	(2) Deferred tax	-	-	-	-
	(3) Taxes relating to prior years	8.51	-	-	8.51 -
	(4) MAT Credit entitlement	(7.81)	-	(8.58)	(7.81) (8.58)
	<b>Total Tax Expenses (VII)</b>	(21.44)	5.03	4.11	8.59 11.56
(VIII)	<b>Profit for the period (VI-VII)</b>				
(IX)	<b>Other Comprehensive Income</b>				
	<b>A (i) Items that will not be reclassified to profit or loss</b>				
	-Remeasurement of defined benefit plans				
	- Fair value changes on equity instruments through Other Comprehensive Income				
	(ii) Income tax relating to items that will not be reclassified to profit or loss				
	<b>Subtotal (A)</b>	-	-	-	-
	<b>B (i) Items that will be reclassified to profit or loss</b>				
	Coin / (Loss) from translating financial statement of a foreign operator				
	- Fair value change in debt instruments through Other Comprehensive Income				
	(ii) Income tax relating to items that will be reclassified to profit or loss				
	<b>Subtotal (B)</b>				
	<b>Other Comprehensive Income (A+B) (IX)</b>				
(X)	<b>Total comprehensive Income for the period (VIII+ IX)</b>	(21.44)	5.03	4.11	8.59 11.56
(XI)	<b>Paid up Equity Capital (FV of Rs. 1/- each)</b>	1,000.00	1,000.00	1,000.00	1,000.00 1,000.00



(XII)	Earning per equity share (quarterly figures are not annualised)					
	(Face value of Rs. 1 each)					
	Basic (Rs.)	-	-	-	0.01	0.01
	Diluted (Rs.)	-	-	-	0.01	0.01

*Suvalay*



# SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. In Lakhs except per share data)

Sl.	Particulars	Quarter Ended			Year Ended	
		(Audited)	(Unaudited)	(Audited)	(Audited)	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1	<b>Segment Revenue</b>					
	a. Air Mega	-	0.00	1.50	2.00	6.00
	b. Financing / Investment	82.46	69.03	50.16	268.41	211.11
	c. Unallocated	1.88	0.35	-25.84	5.11	30.72
	<b>Total Segment Revenue</b>	84.34	69.38	25.82	275.52	247.83
	Less: Inter-segment Revenue	-	-	-	-	-
	<b>Net Income from operation</b>	84.34	69.38	25.82	275.52	247.83
2	<b>Segment Results</b>					
	a) Profit before Interest & Tax from each segment :					
	a. Air Mega	(8.74)	-8.74	(7.24)	-32.97	-28.97
	b. Financing / Investment	43.96	60.93	1.65	209.13	158.44
	c. Unallocated	-	-1.58	-25.84	0.00	0.00
	<b>Total</b>	35.22	50.61	-31.43	176.16	129.47
	Less 1) Interest	42.43	32.56	34.10	129.33	127.17
	2) Other Un-allocable Expenditure ( Net off )	22.04	13.02	-61.05	46.05	-0.68
	<b>Total Profit before Tax</b>	-29.25	5.03	-4.48	0.78	2.98
3	<b>Segment Assets</b>					
	a. Air Mega	826.63	826.63	901.76	826.63	901.76
	b. Financing / Investment	3,223.59	2,966.74	2,692.56	3,223.59	2,692.56
	c. Unallocated	-	-	-	-	-
	<b>Total</b>	4,050.22	3,793.37	3,594.32	4,050.22	3,594.32
4	<b>Segment Liabilities</b>					
	a. Air Mega	304.50	304.50	304.50	304.50	304.50
	b. Financing / Investment	1,323.93	1,052.50	840.98	1,323.93	840.98
	c. Unallocated	-	-	-	-	-
	<b>Total</b>	1,628.43	1,357.00	1,145.48	1,628.43	1,145.48
5	<b>Capital Employed (Segment Assets-Segment Liabilities)</b>					
	a. Air Mega	522.13	522.13	597.26	522.13	597.26
	b. Financing / Investment	1,899.66	1,914.24	1,851.58	1,899.66	1,851.58
	c. Unallocated & Other	-	-	-	-	-
	<b>Total Capital Employed in Company</b>	2,421.79	2,436.37	2,448.84	2,421.79	2,448.84

## Notes:-

- (1) The above audited results, reviewed by the Audit Committee were taken on record, by the Board of Directors in the meeting held on 29th July, 2020
- (2) Previous Year/ Qtrs. Have been regrouped/ rearranged, wherever necessary.

Place:- New Delhi  
Date:- 29.07.2020

For Mega Corporation Limited

*Surendra Chhalani*  
(Surendra Chhalani)  
(Director & CFO)  
NEW DELHI  
DIN:00002747



# MEGA CORPORATION LIMITED

## BALANCE SHEET AS AT MARCH 31, 2020

	Notes	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>ASSETS</b>				
<b>1 Financial Assets</b>				
i. Cash and cash equivalents	3	2,508,542	2,422,872	851,093
ii. Bank Balance other than Cash and cash equivalents	4	2,586,355	1,522,051	1,443,039
iii. Trade receivables	5	991,520	708,000	-
iv. Loans	6	252,541,200	175,271,470	192,320,503
v. Investments	7	17,445,395	79,022,552	78,758,854
vi. Other financial assets	8	21,000	693,117	693,117
<b>Total Financial assets</b>		<b>276,094,012</b>	<b>259,640,062</b>	<b>274,066,606</b>
<b>2 Non-Financial assets</b>				
i. Current tax assets (net)	9	1,660,681	1,980,083	1,911,252
ii. Deferred tax assets (Net)	10	6,577,583	5,796,797	4,938,377
iii. Property, plant and equipment	11	39,137,978	42,651,913	47,080,886
iv. Capital work in Progress	-	-	-	-
v. Other intangible assets	-	-	-	-
vi. Other non-financial assets	12	81,552,477	49,363,447	57,707,452
<b>Total Non-Financial assets</b>		<b>128,928,719</b>	<b>99,792,240</b>	<b>111,637,967</b>
<b>TOTAL ASSETS</b>		<b>405,022,731</b>	<b>359,432,302</b>	<b>385,704,573</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
<b>1 Financial liabilities</b>				
<b>i. Payables</b>	13			
(I) Trade payables	13.1			
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	22,253,894.00
(II) Other payables	13.2			
(a) Total outstanding dues of micro enterprises and small enterprises		323,278	395,842	892,736
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises				
ii. Borrowings (Other than Debt Securities)	13.3	129,903,055	82,044,895	86,481,180
iii. Other Financial liabilities	14	30,450,652	30,450,652	30,450,652
<b>2 Non-Financial liabilities</b>				
i. Provisions	15	1,884,827	1,481,926	1,520,307
ii. Other Non-Financial liabilities	16	282,301	174,560	378,266
<b>Total</b>		<b>162,844,113</b>	<b>114,547,875</b>	<b>141,977,035</b>
<b>Equity</b>				
i. Equity share capital	17	100,000,000	100,000,000	100,000,000
ii. Other equity	18	142,178,618	144,884,427	143,727,538
<b>Total Equity</b>		<b>242,178,618</b>	<b>244,884,427</b>	<b>243,727,538</b>
<b>Total Liabilities and Equity</b>		<b>405,022,731</b>	<b>359,432,302</b>	<b>385,704,573</b>

The accompanying notes are integral part of the financial statements

In terms of our report attached

**For Virendra Pradeep & Co**

Chartered Accountants

Firm Registration No. 007409N

*(Signature)*  
CA Pradeep Kumar Agarwal

Proprietor

M. No. 085534

UDIN: 20085534 AAAAN2799

Place: Delhi

Date: 29-07-2020



For and on behalf of the Board of Directors

*(Signature)*  
Surendra Chhalani  
Director & CFO

DIN: 00002747

*(Signature)*  
Anant Singh

Company Secretary (ACS 51268)

*(Signature)*  
Kunal Lalani  
Director

DIN: 00002756





# MEGA CORPORATION LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

	Notes	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>1. Revenue from operations</b>	19		
Interest Income		26,710,504	21,111,245
Dividend Income		130,200	-
Lease Rental Income		200,000	600,000
Gain on fair value of financial instruments		-	263,698
<b>Total Revenue from operations</b>		<b>27,040,704</b>	<b>21,974,943</b>
<b>2. Other income</b>	20	<b>511,383</b>	<b>2,808,249</b>
<b>3. Total income (1+2)</b>		<b>27,552,087</b>	<b>24,783,192</b>
<b>4. Expenses</b>			
Finance costs	21	12,933,123	12,717,290
Impairment on financial instruments	22	514,002	(68,196)
Employee benefits expense	23	2,623,289	4,833,810
Depreciation and amortisation expense	11	3,538,455	3,676,974
Other expenses	24	3,774,250	3,324,846
<b>Total expenses</b>		<b>23,383,119</b>	<b>24,484,724</b>
<b>5. Profit before exceptional item and tax (3-4)</b>		<b>4,168,968</b>	<b>298,468</b>
<b>6. Exceptional item (see note 40)</b>		<b>4,091,446</b>	<b>-</b>
<b>7. Profit before tax (5-6)</b>		<b>77,522</b>	<b>298,468</b>
<b>8. Tax expense:</b>			
Current tax		850,780	-
Deferred tax		(780,786)	(858,421)
Adjustment of tax relating to earlier period		-	-
Less : MAT credit entitlement		850,780	-
<b>Total tax expense</b>	25	<b>(780,786)</b>	<b>(858,421)</b>
<b>9. Profit for the year (7-8)</b>		<b>858,308</b>	<b>1,156,889</b>
<b>10. Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
Income tax relating to items that will not be reclassified to profit or loss		-	-
Equity instruments through other comprehensive income		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Total other comprehensive income (Net of Tax)</b>		<b>-</b>	<b>-</b>
<b>11. Total comprehensive income for the year (9+10)</b>		<b>858,308</b>	<b>1,156,889</b>
<b>Earnings per equity share:</b>			
(Face value Rs. 1 per share)			
- Basic and diluted (Rupees)	26	<b>0.01</b>	<b>0.01</b>


The accompanying notes are integral part of the financial statements

In terms of our report attached

For Virendra Pradeep & Co

Chartered Accountants

Firm Registration No. 007409N

  
CA Pradeep Kumar Agarwal  
Proprietor

M. No. 085534

UDIN: 20085534AAAAAN2799


Place: Delhi

Date: 29-07-2020

For and on behalf of the Board of Directors

  
Surendra Chhalani  
Director & CFO  
DIN: 00002747

  
Kunal Lalani  
Director  
DIN: 00002756

  
Agat Singh  
Company Secretary (ACS 51268)





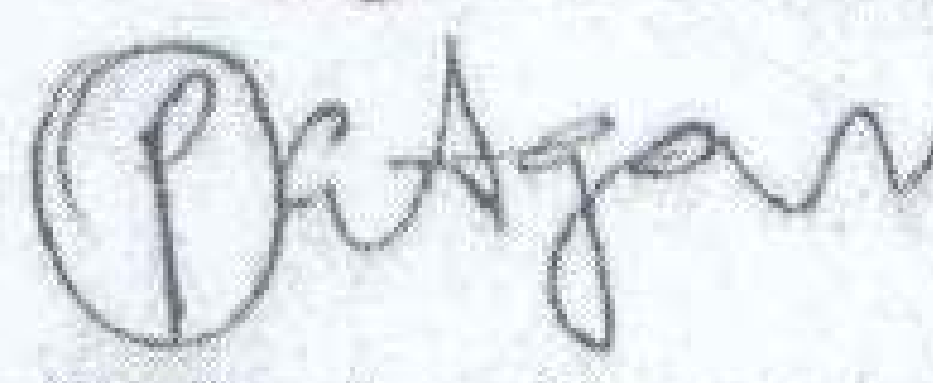
# MEGA CORPORATION LIMITED

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED MONTHS ENDED MARCH 31, 2020

PARTICULARS	As on March 31, 2020	As on March 31, 2019
<b>1 Cash flow from operating activities :-</b>		
Profit for the year	858,308	1,156,889
Adjusted for:		
Depreciation and Amortisation expense	3,538,455	3,676,974
(Profit)/Loss on sale of fixed assets	(95,424)	3,001
Loss of subsidiary company transferred on merger	(3,564,117)	0
Dividend Received (Long Term Investments)	(130,200)	0
Transfer to statutory reserve	171,662	231,378
Liabilities written back	(15,865)	(2,683,147)
Unrealised (Gain)/loss on fair valuation of financial instruments	0	(263,698)
Impairment on financial instruments	514,002	(68,196)
Deferred Tax (Saving)/Expenses	(780,786)	(858,421)
<b>Operating Profit / (loss) before working capital changes</b>	<b>496,035</b>	<b>1,194,780</b>
<b>Changes in Assets and Liabilities</b>		
Adjusted for:		
(Increase)/ Decrease in trade receivables	(283,520)	(708,000)
(Increase)/ Decrease in loans	(77,269,730)	17,049,033
(Increase)/ Decrease in tax assets	(531,378)	(927,251)
(Increase)/ Decrease in other financial assets	672,117	0
(Increase)/ Decrease in other non financial assets	(32,189,030)	8,344,005
Increase/ (Decrease) in trade payables	(72,564)	(22,253,894)
Increase/ (Decrease) in other liabilities	107,741	700,600
Increase/ (Decrease) in provisions	402,901	38,381
<b>Cash generated from operations</b>	<b>(108,667,428)</b>	<b>3,437,654</b>
Add: Amount received on merger of subsidiary company	817,390	0
Less : Taxation paid /refund (net off)	(636,408)	(1,894,422)
<b>Net cash from operating activities</b>	<b>(108,486,447)</b>	<b>5,332,076</b>
<b>2 Cash flow from Investing activities</b>		
Purchase of fixed assets	(96,920)	0
Sale of assets	167,824	755,000
Sale of investment (net of profit)	61,577,157	0
Dividend received	130,200	0
<b>Net cash used in investing activities</b>	<b>61,778,261</b>	<b>755,000</b>
<b>3 Cash flow from financing activities</b>		
Proceeds from short-term borrowings	47,858,160	(4,436,285)
<b>Net cash used in financing activities</b>	<b>47,858,160</b>	<b>(4,436,285)</b>
<b>Net (Increase/ Decrease) in Cash and Cash Equivalents</b>	<b>1,149,974</b>	<b>1,650,791</b>
Cash and cash equivalent at the beginning of the year	3,944,923	2,294,132
Cash and cash equivalent at the end of the year	5,094,897	3,944,923

The accompanying notes are integral part of the financial statements

For Virendra Pradeep & Co  
Chartered Accountants  
Firm Registration No. 007409N


  
CA Pradeep Kumar Agarwal  
Proprietor  
M. No. 085534  
UDIN: 20085534AAAAAN2797  
Place: Delhi  
Date: 29-07-2020



For and on behalf of the Board of Directors

  
Surendra Chhalani  
Director & CFO  
DIN: 00002747

  
Kunal Lalani  
Director  
DIN: 00002756

  
Anagat Singh  
Company Secretary (ACS 51268)





**VIRENDRA PRADEEP & CO****CHARTERED ACCOUNTANTS**

165, Wadhwa Complex, D-288/89, Street No. 10, Laxmi Nagar, Delhi - 110092

Ph. No. 9810108424 Email: capradeepagarwal@yahoo.com

**INDEPENDENT AUDITOR'S REPORT****To the Members of Mega Corporation Limited****Report on the Audit of the Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of Mega Corporation Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Ind AS financial statements.

**Emphasis of matter**

We draw attention to note 3 to the Ind AS financial statements, which describes the assessment of company's management that the uncertainty caused by Novel Coronavirus (COVID-19) pandemic should not have any significant impact on the Company's business prospects. However, such assessment may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditor's Response
Accuracy of recognition, measurement, presentation and disclosures of revenue and other related balances presented in the financial statements in view of adoption of Ind AS.	<b>Principal Audit Procedures</b> We assessed the company's process to identify the impact of adoption of the new Indian Accounting Standard (Ind AS). Our audit approach consisted testing of the design and operating effectiveness of the internal controls.





**VIRENDRA PRADEEP & CO**  
**CHARTERED ACCOUNTANTS**

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**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and the Board of Directors for the Ind AS Financial Statements**

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:





**VIRENDRA PRADEEP & CO**  
**CHARTERED ACCOUNTANTS**

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- Identify and assess the risks of material misstatement of the Ind AS 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.
- Obtain an understanding of internal control 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

**Other Matters**

The comparative financial information of the company for the year ended 31<sup>st</sup> March, 2019 and the transition date opening balance sheet as at 1<sup>st</sup> April, 2018 included in this Ind AS financial statements, are based on previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standard) Rules, 2006 audited by us for the year ended 31<sup>st</sup> March, 2018 and 31<sup>st</sup> March, 2019 dated 30<sup>th</sup> May, 2018 and 30<sup>th</sup> May, 2019, respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on the transition to Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.





**VIRENDRA PRADEEP & CO**  
**CHARTERED ACCOUNTANTS**

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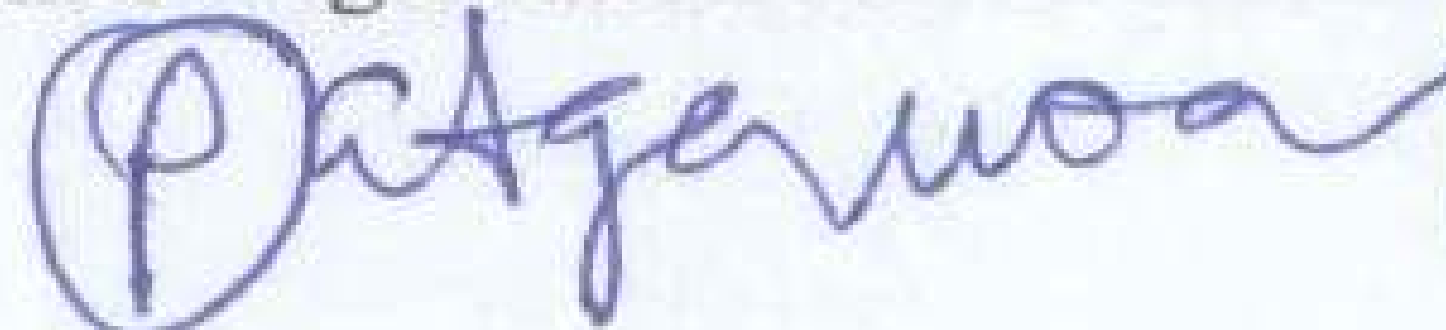
2. As required by Section 143(3) of the Act, we report that:

- (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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us;
- (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 as at 31 March 2020 on its financial position in its financial statements - Refer Note 19 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For VIRENDRA PRADEEP & CO**

Chartered Accountants

Firm's Registration No. 007409N



**( PRADEEP KUMAR AGARWAL )**

Prop.

M. No. 085534

Place: Delhi

Date: 29-07-2020

UDIN:





# VIRENDRA PRADEEP & CO

## CHARTERED ACCOUNTANTS

165, Wadhwa Complex, D-288/89, Street No. 10, Laxmi Nagar, Delhi - 110092

Ph. No. 9810108424 Email: capradeepagarwal@yahoo.com

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### “ANNEXURE – A” TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report in the members of Mega Corporation Limited ("The Company") for the year ended on 31<sup>st</sup> March 2020, We report that:-

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.  
(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) The company has granted loans to four companies covered in the register maintained under section 189 of the Companies Act 2013 ('the Act').
  - a) In our opinion the rate of interest and other terms and conditions on which the loans had been granted to the companies listed in the register maintained under section 189 of the act were not, prima facie, prejudicial to the interest of the company.
  - b) In the case of the loans granted to the companies listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest stipulated.
  - c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the services of the Company.





**VIRENDRA PRADEEP & CO**  
**CHARTERED ACCOUNTANTS**

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- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to the Company were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to information and explanations given to us and the records of the company examined by us, there are no statutory dues of sales tax, duty of excise, service tax, value added tax and duty of customs which have not been deposited with the appropriate authority on account of any dispute.

Following dues of income tax, have not been deposited by the company on account of dispute:

Name of Statute	Nature of Dues	Amount in Lacs	Forum where dispute is pending
Income Tax Act	Demand for AY 2006-07	117.97	Matter is pending for adjudication before Supreme Court

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution. The Company did not have any outstanding loans or borrowing dues in respect of a bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.





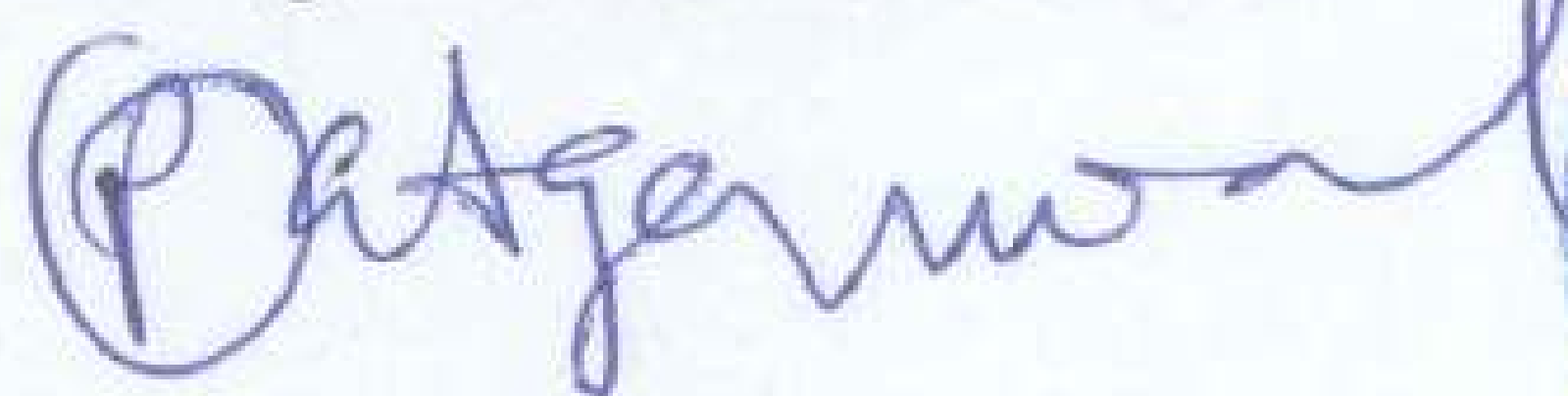
**VIRENDRA PRADEEP & CO**  
**CHARTERED ACCOUNTANTS**

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- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of the Act where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any noncash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

**For VIRENDRA PRADEEP & CO**  
Chartered Accountants

Firm's Registration No. 007409N



**( PRADEEP KUMAR AGARWAL )**

Prop.

M. No. 085534

Place: Delhi

Date: 29-07-2020

UDIN :





# VIRENDRA PRADEEP & CO

## CHARTERED ACCOUNTANTS

165, Wadhwa Complex, D-288/89, Street No. 10, Laxmi Nagar, Delhi - 110092

Ph. No. 9810108424 Email: capradeepagarwal@yahoo.com

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**“Annexure B” referred to in paragraph 2 (f) under the heading “Report on other legal and regulatory requirements” of our report of even date Report on Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of **Mega Corporation Limited** (the “Company”) as of March 31, 2020 in conjunction with our audit of the Ind AS 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 the 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 Act.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to these Ind AS financial statements 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 as specified under section 143(10) of the Act, to the extent 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 with reference to these Ind AS financial statements 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 over financial reporting with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Ind AS financial statements, 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 internal financial controls over financial reporting with reference to these Ind AS financial statements.





**VIRENDRA PRADEEP & CO**  
**CHARTERED ACCOUNTANTS**

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**Meaning of Internal Financial Controls Over Financial Reporting with reference to these Ind AS Financial Statements**

A company's internal financial control over financial reporting with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Ind AS Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements, 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 with reference to these Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

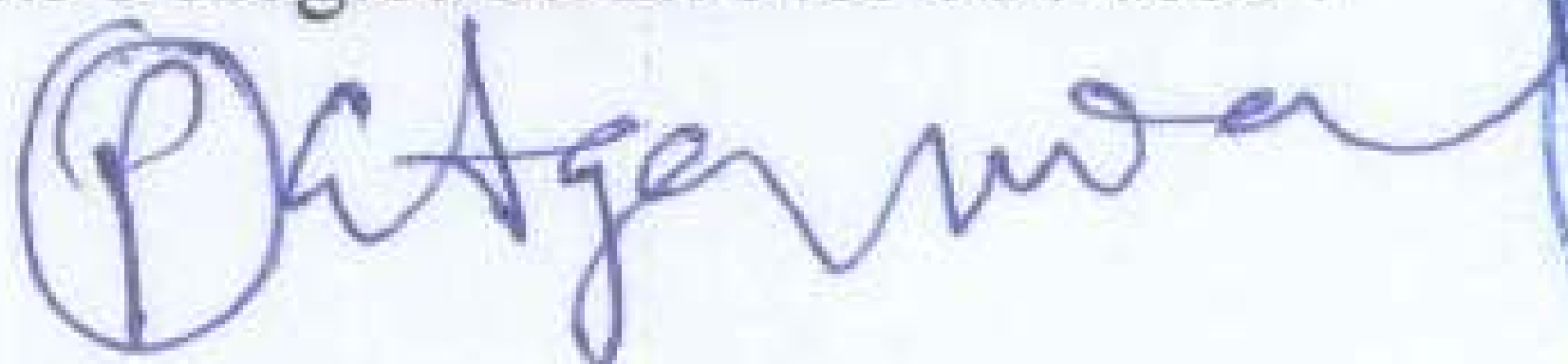
**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at March 31, 2020, 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 VIRENDRA PRADEEP & CO**

Chartered Accountants

Firm's Registration No. 007409N



**( PRADEEP KUMAR AGARWAL )**

Prop.

M. No. 085534

Place: Delhi

Date: 29-07-2020

UDIN:

