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## CORPORATE INFORMATION

### **BOARD OF DIRECTORS**

*Mr. Niranjan Poddar*

*Mr. Ravindar Chaudhary*

*Mr. Subhas Kumar Poddar*

*Mr Vineet Goyal*

*Mr Devraj Baid*

*Mr Ganesh Ray*

### **AUDITORS**

*M/s PVR-N & Co.,*

*Chartered Accountants*

### **BANKER**

*ICICI Bank*

*Paschim Vihar*

### **ANNUAL GENERAL MEETING**

*Date: 30<sup>th</sup> September, 2013*

*Time: 1500 Hours*

*Day: Monday*

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

### **WEBSITE**

*<http://www.mnil.in>*

## NOTICE

**NOTICE** is hereby given that the 30<sup>th</sup> Annual General Meeting of the Company shall be held on Monday, the 30<sup>th</sup> day of September, 2013 at 15:00 Hours at its Registered Office at 2836/37, Ashok Gali, Rambazar Morigate, Delhi-110006 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company & Statement of Profit & Loss Account of the Company for the period commencing from 1<sup>st</sup> April, 2012 to 31<sup>st</sup> March 2013 together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Ganesh Ray, who retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment.
3. To appoint Statutory Auditors of the Company:

**"RESOLVED THAT** M/s PVR-N & Co., Chartered Accountants, retiring Auditors of the Company be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the date of conclusion of the ensuing Annual General Meeting till the date of conclusion of the next Annual General Meeting of the Company at a remuneration as may be mutually agreed upon among themselves."

### **SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass, with or without any modification(s) as may deem fit the following, as an Ordinary Resolution:-

**"RESOLVED THAT** Mr. Subhas Kumar Poddar, who was appointed as an Additional Director by the Board of Directors of the Company on 17<sup>th</sup> December, 2012 pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and Articles of Association of the Company to hold the Office up to this Annual General Meeting and in respect of whom the Company has received notice in writing from the member as required under Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

5. To consider and if thought fit, to pass, with or without any modification(s) as may deem fit the following, as an Ordinary Resolution:-

**"RESOLVED THAT** Mr. Niranjana Poddar, who was appointed as an Additional Director by the Board of Directors of the Company on 17<sup>th</sup> December, 2012 pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and Articles of Association of the Company to hold the Office up to this Annual General Meeting and in respect of whom the Company has received notice in writing from the member as required under Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

6. To consider and if thought fit, to pass, with or without any modification(s) as may deem fit the following, as an Ordinary Resolution:-

**"RESOLVED THAT** Mr. Ravinder Singh, who was appointed as an Additional Director by the Board of Directors of the Company on 17<sup>th</sup> December, 2012 pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and Articles of Association of the Company to hold the Office up to this Annual General Meeting and in respect of whom the Company has received notice in writing from the member as required under Section 257 of the Companies Act,

1956 proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

7. To consider and if thought fit, to pass, with or without any modification(s) as may deem fit the following, as an Ordinary Resolution:-

**“RESOLVED THAT** Mr. Vineet Goel, who was appointed as an Additional Director by the Board of Directors of the Company on 30<sup>th</sup> May, 2013 pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and Articles of Association of the Company to hold the Office up to this Annual General Meeting and in respect of whom the Company has received notice in writing from the member as required under Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

8. To consider and if thought fit, to pass, with or without any modification(s) as may deem fit the following, as an Ordinary Resolution:-

**“RESOLVED THAT** Mr. Devraj Baid, who was appointed as an Additional Director by the Board of Directors of the Company on 30<sup>th</sup> May, 2013 pursuant to Section 260 and other applicable provisions of the Companies Act, 1956 and Articles of Association of the Company to hold the Office up to this Annual General Meeting and in respect of whom the Company has received notice in writing from the member as required under Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 81(1A) of the Companies Act, 1956 (hereinafter referred to as “the Act”) and other applicable provisions of the Act, if any, and subject to the provisions of the Memorandum & Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and in accordance with the provisions of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 and other applicable regulations and guidelines issued by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), Government of India (“GOI”), or any other relevant authority and clarifications thereon issued from time to time, if any, and subject to all such statutory, regulatory and government approvals, permissions or sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions or sanctions, and which may be agreed to by the Board of Director of the Company (hereinafter referred to as “the Board” which expression shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution); the consent of the members of the Company be and is hereby accorded to the Board to create, issue and allot up to 16,00,000 (Sixteen Lakhs) Equity Shares of a face value of Rs 10/- each of the Company, at an issue price not less than the price determined in accordance with SEBI (ICDR) Regulations, 2009, or Stock Exchanges norms or any other statutory approvals by way of preferential allotment to Promoters Group and Strategic Investors, and as per the terms and conditions given in the Explanatory Statement annexed to this notice, which, inter alia, include:

- a. Issue of upto 16,00,000 Equity Shares to the following Promoters Group & various Strategic Investors of the Company:

S.No	Name of the proposed allottees	Number of Shares
<b>(A) PROMOTERS &amp; PROMOTERS GROUP</b>		
1	Yogesh Kumar Goyal	2,20,000
	Sub- Total (A)	2,20,000
<b>(B) STRATEGIC INVESTORS</b>		
4	Aniel Kumar Saha	1,00,000
3	Neeta Saha	1,00,000
4	Ashok Kumar Sirohi	1,00,000
5	Manju Sirohi	1,00,000
6	Aunirban Saha	1,00,000
7	Ambieca Saha	1,00,000
8	Ajay Pal Saharan	1,00,000
9	Ankur Chawla	1,00,000
10	Narender Kumar	1,00,000
11	Mani Ram Goyal	1,00,000
12	Suresh Goyal	1,00,000
13	Sanjay Kumar	1,00,000
14	Jatinder Beniwal	1,00,000
15	Ravi Prakash Choudhary	80,000
	Sub- Total (B)	13,80,000
	<b>Grand Total (A+B)</b>	<b>16,00,000</b>

- b. The Equity Shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including as to dividend with the existing equity shares of the Company except that new equity shares will be subject to lock-in requirement in terms of the provisions of the SEBI (ICDR) Regulations, 2009.
- c. The Relevant Date for the purpose of pricing of issue of the resultant Equity Shares in accordance with the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 is 31<sup>st</sup> August, 2013 being the 30<sup>th</sup> day prior to 30<sup>th</sup> September, 2013 (i.e., the date on which the meeting of the general body of shareholders is held, in terms of Section 81(1A) of the Companies Act, 1956, to consider the proposed issue).

**“RESOLVED FURTHER THAT** for giving effect to this Resolution, the Board be and is hereby authorised to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the Equity Shares, and the utilization of the issue proceeds of the Shares for the Company’s plans, to prescribe the forms of application, enter into any agreements or other instruments, and to agree to such conditions or modifications that may be imposed, required or suggested by the Securities & Exchange Board of India (the SEBI), Stock Exchange(s) or other authorities and to take such actions or give such directions as they may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit.”

10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Articles of Association of the Company, Section 94 of the Companies Act, 1956, and other applicable provisions, if any, the existing Authorised Share Capital of the Company, be and is hereby increased from Rs. 1,25,00,000 (Rupees One

Crore Twenty Five Lacs only) to Rs. 4,25,00,000 (Rupees Four Crores Twenty Five Lacs only) by creation of another 30,00,000 (Thirty Lacs Only) Equity shares of Rs. 10 (Rupees ten only) each aggregating to Rs 4,25,00,000 (Rupees Four Crores Twenty Five Lacs only).

**RESOLVED FURTHER THAT** the existing Clause V of the Memorandum of Association of the Company be and is hereby deleted and substituted with the following new clause:

*V. The Authorised Share Capital of the Company is Rs 4,25,00,000 (Rupees Four crore Twenty Five Lacs only) divided into 42,50,000 (Forty Two Lacs Fifty Thousand) Equity Shares of Rs 10/- (Rupees Ten only) each.*

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take all necessary steps that may be required to give effect to the aforesaid resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of the Articles of Association of the Company, Section 31 of the Companies Act 1956 and other applicable, if any, Article No. 3 of the Articles of Association of the Company be substituted with the following new Article:

*(3) The Authorised Share Capital of the Company shall be such amount, and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association of the Company. The Company will have the power to increase or reduce the authorised share capital and to divide the shares, for the time being, into several classes and to attach thereto respectively, such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the provisions of the Act or the Articles of the Company and to modify or abrogate any such rights, privileges and conditions in such manner as may deem fit and consolidate or sub-divide the shares and to issue shares of higher or lower denomination or to otherwise modify the authorised share capital of the Company.*

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take all necessary steps that may be required to give effect to the aforesaid resolution.”

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

Place: New Delhi  
Date: 3<sup>rd</sup> September, 2013

Sd/-  
**Niranjana Poddar**  
Director

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxy form in order to be effective must be deposited with the company not less than 48 hours before the time fixed for commencement of the meeting.
3. The share transfer record of the Company will remain closed from Thursday 26<sup>th</sup> September, 2013 to Monday 30<sup>th</sup> September, 2013 (both days inclusive) for the year 2012-2013.
4. Corporate Members intending to send their Authorized Representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the General Meeting.
5. The Copies of Memorandum and Article of Association of the Company, and all other documents referred in the Notice etc., shall be open for the inspection at the Registered Office of the Company on any working day between 11:00 Hrs and 14:00 Hours upto the date of Annual General Meeting and also at the venue of Meeting during the meeting.
6. In case of the Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Annual Report has been sent to all members and members are requested to bring their copy to the meeting along with duly filled attendance slip (to be handed over at the entrance).

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****ITEM No. 4, 5, 6**

Mr. Ravinder Singh, Mr. Subhas Kumar Poddar and Mr. Niranjan Poddar were appointed as Additional Directors of the Company by the Board of Directors in their meeting held on 17th December, 2012 have rich and vast experience and thus Board considered that their experience will immensely benefit the Company. In terms of Section 260 of the Companies Act, 1956, Mr. Ravinder Singh, Mr. Subhas Kumar Poddar and Mr. Niranjan Poddar, shall hold office up to the ensuing General Meeting. The Company has received a notice under Section 257 of the Act proposing their candidature as Director.

Approval of members by way of Ordinary Resolution is required to for the aforesaid resolution.

The Board recommends the resolution for adoption by the members.

None of the Directors of the Company may be deemed to be concerned or interested in the proposed resolution.

**ITEM No. 7 & 8**

Mr. Vineet Goel and Mr. Devraj Baid were appointed as Additional Directors of the Company by the Board of Directors in their meeting held on 30<sup>th</sup> May, 2013. The Board feels that their presence on the Board is desirable and would be beneficial to the company. In terms of Section 260 of the Companies Act, 1956, Mr. Vineet Goel and Mr. Devraj Baid, shall hold office up to the ensuing General Meeting. The Company has received a notice under Section 257 of the Act proposing their candidature as Director.

Approval of members by way of Ordinary Resolution is required to for the aforesaid resolution.

The Board recommends the resolution for adoption by the members.

None of the Directors of the Company may be deemed to be concerned or interested in the proposed resolution.

### **ITEM No. 9**

To augment the fund requirements of the Company, your Company intent to raise funds through preferential issue of Equity shares to Promoters & Promoters Group and various Strategic Investors.

Since your Company is a listed Company, the proposed issue is in terms of the provisions of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements), Regulations, 2009, and other applicable provisions, if any.

In terms of the provisions of the Companies Act, 1956, and the aforesaid SEBI Regulation, the relevant disclosures/details are given below:

The Company is proposing to issue 16,00,000 (Sixteen Lakhs) Equity Shares to the Promoters & Promoters Group and Strategic Investors of the Company.

**Relevant Date:** The relevant date for the purpose of determination of issue price of the equity shares is 31st August, 2013 being the 30th day prior to 30th September, 2013 (i.e., the date on which the meeting of the shareholders is held, in terms of Section 81(1A) of the Companies Act, 1956, to consider the proposed issue).

**Issue Price:** The relevant date for the purpose of determination of Issue Price of the Equity Shares is not applicable as the Market Price data of the Company is not available. The Company is listed on Delhi Stock Exchange. There is no trading on Delhi Stock Exchange. In terms of Regulation 8(2)(e) of the SEBI (SAST) Regulation, 2011, where the shares are not frequently traded, the price has to be determined taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.

### **Identity & Particulars of proposed allottee and pre & post issue holding of the proposed allottees:**

Present preferential issue of Equity Shares is proposed to be made to the following Promoters & Promoters Group and Strategic Investors. All the proposed allottees are having PAN. The pre issue and post issue shareholding of the proposed allottees is shown in the table below.

S.N	Name & Address of the Proposed Allottee	Number of Shares to be issued	Pre issue shareholding	%	Post issue shareholding	%
<b>(A) Promoters and Promoters Group</b>						
1	Yogesh Kumar Goyal Kairpur, Shri Madhopur, Sikar, Rajasthan-332709	220000	75100	13.72	295100	13.74

<b>(B) Strategic Investors</b>						
2	Aniel kumar Saha G-22, Sector-27, Noida-201301	100000	-	-	100000	4.65
3	Neeta Saha G-22, Sector-27, Noida-201301	100000	-	-	100000	4.65
4	Ashok Kumar Sirohi E-13, Sector-30, Noida-201301	100000	-	-	100000	4.65
5	Manju Sirohi E-13, Sector-30, Noida-201301	100000	-	-	100000	4.65
6	Aunirban Saha G-22, Sector-27, Noida-201301	100000	-	-	100000	4.65
7	Ambieca Saha G-22, sector-27, Noida-201301	100000	-	-	100000	4.65
8	Ajay Pal Saharan B-17B, Gali No,4 Mandawali,New Delhi-110092	100000	-	-	100000	4.65
9	Ankur Chawla B-17B, Gali No,4 Mandawali,New Delhi-110092	100000	-	-	100000	4.65
10	Narender Kumar B-17B, Gali No,4 Mandawali,New Delhi-110092	100000	-	-	100000	4.65
11	Mani Ram Goyal B-17B, Gali No,4 Mandawali,New Delhi-110092	100000	-	-	100000	4.65
12	Suresh Goyal B-17B, Gali No,4 Mandawali,New Delhi-110092	100000	-	-	100000	4.65
13	Sanjay Kumar B-17B, Gali No,4 Mandawali,New Delhi-110092	100000	-	-	100000	4.65
14	Jatinder Beniwal B-17B, Gali No,4 Mandawali,New Delhi-110092	100000	-	-	100000	4.65
15	Ravi Prakash Choudhary B-17B, Gali No,4 Mandawali,New Delhi-110092	100000	-	-	80000	3.72

Pre-issue holding of the proposed Allottees: None of the proposed allottees is holding any pre preferential shareholding in the Company except as herein below:

S.No.	Name of the proposed allottees	Pre-issue shareholding
1.	Yogesh Kumar Goyal	75,100

None of the proposed allottees has sold any shares of the Company during the six months period prior to the relevant date.

### Lock-in Period

The Equity Shares issued to the Promoters Group on preferential basis shall be subject to a lock-in period of 3 years and for Strategic Investors shall be subject to a lock-in period of 1 year from the date of issue or such other period as may be prescribed in accordance with the SEBI guidelines.

### Intention of promoters/directors/key management persons to subscribe:

The Company requires funds for the expansion plan of the business activities and it is considered appropriate under the current circumstances to issue Equity Shares on preferential basis to Promoters Group and other Strategic Investors.

There shall not be any change in control of the Company resulting out of the proposed preferential issue of the equity shares.

**Pre-issue & Post-issue Shareholding Pattern of the Issuer Company:** Pre-issue and post issue shareholding pattern of the Issuer Company will be as below:

SN	Category of Shareholder	Pre-issue Shareholding		Post -issue Shareholding	
		Number of shares	%	No. of shares	%
(A)	<b>Shareholding of Promoter and Promoter Group</b>				
1	<b>Indian</b>				
(a)	Individuals/ Hindu Undivided Family	75100	13.72	295100	13.74
(b)	Central Government/ State Government(s)	-	-	-	-
(c)	Bodies Corporate	-	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-
	Sub Total (A)(1)	75100	13.72	295100	13.74
2	<b>Foreign</b>				
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-
b	Bodies Corporate	-	-	-	-

c	Institutions	-	-	-	-
d	Any Others(Specify)	-	-	-	-
	Sub Total(A)(2)	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		75100	13.72	295100	13.74
(B)	Public shareholding				
1.	Institutions				
(a)	Mutual Funds/ UTI	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-
(c)	Central Government/ State Government(s)	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-
(e)	Insurance Companies	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-
	<b>Sub-Total (B)(1)</b>	-	-	-	-
<b>B 2</b>	<b>Non-institutions</b>				
(a)	Bodies Corporate	378800	69.19	378800	17.63
(b)	Individuals				
I	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	69600	12.71	149600	6.97
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	24000	4.38	1324000	61.62
	Others				
	<b>Sub-Total (B)(2)</b>	<b>472400</b>	<b>86.28</b>	<b>1852400</b>	<b>86.26</b>
(B)	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>472400</b>	<b>86.28</b>	<b>1852400</b>	<b>86.26</b>
	<b>TOTAL (A)+(B)</b>	<b>547500</b>	<b>100.00</b>	<b>2147500</b>	<b>100.00</b>
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-
<b>GRAND TOTAL (A)+(B)+(C)</b>		<b>547500</b>	<b>100.00</b>	<b>2147500</b>	<b>100.00</b>

### Objects and purpose of the Preferential Issue

Funds raised through the present issue are proposed to be utilized to scale up the operations in the present business & for the future growth plans of the Company.

### Proposed time of Allotment

The allotment of the present preferential issue will be made within a period of 15 days from the date of passing of the aforesaid Special Resolution in the present general meeting, excluding the time taken in obtaining the necessary approvals, if any, or within such further period as may be prescribed or allowed by the SEBI, stock exchange(s) or other concerned authorities.

**Undertaking in terms of Regulation 73 of the SEBI (ICDR) Regulations, 2009**

In terms of Regulation 73 (1) (f) and (g) of ICDR Regulations, the Company undertakes to (i) re-compute the price of specified securities (if required) as per the regulations, and (ii) if the amount payable on account of re-computation of price is not paid as per the regulation, the specified securities shall remain locked in till the time such amount is paid.

The proposed allotment on preferential basis, if made, will not result in change in Management or Control of the Company as per the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereof.

The Statutory Auditors of the Company has certified that the present preferential issue of equity shares on the above terms and conditions, is in accordance with the requirements contained in the SEBI (Issue of Capital & Disclosure Requirements), Regulations, 2009, and the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended up to date. The Auditors' Certificate shall be laid before the extra-ordinary general meeting.

Your Directors, therefore, recommend the resolution for adoption by members of the Company by requisite majority.

Except to the shares standing in their names, none of the Directors are interested in the resolution.

**Item No. 10 & 11:**

The scale of operations of the Company has been stagnant for the last several years and the Company has not been able to generate significant shareholders' value. Your Board had been exploring various business avenues to scale up the business operations and profitability of the Company.

With expansion business plans of the Company, it is necessary to increase the Authorised Capital of the Company and hence your Board proposes to increase the authorized share capital of the Company from the existing Rs 1.25 Crores to Rs 4.25 Crores by creation of 30,00,000 Equity Shares of Rs. 10/- each. Such changes in the authorized Equity Share Capital of the Company would also require amendment of clause 5 (a) of the Articles of Association.

Approval of the members of the Company is sought under Section 94 and 31 of the Companies Act, 1956 for the aforesaid matters.

Your Board recommends the resolutions for adoption by members of the Company by requisite majority.

None of the Directors of the Company may be deemed to be concerned or interested in the proposed resolution except to the extent of shares held by them or their relatives.

**DETAIL OF DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT**

(In pursuance of Clause 49 of the Listing Agreement)

<b>Name of the Director</b>	<b>Mr. Niranjan Poddar</b>	<b>Mr. Ravinder Singh</b>	<b>Mr. Subhas Kumar Poddar</b>	<b>Mr. Vineet Goel</b>	<b>Mr. Devraj Baid</b>	<b>Mr. Ganesh Ray</b>
DIN	06450158	05247507	05279271	06555081	06555251	00463635
Father's Name	Mr. Prabhu Poddar Dayal	Mr. Rajpal Balyan	Mr. Shyamsundar Poddar	Mr. Gian Chand Goel	Mr. Rakesh Baid	Mr. Tetar Ray
Date of Birth	01/07/1970	04/09/1985	20/12/1969	01/01/1979	20/04/1993	13/12/1971
Date of Appointment	17/12/2012	17/12/2012	17/12/2012	30/05/2013	30/05/2013	30/10/2009
Education Qualification	Graduate	Graduate	Graduate	Graduate	Graduate	Graduate
Directorship held in other Companies (excluding foreign companies)	Nil	Nil	Nil	Nil	Nil	BMA Capfin Limited

## DIRECTORS' REPORT

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

Your directors have pleasure in presenting their 30<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March 2013.

### FINANCIAL RESULTS

		(In Rs.)	
Particulars		2012-2013	2011-12
	Income	163,701	144,423
Less:	Total Expenditure	141,042	128,131
	Net Profit/(Loss) before Tax & Depreciation (PBDT)	22,659	16,292
Less:	Depreciation	12,840	19,748
	Net Profit/(Loss) after Depreciation before Tax (PBT)	9,818	(3,456)
Less:	Provision for Income Tax-Current	3,100	6,710
	<b>Profit after Tax</b>	<b>6,719</b>	<b>(10,166)</b>

During the year under review, the Company has earned a profit of Rs. 6,719/- (Rs. Six Thousand Seven hundred and Nineteen Only).

### DIVIDEND

During the year under review, the Company did not earn much profit and hence your Director expresses their inability to recommend any dividend.

### PUBLIC DEPOSITS

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

### CHANGE IN THE NAME OF THE COMPANY

As the management foresee the business prospects and the long term growth of the Company, it has been considered appropriate by them to change the name of the Company by obtaining necessary approvals to make the name of the Company in consonance with the present business activity. Accordingly, the name of the Company has been changed to Mega Nirman & Industries Limited w.e.f. 1<sup>st</sup> May, 2013.

### DIRECTORS

In pursuant to Section 256 of the Companies Act, 1956 read with Articles of Association of the Company, Mr. Ganesh Ray, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Pursuant to the Provisions of Section 260 of the Companies Act, 1956 and Articles of Association of the Company and other applicable provisions of Listing Agreement, Mr. Ravinder Singh, Mr. Subhas Kumar Poddar and Mr. Niranjan Poddar were appointed as an Additional Directors on the Board of the Company w.e.f. 17th December, 2012. However, Mr. Nirmal Prakash and Mr. Yogesh Kumar Goyal Directors of the Company expressed their unwillingness to continue on the Board of the Company w.e.f. 17th December, 2012. The Board placed on record its appreciation of the valuable services rendered during their tenure.

Further, Mr. Vineet Goel and Mr. Devraj Baid were also appointed as Additional Director of the Company w.e.f. 30th May, 2013 and shall hold office until the date of the ensuing Annual General Meeting. Your Company has received a notice in writing proposing their candidature along with the requisite deposit pursuant to the provisions of Section 257 of the Companies Act, 1956.

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

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

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

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

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

#### **PARTICULARS OF EMPLOYEES**

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

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

In terms of provisions of Section 217 (2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanation obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a) In the preparation of the Annual Accounts for the financial year ended on 31st March, 2013, the applicable Accounting Standards had been followed along with proper explanation relating to the material departures.
- b) We have selected such Accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial year and of the losses of the Company for that period.
- c) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the Assets of the Company and for preventing and detecting fraud or other irregularities.
- d) That the Directors had prepared the Annual Accounts on a going concern basis.

#### **AUDITORS' REPORT**

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

**STATUTORY AUDITORS**

M/s PVR-N & Co., Chartered Accountants, the Statutory Auditors hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Certificate from the Statutory Auditors has been received to the effect that their re-appointment, if made would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and they are not disqualified for re-appointment within the meaning of Section 226 of the said Act.

**LISTING OF SHARES**

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

**CORPORATE GOVERNANCE**

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

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

**ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Bodies, stakeholders including Financial Institutions, Distributors, various other Government Departments and its valued business associates who have extended their valuable sustained support and encouragement during the year.

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

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

Place: New Delhi  
Date: 3<sup>rd</sup> September, 2013

Sd/-  
**Niranjan Poddar**  
**Director**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management presents the analysis for the Company for the year 2012-2013 and its outlook for future. This outlook is based on assessment of the current business environment.

### Overview

The Company is involved in investment activities during the financial year under review in pursuing of its main object. The graph of the Company's performance has gone up in comparison to the overall growth as witnessed by the finance and investment sector in general. However, the Management of the Company is making sincere efforts for the betterment and expansion of the Business of the Company.

### Internal control Systems

The Company's auditors have confirmed that the Company has proper and adequate internal control systems commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly and that all applicable statutes and corporate policies are duly complied with.

The Company has appointed an independent firm of Chartered Accountants, as Internal Auditors, which continuously reviews the adequacy and efficacy of the internal controls. The internal Auditors evaluate the adequacy of the internal control systems by analyzing and testing controls and make their recommendations to the management to improve controls wherever necessary. The system is improved and modified continuously to meet the changes in business conditions, statutory and accounting requirements.

### Human Resources

The Company believes that the human capital is the key engine for its growth and competitiveness. It continues to focus on HR practices, systems and people development initiatives that encourage continuous learning on the job and meritocracy and which enhance the organization's capability.

For Investment services, Company has invested considerable energy and resources in identifying and developing talent. The Company has invested in HR training so that employees are trained.

A major strength for your Company has been its employees and your Company's relationship with its employees continues to be excellent. Over the years the company has taken several initiatives to attract and retain best talent. Being in the service industry, the company places foremost thrust on the continuous upgradation of human resource. A detailed performance evaluation system is in place and remuneration and rewards are strongly linked to performance indicators. To keep the employee excellence at high altitudes, your company continues to maintain its commitment towards providing training to its employees at all levels. Your Company's Staff turnover is very low as compared with the industry levels. Best HR Practices and continuous work environment ensures high motivational levels of the employees.

### Cautionary Statement

The statements in the "Management Discussion and Analysis" describe the Company's objectives, projections, estimates, expectations and predications which may be "forward looking statements" within the meaning of applicable laws & regulations.

The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

The above Management Discussion and Analysis contains certain forward looking statements within the meaning of applicable security laws and regulations. These pertain to the Company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulation etc. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time on behalf of the Company.

## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY

Corporate Governance is about promoting fairness, transparency and accountability in the best interest of various stakeholders in a company. It is a system by which business corporation are directed and controlled.

The Company believes that good governance should entail trusteeship, empowerment and accountability of the management while remaining proactive to the Government policies. The Corporate Governance specifies the distribution of rights, responsibilities and powers among different participants in the corporation. All strategic decision regarding investment, diversification, major decisions regarding procurement, commercial and finance are proceeded ahead after approval of the Board. The Corporate Governance philosophy has been scripted as under:

*"As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success."*

### 2. BOARD OF DIRECTORS

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

During the year under review 2012-2013, **Six (06)** Board Meetings were held on the following dates:

25<sup>th</sup> May, 2012, 10<sup>th</sup> August, 2012, 10<sup>th</sup> November, 2012, 17<sup>th</sup> December, 2012, 31<sup>st</sup> December 2012, 24<sup>th</sup> January, 2013 respectively.

The intervening period between the Board Meetings were within the maximum time gap prescribed under Companies Act, 1956 and Clause 49 of Listing Agreement.

The last Annual General Meeting of the Company was held on 28<sup>th</sup> September, 2012.

The details of attendance of Directors at various Board Meetings and at an Annual General Meeting held during the Financial Year 2012-13, are as under:

The following table summarizes the attendance of all the Directors at the said Board Meetings:

Name of Director	Number of Meetings attended	Presence in the AGM dated 28/09/2012	No. of other directorship (Except Pvt. Companies)
Mr. Nirmal Prakash*	4	Yes	3
Mr. Yogesh Kumar Goyal*	4	Yes	2
Mr. Ganesh Ray	5	Yes	1
Mr. Niranjan Poddar *	2	N.A.	Nil
Mr. Subhas Kumar Poddar*	2	N.A.	Nil
Mr. Ravinder Singh*	2	N.A.	Nil

\*Mr. Niranjan Poddar, Mr. Subhas Kumar Poddar and Mr. Ravinder Singh, were appointed as the Directors of the Company, in place of Mr. Nirmal Prakash and Mr. Yogesh Kumar Goyal w.e.f. 17<sup>th</sup> December, 2012.

However, Mr. Vineet Goel and Mr. Devraj Baid have been appointed as the Director of the Company w.e.f. 30<sup>th</sup> May, 2013.

None of the directors of the Company is member in more than ten Committees and they do not act as Chairman of more than five Committees across all Companies in which they are directors.

The Board has access to the following information / records:

- Annual operating plans and budgets;
- Quarterly results;
- Minutes of the meetings of the Audit Committee, share transfer and shareholders'/investors' grievances Committee;
- Any other items/events of materially important nature.

### 3. COMMITTEES OF THE BOARD

The Committees appointed by the Board focus on specific areas and take informed decisions within the framework of delegated authority, and make specific recommendations to the Board on matters in their area or purview. All decisions and recommendations of the committees are placed before the Board for information or for approval.

The Company is in compliance with all the requirement of the corporate governance code as enshrined in Clause 49 of the listing agreement. The Company has adopted a code of conduct for its Board and Senior Management Personnel.

The Board has constituted following committees with distinct role, accountability and authority as stipulated under Clause 49 of the Listing Agreement read with relevant provision of the Companies Act, 1956.

#### 3.1 AUDIT COMMITTEE

The Audit Committee has been constituted in terms of Section 292A of the Companies Act, 1956 in accordance with the provision of Clause 49 of the Listing Agreement with the Stock Exchanges.

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

- Mr. Ganesh Ray
- Mr. Ravinder Singh
- Mr. Subhas Kumar Poddar

However, Mr. Vineet Goel and Mr. Devraj Baid have been appointed as the members of the committee in place of Mr. Ravinder Singh and Mr. Subhas Kumar Poddar w.e.f. 30<sup>th</sup> May, 2013.

#### Terms of Reference

The terms of reference of the Audit Committee are in conformity with the provisions of Sub- Clause II of Clause 49 of the Listing Agreement with the Stock Exchanges which, inter alia, include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Reviewing with management the quarterly, half-yearly and annual financial results/ statement with special emphasis on accounting policies and practices, compliances with accounting standards and other legal requirement concerning financial statements.
3. Reviewing the adequacy of the Audit and compliance functioning including their policies, procedures, techniques and other regulatory requirements.

4. Reviewing the adequacy of internal control system and significant audit findings.
5. Discussion with statutory and internal auditors regarding nature and scope of audit.
6. Reviewing with management the statement of significant related party transactions.

### 3.2 SHARE TRANSFER AND SHAREHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE

In compliance with the requirement of Corporate Governance under, the listing Agreement with the Stock Exchanges, the Company has constituted a "Transfer and Shareholder/Investors Grievance Committee" to look in to issues relating to the shareholders including share transfer.

The Shareholders'/Investors' Grievance Committee of the Board comprised of three Directors as follows:

- Mr. Ganesh Ray
- Mr. Ravinder Singh
- Mr. Subhas Kumar Poddar

However, Mr. Vineet Goel and Mr. Devraj Baid have been appointed as the members of the committee in place of Mr. Ravinder Singh and Mr. Subhas Kumar Poddar w.e.f. 30<sup>th</sup> May, 2013.

All the complaints of investors are promptly attended by the Company. All Share transfers are dealt with properly.

### 3.3 REMUNERATION COMMITTEE

The Company does not have Remuneration committee as contemplated under the Listing Agreement, as the Company is not paying any remuneration to its Non-Executive Directors.

## 4. GENERAL BODY MEETINGS

The details of the last three Annual General Meeting were held as under:

Year	Date	Time	Location
2012	28 <sup>th</sup> September, 2012	11:00 Hours	102, Palco House, 2162/T-10, Main Patel Road, New Delhi - 110 008
2011	28 <sup>th</sup> September, 2011	11:00 Hours	102, Palco House, 2162/T-10, Main Patel Road, New Delhi - 110 008
2010	29 <sup>th</sup> September, 2010	11:00 Hours	102, Palco House, 2162/T-10, Main Patel Road, New Delhi - 110 008

The following table summarizes the details of special resolution passed or not during the last three years:

S. N.	Particulars	Status
1.	Whether any special resolutions were passed at the last three Annual General Meeting	None
2.	Whether special resolutions were put through postal ballot at the last three Annual General Meeting	None
3.	Persons who conducted the postal ballot	N.A.
4.	Procedure for postal ballot	N.A.

## 5. DISCLOSURES

### 5.1 Disclosures on materially significant related party transactions:

There were no other materially significant related party transactions that may have potential conflict with the interests of the Company at large.

### 5.2 Details of non compliance(s) by the Company:

Your Company has complied with all the requirements of the Stock Exchange(s) and the Securities Exchange Board of India on matters related to Capital Markets or any other matter, as may be applicable from time to time. There were no penalties imposed or strictures passed against the Company by the statutory authorities in this regard.

### 5.3 Insider Trading

In Compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive code of conduct of its management, staff and business associates. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them on consequences of non-compliances.

### 5.4 Risk Management

Your Company has laid down procedure to inform Board Members about the risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that management controls risk through the means of properly defined framework of the Company.

## 6. MEANS OF COMMUNICATIONS WITH THE INVESTORS/SHAREHOLDERS

The Company regularly intimates unaudited as well as audited financial results to the Stock Exchange(s) immediately after these were taken on record by the Board. The Quarterly/half-yearly/annual financial results are generally published in the English and Hindi Newspapers. The Annual Report, Quarterly Results and Shareholding Patterns of the Company are regularly filed with the Stock Exchanges in hard copies within the stipulated time.

## 7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Management Discussion and Analysis Report forms part of Annual Report and includes discussion on various matters specified under Clause 49(IV) (F) of the Listing Agreement.

## 8. GENERAL SHAREHOLDERS INFORMATION:

### 8.1 Annual General Meeting

Date : 30<sup>th</sup> September, 2013  
Time : 1500 Hours,  
Venue : 2836/37, 1st Floor, Ashok Gali, Rambazar Morigate, Delhi-110006

### 8.2 Financial Calendar:

April 1 to March 31, each year.

**8.3 Quarterly Results for Quarter Ending**

- 30-06-2012 – 1<sup>st</sup>/2<sup>nd</sup> week of August, 2012.  
30-09-2012 – 1<sup>st</sup>/2<sup>nd</sup> week of November, 2012.  
31-12-2013 – 1<sup>st</sup>/2<sup>nd</sup> week of February, 2013.  
31-03-2013 – 4<sup>th</sup>/5<sup>th</sup> week of May, 2013.

**8.4 Book closure:**

Thursday, 26<sup>th</sup> September, 2013 to Monday, 30<sup>th</sup> September, 2013 (both days inclusive).

**8.5 LISTED ON STOCK EXCHANGE(S):****DELHI STOCK EXCHANGE LIMITED,**

DSE House,  
3/1, Asaf Ali Road,  
New Delhi -110 002.

**8.6 ADDRESS FOR CORRESPONDENCES**

For any query related to Annual Report, transfer of shares and other query related to shares, please contact at the following addresses.

Registered Office of the Company

**M/s Mega Nirman & Industries Limited**  
2836/37, 1<sup>st</sup> Floor, Ashok Gali  
Rambazar Morigate  
Delhi-110006

Website: [www.mnil.in](http://www.mnil.in)

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

**Sd/-**  
**Niranjan Poddar**  
**Director**

Place: New Delhi  
Date: 3<sup>rd</sup> September, 2013