



# **36th Annual Report 2018-19**

## **Mega Nirman & Industries Ltd.**



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## **CORPORATE INFORMATION**

Whole Time Director  
**Mr. Narayanjee Thakur**

Executive Director  
**Mr. Anand Rai**  
**Mr. Ramesh Jha**  
**(Appointed w.e.f. 10.08.2019)**

Non-Executive Independent Director  
**Mr. Varun Gaur**  
**Mr. Monendra Srivastava**  
**Ms. Meenu Paliwal**  
**(Resigned w.e.f.10.08.2019)**  
**Mrs. Sushma Jain**  
**(Appointed w.e.f. 26.08.2019)**

Chief Financial Officer  
**Ms. Harshita Kaushik**  
**(Resigned w.e.f. 06.05.2019)**

Company Secretary & Compliance Officer  
**Ms. Mitashi Bisaria**  
**(Resigned w.e.f. 31.05.2019)**  
**Ms. Kanika Mehra**  
**(Appointed w.e.f 10.08.2019)**

**Statutory Auditors**  
M/s ASHM & Associates,  
E-24, Basement, Lajpat  
Nagar-III, New Delhi-110024

**Banker**  
Yes Bank, New Delhi

**Stock Exchange**  
Bombay Stock Exchange Limited

**MEGA NIRMAN & INDUSTRIES LIMITED**  
**CIN: L70101DL1983PLC015425**

**Registered Office:**  
A-6/343B, 1st Floor, Paschim Vihar,  
New Delhi-110063

**Internal Auditor**  
M/s DSAS & Associates, Chartered  
Accountants  
A-5/235, 1<sup>st</sup> Floor, Paschim Vihar, New Delhi-  
110063

**Registrar and Share Transfer Agent**  
Beetal Financial & Computer Services Pvt. Ltd,  
**Address:** Beetal House, 3rd Floor, 99,  
Madangir, behind LSC, New Delhi – 110062  
**Tel No:** 011- 29961281, 29961283 Fax: 011-  
29961284

**E-mail for Members:**  
[Secretarial.mnil@gmail.com](mailto:Secretarial.mnil@gmail.com)

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

## **NOTICE**

**NOTICE** is hereby given that the 36<sup>th</sup> Annual General Meeting of the Company will be held on **Friday, the 27<sup>th</sup> day of September, 2019 at 11:00 A.M.** at **Apsara Grand Banquets, A-1/20 B, Paschim Vihar, Rohtak Road, Near Metro Station Paschim Vihar(West), New Delhi-110063**, to transact the following Business:-

### **ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2019, including Board of Directors and Auditors Report thereon.
2. To re-appoint Mr. Anand Rai (DIN: 06855524), Director who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:-**

3. 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** in accordance with the provisions of Section 203, 196 and 197 read with Schedule V and all other applicable Rules and provision of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other law, regulations or code applicable to the Company, for the time being in force (including any statutory modification(s) or re-enactments thereof, for the time being in force) and on the recommendation of Board of Directors, the consent of the members be and is hereby accorded for appointment of Mr. Narayanjee Thakur (DIN: 00445013) as Whole Time Director for the period of 1 (One) year, on the terms & conditions including remuneration as recommended by the Nomination & Remuneration Committee, with the liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination & Remuneration Committee) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Narayanjee Thakur, subject to the same not exceeding the limits as specified under Schedule V to the Companies Act, 2013 or any statutory modifications(s) or re-enactments thereof.

**RESOLVED FURTHER THAT** any Director or Company Secretary be and are hereby authorised severally, to file necessary e-form with the Registrar of Companies and to do all such act(s), deed(s) and things(s) connected with the aforesaid matters or any other matter incidental or ancillary thereto for giving effect to the above said resolution.”

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** pursuant to Sections 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Ramesh Jha (DIN: 07355581) who was appointed as an Additional Director with effect from August 10, 2019 by the Board of Directors of the Company, based on the recommendation of Nomination and Remuneration Committee and who in terms of Section 161 of the Companies Act, 2013 holds office up to the date of this Annual General Meeting, be and is hereby appointed as Executive Director of the Company

**RESOLVED FURTHER THAT** any Director or Company Secretary be and are hereby authorised severally, to file necessary e-form with the Registrar of Companies and to do all such act(s), deed(s) and things(s) connected with the aforesaid matters or any other matter incidental or ancillary thereto for giving effect to the above said resolution.”

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** pursuant to Sections 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mrs. Sushma Jain (DIN: 08545336) who was appointed as an Additional Director with effect from August 26, 2019 by the Board of Directors of the Company, based on the recommendation of Nomination and Remuneration Committee and who in terms of Section 161 of the Companies Act, 2013 holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Non-Executive Director of the Company of the Company for a period of 5 years

**RESOLVED FURTHER THAT** any Director or Company Secretary be and are hereby authorised severally, to file necessary e-form with the Registrar of Companies and to do all such act(s), deed(s) and things(s) connected with the aforesaid matters or any other matter incidental or ancillary thereto for giving effect to the above said resolution.”

**By Order of the Board**  
**For Mega Nirman & Industries Limited**

**Place: New Delhi**  
**Date: 26.08.2019**

**(Kanika Mehra)**  
**Company Secretary**

## **NOTES:**

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the 36<sup>th</sup> Annual General Meeting is annexed hereto.
2. Brief profile and other information of Directors proposed to be appointed/ re-appointed are annexed.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE THIRTY SIXTH ANNUAL GENERAL MEETING (“the Meeting”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. MEMBERS/ PROXIES SHOULD FILL THE ATTENDANCE SLIP FOR ATTENDING THE MEETING.
4. Pursuant to Section 105 of Companies Act, 2013, a person shall act as proxy of not more than 50 members and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights. Member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.
5. If a Person is appointed as Proxy for more than 50 Members, he shall choose any 50 Members and confirm the same to the Company 24 hours before the commencement of the Meeting. In case, the Proxy fails to do so, the Company shall consider only the first 50 proxies received in respect of such person as valid.
6. Proxy holder shall prove his identity at the time of attending the Meeting. A Proxy Form which does not state the name of the Proxy shall be considered invalid. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / letter of authority, as applicable.
7. Corporate members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of Companies Act, 2013 (“the Act”) are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the Meeting along with the Specimen Signature of representative authorised under said resolution to attend & vote on behalf of the meeting.
8. SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8<sup>th</sup> June, 2018, amended Regulation 40 of Listing Regulations pursuant to which from 1st April, 2019, onwards securities can be transferred only in dematerialized form. However, it is clarified that, members can continue holding shares in physical form. Transfer of securities in demat form will facilitate convenience and ensure safety of transactions for investors.

Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.

SEBI vide Press Release dated 27<sup>th</sup> March, 2019 has clarified that the share transfer deed(s) once lodged prior to the deadline of 31<sup>st</sup> March, 2019 and returned due to deficiency in documents submitted, may be re-lodged for transfer.

9. The Register of Members and Share Transfer Books of the Company shall remain closed from **Saturday, September 21, 2019 to Friday, September 27, 2019 (both days inclusive)** for the purpose of Annual General Meeting.



## 10. Change of Address or Other Particulars

Members are requested to intimate change, if any, in their address (with PIN Code), E-mail ID, nominations, bank details, mandate instructions, National Electronic Clearing Service ("NECS") mandates, etc. under the signature of the registered holder(s) to:

- The Beetal Financial Computer Services Pvt. Ltd , Registrar and Transfer Agent ("RTA") of the Company in respect of shares held in physical form; and
  - The Depository Participants in respect of shares held in electronic form.
11. Details as required in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') in respect of the Directors seeking re-appointment at the AGM are provided at page nos. 14 and 15 of this Report. Requisite declarations have been received from the Directors seeking re-appointment.
12. Pursuant to Section 72 of the Act, member(s) of the Company may nominate a person in whom the shares held by him/them shall vest in the event of his/ their unfortunate death. Accordingly, members holding shares in physical form, desirous of availing this facility may submit nomination in Form SH-13 to RTA of the Company. In respect of shares held in dematerialized form, the nomination form may be filed with the concerned Depository Participant.
13. The Company has a dedicated E-mail address [secretarial.mnil@gmail.com](mailto:secretarial.mnil@gmail.com) for members to mail their queries or lodge complaints, if any. We will endeavor to reply to your queries at the earliest.
- The Company's website [www.mnil.in](http://www.mnil.in) has a dedicated section on Investors.
- The Notice of the AGM and the Annual Report for the Financial Year 2018-19 will also be available on the Company's website.
14. Mrs. Shalu Singhal, Practicing Company Secretary (Membership No. 32682, COP: 12329), has been appointed as the Scrutinizer for conducting voting process in a fair and transparent manner.
15. Queries on the Annual Report and operations of the Company, if any, may please be sent to the Company at least seven days prior to the date of the AGM so that answers may be provided at the Meeting.
16. All share related correspondence may be sent to RTA at the following address:

**Beetal Financial Computer Services Pvt. Ltd**

(Unit: Mega Nirman & Industries Limited)

Beetal House, 3rd Floor, 99, Madangir,

Behind Local Shopping Centre,

New Delhi – 110062

Tel: +011- 29961281, 29961283;

Fax: 011-29961284

E-mail: [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

In all correspondence, please quote your DP ID & Client ID or Folio Number.

17. **Green Initiative** – Members who are yet to register/update their email addresses with the Company or with the Depository Participants are once again requested to register/ update the same for receiving the Notices, Annual Reports and other documents through electronic mode.

Members holding shares in physical form may get their email addresses registered/ updated by providing their Name, Folio Number, E-mail ID and consent to receive the Notices, Annual Reports and other documents through electronic mode, by sending an email at [beetalrta@gmail.com](mailto:beetalrta@gmail.com) or [secretarial.mnil@gmail.com](mailto:secretarial.mnil@gmail.com).

18. Notice of the AGM (along with Attendance Slip, Proxy Form and Route Map) and the Annual Report for the Financial Year 2018-19 are being sent electronically to the members whose E-mail IDs are registered with the Company/ Depository Participant(s) unless any member has requested for a physical copy of the same. For members who have requested for physical copy or who have not registered their email address, physical copies of the Notice and Annual Report are being sent through permitted mode.
19. Considering the advantages of scrip less trading like exemption from stamp duty, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc., members are requested to consider dematerialization of their shareholding, if not already done, to avoid inconvenience in future.
20. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days between 11:00 A.M. and 01:00 P.M. upto the date of the AGM.
21. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.

**Procedure for voting:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), members are provided with the following procedure by which they may cast their votes:

**The procedure and instructions for voting through electronic means are as follows:**

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:



<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
- a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system**

### **How to cast your vote electronically on NSDL e-Voting system**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [Shalu.singhal9590@gmail.com](mailto:Shalu.singhal9590@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## **EXPLANATORY STATEMENT**

*(Pursuant To Section 102(1) of the Companies Act, 2013)*

### **Items to Special Business:**

#### **ITEM NO. 3:-**

The Board of Directors and Nomination & Remuneration Committee at its meetings held on March 26, 2019 appointed Mr. Narayanjee Thakur as Whole Time Director for a period of One (1) year subject to the approval of shareholders. Pursuant to Section 196, 197, 203 and Schedule V of the Companies Act, 2013, the appointment of a Whole Time Director, terms and conditions of appointment and remuneration are required to be approved by shareholders at ensuing general meeting of company held after the appointment.

Mr. Thakur will provide his assistance, consultancy and advisory services. So, it is proposed that in return the Company would give him Rs. 60,000/- pm (Rupees Sixty Thousand only) as a salary and also 10% of the Net Profits arising from those projects he is working on.

No director, key managerial personnel or their relatives, are interested or concerned in the resolution.

The Board of Directors commends the resolution as set out at Item No. 3 for approval of the members as **Ordinary Resolution.**

The disclosures prescribed under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), are annexed to the notice.

The following additional information as required by Schedule V of the Companies Act, 2013 is given below:

#### **I. GENERAL INFORMATION:**

##### **1. Nature of Industry:**

The Company is involved in the business of investment in and sale, purchase of land and buildings, farms and out houses, other real estates, and to act as Real Estate Agents, Landlords, and Contractors and to buy, sell, mortgage, grant license, let easement of any properties of the Company.

##### **2. Date or expected date of commencement of commercial production:**

Existing Company in Operation since 1983.

##### **3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.**

##### **4. Financial performance based on given indicators: As per audited Financial Results for the year ended March 31, 2016 to March 31, 2019.**

(Rs. In Lakhs)

	Business Years		
	2016-17	2017-18	2018-19
Turnover including other income	36.01	240.56	239.85
Profit before Tax/ (Loss)	4.17	33.49	22.70
Net Profit/ (loss)	2.20	24.85	16.56
Dividend Paid	NIL	NIL	NIL

5. Foreign Investments or collaborations, if any: N.A.

## II. INFORMATION ABOUT THE APPOINTEE:

### 1. Background details, Recognition or awards, Job Profile and his suitability:

Mr. Narayanjee Thakur aged 49 years; he had done B.Com & M. Com from Lalit Narayan Mithila University, Darbhanga, Bihar. He carries a rich experience of 12 years and specialized in the field of Corporate, Finance, Management and Administrative.

### 2. Past Remuneration: N.A.

### 3. Remuneration proposed: Rs. 60,000/- pm (Rupees Sixty Thousand only) +10% of the Net Profits arising from those projects he is working on.

### 4. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Mr. Narayanjee Thakur, Whole Time Director is a Professional Director and does not holds any Equity Shares of the Company. None of the Directors or Key Managerial Personnel of the Company is a relative of Mr. Narayanjee Thakur.

## III. OTHER INFORMATION:

### 1. Reasons of loss or inadequate profits: As the Projects of the Company are under process, it will take time to complete and generate profitability from the same.

### 2. Steps taken or proposed to be taken for improvement: Company is considering to enter into many projects, which are expected to generate profitability to the Company.

### 3. Expected increase in productivity and profits in measurable terms: At present nothing can be predicted as Whole Time Director has appointed and the Company is in process of making structure for investments in the new projects.

## ITEM NO. 4:-

Pursuant to Section 161 and 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 or any other applicable provision of the Companies Act, 2013 or any other law for the time being in force, the Board of Directors and Nomination and Remuneration Committee of the Company appointed Mr. Ramesh Jha (DIN: 07355581) as an Additional Director under category of Executive Director with effect from August 10, 2019.

Mr. Ramesh Jha is a dynamic professional with vast experience in in the area of IT, Exchange Technology, Gems and Jeweler etc. Mr. Jha was also the Honorary Expert Advisor on International Marketing to GOSVUZ SERVICE (the Russian State Organization for International Activities) in the area of International Projects and Programmes, other than this, Mr. Jha had been involved in several troubleshooting assignments on behalf of the Various Government organizations of Russia, where he was associated.

Mr. Jha's main achievements were to help sign educational pact between India and Russia. Further he helped in signing agreement between Ministries of Health of both the countries. He had coordinated and helped for agreement signing between two Russian Government Organizations, namely, Ministry of Higher Education and the Roszavurezcentre (Russian Science and Culture Centers Abroad).

No Director, Key Managerial Personnel or their relatives, except Mr. Ramesh Jha to whom the resolution(s) relates, is interested or concerned in the resolution(s).

The Board commends the resolutions set forth in Item No. 4 for the approval of the members as Ordinary Resolution.

The disclosures prescribed under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), are annexed to the notice.

#### **ITEM NO. 5:-**

Mrs. Sushma Jain (DIN: 08545336) who was appointed as an Additional Woman Director (in the category of Independent Director) of the Company with effect from August 26, 2019. In terms of Section 161(1) of the Companies Act, 2013, Mrs. Sushma Jain holds office as an Additional Director upto the date of this Annual General Meeting. As per the provisions of the Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of the Nomination & Remuneration Committee, Mrs. Sushma Jain being proposed to be appointed as Woman Independent Director of the Company for the period of 5 (five) consecutive years and not be liable to retire by rotation. Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and after completion of first term of her appointment, she may be re-appoint for second term.

Mrs. Sushma Jain is not disqualified from being appointed as a Woman Independent Director in terms of Section 164 of the Act and has given her consent to act as Woman Director (in the category of Independent Director). Further, the Company has also received declaration from Mrs. Sushma Jain that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the SEBI (LODR) Regulations, 2015.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Sushma Jain as a Woman Independent Director. Accordingly, the Board

recommends the resolution in relation to appointment of Mrs. Sushma Jain as a Woman Independent Director, for approval by the members of the Company.

No Director, Key Managerial Personnel or their relatives, except Mrs. Sushma Jain to whom the resolution(s) relates, is interested or concerned in the resolution(s).

The Board commends the resolutions set forth in Item No. 5 for the approval of the members as Ordinary Resolution.

The disclosures prescribed under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), are annexed to the notice.

**By Order of the Board**  
**For Mega Nirman & Industries Limited**

**Place: New Delhi**  
**Date: 26.08.2019**

**(Kanika Mehra)**  
**Company Secretary**



## **Annexure to the Notice**

### **INFORMATION PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015 READ WITH THE PROVISIONS OF THE SECRETARIAL STANDARD ON GENERAL MEETINGS (“SS-2”) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA REGARDING THE DIRECTOR PROPOSED TO BE RE-APPOINTED**

#### **1. MR. ANAND RAI**

Mr. Anand Rai; 33 years (DOB: 04/01/1985) is an Executive Director of Mega Nirman & Industries Limited. He is a dynamic professional with 8 years of experience in Sales & Marketing, Business Development, Client Relationship Management, and Team Management across the Banking and Real Estate Industry.

He is on the Board of the Company since August 11, 2018. He doesn't hold any share of the Company. Also he doesn't hold directorship in the any company except Mega Nirman & Industries Limited.

#### **Details of his Committee Chairmanship/memberships:**

As on August 26, 2019, Mr. Anand Rai does not hold any chairmanship/membership in any of the committee.

#### **Other Details:**

- |  |  |
|--|--|
| 1. <b>Nationality:</b>                             | Indian                                 |
| 2. <b>Remuneration:</b>                            | NIL*                                   |
| 3. <b>Last Drawn Remuneration:</b>                 | Not Applicable                         |
| 4. <b>Number of Meetings attended:</b>             | As per the Corporate Governance Report |
| 5. <b>Relationship between Directors inter-se:</b> | Not related to any director            |

**\*Note: Currently Income is NIL, however it may be revised subject to the business that he brings to the company and that remuneration will be in compliance with the provision of the law as applicable on Company from time to time..**

#### **2. MR. NARAYANJEE THAKUR**

Mr. Narayanjee Thakur; 49 years (D.O.B. – 01/01/1969), is Whole Time Director of Mega Nirman & Industries Limited. He is a professional and carries a rich experience of 12 years and specialized in the field of Corporate, Finance, Management and Administrative.

He is on the Board of the Company since January 27, 2018. He doesn't hold any share of the Company. Also he doesn't hold directorship in the any company except Mega Nirman & Industries Limited.

#### **Details of his Committee Chairmanship/memberships:**

As on August 26, 2019, Mr. Narayanjee Thakur hold membership in Audit committee and Stakeholders Relationship Committee.

**Other Details:**

- |  |  |
|--|--|
| 1. <b>Nationality:</b>                             | Indian                                 |
| 2. <b>Remuneration:</b>                            | Rs. 60,000/- per month                 |
| 3. <b>Last Drawn Remuneration:</b>                 | Not Applicable                         |
| 4. <b>Number of Meetings attended:</b>             | As per the Corporate Governance Report |
| 5. <b>Relationship between Directors inter-se:</b> | Not related to any director            |

**3. MR. RAMESH JHA**

Mr. Ramesh Jha; 50 years (DOB: 15/03/1969) is an Executive Director of Mega Nirman & Industries Limited. He is Graduate (B.A.) and dynamic professional with vast experience in the area of IT, Exchange Technology, Gems and Jeweler etc.

Mr. Jha has developed and maintained strong relationships at various levels in Government as well as Private Enterprises in Russia. In the Government his relationships are both at Moscow Government and the Federal Government level. In terms of business development his access are up to all the countries of erstwhile Soviet Union. He understands the process/ methodology how the Russian system works due to his deep understanding of Russian society and culture. As such he can organize the following:

- Arranging for Business Partner in Russia/ Joint Venture
- Soliciting for Business from India as well as to India
- Other Socio economic duties and trouble shooting of any kind for developing business with Russia.

Mr. Jha was also the Honorary Expert Advisor on International Marketing to GOSVUZ SERVICE (the Russian State Organization for International Activities) - in the area of International Projects and Programmes. Other than these, Mr. Jha had been involved in several troubleshooting assignments on behalf of the Various Government organizations of Russia, where he was associated.

He is on the Board of the Company since August 10, 2019. He doesn't hold any share of the Company.

Also he doesn't hold directorship in the any company except Mega Nirman & Industries Limited.

**Details of his Committee Chairmanship/memberships:**

As on August 10, 2019 Mr. Ramesh Jha does not hold any chairmanship/membership in any of the committee.

**Other Details:**

- |                                    |                |
|------------------------------------|----------------|
| 6. <b>Nationality:</b>             | Indian         |
| 7. <b>Remuneration:</b>            | NIL*           |
| 8. <b>Last Drawn Remuneration:</b> | Not Applicable |

- |   |  |
|---|--|
| 9. <b>Number of Meetings attended:</b>              | As per the Corporate Governance Report |
| 10. <b>Relationship between Directors inter-se:</b> | Not related to any director            |

**\*Note: Currently Income is NIL but 10% of the Net Profits arising from those projects he is working on. however it may be revised subject to the business that he brings to the company and that remuneration will be in compliance with the provision of the law as applicable on Company from time to time..**

#### **4. MRS. SUSHMA JAIN**

Mrs. Sushma Jain; 57 years (DOB: 08/08/1962) is Non-Executive Women Independent Director of Mega Nirman & Industries Limited. Sushma Jain completed her B. Com (pass) from Shaheed Bhagat Singh College, University of Delhi in year, 1984. She is a dynamic professional and worked as an agent advisor in Max Life insurance company from 2008-2014. Recently she is an agent advisor of LIC and Max bupa. (2014-present)

She is on the Board of the Company since August 26, 2019. She doesn't hold any share of the Company.

Also she doesn't hold directorship in the any company except Mega Nirman & Industries Limited.

#### **Details of her Committee Chairmanship/memberships:**

As on August 26, 2019 Mrs. Sushma Jain hold membership in NRC committee.

#### **Other Details:**

- |  |  |
|--|--|
| 1. <b>Nationality:</b>                             | Indian                                 |
| 2. <b>Remuneration:</b>                            | NIL*                                   |
| 3. <b>Last Drawn Remuneration:</b>                 | Not Applicable                         |
| 4. <b>Number of Meetings attended:</b>             | As per the Corporate Governance Report |
| 5. <b>Relationship between Directors inter-se:</b> | Not related to any director            |

**\*Note: Currently Income is NIL. However it may be revised and that remuneration will be in compliance with the provision of the law as applicable on Company from time to time.**

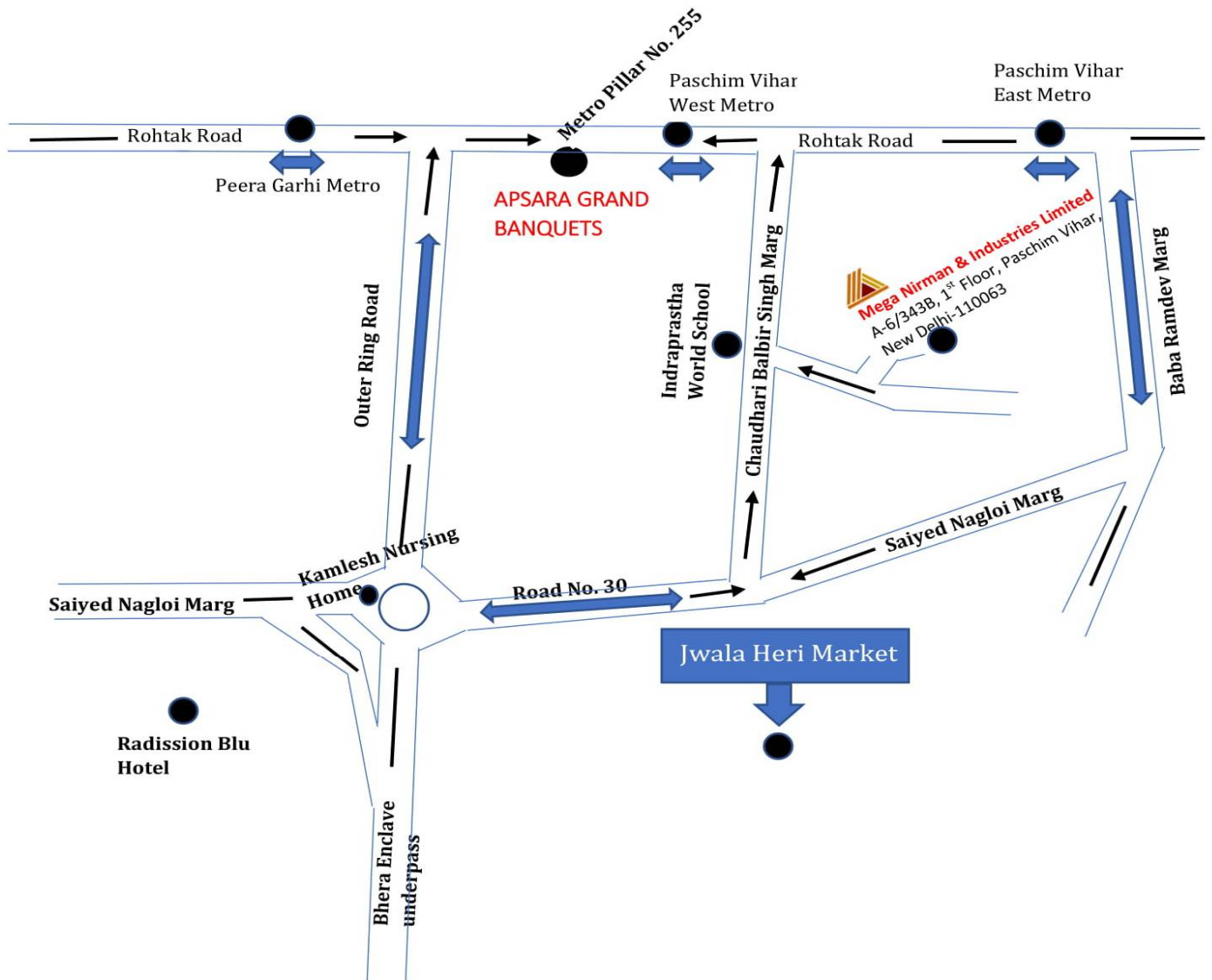
**MEGA NIRMAN & INDUSTRIES LIMITED**

**Route Map of the venue of 36<sup>th</sup> Annual General Meeting**

**Day:** Friday  
**Date:** September 27, 2019  
**Time:** 11:00 A.M.  
**Venue:** A-1/20 B, Paschim Vihar, Rohtak Road,  
Near Metro Station Paschim Vihar (West), New Delhi-110063

**MEGA NIRMAN & INDUSTRIES LIMITED**

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





## **PROXY FORM**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the company	
Registered Office	

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No /Client ID*	
DP ID	

I/We, being the member(s) of ..... shares of the above named Company hereby appoint:

1. \_\_\_\_\_ of \_\_\_\_\_ having email \_\_\_\_\_ or failing him
2. \_\_\_\_\_ of \_\_\_\_\_ having email \_\_\_\_\_ or failing him
3. \_\_\_\_\_ of \_\_\_\_\_ having email \_\_\_\_\_ or failing him

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 36<sup>th</sup> Annual General Meeting the members of the Company to be held on **Friday, September 27, 2019 at 11:00 a.m. at Apsara Grand Banquets, A-1/20 B, Paschim Vihar, Rohtak Road, Near Metro Station Paschim Vihar(West), New Delhi-110063** and at any adjournment thereof in respect of such resolutions as are indicated below:

S.N.	Resolution(S)	Vote	
		For	Against
	<b><u>ORDINARY BUSINESS</u></b>		
1.	To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2019, the Reports of the Board of Directors and Auditors thereon.		
2.	To re-appoint Mr. Anand Rai (DIN: 06855524), Director who retires by rotation and being eligible, offers himself for re-appointment.		

### **MEGA NIRMAL & INDUSTRIES LIMITED**



	<b><u>SPECIAL BUSINESS</u></b>		
3	To Approve the appointment of Mr. Narayanjee Thakur (DIN: 00445013) as a Whole Time Director of the Company for the period of 1 year.		
4	To regularize the appointment of Mr. Ramesh Jha (DIN: 07355581) as an Executive Director of the Company.		
5	To regularize the appointment of Mrs. Sushma Jain (DIN: 08545336) as Non-Executive Women Independent Director of the Company.		

\* Applicable for investors holding shares in Electronic form.

Affix Revenue  
Stamps of Rs.  
1/-

Signed this \_\_\_\_ day of \_\_\_\_ 2019

**Signature of Member  
Across Revenue Stamp**

**Signature of Proxy holder**

**Note:-**

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company.
- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) Appointing a proxy does not prevent a member from attending the Meeting in person if he / she so wishes. When a Member appoints a Proxy and both the Member and Proxy attend the Meeting, the Proxy will stand automatically revoked.
- 5) This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
- 6) Undated proxy form will not be considered valid.
- 7) If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.
- 8) As provided under Regulation 44 of the SEBI Listing Regulations, 2015, a shareholder may vote either for or against each resolution.

Annual Report 2018-19

Proxy Form/19

**MEGA NIRMAL & INDUSTRIES LIMITED**

A-6/343B, 1<sup>st</sup> Floor, Paschim Vihar, New Delhi 110063  
Phone: 011 - 49879687 || E-mail: [secretarial.mnil@gmail.com](mailto:secretarial.mnil@gmail.com)  
CIN: L70101DL1983PLC015425 || Website: [www.mnil.in](http://www.mnil.in)





### **ATTENDANCE SLIP**

**36<sup>th</sup> ANNUAL GENERAL MEETING –Friday, 27<sup>th</sup> September, 2019 at  
Apsara Grand Banquets**

Ledger Folio No. \_\_\_\_\_

Client ID NO. \_\_\_\_\_

DP ID No. \_\_\_\_\_

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I, hereby record my presence at the 36<sup>th</sup> ANNUAL GENERAL MEETING of the Company, at **Apsara Grand Banquets**, A-1/20 B, Paschim Vihar, Rohtak Road, Near Metro Station Paschim Vihar (West), New Delhi-110063, on Friday, the 27<sup>th</sup> September, 2019 at 11:00 am.

(Member's /Proxy's name in BLOCK Letters)

(Member's /Proxy's Signature)

**Note: Please fill this attendance slip and hand it over at ENTRANCE OF THE HALL.**

### **MEGA NIRMAN & INDUSTRIES LIMITED**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report of your company for the financial year ended on 31<sup>st</sup> March, 2019 is as under:

### **a. Industry Structure and Development**

The Company is involved in the business of deal in bricks, sand, stone, marble, tiles, cement, paints, adhesive, sheets, roofing, glass, concrete mixtures, and any other building or decorative materials made of cement, precious stone.

During the current financial year the company has made turnover of Rs. 239.85 lakhs.

### **b. Outlook, Opportunities and Threats**

Our Company is planning to explore new avenues of business including Acquisition of a Running Manganese Mines at Ramtek, Nagpur, Maharashtra, Joint Venture in a PL granted Manganese Mines at Balaghat, Madhya Pradesh, Joint Venture in an Export Grade Black Granite Mines with Export Oriented Unit at Sidhi, Singrauli, Madhya Pradesh, Joint Venture in an Iron Ore Mines at Sundargarh District, Bhubaneswar, Odisha and Acquisitions of a Tea Garden of 717 acres of Estate with Pineapple Orchard near Siliguri, West Bengal.

The Company envisages huge growth in this sector. But increased cost of purchases, competitive market conditions and low margins are the major threats in the industry.

The Company does not foresee and major threat to the growth prospective. Since the company is presently engaged in the infrastructure activities, there is huge scope of growth in the industry.

## **FINANCIAL PERFORMANCE OVERVIEW**

### **1. Balance sheet analysis:**

A comparative table showing synopsis of FY 2019 vs. FY 2018 is provided below:

(Rs. In Lakhs)

Particulars	2019	2018	Increase / (Decrease)
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital</b>	334.75	334.75	-
<b>Reserves and surplus</b>	133.64	117.08	16.56
<b>Net worth</b>	<b>468.39</b>	<b>451.83</b>	<b>16.56</b>

<b>Non-current liabilities</b>	-	-	
<b>Current liabilities</b>	418.50	203.13	215.37
<b>Total</b>	<b>886.90</b>	<b>654.97</b>	<b>231.93</b>
<b>ASSETS</b>			
<b>Non-current assets</b>	135.12	136.07	(0.95)
<b>Current assets</b>	751.78	518.89	232.89
<b>Total</b>	<b>886.90</b>	<b>654.97</b>	<b>231.93</b>

## 2. Profit and Loss analysis:

A comparative table showing synopsis of FY 2019 vs. FY 2018 is provided below:

<b>Particulars</b>	<b>Year ended March 31, 2019</b>	<b>Year ended March 31, 2018</b>	<b>Increase / (Decrease)</b>
<b>Income</b>	239.85	240.57	(0.72)
Total Expenditure	(217.15)	(207.07)	(10.08)
Net Profit/(Loss) before Tax (PBT)	22.70	33.50	(10.8)
Provision for Income Tax-Current	6.13	8.63	(-2.5)
Provision for Deferred Tax	0.01	0.01	-
<b>Profit for the period</b>	<b>16.56</b>	<b>24.86</b>	<b>(8.3)</b>

### SEGMENT WISE PERFORMANCE:

The Company has mainly one reportable business segment; hence no further disclosure is required under Indian Accounting Standard (Ind AS) 108 on Operating segment.

### RISKS AND CONCERNS:

Please refer to Para 12 of the Board's Report

**HUMAN RESOURCES:**

Please refer to Para 13 of the Board's Report

**INTERNAL CONTROL SYSTEMS:**

Please refer to Para 18(xi) of the Board's Report

**CAUTIONARY STATEMENT:**

The statements made in this report describe MNIL's objectives, expectations and projections that may be forward looking statements. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors, which are beyond the control of the Companies Management.

## **DIRECTORS' REPORT**

**To the Members,**

**Mega Nirman & Industries Limited**

Your Directors have pleasure in presenting the 36<sup>th</sup> Annual Report together with audited financial statements & accounts for the financial year ended March 31, 2019.

### **1. FINANCIAL RESULTS**

**(Amount in Lakhs)**

<b>Particulars</b>	<b>Year ended March 31, 2019</b>	<b>Year ended March 31, 2018</b>
Income	239.85	240.57
Total Expenditure	217.15	207.07
Net Profit / (Loss) before Exceptional and Extraordinary items and Tax	22.70	33.50
Extraordinary items	-	-
Net Profit/(Loss) before Tax (PBT)	22.70	33.50
Provision for Income Tax-Current	6.13	8.63
Provision for Deferred Tax	0.01	0.01
<b>Profit for the period</b>	<b>16.56</b>	<b>24.86</b>

The Financial Statement, in accordance with the Companies Act, 2013 ("the Act"), Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and applicable Accounting Standards forms part of this Report.

### **2. STATE OF COMPANY'S AFFAIR & OPERATIONS**

The Company is involved in the business of deal in bricks, sand, stone, marble, tiles, cement, paints, adhesive, sheets, roofing, glass, concrete mixtures, and any other building or decorative materials made of cement, precious stone.

Our Company is planning to explore new avenues of business including Acquisition of a Running Manganese Mines at Ramtek, Nagpur, Maharashtra, Joint Venture in a PL granted Manganese Mines at Balaghat, Madhya Pradesh, Joint Venture in an Export Grade Black

Granite Mines with Export Oriented Unit at Sidhi, Singrauli, Madhya Pradesh, Joint Venture in an Iron Ore Mines at Sundargarh District, Bhuvaneshwar, Odisha and Acquisitions of a Tea Garden of 717 acres of Estate with Pineapple Orchard near Siliguri, West Bengal.

### **3. DIVIDEND AND TRANSFER TO RESERVES**

During the year under review, the Company has not earned much profit and hence your Director proposes to plough back the profits in the business of the Company and create reserve for the Company. Accordingly, the Board of Directors has not recommended any dividend for the financial year 2018-19.

### **4. CAPITAL STRUCTURE / STOCK OPTION**

#### **Authorised Share Capital:**

The authorized share capital of the Company as at March 31, 2019 was Rs. 4, 25, 00,000/-

#### **Paid-up Share Capital:**

The paid-up share capital as at March 31, 2019 stands at Rs. 3,34,75,000/- comprising of 33,47,500 equity shares of Rs. 10/- each fully paid up.

There was no public issue, right issue, bonus issue or preferential issue, etc. during the year. The Company has neither issued shares with differential voting rights, sweat equity shares, nor has it granted any stock options.

### **5. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In compliance with the provisions of Section 152 of the Companies Act, 2013 and rules made thereunder, the following are the Directors of the Company designated as follows:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>
1.	Ms. Ruma Mukherjee	Independent Director	December 09, 2014	August 24, 2018
2.	Mr. Varun Gaur	Independent Director	January 27, 2017	-
3.	Mr. Monendra Srivastava	Independent Director	May 05, 2016	-
4.	Mr. Anand Rai	Director	August 11, 2018	-



5.	Ms. Meenu Paliwal	Additional Director (Non-Executive Woman Independent Director)	March 26, 2019	August 10, 2019
6.	Mr. Ramesh Jha	Additional Director (Executive Director)	August 10, 2019	-
7.	Mrs. Sushma Jain	Additional Director (Non-Executive Woman Independent Director)	August 26, 2019	-

Ms. Ruma Mukherjee, Director of the Company have resigned from the services of the Company w.e.f. August 24, 2018.

Further, the Board in its meeting held on March 26, 2019 appointed Ms. Meenu Paliwal as an additional Director of the Company who shall hold office up to the date of ensuing Annual General Meeting of the Company.

Ms. Meenu Paliwal, Director of the Company have resigned from the services of the Company w.e.f. August 10, 2019.

The Board in its meeting held on August 10, 2019 appointed Mr. Ramesh Jha as an additional Director (Executive Director) of the Company who shall hold office up to the date of ensuing Annual General Meeting of the Company.

Mrs. Sushma Jain appointed as an additional Director (Non-Executive Women Independent Director) of the Company w.e.f. 26.08.2019 who shall hold office up to the date of ensuing Annual General Meeting of the Company.

### Key Managerial Personnel

In compliance with the provisions of Section 203 of the Companies Act, 2013 and rules made thereunder, the following are the Key Managerial Personnel's of the Company designated:

Sr. No.	Name of Director	Designation	Date of Appointment	Date of Cessation
---------	------------------	-------------	---------------------	-------------------

1.	Mr. Narayanjee Thakur	Whole Time Director	January 27, 2018	-
2.	Ms. Mitashi Bisaria	Company Secretary	January 27, 2018	May 31, 2019
3.	Ms. Harshita Kaushik	Chief Financial Officer	January 27, 2018	May 06, 2019
4.	Ms. Kanika Mehra	Company Secretary	August 10, 2019	-

Further, the Board in its meeting held on March 26, 2019 re-appointed Mr. Narayanjee Thakur, as a Whole Time Director of the Company subject to the approval of the shareholders in ensuing Annual General Meeting.

Further, Ms. Mitashi Bisaria, Company Secretary & Compliance Officer and Ms. Harshita Kaushik, Chief Financial Officer have resigned w.e.f. May 31, 2019 and May 06, 2019, respectively. The Board had appointed Ms. Kanika Mehra as Company Secretary & Compliance Officer W.e.f. 10.08.2019.

**Retirement by rotation:** In Current Composition of Board of Directors of the Company, Mr. Anand Rai (DIN: 06855524), Director retires by rotation and being eligible, offers himself for re-appointment

## **6. DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors have given declaration that they meet the criteria of independence as provided under Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The Independent Directors have also confirmed that they have complied with the Company's code of conduct.

## **7. MEETINGS OF THE BOARD & COMMITTEE 's**

A tentative calendar of Meeting is prepared and circulated well in advance to the Directors. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

During the year ended March 31, 2019, the Board met 6 times, Audit Committee met 5 times and Nomination & Remuneration Committee met 5 times. The details of Board/committee

meetings and the attendance of Directors are provided in the Corporate Governance Report, which forms a part of this Report.

Further, all the recommendations of Audit Committee were accepted by the Board of Directors.

## **8. INDEPENDENT DIRECTORS MEETING**

During the Financial Year 2018-2019 one meeting of the Independent Directors was held on 11.03.2019 to discuss the evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole, evaluation of the performance of the Chairman of the Company taking into account the views of the executive and non-executive Directors and evaluation of the quality, content and timeliness of the flow of information between the management and Board which is necessary for the Board to perform its duties.

## **9. APPOINTMENT AND REMUNERATION POLICY**

The Company has formulated a remuneration policy which provides the manner of selection of Board of Directors, KMP and their remuneration. In case of appointment of independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regard to independent nature of the Directors viz-a-viz the company so as to enable the Board to discharge its performance and duties effectively.

## **10. BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Regulation 17(10) of the Listing Regulations and the circular issued by SEBI dated 5th January, 2017 with respect to Guidance Note on Board Evaluation, the evaluation of the annual performance of the Directors/Board/Committees was carried out for the financial year 2018-19. A statement on annual evaluation by the Board of its performance and performance of its Committees as well as Individual Directors forms part of the Corporate Governance Report.

## **11. AUDITORS & AUDIT REPORTS**

- **Statutory Auditors:**

M/s. ASHM & Associates, Chartered Accountants, (Firm Registration No. 005790C) were appointed as statutory auditors of the company at the Annual General Meeting (AGM) held on 28<sup>th</sup> September, 2018 for a term of four years i.e. from conclusion of 35<sup>th</sup> AGM till the conclusion of 39<sup>th</sup> AGM of the company to be held in year 2022, pursuant to Section 139 of the Companies Act, 2013.

The requirement for the annual ratification of the auditor's appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 notified on May 7, 2018.

The Auditors' Report for the financial year ended 31st March, 2019 on the financial statements of the Company forms a part of this Annual Report. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Auditors' Reports.

- **Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors in its meeting held on May 30, 2019 had appointed **M/s Shalu Singhal & Associates (COP No. 12329)**, to undertake the Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Auditors have submitted their report, confirming compliance by the Company of all the provisions of applicable corporate laws. The Report does not contain any qualification, reservation or adverse remark or disclaimer. The Secretarial Audit Report is annexed herewith as **Annexure-1** to this report.

**Details in respect of frauds reported by auditors under section 143(12):**

None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143 (12) of the Companies Act, 2013.

## **12.RISK MANAGEMENT**

The Company has a well-defined process to ensure risks are identified and steps to treat them are put in place at the right level in the management. The operating managers are responsible for identifying and putting in place mitigation plan for operational and process risks. Key strategic and business risks are identified and managed by the senior leadership team in the organization.

The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and has established a framework for mitigating controls and reporting mechanism of such risks. Some of the risks that the Company is exposed to are: (i) Financial Risk (ii) Regulatory Risks (iii) Human Resources Risks (iv) Strategic Risks

Further, The Company is not mandatorily required to constitute Risk Management Committee, but our Company has laid down procedure to inform Board Members about the risk assessment and minimization procedures.

## **13.HUMAN RESOURCES**

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. The Company is committed to nurturing, enhancing and retaining talent through superior Learning & Organizational Development.

The Company believes that our people are our biggest assets and hence we invest in productive training programs for them. The Company encourages people to explore opportunities in harmony with their natural talent and nurture them to grow.

The Company embed a sense of inclusion and equality in our people. This means fostering a conducive work environment that enhances professional and personal growth. Our strong team culture of mutual trust, oneness, learning, care and concern is a key inspiration to meet tomorrow's challenges.

The Company has also adopted a Policy on Prevention of Sexual Harassment at workplace for the financial year 2018-19, Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **14. CORPORATE SOCIAL RESPONSIBILITY**

The Provisions of Section 135 of the Companies Act, 2013 are not applicable on the Company, hence no particulars are required to be furnished in this report.

#### **15. INVESTOR SERVICES**

In its endeavour to improve investor services, your Company has taken the following initiatives:

- An Investor Section on the website of the Company [www.mnil.in](http://www.mnil.in) has been created.
- There is a dedicated e-mail id [secretarial.mnil@gmail.com](mailto:secretarial.mnil@gmail.com) for sending communications to the Company Secretary.

Members may lodge their requests, complaints and suggestions on this e-mail as well.

#### **16. CORPORATE GOVERNANCE**

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance, forms an integral part of this report.

A certificate from the Practising Company Secretary confirming compliance of conditions of Corporate Governance as stipulated in Part E of the Schedule V of the Listing Regulations is annexed to the Corporate Governance Report as "Annexure I".

#### **17. MANAGEMENT DISCUSSION & ANALYSIS**

Management Discussion and Analysis Report, as stipulated under the Listing Regulations is presented in a separate Section forming part of this Annual Report.

## 18. OTHER STATUTORY DISCLOSURES

- i. **Extract of Annual Return:** Pursuant to provisions of Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in Form No. MGT – 9 is attached as **Annexure-2** to this report.
- ii. **Disclosure under Section 148 of Companies Act, 2013:** Company is not required to maintain the cost records and accounts as specified under section 148 of Companies Act, 2013 as it not applicable on the Company.
- iii. **Deposits:** The Company did not invite/accept any deposits covered under Chapter V of the Act. Accordingly no disclosure or reporting is required in respect of details relating to deposits covered under this Chapter.
- iv. **Loans, Guarantees and Investments:** The details of Loans, Guarantees and Investments covered under Section 186 of the Act form part of the notes to the financial statements.
- v. **Particulars of Contracts or Arrangements with the Related Parties:** There were no related party transactions during the year as specified under section 188 of Companies Act, 2013.
- vi. **Significant or Material orders:** There are no significant or material orders passed by the Regulators or Courts or tribunal impacting the going concern status of the Company and its future operations.
- vii. **Vigil Mechanism/Whistle Blower Policy:** The Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. This Policy is hosted on the Company's website: ([http://mnil.in/pdf/termsandconditions/small\\_Whistle\\_Blower\\_Policy.pdf](http://mnil.in/pdf/termsandconditions/small_Whistle_Blower_Policy.pdf)). The details of Vigil Mechanism (Whistle Blower Policy) adopted by the Company have been disclosed in the Corporate Governance Report attached to this report and form an integral part of this report.



**viii. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

Most of the information as required under Section 134 of the Act, read with Rule 8 companies (Accounts) Rules, 2014 as amended is not applicable. However, the information has been given in **Annexure 3** and forms part of this Corporate Governance Report.

**ix. Particular of Employees:** Details as required under the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, which form part of the Directors' Report, will be made available to any shareholder on request, as per provisions of Section 136(1) of the said Act.

**x. Sexual Harassment:** Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**xi. Details of internal financial controls with reference to the financial statements:** The Company has put in place adequate internal financial controls over financial reporting. These are reviewed periodically and made part of work instructions or processes in the Company. The Company continuously tries to automate these controls to increase its reliability. This ensures orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The internal financial controls with reference to the financial statements were adequate and operating effectively.

**xii. Details of Holding, Subsidiary, Joint Venture and Associate Company:** The Company does not have any Holding, Subsidiary or Associate Company and does have any joint venture during the period under review.

## **19.DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance of Section 134(5) of the Act, your Directors, based on the representation received from the management, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and

fair view of the state of affairs of the company as on March 31, 2019 and of the profits of the company for the year ended March 31, 2019;

- the directors had 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 and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **20. ACKNOWLEDGMENTS**

Your Directors acknowledge with gratitude the co-operation and assistance received from the Central and State Government Authorities. Your Directors thank the Shareholders, Banks, Customers, Vendors and other business associates for the confidence reposed in the Company and its management and look forward to their continued support. The Board places on record its appreciation for the dedication and commitment of the employees at all levels, which has continued to be our major strength.

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

**Place : New Delhi**

**Date : 26.08.2019**

**Narayanjee Thakur**  
**Whole-Time Director**  
**DIN: 00445013**

**Anand Rai**  
**Director**  
**DIN: 06855524**

**Form No. MR-3**

**Secretarial Audit Report**

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members  
**Mega Nirman & Industries Limited**  
A-6/343B, 1<sup>st</sup> Floor, Paschim Vihar,  
New Delhi-110063

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mega Nirman & Industries Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

**Management Responsibility on Secretarial compliances**

The Company's management is responsible for preparation and maintenance of the secretarial records and maintain the effective mechanism to ensure that the legal and procedural requirements are duly complied with for the sake of strengthen the image and goodwill of a Company in the minds of regulators and stakeholders.

**Auditor's Responsibility**

Auditor's responsibility is to express the opinion on the secretarial records and to check the compliance with the provisions of all applicable laws and rules/regulations/procedures; adherence to good governance practices followed by the Company. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.

**Opinion**

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2019 and made available to me, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;

- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowing. (Not Applicable during the Audit Period)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not Applicable to the Company during the Audit Period)**;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period)**;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not Applicable to the Company during the Audit Period)**;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;**(Not Applicable to the Company during the Audit Period)**;

I have also examined compliance with the applicable clauses of the following:

- i. The Secretarial Standards (enforced as on that date) issued by the Institute of Company Secretaries of India.
- ii. The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the listing Agreements entered into by the Company with BSE Limited.

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

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary / Chief

Financial Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like Labour laws and Environmental laws.

**I further report that;**

1. The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.
2. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act as confirmed by the Management.
3. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent with in prescribed limit, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
4. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the Company has not made any major changes in the following events/actions in pursuance of the below law, rules, regulations and guidelines.

- i. Public/Right/Preferential issue of shares/debentures/sweat equity etc.
- ii. Redemption/Buy Back of securities.
- iii. Merger/Amalgamation/Reconstruction etc.
- iv. Foreign Technical Collaborations.

**For Shalu Singhal & Associates**  
Practising Company Secretary

**Place:** New Delhi

**Date:** 26.08.2019

**Shalu Singhal**  
Proprietor  
M No.: 32682  
C.O.P No: 12329

**Note: - This report is to be read with the Annexure-A which is the integral part of this Report MR-3**

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT**

To,  
The Members,

**Mega Nirman & Industries Limited  
A-6/343B, 1<sup>st</sup> Floor, Paschim Vihar,  
New Delhi-110063**

The report is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The Verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and any other financial law applicable to the Company.
4. The Compliance of the provision of Corporate and other applicable laws, rules, regulation, Standards is the responsibility of Management. Our Examination was limited to the Verification of Procedures on test basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Shalu Singhal & Associates**  
Practising Company Secretary

**Place:** New Delhi  
**Date:** 30.05.2019

**Shalu Singhal**  
**Proprietor**  
**M No.: 32682**  
**C.O.P No: 12329**

**Extract of Annual Return****(Form No.MGT-9)****As on the Financial Year ended on March 31<sup>st</sup>, 2019**

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS:**

(i)	CIN	L70101DL1983PLC015425
(ii)	Registration Details	March 23, 1983
(iii)	Name of Company	Mega Nirman & Industries Limited
(iv)	Category / Sub-Category of the Company	Public Company Limited by Shares
(v)	Address of the Registered Office and Contact Details	A-6/343B, 1 <sup>st</sup> Floor, Paschim Vihar, New Delhi-110063 Tel: 011-49879687
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, If any	Beetal Financial Computer Services Pvt. Ltd Beetal House, 3rd Floor, 99, Madangir, behind LSC, New Delhi – 110062; Tel: +011- 29961281-83; Fax: 011-29961284

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

S. No.	Name &Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Project Development Fees	43	89%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section of the Companies Act, 2013
N.A.					

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Shareholding

S. No.	Category of Shareholder	No. of shares held at the beginning of the year (April 01, 2018)				No. of shares held at the end of the year (March 31, 2019)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total share	
A.	Promoter									
(1)	Indian									
	a) Individuals/ HUF	75100	-	75100	2.24	75100	-	-	2.24	-
	b) Central Govt.	-	-	-	-	-	-	-	-	-
	c) State Govt(s)	-	-	-	-	-	-	-	-	-
	d) Bodies Corp.	-	-	-	-	-	-	-	-	-
	e) Banks/FI	-	-	-	-	-	-	-	-	-
	f) Any Others	-	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	75100	0	75100	2.24	75100	0	75100	2.24	-
(2)	Foreign									
	a) NRIs –	-	-	-	-	-	-	-	-	-
	b) Other –	-	-	-	-	-	-	-	-	-
	c) Bodies Corp.	-	-	-	-	-	-	-	-	-
	d) Banks/FI	-	-	-	-	-	-	-	-	-
	e) Any Others	-	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter	75100	0	75100	2.24	75100	0	75100	2.24	-
B.	Public shareholding									
(1)	Institutions									
	a) Mutual Funds	-	-	-	-	-	-	-	-	-
	b) Banks/FI	-	-	-	-	-	-	-	-	-
	c) Central Govt.	-	-	-	-	-	-	-	-	-
	d) State Govt(s)	-	-	-	-	-	-	-	-	-
	e) Venture Capital	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) FIIs	-	-	-	-	-	-	-	-	-



	h) Foreign Venture	-	-	-	-	-	-	-	-	-
	i) Others	-	-	-	-	-	-	-	-	-

S. No.	Category of Shareholder	No. of shares held at the beginning of the year (April 01, 2018)				No. of shares held at the end of the year (March 31, 2019)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total share	
	Sub-Total (B)(1)	-		-	-	-	-	-	-	-
(2)	Non-Institutions									
	a) Bodies Corp									
	(i) Indian	606691	-	606691	18.12	615436	-	615436	18.38	0.26
	(ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individual									
	(i) Individuals shareholders holding nominal share capital up to Rs. 1 lakh	71609	83900	155509	4.64	94906	83900	178806	5.34	0.7
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2299900	12000	2311900	69.06	2257758	12000	2269758	67.81	(1.25)
	c) Others	-	-	-	-	-	-	-	-	-
	(i) Clearing Members	-	-	-	-	10000	-	10000	0.29	-
	(ii) HUF	198300	-	198300	5.92	198400	-	198400	5.93	0.01
	Sub-Total (B)(2)	3176500	95900	3272400	97.75	3176500	95900	3272400	97.75	-
	Total Public Shareholding (B) = (B)(1)+(B)(2)	3176500	95900	3272400	97.75	3176500	95900	3272400	97.75	-
	<b>TOTAL (A)+(B)</b>	<b>3251600</b>	<b>95900</b>	<b>3347500</b>	<b>100.00</b>	<b>3251600</b>	<b>95900</b>	<b>3347500</b>	<b>100</b>	<b>-</b>

C.	Shares held by Custodians for GDRs &	-	-	-	-	-	-	-	-	-
	<b>Grand Total (A)+(B)+(C)</b>	<b>3251600</b>	<b>95900</b>	<b>3347500</b>	<b>100</b>	<b>3251600</b>	<b>95900</b>	<b>3347500</b>	<b>100</b>	-

**(ii) Shareholding of Promoters**

S. No.	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2018)			Shareholding at the end of the year (March 31, 2019)		% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Yogesh Kumar Goyal	75100	2.24	0	2.24	0	-

**(iii) Change in Promoters' Shareholding**

Name	Shareholding at the beginning of the year		Date	Increase/dec rease during the year	Reasons	Cumulative Shareholding during the year/Shareholding	
	No. of Shares	% of total shares of the company				No. of shares	% of total shares of the company
Yogesh Kumar Goyal	75100	2.24%	No change in shareholding			75100	2.24%
	<b>75100</b>	<b>2.24%</b>				<b>75100</b>	<b>2.24%</b>

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No.	Name of the Shareholder	Shareholding	Cumulative Shareholding during the year
--------	-------------------------	--------------	---

		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shree Bhuvanakaram Tradinvest Private Limited				
	At the beginning of the year	199690	5.96	199690	5.96
	Bought during the year	-	-	199690	5.96
	Sold during the year	-	-	199690	5.96
	At the end of the year	199690	5.96	199690	5.96
2	Adhunik Technology Private Limited				
	At the beginning of the year	130642	3.90	130642	3.90
	Bought during the year	35700	1.06	166342	4.96
	Sold during the year	-	-	166342	4.96
	At the end of the year	166342	4.96	166342	4.96
3	Tikam Saraf (HUF)				
	At the beginning of the year	100000	2.98	100000	2.98
	Bought during the year	-	-	100000	2.98
	Sold during the year	-	-	100000	2.98
	At the end of the year	-	-	100000	2.98
4	Naresh Arora				
	At the beginning of the year	100000	2.98	100000	2.98
	Bought during the year	-	-	100000	2.98
	Sold during the year	-	-	100000	2.98
	At the end of the year	-	-	100000	2.98
5	Pramod Kumar Agarwal				
	At the beginning of the year	100000	2.98	100000	2.98
	Bought during the year	-	-	100000	2.98
	Sold during the year	-	-	100000	2.98
	At the end of the year	-	-	100000	2.98
6	Sanjeev Kumar Gakhar				
	At the beginning of the year	100000	2.98	100000	2.98
	Bought during the year	-	-	100000	2.98
	Sold during the year	-	-	100000	2.98

	At the end of the year	-	-	100000	2.98
7	Tikam Saraf				
	At the beginning of the year	100000	2.98	100000	2.98
	Bought during the year	-	-	100000	2.98
	Sold during the year	-	-	100000	2.98
	At the end of the year	-	-	100000	2.98
8	Hari Chand				
	At the beginning of the year	100000	2.98	100000	2.98
	Bought during the year	-	-	100000	2.98
	Sold during the year	-	-	100000	2.98
	At the end of the year	-	-	100000	2.98
9	Rajeev Kumar Gakhar				
	At the beginning of the year	100000	2.98	100000	2.98
	Bought during the year	-	-	100000	2.98
	Sold during the year	-	-	100000	2.98
	At the end of the year	-	-	100000	2.98
10	Shipra Arora				
	At the beginning of the year	100000	2.98	100000	2.98
	Bought during the year	-	-	100000	2.98
	Sold during the year	-	-	100000	2.98
	At the end of the year	-	-	100000	2.98

**(v) Shareholding of Directors and Key Managerial Personnel:**

S. No.	Name & Designation	Shareholding at the beginning of the year (April 1, 2018)		Date wise Increase/Decrease in Share Holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Cumulative Shareholding during the year (2018-19)		At the end of the year (March 31, 2019)	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company

NIL\*

***\*None of the Directors or Key Managerial Personnel holds or has held any share in the Company at the beginning/end of the Financial Year.***

## V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(in Rs.)

Particulars	Secured Loans	Unsecured	Deposits	Total
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
<b>Total(i + ii + iii)</b>				
Change in Indebtedness during the financial year				
i) Addition	-	-	-	-
ii) Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total(i + ii + iii)</b>	-	-	-	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Director and/or Manager:

S. No.	Particulars of Remuneration	Name of Managing Director/Whole-time Director/ Manager	Total Amount (In Rs.)
		Mr. Narayanjee Thakur** (WTD)	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	660,000	660,000

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - Others, specify...	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	<b>6,60,000</b>	<b>6,60,000</b>
	Ceiling as per the Act	As per the Companies Act, 2013	

**B. Remuneration to other directors:**

(i) Independent Directors: *NIL*

(ii) Other Non-Executive Director: *NIL*

**Note:** No managerial remuneration has been paid to Non-Executive Directors during the Financial Year 2018-19. Hence, computation of ceiling of managerial remuneration is not given.

**C. Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole-time Director**

Amount (Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Ms. Mitashi Bisaria (CS)*	Ms. Harshita Kaushik (CFO)**	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of	4,04,578	2,51,780	6,56,358

	b) Value of perquisites u/s 17(2) Income-tax	- -	-	-
	c) Profits in lieu of salary under section 17(3)	- -	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
5.	Others, please specify	- -	-	-
	<b>Total</b>	<b>4,04,578</b>	<b>2,51,780</b>	<b>6,56,358</b>

*\*Resigned as Company Secretary w.e.f. 31.05.2019*

*\*\* Resigned as Chief Financial Officer w.e.f. 06.05.2019*

#### **VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties/ punishment/ compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any during the year.

**Disclosure under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.**

**A. CONSERVATION OF ENERGY:**

Since, during the Financial Year 2018-19 the Company was not involved in any manufacturing or processing activities, the particulars as per the Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy are not applicable.

**B. TECHNOLOGY ABSORPTION**

Since, during the Financial Year 2018-19 the Company was not involved in any manufacturing or processing activities, the particulars as per the Rule 8 of the Companies (Accounts) Rules, 2014 regarding technology absorption are not applicable.

**C. FOREIGN EXCHANGE EARNING AND OUTGO – None**



## **Corporate Governance Report**

### **A) COMPANY'S PHILOSOPHY:**

At Mega Nirman & Industries Limited ("the Company"), Corporate Governance is both a tradition and a way of life.

"We will, with utmost care for the environment envisages attainment of the highest levels of transparency and accountability in the functioning of Company, continue to enhance value for our shareholders, customers, government, suppliers, and lenders and to build the confidence of the society in general through sales growth, cost effectiveness and wise investment of resources."

#### **The Company's Corporate Governance philosophy is led by core principles of:**

- Satisfying the spirit of the law and not just the letter of the law.
- Communicating externally in a truthful manner about how the company is run internally.
- Embracing a trusteeship model in which the management is the trustee of the shareholders' capital and not the owner.
- Making a clear distinction between personal convenience and corporate resources.

#### **Highlights of Company's Corporate Governance regime are:**

- Broad based and well represented Board with fair mix of Executive, Non-Executive and Independent Directors bringing in expertise in diverse areas with half of the
- Constitution of several Board Committees for focused attention and proactive flow of information and informed decisions.
- Emphasis on ethical business conduct by the Board, management and employees to ensure integrity, transparency, independence and accountability in dealing with stakeholders.
- Established Code of Conduct for Directors and Senior Management, Instituted Whistle Blower policy and Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
- Focus on hiring, retaining and nurturing best talent and to promote a culture of excellence across the organization.
- Timely, transparent and regular disclosures.
- Effective control on statutory compliances.

- Communication with shareholders including emailing of Annual Reports, other documents.

## **B) BOARD OF DIRECTORS:**

### **(i) Composition**

The composition of Board of Directors is in compliance with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 read with the Rules issued thereunder. The Company has optimum composition of Executive and Non-Executive Directors. Out of Five members on its Board, three are Non-Executive Independent Directors including a Woman Director and One Whole Time Director as on 31<sup>st</sup> March, 2019.

On an annual basis, the Company obtains from each Director details of the Board and Board Committee positions she / he occupies in other Companies and changes, if any, regarding their Directorships. In addition, the Independent Directors provide an annual confirmation that they meet the criteria of independence as defined under Section 149(6) on an annual basis of the Companies Act, 2013.

The maximum tenure of Independent Directors is up to five consecutive years from the date of their appointment. However, they can be re-appointed for another term of five consecutive years from the date of their re-appointment. The date of appointment and tenure of the existing Independent Directors is given below:

<b>S. No.</b>	<b>Name of Independent Director</b>	<b>Date of Appointment</b>	<b>Date of Completion of Tenure</b>
1	Ms. Ruma Mukherjee*	December 09, 2014	December 08, 2019
2	Mr. Monendra Srivastava	May 05, 2016	May 04, 2021
3	Mr. Varun Gaur	January 27, 2017	January 26, 2022
4.	Ms. Meenu Paliwal**	March 26, 2019	-

Further, Ms. Meenu Paliwal was appointed as Additional Non-Executive Women Independent Director on 26.03.2019 subject to approval of Members in ensuring AGM of the company.

The letters of appointment have been issued to the all the Directors and the terms and conditions thereof are posted on the Company's website.

The Board of Directors along with its Committees provides effective leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures.

*\* As Ms. Ruma Mukherjee, Director of the Company have resigned from the services of the Company w.e.f. August 24, 2018.*

*\*\*Ms. Meenu Paliwal as an additional Director w.e.f. 26.03.2019 of the Company who shall hold office up to the date of ensuing Annual General Meeting of the Company.*

*Ms. Meenu Paliwal, Director of the Company have resigned from the services of the Company w.e.f. August 10, 2019.*

## **(ii) Key functions of the Board**

The Board performs various statutory and other functions in connection with managing the affairs of the Company. The key functions performed by the Board of the Company are:

- a. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation & corporate performance;
- b. Monitoring effectiveness of the Company's governance practices and making changes as needed;
- c. Selecting, compensating, monitoring and when necessary, replacing key executives and overseeing succession planning;
- d. Aligning key executive and Board remuneration with the long term interests of the Company and its shareholders;
- f. Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions;
- g. Ensuring integrity of the company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the law and relevant standards;
- h. Overseeing the process of disclosure and communications;
- i. Monitoring and reviewing Board Evaluation framework.

## **(iii) Meetings of the Board**

Meetings of the Board are generally held at the registered office of the Company. During the financial year under review, the Board met six times i.e. on 30.05.2018, 11.08.2018, 24.08.2018, 12.11.2018, 05.02.2019 and 26.03.2019.

The Company has held such minimum number of Board in Calendar Year with maximum interval of 120 days between any two consecutive board meeting which is in compliance with the provisions of the Companies Act, 2013 (the 'Act'), Secretarial Standard-1 and Listing Regulations.

An annual calendar of meetings is prepared and shared with the Directors well in advance, to enable them to plan their attendance at the meetings. Directors are expected to attend Board Meetings, spend the necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

Concerned Executives of the Company communicate to the Company Secretary, the matters requiring approval of the Board, so that these can be included in the Agenda for the scheduled Board/Committee Meeting.

The Agenda along with explanatory notes are circulated 7 (seven) days electronically to the Directors, well in advance before the date of the Meeting(s) in compliance with Secretarial Standards. The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of the meetings of the Board and its Committees. The draft minutes of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standards and then the minutes are entered in the minutes book within 30 (Thirty) days of the conclusion of the meetings, subsequent to incorporation of the comments, if any, received from the Directors.

Composition of the Board of Directors as on March 31, 2019 attendance at the Board meetings held during the Financial Year and No. of other Directorship & Committee Member in other Companies and at the last Annual General Meeting (AGM) are given in table below:

Name and Designation	Category	No. of Board Meetings		Last AGM Attendance	No. of other Directorship & Committee Member/Chairmanship in other Companies*		
		Held during Year 2018-19	Attended		Directorship	Committee Membership	Committee Chairmanship
Mr. Monendra Srivastava, (DIN: 07489845)	Independent Director	6	6	Yes	3	1	-
*Ms. Ruma Mukherjee (DIN: 03437200)	Independent Director	6	1	N.A.	-	-	-
Mr. Varun Gaur, (DIN: 07721184)	Independent Director	6	3	Yes	-	-	-
Mr. Narayanjee Thakur (DIN: 00445013)	Whole time Director	6	6	Yes	-	-	-
Mr. Anand Rai (DIN: 06855524)	Director	6	4	Yes	-	-	-

Ms. Meenu Paliwal (DIN: 07440121)	Independent Director	6	1	N.A.	2	1	-
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**Note:** None of the Director is related to each other.

**None of the Non-executive held any of the shares/convertibles in the Company.**

- \* Excluding Mega Nirman & Industries Limited, Section 8 companies and Limited Liability Partnerships.
- \* Pursuant to Regulation 26 of Listing Regulations, membership of Audit Committees and Stakeholders Relationship Committees of Indian Public Limited Companies, whether listed or not have been considered.

#### **(iv) Information given to the Board**

The Board and Committees thereof have complete access to all relevant information. Such information is submitted either as part of the agenda papers of the meetings in advance or by way of presentations and discussion material during the meetings. Such information inter-alia includes the following:

- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Quarterly results of the Company;
- Minutes of the meetings of various Committees of the Board;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Issue which involves possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Sale of material nature, of investments, assets, which is not in normal course of business;
- Noting of Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as delay in share transfer, etc.

#### **(v) Board Process**

The Board of Directors of the Company reviews all information provided periodically for discussion and consideration at its meetings in terms of Regulation 17 (2) of SEBI (LODR) Regulations, 2015.

Detailed Agenda are circulated to the Directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings. Where it is not practicable to enclose any document to the agenda, the same is placed before the meeting. In special and exceptional circumstances, additional item(s) on the agenda are permitted to be discussed at the Meeting.

Important decisions taken at the Board/ Committee meetings are promptly communicated to the concerned departments/ divisions.

The Company has substantially complied with the Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI) from time to time.

#### **(vii) Separate Independent Directors' Meeting**

Independent Directors met on March 31, 2019 with the presence of Company secretary along with the permission of the Independent directors and without the attendance of Non-Independent Directors and members of the management of the Company inter alia, evaluated performance of the Non-Independent Directors, Chairman of the Company and the Board of Directors as a whole. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

#### **(viii) Familiarization Programme for Independent Directors**

The Company has in place a structured induction and familiarization program for the Independent Directors. The Company familiarizes its Independent Directors with the Company's corporate profile, its Vision and Values Statement, organizational structure, the Company's history and milestones, latest Annual Report, Code of Conduct applicable to Directors/Senior Management employees of the Company Code of Conduct for Prevention of Insider Trading and other applicable codes along with the Sustainability Reports of the Company. They are also updated on all business related issues and new initiatives.

At the time of appointment, an appointment letter setting out the role, duties & responsibilities, details regarding remuneration, performance evaluation process, among others, is given to the Directors. The Directors are also explained in detail the compliances required from them under the Act, Listing Regulations and other relevant regulations and their individual affirmations are taken with respect to the same.

Brief details of the familiarization program are uploaded and can be accessed on the Company's website.

<http://mnil.in/pdf/policies/Familiarization%20Programs%20for%20Independent%20Directors.pdf>

## (ix) Management discussion and analysis

This is given as a separate chapter on "Page 21" in the Annual Report.

### C) COMMITTEES OF THE BOARD:

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth the purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors. The Committees meet as often as required or as statutorily required.

Committees that are constituted voluntarily for effective governance of the affairs of the Company may also include Company executives.

Details of the Committees of the Board and other related information are provided hereunder:

<b>Audit Committee</b>	<b>Stakeholders Relationship Committee</b>	<b>Nomination and Remuneration Committee</b>
Mr. Narayanjee Thakur (Chairman)	Mr. Monendra Srivastava (Chairman)	Mr. Monendra Srivastava (Chairman)
Mr. Varun Gaur	Ms. Ruma Mukherjee	Mr. Varun Gaur
Ms. Ruma Mukherjee*	Mr. Varun Gaur	Ms. Ruma Mukherjee*
Mr. Monendra Srivastava	Mr. Narayanjee Thakur	Ms. Meenu Paliwal*

Ms. Ruma Mukherjee resigned w.e.f. 24.08.2019.

Ms. Meenu Paliwal appointed additional Director from 26.03.2019.

Details of Meetings of the Committees held during the year and attendance of members thereof:

<b>Name of the Directors</b>	<b>No. of Committee Meeting</b>			
	<b>Audit Committee</b>		<b>Nomination &amp; Remuneration Committee</b>	
	<b>Held</b>	<b>Attendance</b>	<b>Held</b>	<b>Attendance</b>
Monendra Srivastava	5	5	5	5
Ruma Mukherjee	5	1	5	1
Varun Gaur	5	3	5	3
Narayanjee Thakur	5	5	5	N.A.
Meenu Paliwal	5	N.A.	5	1

The Company Secretary officiates as the Secretary of the Committees. Detailed terms of reference, composition, quorum, meetings, attendance and other relevant details of these Committees are as under:

## **AUDIT COMMITTEE**

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management. The Committee through regular interaction with external and internal auditors and review of financial statements ensures that the interests of stakeholders are properly protected.

### **(i) Terms of reference:**

The Audit Committee functions according to its terms of reference that define its composition, authority, responsibility and reporting functions in accordance with the provisions of the Companies Act and Regulation 18 of Listing Regulations which, inter-alia, currently 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. Recommendation for appointment, remuneration, terms of appointment of auditor of the Company;
3. Approval of payment to statutory auditors for any other permitted services rendered by the statutory auditors;
4. Reviewing and examining, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Draft Auditors' report including qualifications, if any
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;



6. Reviewing and monitoring, with the management, the statement of uses/ application of funds raised through an issue/ public offers (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring with the management, independence and performance of statutory and internal auditors, adequacy of the internal control systems, and effectiveness of the audit processes;
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
9. Discussion with internal auditors of any significant findings and follow up thereon;
10. Reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
13. To ensure establishment of and to review the functioning of the Whistle Blower Policy (Vigil Mechanism);
14. Approval of appointment of CFO (i.e., the whole- time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications experience & background, etc. of the candidate;
15. Approval or any subsequent modification of transactions of the Company with related parties;
16. Scrutiny of inter-corporate loans and investments;
17. Valuation of undertakings or assets of the Company, wherever it is necessary;
18. Evaluation of internal financial controls and risk management system;
19. Review of Management discussion and analysis of financial condition and results of operations;
20. Review of Management letters / letters of internal control weaknesses issued by the statutory auditors;
21. Review of Internal audit reports relating to internal control weaknesses;

22. Review of Financial statement, in particular, investments made by the subsidiary company(s);
23. Review of appointment, removal and terms of reference of Chief Internal Auditor;
24. Recommend appointment and remuneration of Cost Auditors;
25. Any other role as prescribed by the Companies Act, 2013 and the Listing Regulations.

**(ii) Invitees:**

Statutory Auditors, Internal Audit firm's representatives, and other executives, as desired by the Committee, attend the meetings as invitees.

**(iii) Meetings**

Audit Committee meets at least four times in a year with a gap of not more than four months between two meetings. During the year the Committee met five times i.e. on 30.05.2018, 11.08.2018, 12.11.2018, 05.02.2019 and 26.03.2019.

**NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee, constituted under Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations, functions according to its terms of reference that define its composition, authority, responsibility and reporting functions which, inter alia, include the following:

**(i) Terms of Reference:**

1. Recommend to the board the set up and composition of the board and its committees including the "formulation of the criteria for determining qualifications, positive attributes and independence of a director". The committee will consider periodically reviewing the composition of the board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
2. Recommend to the board the appointment or re-appointment of directors.
3. Devise a policy on board diversity.
4. Recommend to the board appointment of key managerial personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this committee).
5. Recommend to the board the remuneration policy for directors, executive team or key managerial personnel as well as the rest of the employees.

**(ii) Meetings**

The Committee meets as often as required. During the year the Committee met five times i.e. on 30.05.2018, 11.08.2018, 12.11.2018, 05.02.2019 and 26.03.2019.

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Pursuant to the provisions of Section 178 of the Act and Regulation 20 of Listing Regulations. The Committee is empowered to perform all the functions of the Board in relation to handling of investors' grievances / complaints and overseeing investor services.

**(i) Terms of Reference:**

1. To address security holders' complaints/grievances like non-transfer of securities, non-receipt of annual report, non-receipt of dividends/interest, etc.
2. To deal with all matters relating to issue of duplicate certificates, transmission of securities, etc.
3. To approve transfer of securities as per powers delegated by the Board and to note transfer of securities approved by the Chief Financial Officer and the Company Secretary of the Company; and
4. Other areas of Stakeholders' service.

**(ii) Meetings**

The Committee meets as often as required. During the year under review, one meeting of Stakeholders Relationship Committee was held i.e. on 11.03.2019.

**(iii) Investors' Grievances/Complaints**

During the year, the Company didn't receive any complaint/grievance from the investors. No complaint was pending as on March 31, 2019.

**(iv) Transfers, Transmissions etc. approved**

During the year under review, no request had been received for share transfer/transmission.

The Company had 685 shareholders as on March 31, 2019.

**D) ANNUAL PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Regulation 17(10) of the Listing Regulations and the circular issued by SEBI dated 5th January, 2017 with respect to Guidance Note on Board Evaluation, the evaluation of the annual performance of the Directors/Board/Committees was carried out for the financial year 2018-19.

Structured assessment sheets were finalized to evaluate the performance of the Board, Committees of the Board and individual performance of each Director including the Chairman. The evaluation process was facilitated by the Chairman of the Nomination and Remuneration Committee.

These assessment sheets for evaluation of performance of the Directors were prepared based on various aspects which, amongst other parameters, included the level of participation of the Directors, understanding of the roles and responsibilities of Directors, understanding of the business and competitive environment in which the Company operates, understanding of the strategic issues and challenges for the Company, etc.

Some of the performance indicators for the Committees include understanding of the terms of reference, effectiveness of the discussions at the Committee meetings, information provided to the Committee to discharge its duties and performance of the Committee vis-à-vis its responsibilities.

The Nomination and Remuneration Committee evaluates the performance of the Managing Director by setting his Key Performance Objectives at the beginning of each financial year.

The Committee ensures that the Key Performance Objectives are aligned with the immediate and long term goals of the Company.

The performance of the Independent Directors was also evaluated taking into account the time devoted and attention given to professional obligations for independent decision making and acting in the best interest of the Company, strategic guidance to the Company and help determine important policies, external expertise provided and independent judgment that contributes objectively in the Board's deliberation, particularly on issues of strategy, performance and conflict management.

## **E) REMUNERATION OF DIRECTORS**

The Company has no stock option plans for the directors and hence, it does not form a part of the remuneration package payable to any executive and/or non-executive director.

In 2018-19, the Company did not advance any loans to any of the executive and/or non-executive directors.

### **i. Remuneration to Executive Directors**

Details of remuneration paid/payable to directors during 2018-19 are provided in an annexure to the Directors' Report in section VI of Form MGT-9, i.e., extract of the Annual Return.

### **ii. Remuneration to Non-Executive Directors**

During the FY 2018-19, the Company has not paid any remuneration to the non-executive directors.

### **iii. Criteria for making payment to Non-Executive Directors**

During the FY 2018-19, the Company has not paid any remuneration to the non-executive directors.

#### iv. Shareholding of directors

Information on shares held by directors in the Company as on March 31, 2019 is provided in the annexure to the Directors' Report in section IV (v) of Form MGT-9, i.e., extract of the Annual Return.

#### F) GENERAL BODY MEETINGS

##### i. The details of last three Annual General Meetings (AGM) of the Company are as follows:

Financial Year	Date	Time	Location
2017-18 (35 <sup>th</sup> AGM)	September 28, 2018	10:00 A.M.	Apsara Grand Banquets, A-1/20 B, Paschim Vihar, Rohtak Road, Near Metro Station Paschim Vihar (West), New Delhi-110063
2016-17 (34 <sup>th</sup> AGM)	September 30, 2017	11:00 A.M.	Radisson Blu Hotel, Plot No. D, District Centre, Outer Ring Road, Paschim Vihar, New Delhi – 110087
2015-16 (33 <sup>rd</sup> AGM)	August 27, 2016	11:00 A.M.	257, 2 <sup>nd</sup> Floor, Satyam Tower Commercial Complex, Paschim Vihar, New Delhi- 110063

##### ii. Special Resolutions passed during last three AGMs:

Details of AGM	Date and time of AGM	Details of special resolutions(s) passed at the Annual General Meetings, if any
35 <sup>th</sup> AGM	September 28, 2018 (10:00 A.M.)	No special resolutions were passed

34 <sup>th</sup> AGM	September 30, 2017 (11:00 A.M.)	<ol style="list-style-type: none"> <li>1. Approval subject to Section 180(1)(C), however the total amount so borrowed shall not exceed Rs. 150 Crores excluding interest on borrowings including accrued interest.</li> <li>2. Approval subject to Section 180(1)(a), however the amount so borrowed by creating pledge, charge or mortgage on movable and immovable properties shall not exceed Rs. 150 Crores</li> <li>3. Approved the limit for investment up to Rs. 150 Crore and loan and guarantee/security in connection with the loan.</li> <li>4. Alteration in Article 72 of the article of Association of the Company.</li> </ol>
33 <sup>rd</sup> AGM	August 27, 2016, 11:00 A.M.	No special resolutions were passed

### iii. Special Resolutions passed through Postal Ballot during FY 2018-19

During the year ended 31<sup>st</sup> March, 2019, no special resolution has been passed through postal ballot. Further, none of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal Ballot.

### iv. Whether any Special resolution(s) are proposed to be passed through Postal Ballot

Special Resolution(s) as may be necessary under the Act/Listing Regulations would be passed through Postal Ballot.

## G) CODES AND POLICIES

The Company has established the following salient codes and policies:

### i. Code of Conduct

The Company has formulated and implemented a Code of Conduct for all the employees including the members of Board and Senior Management Personnel. Requisite annual affirmations of compliance with the Code have been received from the Directors and Senior Management of the Company for the financial year 2018-19. A declaration signed to this effect by Mr. Narayanjee Thakur (Whole time Director) is enclosed as **Annexure-A**. The Code of Conduct is posted on the Company's website (<http://mnil.in/codeofconduct.php>).

### ii. Code of Conduct for Prevention of Insider Trading

In accordance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders ("Insider Trading Code"). The said Insider Trading Code applies to Directors, Senior Management Personnel, persons forming part of the Promoter(s) & Promoter(s) Group and such other designated employees of the Company, who are expected to have access to unpublished price sensitive information.

The code of conduct for Prevention of insider trading is posted on the Company's website (<http://mnil.in/pdf/codeofpractices/Schedule-B-CODE-OF-CORPORATE-DISCLOSURE-.pdf>)

### **iii. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)**

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of UPSI with a view to facilitate prompt, uniform and universal dissemination of UPSI. The following shall be available on the Company Website. (<http://mnil.in/pdf/codeofpractices/Schedule-A-CODE-OF-CORPORATE-DISCLOSURE-.pdf>)

### **iv. Policy for Determining Materiality of Events and Information**

The Company has adopted a Policy for Determining Materiality of Events and Information for the purpose of making disclosure to the Stock Exchanges. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchanges. The Policy is displayed on the Company's website. The link of the same is (<http://www.mnil.in/pdf/policies/Policy-for-determining-materiality-ofEvents.pdf>)

### **v. Whistle Blower Policy**

The company has adopted a Whistle blower policy to provide a formal mechanism for its directors, employees and business associates to voice concern in a responsible and effective manner regarding suspected unethical matters involving serious malpractice, abuse or wrongdoing within the organization and also safeguards against victimization of Directors/Employees. The Audit Committee periodically reviews functioning of "Whistle Blower Mechanism".

The Policy is posted on the Company's website [http://mnil.in/pdf/termsandconditions/small\\_Whistle\\_Blower\\_Policy.pdf](http://mnil.in/pdf/termsandconditions/small_Whistle_Blower_Policy.pdf)

No personnel is denied access to the Audit Committee of the Company.

### **vi. Policy for Preservation of Documents**

The Company has adopted a Policy for Preservation of Documents. The Policy facilitates preservation of documents in compliance with the laws applicable to various functions and departments of the Company. The same is available on company's website. (<http://mnil.in/pdf/policies/Policy-for-Preservation-of-Documents.pdf>)

#### **vii. Appointment and Remuneration Policy**

The Company's policy on appointment and remuneration of the Directors, Key Managerial Personnel and other employees is given as **Annexure-B** and the same is available on company's website. <http://mnil.in/pdf/policies/Nomination%20&%20Remuneration%20Policy.pdf>

#### **viii. Policy on Materiality of Related Party Transactions**

During the year the Company's had also review the policy on dealing with related party transactions and the same is also displayed on Company's website.

The web-link for the same is <http://mnil.in/pdf/policies/Policy-For-Related-Party-Transaction.pdf>

#### **ix. Prevention of Sexual Harassment Policy**

The Company had adopted the Sexual Harassment ('POSH') pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has ensured organisation wide dissemination of the Policy and the provisions of Prevention of Sexual Harassment of Women at Workplace Act by conducting sessions throughout the Company.

During the financial year under review no complaints had been received by the Company. The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

### **H) DISCLOSURES**

#### **i. Related Party Transactions:**

During the FY 2018-19 there were no transactions with the related party's viz. promoters, directors or the management, their subsidiaries or relatives, etc.

#### **ii. Compliance with Mandatory requirements of Listing Regulations:**

The Company has complied with various rules and regulations prescribed by Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets and no penalties or strictures have been imposed by them on the Company during last three years.

#### **iii. Disclosure of commodity price risks and commodity hedging activities:**



The Company has in place a mechanism to inform the Board members about the Risk assessment, mitigation plans and periodical reviews faced by the Company. The Audit Committee is periodically briefed on the steps taken to mitigate the risks. The Company does not indulge in commodity hedging activities.

- iv. Annual listing fee for the year 2018-19 (as applicable) will be paid to the Stock Exchanges where the shares of the Company are listed.
- v. Notes on risk management are included in the Section of Director Report. Further, The Company is not mandatorily required to constitute Risk Management Committee, but our 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.

**vi. Disclosure on the Website:**

Following basic information has been disseminated on the website of the Company at <http://mnil.in/>

- Details of business of the Company
- Details of establishment of vigil mechanism/Whistle Blower policy
- Policy on dealing with Related Party Transactions
- Policy for determining material subsidiaries
- Nomination & Remuneration Policy
- Terms and conditions of appointment of Independent Directors
- Details of familiarisation programmes imparted to Independent Directors
- Policy for determination of materiality of events
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Code of Conduct for Prevention of Insider Trading.
- Policy for Preservation of Documents
- Details regarding Shareholding Patterns, corporate Governance Report, Annual and Quarterly Returns, Notices for the Board Meetings.
- Contact information of the designated officials of the listed entity who are responsible for assisting and handling Investor Grievances.

**I) MEANS OF COMMUNICATION**

**i. Financial Results:**

The quarterly financial results are regularly submitted to the Stock Exchanges and are published in leading Business Newspapers i.e. '**Financial Express**' and regional newspapers like '**Jansatta**' in accordance with the requirements of Listing Regulations.

## **ii. Company's website:**

The quarterly and annual financial results are posted on the website of the Company at "<http://www.mnil.in>". The website also displays official news release, if any.

## **iii. Investors call:**

Various sections of the Company's website keep the investors updated on material developments of the Company by providing key and timely information like details of directors, financial results, annual reports, shareholding pattern etc. Officers of the Company respond to all requests from investors and analysts, through calls/emails, with respect to the business profile and financial performance of the Company. The published results are shared after the Board meeting by uploading on the company's website for all interested stakeholders.

**iv.** Annual Report is emailed to such shareholders whose email ids are registered with the Company/Depositories.

## **J) GENERAL SHAREHOLDERS' INFORMATION**

### **i. Date, Time and Venue for 35th Annual General Meeting**

As per notice of 36<sup>th</sup> Annual General Meeting, the meeting is scheduled to be held on Friday, 27<sup>th</sup> September, 2019 at 11:00 am at APSARA GRAND BANQUETS situated at A-1/20 B, Paschim Vihar, Rohtak Road, Near Metro Station Paschim Vihar(West), New Delhi-110063.

### **ii. Financial Year and Financial Calendar.**

The Company observes April 01 to March 31 of the following year as its Financial Year. The Financial Calendar for year 2019-20 is as follows:

<b>Item</b>	<b>Tentative Dates *</b>
First Quarter Results	August 10, 2019
Second Quarter Results	Before 14 <sup>th</sup> November, 2019
Third Quarter Results	Before 14 <sup>th</sup> February, 2020
Audited Annual Results for the year	Before 30 <sup>th</sup> May, 2021

*\* These dates are tentative and are subject to change.*

### **iii. Book Closure & Dividend Payment Dates**

Book Closure date is as per Notice of 36<sup>th</sup> Annual General Meeting. Further, no dividend has been recommended for the year ended March 31, 2019.

#### iv. Listing

The names of the Stock Exchanges at which the securities of the Company are listed and the respective stock codes are as under:

S. No.	Name of the Stock Exchange	Security Listed	Stock Code
1.	BSE Ltd.	Equity Shares	539767

#### v. Market Price Data

Monthly high/low of market price of the Company's equity shares (of Rs.10 each) traded on the Stock Exchanges during 2018-19 is given hereinafter:

Month	BSE	
	High (₹)	Low (₹)
Apr-18	36.00	36.00
May-18	-	-
Jun-18	-	-
July-18	-	-
Aug-18	-	-
Sep-18	45.90	36.00
Oct-18	44.00	32.45
Nov-18	50.00	39.15
Dec-18	37.20	35.15
Jan-19	45.00	38.50
Feb-19	45.00	40.65
Mar-19	38.65	33.25

#### vii. Growth in Equity Capital

	Particulars	Number of Equity Shares	Cumulative Number of Equity Shares	Face Value per Equity Share (₹)
1982-83	Issue of Equity Shares to the Subscribers to the Memorandum and Articles of Association	70	70	10
1983-84	Issue of Equity Shares on Preferential basis	2,47,430	2,47,500	10
2001-02	Issue of Equity Shares on Preferential basis	3,00,000	5,47,500	10
2014-15	Issue of Equity Shares on Preferential basis	28,00,000	33,47,500	10

#### viii. Share Transfer System

Share transfers which are received in physical form, are processed and the share certificates are normally returned within a period of 15 days from the date of receipt subject to the documents being valid and complete in all respects. The dematerialised shares are transferred directly to the beneficiaries by the depositories.

#### ix. Distribution of shareholding as on March 31, 2019

##### (a) Value Wise

Shareholding of nominal value (in ₹)	Shareholders		Shareholding	
	Number	%	Number	%
Upto 5000	589	85.98	50384	1.5051
5001 to 10000	12	1.75	9394	0.2806
10001 to 20000	5	0.72	8938	0.2670
20001 to 30000	6	0.87	15232	0.4550
30001 to 40000	5	0.72	17510	0.5231
40001 to 50000	4	0.58	18242	0.5449

50001 to 100000	13	1.89	94790	2.8317
100001 and above	51	7.44	3133010	93.5925
<b>Total</b>	<b>685</b>	<b>100</b>	<b>3347500</b>	<b>100.00</b>

**(b) Category Wise**

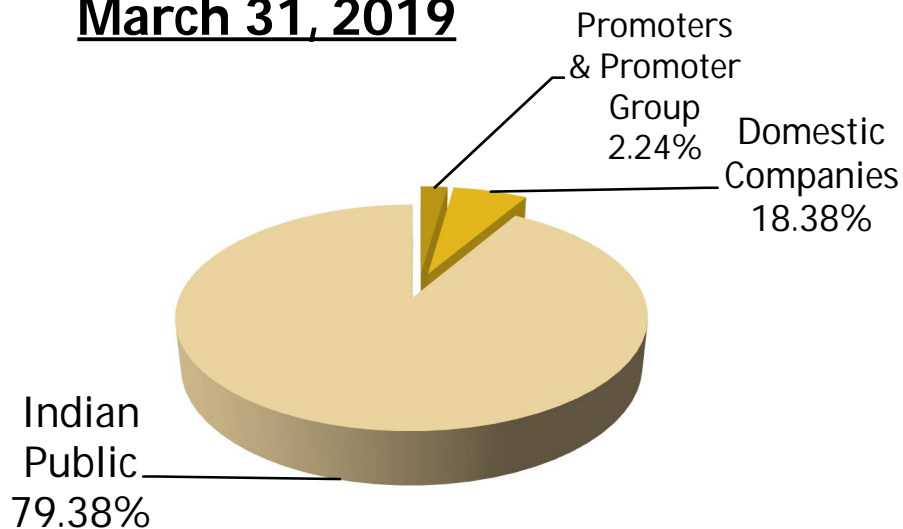
S. No.	Category	No. of shares	Shareholding as a percentage of total number of shares (%)
A	Promoters & Promoter Group	75100	2.24
B	Public Shareholding		
1	Financial Institutions /Banks	0	0
2	UTI/Mutual Funds	0	0
3	Domestic Companies	615436	18.38
4	Non Resident Indians	0	0
5	FII / Foreign Investors	0	0
6	Indian Public	2656964	79.38
	<b>Total</b>	<b>3347500</b>	<b>100</b>

## CAPITAL STRUCTURE OF COMPANY

**Authorised Capital : Rs. 42,500,000/-**

**Paid Up Capital : Rs. 33,475,000/-**

### **Shareholding Pattern as at** **March 31, 2019**



#### **x. Unclaimed Dividends**

There are no unclaimed dividends, details of which are required to be given as at the March 31, 2019.

#### **xi. Equity Shares in Unclaimed Suspense Account**

There are no equity shares which are lying in the unclaimed suspense account as at March 31, 2019.

#### **xii. Information pursuant to Regulation 36(3) of the Listing Regulations**

Information pertaining to particulars of Director to be re-appointed at the forthcoming Annual General Meeting has been included in the Notice convening the Annual General Meeting.

#### **xiii. Compliance Certificate from the Practicing Company Secretary**

The Company has obtained a Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated in Schedule V(E) of the Listing Regulations. The Certificate is attached as **Annexure C**.

#### **xiv. Dematerialization of Shares**

The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). 32,51,600 equity shares of the Company (97.14%) were in dematerialized form as on March 31, 2019. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE216Q01010.

## (b) Liquidity

The Equity Shares of the Company are frequently traded on the BSE Limited (Group XT).

## (c) Paid-Up Capital

The Paid-up Capital as at March 31, 2019 stands at 33, 47,500 equity shares of Rs.10 each amounting to Rs.3,34,75,000 (Rupees Three Crores Thirty Four Lakhs Seventy Five Thousand only).

## xv. Address for Correspondence

- All Members' correspondence should be forwarded to **Beetal Financial and Computer Services Pvt Ltd**, the Registrar and Transfer Agent of the Company or to the Investor Service Department at the Registered Office of the Company at the addresses mentioned below.
- The Company's dedicated e-mail address for Investors' Complaints and other communications is **secretarial.mnil@gmail.com**
- SEBI vide its circular dated 26th March, 2018 issued new policy measures w.r.t. SEBI Complaints Redress System (SCORES). As per the new process, SEBI has requested the Members to approach the Company directly at the first instance for their grievances.

BEETAL FINANCIAL AND COMPUTER SERVICES PVT LTD	MEGA NIRMAN & INDUSTRIES LIMITED	COMPLIANCE OFFICER
Beetal House, 99 Madangir, Behind Local Shopping Centre, New Delhi-110062 Tel:011-29961281-83 Fax:01129961284	CIN: L70101DL1983PLC015425 A6/343B, 1st Floor, Paschim Vihar, New Delhi-110063 E-mail: <a href="mailto:secretarial.mnil@gmail.com">secretarial.mnil@gmail.com</a> Website: <a href="http://www.mnil.in">www.mnil.in</a> Tel: +91 011-49879687	Ms. Kanika Mehra (Company Secretary) E-mail: <a href="mailto:secretarial.mnil@gmail.com">secretarial.mnil@gmail.com</a> Website: <a href="http://www.mnil.in">www.mnil.in</a>

## K) COMPLIANCE WITH REGULATION 27 OF LISTING REGULATIONS

### Mandatory Requirements

The Company has complied with all the mandatory requirements relating to Corporate Governance as applicable & prescribed in the Listing Regulations.

In addition the Company has also adopted the following non-mandatory requirements under the Listing Regulations as on 31st March, 2019 to the extent mentioned below:

**1. The Board - Non Executive Chairman's Office**

The Company has no Regular Chairman as at March 31, 2019.

**2. Shareholders' Rights**

Half yearly financial results including summary of the significant events are presently not being sent to shareholders of the Company. However quarterly financial results are published in the leading newspapers and are also available on the website of the Company.

**3. Modified Opinion in Audit Report**

During the year under review, there is no audit qualification on the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

**4. Separate posts of Chairman and CEO**

The Company has separate posts of Chairman and CEO.

**5. Reporting of Internal Auditor**

Internal Auditor directly reports to the Audit Committee on functional matters.

**CEO/CFO CERTIFICATION**

In compliance with Regulation 17(8) of the Listing Regulations, a declaration by the Whole Time Director and CFO has been enclosed as **Annexure-D** which, inter-alia certifies to the Board the accuracy of financial statements and the adequacy of internal controls for the financial reporting purpose

**INVESTOR SERVICES**

In an endeavour to give best possible service to investors, the Company has taken the following initiatives:

- Emailing Annual Report, and Notice of Annual General Meeting to shareholders, whose e-mail IDs are available.
- User friendly Investor Section on the website of the Company "www.mnil.in".
- A dedicated e-mail ID viz. "secretarial.mnil@gmail.com" for sending communications to the Company Secretary & Compliance Officer. Members may lodge their complaints or suggestions on this e-mail ID as well.

Further, quarterly and annual financial results of the Company are also uploaded on the website of the Company for the benefit of the shareholders and public at large.



**TO WHOMSOEVER IT MAY CONCERN**

This is to confirm that all the Board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2019.

**For Mega Nirman & Industries Limited**

**Place:** New Delhi

**Date:** 26.08.2019

Narayanjee Thakur

Whole Time Director

**NOMINATION & REMUNERATION POLICY**

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations. The details of the Nomination and Remuneration Policy are set out in the Corporate Governance.

Report which forms a part of this report. The Nomination & Remuneration policy for members of the Board and KMPs is drafted in a manner which aims to improve the performance of the Board of Directors and KMPs of Mega Nirman & Industries Limited (the 'Company') and subsequently enhance the value of the Company, to motivate and retain them, and to be able to attract other highly qualified executives.

The Nomination and Remuneration Policy of the Company provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

**OBJECTIVES OF NOMINATION & REMUNERATION POLICY**

The objective of Nomination & Remuneration Policy of Mega Nirman & Industries Limited is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of Mega Nirman & Industries Limited.

**BASIS OF FORMULATION**

The Company while deciding the remuneration package of the senior management members takes into consideration the employment scenario, remuneration package of the industry, remuneration package of the managerial talent of other industries, among others.

## KEY ELEMENTS OF THE POLICY

The following elements are taken into consideration:

- A. Mega Nirman & Industries Limited strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gains, respect for people and concern for the environment in line with Mega Nirman & Industries Limited values and business principles as reflected in the Company's Code of Business Conduct. The Nomination & Remuneration policy reflects a balance between the interests of the Company's main stakeholders as well as a balance between its short term and long-term strategy. As a result, the structure of the remuneration package for the Managing Board and KMPs is designed to balance short-term operational performance with the medium and long-term objective of creating sustainable value within the Company, while taking into account the interests of its stakeholders.
- B. To ensure that highly skilled and qualified senior executives can be attracted and retained. Mega Nirman & Industries Limited aims for a total remuneration level that is comparable to levels provided by other companies that are similar to the Company in terms of size, line of production and complexity.
- C. The remuneration policies for the members of the Managing Board and for other senior executives of Mega Nirman & Industries Limited are aligned.
- D. The relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- E. The remuneration to directors and KMPs and other senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

### Terms of reference

The terms of reference of the Nomination & Remuneration Committee, inter alia, consists of reviewing the overall compensation policy, service agreements, performance incentive and other employment conditions of Board Members and KMPs. The recommendations of the Nomination & Remuneration Committee are considered and approved by the Board of Directors, subject to the approval of the shareholders, wherever necessary.

The remuneration of the Executive Directors and KMPs are recommended by the Nomination & Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-a-vis the industry, responsibilities shouldered, performance/track record, review on remuneration packages of heads of other organizations and is decided by the Board of Directors, subject to the approval of the shareholders at the General Meeting of the Company wherever required. The Company pays remuneration by way of salary, perquisites, allowances etc. Besides the above Criteria, the Remuneration/ compensation/ commission etc. to be paid to Director/ Managing Director/KMPs shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENT UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015**

To the Members of  
**Mega Nirman & Industries Limited**

We have examined the compliance of conditions of corporate governance by **Mega Nirman & Industries Limited** ("the Company") for the year ended 31<sup>st</sup> March 2019, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period April 01 2018 to March 31, 2019.

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

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

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

**For M/s Shalu Singhal & Associates  
Practicing Company Secretary**

**Place: New Delhi  
Date: 26.08.2019**

**Shalu Singhal  
CP No. 12329  
M No. 32682**

## Annexure D

### **CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

I undersigned, in our respective capacities as Whole Time Director of Mega Nirman & Industries Limited ("***the Company***"), to the best of knowledge and belief certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended March 31<sup>st</sup>, 2019 and that to the best of our knowledge and belief we state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) Based on our recent evaluation, we have indicated to the auditors and the Audit committee:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For Mega Nirman & Industries Limited**

**Place:** New Delhi

**Date:** 30.05.2019

Narayanjee Thakur

Whole Time Director

## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Clause 10 of part C of Schedule V of LODR)**

In pursuance of sub clause (i) of Clause 10 of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; in respect of MEGA NIRMAN & INDUSTRIES LIMITED (Corporate Identity Number : L70101DL1983PLC015425) having its registered office at A-6/343B, 1<sup>st</sup> Floor, Paschim Vihar, New Delhi-110063. I hereby certify that on the basis of the written representation/declaration received from the Directors and taken on record by the Board of Directors, as on 31<sup>st</sup> March, 2019, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

**For Shalu Singhal & Associates**  
Practising Company Secretary

**Place:** New Delhi  
**Date:** 30.05.2019

**Shalu Singhal**  
**Proprietor**  
**M No.: 32682**  
**C.O.P No: 12329**

## ***Independent Auditor's Report***

To

The Members of **Mega Nirman & Industries Limited**

### **Report on the IND AS Financial Statements**

We have audited the accompanying IND AS financial statements of Mega Nirman & Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019 the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards(IND AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these IND AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the

IND AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the IND AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

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 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 31st March, 2019 and its profit/loss and its cash flows for the year ended on that date.

### **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 Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in

our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has no any pending litigations on its 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 ASHM & Associates**

**Chartered Accountants**  
**Firm's Registration No. 005790C**

**Place: New Delhi**

**Date: 30<sup>th</sup> May 2019**

**Manoj Kumar Bajaj**  
**Partner**  
**M.No-091107**



## **Annexure 'A'**

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

We report that:

- i.
  - a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - b. As explained to us, fixed assets have been physically verified by the management.
- ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a),(b) and (c) of the order are not applicable to the Company.
- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii.
  - i. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, , Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate

authorities. According to the information and explanations given to us, the company has no outstanding dues as on 31.3.2019.

- ii. According to the information and explanations given to us, there is no amount payable in respect of service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.
- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.
- ix. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.
- x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The company is not a Nidhi Company. Therefore clause xii of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. The balances of debtors and creditors are subject to confirmations.

- xvi. The company has not entered into non-cash transactions with directors or persons connected with him.
- xvii. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For ASHM & Associates**

**Chartered Accountants**  
**Firm's Registration No. 005790C**

**Place: New Delhi**

**Date: 30<sup>th</sup> May 2019**

**Manoj Kumar Bajaj**  
**Partner**  
**M.No-091107**

**MEGA NIRMAN & INDUSTRIES LIMITED**  
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2019**

Particulars	Note No.	March 31, 2019	March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	2	6,75,719.13	7,70,078.93
(b) Financial Assets			
(i) Investments	3	20,00,000.00	20,00,000.00
(ii) Loans	4	80,00,000.00	80,00,000.00
(iii) Other Financial Assets			
(c ) Other Non Current Assets		28,29,850.00	28,29,850.00
(d) Deferred Tax Assets		6,080.00	7,180.00
<b>Current assets</b>			
(a) Financial Assets			
(i) Loans	5	3,88,44,320.00	3,64,84,511.00
(ii) Cash and cash equivalents	6	92,232.42	2,92,497.23
(iii) Trade Receivables	7	3,55,55,635.65	1,42,49,107.00
(iv) Inventories			
(v) Other Financial Assets			
(b) Other Current Assets	8	6,85,782.00	8,63,398.00
(c) Current Tax Assets		-	-
<b>Total Assets</b>		<b>8,86,89,619.20</b>	<b>6,54,96,622.16</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>		-	-
(a) (i) Equity Share Capital	9	3,34,75,000.00	3,34,75,000.00
(b) Other Equity	10	1,33,64,378.35	1,17,08,194.68
<b>Liabilities</b>			
<b>Non-Current liabilities</b>		-	-
(a) Financial Liabilities			
(i) Loans		-	-
(b) Deferred Tax Liabilities		-	-
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Loans		-	-
(ii) Trade Payables		3,95,03,477.02	1,80,08,480.00
(iii) Other Financial Liabilities	11	23,46,763.83	23,04,947.48
(b) Other Current Liabilities		-	-
(c) Current Tax Liabilities		-	-
<b>Total Equity and Liabilities</b>		<b>8,86,89,619.20</b>	<b>6,54,96,622.16</b>

In terms of our report attached.

**For ASHM & Associates**  
**Chartered Accountants**

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

**Manoj Kumar Bajaj**  
**Partner**  
FRN. 005790C  
M.No. 091107

**Narayanjee Thakur**  
**Whole Time Director**  
**DIN:-00445013**

**Anand Rai**  
**Director**  
**DIN: 06855524**

Place : New Delhi  
Date : 30.05.2019

**Mitashi Bisaria**  
**Company Secretary**

**MEGA NIRMAN & INDUSTRIES LIMITED**  
**Statement of Profit & Loss for the Year Ended 31st March 2019**

(In Rupees)

Particulars	Note No.	March 31, 2019	March 31, 2018
<b>INCOME</b>			
Revenue from operations	12	2,06,59,746.68	2,14,13,911.00
Other Income		33,25,037.00	26,42,634.00
<b>Total Income</b>		<b>2,39,84,783.68</b>	<b>2,40,56,545.00</b>
<b>Expenses</b>			
Purchases of Stock-in-Trade		1,91,80,211.10	1,63,35,994.00
Changes in inventories of finished goods, work-in-progress and S		-	-
Employee benefits expenses	13	16,59,864.64	29,59,840.20
Finance costs	14	413.91	17,333.42
Depreciation and amortization expenses		94,359.80	1,11,818.74
Other expenses	15	7,79,850.55	12,81,905.30
<b>Total Expenses</b>		<b>2,17,14,700.00</b>	<b>2,07,06,891.66</b>
<b>Profit/(loss) before tax</b>		<b>22,70,083.68</b>	<b>33,49,653.34</b>
Tax expense:			
Current Tax		6,12,800.00	8,62,977.00
Deferred Tax		1,100.00	906.00
<b>Profit/(loss) for the period</b>		<b>16,56,183.68</b>	<b>24,85,770.34</b>
<b>Other Comprehensive Income</b>			
A) (i) Items that will not be reclassified to profit or loss		-	-
- Remeasurements of the defined benefit plans, net of tax		-	-
A) (ii) Income tax relating to items that will not be reclassified to		-	-
B) (i) Items that will be reclassified to profit or loss		-	-
B) (ii) Income tax relating to items that will be reclassified to pro		-	-
Other Comprehensive Income for the year, Net of Tax			
<b>(Comprising (Loss) and Other Comprehensive Income for the year)</b>		<b>16,56,183.68</b>	<b>24,85,770.34</b>
Earnings per equity share:			
(1) Basic		0.49	0.74
(2) Diluted		-	-

In terms of our report attached.

**For ASHM & Associates**  
**Chartered Accountants**

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

**Manoj Kumar Bajaj**  
**Partner**  
FRN. 005790C  
M.No. 091107

**Narayanjee Thakur**  
**Whole Time Director**  
**DIN:-00445013**

**Anand Rai**  
**Director**  
**DIN: 06855524**

Place : New Delhi  
Date : 30.05.2019

**Mitashi Bisaria**  
**Company Secretary**

**MEGA NIRMAN & INDUSTRIES LIMITED**  
**CASH FLOW STATEMENT AS AT 31st MARCH 2019**

Particulars	March 31, 2019	March 31, 2018
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxation	22,70,084	33,49,653
Add: Adjustment For		
Depreciation	94,360	1,11,819
Misc. Expenditure w/o	-	-
Finance Cost	414	17,333
Interest Income	(33,25,037)	(26,42,634)
Reversal of Provision for Tax	-	13,174
<b>Operatine Profit Before Working Capital Change</b>	<b>(9,60,180)</b>	<b>8,49,346</b>
Adjustment For		
(Increase)/decrease in Loans & Advances	(23,59,809)	(2,11,64,066)
(Increase)/decrease in Sundry Debtors	(2,13,06,529)	(24,55,709)
Increase/(decrease) in Current Liabilities	2,15,36,813	1,97,49,122
(Increase)/decrease in Other Current Assets	1,77,616	(3,84,409)
Cash Generated from Operation	(19,51,908)	(42,55,062)
Less: Direct Tax	(6,12,800)	(8,62,977)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(35,24,888)</b>	<b>(42,68,693)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Received from Long term Loan & Advances	-	-
Income from Investment	33,25,037	20,50,000
Sale of Investment	-	-
Fixed Assets Purchase	-	(70,148)
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>33,25,037</b>	<b>19,79,852</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Loan	-	-
Miscellaneous Expenditure	-	(2,31,290)
Interest Income	-	26,42,634
Finance Cost	(414)	(17,333)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>(414)</b>	<b>23,94,011</b>
Net Changes in Cash & Cash Equivalents (A+B+C)	<b>(2,00,265)</b>	<b>1,05,169</b>
Opening balance of Cash & Cash Equivalents	2,92,497	1,87,328
Closing Balance of Cash & Cash Equivalents	92,232	2,92,497
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENT</b>	<b>(2,00,265)</b>	<b>1,05,169</b>

In terms of our report attached.

**For ASHM & Associates**  
**Chartered Accountants**

**Manoj Kumar Bajaj**  
**Partner**  
FRN. 005790C  
M.No. 091107

Place : New Delhi  
Date : 30.05.2019

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

**Narayanjee Thakur**  
**Whole Time Director**  
**DIN:-00445013**

**Anand Rai**  
**Director**  
**DIN: 06855524**

**Mitashi Bisaria**  
**Company Secretary**

**Notes to financial statements for the year ended 31 March 2019**

(Amount in Rupees unless otherwise stated)

**Note 2 - Property, Plant and Equipments**

Particulars	Air Conditioner	Phone	CAR	Furniture	Invertor	Shop	Vehicle	Total
<b>Cost:</b>								
Balance as at 1 April	27,000.00	-	12,75,000.00	15,090.00	11,550.00	5,00,000.00	1,55,000.00	19,83,640.00
2017* Additions during the year	-	70,148.00	-	-	-	-	-	70,148.00
Deletions during the year	-	0	-	-	-	-	-	-
<b>Balance as at 31st March 2018</b>	<b>27,000.00</b>	<b>70,148.00</b>	<b>12,75,000.00</b>	<b>15,090.00</b>	<b>11,550.00</b>	<b>5,00,000.00</b>	<b>1,55,000.00</b>	<b>20,53,788.00</b>
Additions during the year	-	-	-	-	-	-	-	-
Deletions during the year	-	-	-	-	-	-	-	-
<b>Balance as at 31st March 2019</b>	<b>27,000.00</b>	<b>70,148.00</b>	<b>12,75,000.00</b>	<b>15,090.00</b>	<b>11,550.00</b>	<b>5,00,000.00</b>	<b>1,55,000.00</b>	<b>20,53,788.00</b>
<b>Depreciation:</b>								
Balance as at 1 April	17,425.00	-	9,77,443.00	13,424.40	10,454.51	-	1,53,143.42	<b>11,71,890.33</b>
2017 Depreciation for the year	4,315.44	11,087.00	95,118.06	520.16	198.28	-	579.80	<b>1,11,818.74</b>
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31st March 2018</b>	<b>21,740.44</b>	<b>11,087.00</b>	<b>10,72,561.06</b>	<b>13,944.56</b>	<b>10,652.79</b>	<b>-</b>	<b>1,53,723.22</b>	<b>7,70,078.93</b>
Depreciation for the year	2,363.96	26,545.84	64,533.72	356.72	161.92	-	397.64	<b>94,359.80</b>
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31st March 2019</b>	<b>24,104.40</b>	<b>37,632.84</b>	<b>11,37,094.78</b>	<b>14,301.28</b>	<b>10,814.71</b>	<b>-</b>	<b>1,54,120.86</b>	<b>6,75,719.13</b>
<b>Net Block:</b>								
<b>Balance as at 31st March 2019</b>	<b>2,895.60</b>	<b>32,515.16</b>	<b>1,37,905.22</b>	<b>788.72</b>	<b>735.29</b>	<b>5,00,000.00</b>	<b>879.14</b>	<b>6,75,719.13</b>
<b>Balance as at 31st March 2018</b>	<b>5,259.56</b>	<b>59,061.00</b>	<b>2,02,438.94</b>	<b>1,145.44</b>	<b>897.21</b>	<b>5,00,000.00</b>	<b>1,276.78</b>	<b>7,70,078.93</b>

\*The Company has elected to measure all of its property plant and equipment at their previous GAAP carrying value as deemed cost at the transition date.

## FINANCIAL ASSETS

### Note 3 - Investments

(In Rupees)

Particulars	31-Mar-19	31-Mar-18
<b>NON CURRENT</b>		
<b>At Cost</b>		
<b>Unquoted Investments ( Fully paid up )</b>		
<b>Investment in Equity Instruments</b>	20,00,000	20,00,000
<b>Total</b>	<b>20,00,000</b>	<b>20,00,000</b>

Details of Other Investments										
Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Partly Paid / Fully paid	Extent of Holding (%)		Amount ( ` )		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
		2019	2018		2018	2017	2018	2017		
(2)	(3)	(4)	(5)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<b>Investment in Equity Instruments</b>										
Yuvraj International Ltd. (Rs. 10/- each)	Others	200000	200000	fully	-	-	20,00,000	20,00,000	Yes	-
<b>Total</b>							<b>20,00,000</b>	<b>20,00,000</b>		

### Note 4- Loans

Particulars	31-Mar-19	31-Mar-18
<b>Non Current</b>		
<b>At Amortised Cost</b>		
Security Deposits	-	-
Other Loans and Advances	80,00,000	80,00,000
<b>Total</b>	<b>80,00,000</b>	<b>80,00,000</b>



**Note 5- Loans**

Particulars	31-Mar-19	31-Mar-18
<b>Current</b>		
<b>At Amortised Cost</b>		
Security Deposits	-	-
<b>Unsecured, considered good</b>		
Other Loans and Advances	3,88,44,320	3,64,84,511
<b>Total</b>	<b>3,88,44,320</b>	<b>3,64,84,511</b>

**Note 6- Cash and cash equivalents**

Particulars	31-Mar-19	31-Mar-18
Cash in Hand	76909.16	256016.22
Bank Balances		
Yes Bank	15323.26	-
ICICI BANK	-	36481.01
<b>Total</b>	<b>92232.42</b>	<b>292497.23</b>

a) For the purpose of the statement of cash flow, cash and cash equivalents comprise of the following:

Particulars	31-Mar-19	31-Mar-18
Cash in Hand	76909.16	256016.22
Bank Balances		
Yes Bank	15323.26	-
ICICI BANK	-	36481.01
Axis Bank	-	-
<b>Total</b>	<b>92232.42</b>	<b>292497.23</b>

**Note 7 - Trade Receivables**

Particulars	31-Mar-19	31-Mar-18
Unsecured Considered Good	3,55,55,636	1,42,49,107
<b>Total</b>	<b>3,55,55,636</b>	<b>1,42,49,107</b>

## Note 8 - Other assets

Particulars	31-Mar-19	31-Mar-18
<b>Non Current</b>		
Capital Advances	-	-
<b>Total</b>	-	-
<b>Current</b>		
Income Tax Refund	1,05,032.00	1,05,032.00
Tax Deducted At Source	17,918.00	17,918.00
Tax Paid Under Appeal	2,21,337.00	2,21,337.00
TDS FY 2018-19	3,32,495.00	5,10,111.00
Prepaid Expenses	9,000.00	9,000.00
<b>Total</b>	<b>6,85,782</b>	<b>8,63,398</b>

## Note 9 - Equity Share Capital

### (A) Reconciliation of share capital

Particulars	Number	Amount in Rs.
<b><u>Authorised Share Capital</u></b>		
<b>Equity Shares of Re.10/- each</b>		
As at 1 April 2017	42,50,000.00	4,25,00,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2018	42,50,000.00	4,25,00,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2019	42,50,000.00	4,25,00,000.00

Particulars	Number	Amount in Rs.
<b><u>Issued, Subscribed &amp; Fully Paid up</u></b>		
<b>Equity Shares of Re.10/- each</b>		
As at 1 April 2017	33,47,500.00	3,34,75,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2018	33,47,500.00	3,34,75,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2019	33,47,500.00	3,34,75,000.00

(B) Terms and rights attached to equity shares

Equity Shares

\* The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Share is entitled to one vote per share.

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

**(C) Disclosure of Shares in the company held by each shareholder holding more than 5%**

Name of Shareholder	As at 31-Mar-19		As at 31-Mar-18	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shree Bhuvanakaram Tradinvest Private Limited	1,99,690	5.96%	1,99,690	5.96%
Avinash Kumar Agarwal	-	-	-	-

(D) There are no bonus issue and buy back of equity shares during the period of five years immediately preceding the reporting date.

**(E) Reconciliation of the number of shares outstanding at the beginning and at the end of the year**

Particulars	Equity Shares			
	As At 31.03.2019		As At 31.03.2018	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	33,47,500.00	3,34,75,000.00	33,47,500.00	3,34,75,000.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares converted during the year (from Rs. 10/- to Rs.1/- each)	-	-	-	-
Shares outstanding at the end of the year	<b>33,47,500</b>	<b>3,34,75,000</b>	<b>33,47,500</b>	<b>3,34,75,000</b>

**Statement of Changes in Equity for the year ended 31 March 2019**

(Amount in Rupees, unless otherwise stated)

**Note - 10****(a) Equity Share Capital**

<b>Issued, Subscribed &amp; Fully Paid up (Equity Shares of Rs.10/- each)</b>	<b>Number of shares</b>	<b>Amount</b>
At 1 April 2017	33,47,500.00	3,34,75,000.00
Changes in equity share capital	-	-
At 31 March 2018	33,47,500.00	3,34,75,000.00
Changes in equity share capital	-	-
At 31 March 2019	33,47,500.00	3,34,75,000.00

**(b) Other Equity**

<b>Particulars</b>	<b>Reserves and Surplus</b>			<b>Total</b>
	<b>Capital Reserve</b>	<b>Securities Premium Reserve</b>	<b>Retained Earnings</b>	
<b>As at 1 April 2017</b>	-	1,20,00,000	(30,11,287.85)	8988712.15
Profit / (Loss) for the year	-	-	2,20,537.77	2,20,537.77
(+) Reversal of Provision of Tax	-	-	-	-
(+) Prior Period Adjustment	-	-	-	-
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	-	<b>1,20,00,000</b>	<b>-2790750.08</b>	<b>9209249.92</b>
Any changes	-	-	-	-
<b>As at 31 March 2018</b>	-	<b>1,20,00,000</b>	<b>-2790750.08</b>	<b>9209249.92</b>
Profit / (Loss) for the year	-	-	24,85,770.34	2485770.34
(+) Reversal of Provision of Tax	-	-	13,174.00	13,174.00
(+) Prior Period Adjustment	-	-	0.42	0.42
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	-	<b>1,20,00,000</b>	<b>-291805.32</b>	<b>11708194.68</b>
Profit / (Loss) for the year	-	-	1656183.68	1656183.68
Any changes	-	-	-	-
(+) Prior Period Adjustment	-	-	-	-
<b>As at 31 March 2019</b>	-	<b>1,20,00,000</b>	<b>1364378.36</b>	<b>1,33,64,378.35</b>

**Note 11. Other Financial Liability**

Particulars	#REF!	31-Mar-18
<b>(a) Provision for Employee Benefits</b>		
Salary & Reimbursements	17,14,033	11,93,968
<b>(b) Others</b>		
Provision for Tax	6,12,800	8,62,977
TDS Payable	25,674	5,000
Telephone expenses Payable	-	2,309
Audit Fees Payable	-	45,000
Other Payables	6,273	1,01,319
GST Payable	(12,016)	94,375
Car Insurance Payable	-	-
<b>Total</b>	<b>23,46,764</b>	<b>23,04,947</b>

**Break up of financial liabilities:**

Particulars	31-Mar-19	31-Mar-18
<b>Financial liabilities carried at amortised cost:</b>		
Loans ( Refer Note 11)	-	-
Trade payables	4,23,46,986	1,80,08,480
Other Financial Liabilities (Refer Note 12)	23,46,764	28,25,012
<b>Total financial liabilities carried at amortised cost</b>	<b>4,46,93,750</b>	<b>2,08,33,492</b>
<b>Current</b>	<b>2,03,13,427</b>	<b>2,03,13,427</b>
<b>Non-Current</b>		
Loans ( Refer Note 11)	-	-
<b>Total Financial Liabilities</b>	<b>2,03,13,427</b>	<b>2,03,13,427</b>

**Note 12. Revenue from Operations**

(In Rupees)

Particulars	31.03.2019	31.03.2018
Sale of services	20,659,746.68	21,413,911.00
<b>Total</b>	<b>20,659,746.68</b>	<b>21,413,911.00</b>

**Note 13. Employee Benefit Expenses**

Particulars	31.03.2019	31.03.2018
Salary	1,640,958.00	2,946,639.00
Staff welfare expenses	18,906.64	13,201.20
<b>Total</b>	<b>1,659,864.64</b>	<b>2,959,840.20</b>

**Note 14. Finance Cost**

Particulars	31.03.2019	31.03.2018
Bank Charges	413.91	4,603.42
Interest on Car Loan	-	12,730.00
<b>Total</b>	<b>413.91</b>	<b>17,333.42</b>

**Note 15. Other Expenses**

Particulars	31.03.2019	31.03.2018
Advertisement	29,200.00	24,486.00
Audit Fees	-	50,000.00
AGM Expense	12,200.00	-
Books & Periodicals	6,150.00	1,605.00
Car Insurance	-	15,956.00
Conveyance Exp.	33,584.00	23,972.00
Donations	-	300.00
Diwali Expenses	630.00	-
Electricity Expenses	18,208.00	23,800.00
Interest Paid	81,318.00	268.00
ROC Exp.	5,400.00	17,400.00
Legal & Professional Charges	93,895.43	169,555.29
Listing Fees	250,000.00	287,500.00
Misc. Office Exp.	390.00	207,205.00
News Paper exp	2,210.00	3,600.00
General Expense	4,325.00	-
office expense	30,290.00	-
late filing fees	25,826.00	-
Office Rent	48,000.00	53,965.00
Postage Telegram & Courier	3,147.00	733.00
Printing & Stationary	48,310.00	53,720.00
Project Development Expense	-	316,850.00
Repair & Maintenance	21,264.40	10,766.61
Travelling Expenses	51,967.00	-
Telephone Exp.	11,304.80	17,609.09
Website Maintenance Charges	2,230.00	2,614.00
Round Off	0.92	0.31
<b>Total</b>	<b>779,850.55</b>	<b>1,281,905.30</b>

## **Note No. 1**

### **Significant Accounting Policies and Other Notes to Accounts**

#### **1. Significant Accounting Policies:**

##### **a) Corporate Information**

Mega Nirman & Industries Limited was incorporated on 23 March, 1983 registered under the Companies Act, 1956. The registered office of the company is situated at A-6/343b, 1<sup>st</sup> Floor Paschim Vihar, new Delhi-110063. The principal place of business is in India.

The Company is primarily engaged in the business of "Project Development & Construction in different places of India".

##### **b) Basis of Preparation**

The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments (including derivative instruments) and defined benefit plans which have been measured at fair value. The accounting policies are consistently applied by the Company to all the period mentioned in the financial statements.

The financial statements ("Financial Statements") of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies' (Indian Accounting Standard) Rules, 2015, as amended from time to time.

##### **c) Use of Estimates and judgments**

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates.

#### **d) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The following specific recognition criteria must also be met before revenue is recognized.

##### **Income from services:**

Service revenue is recognized on completion of provision of services which in general coincides with invoicing to customers. Revenue, net of discount, is recognized on transfer of all significant risks and rewards to the customer and when no significant uncertainty exists regarding realization of consideration.

Revenue from contracts priced on a time and material basis are recognized when services are rendered and related costs are incurred. Revenues from time bound fixed price contracts, are recognized over the life of the contract using the percentage of completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognized when probable.

##### **Interest Income:**

Interest income is recognized on an accrual basis using effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

#### **e) Depreciation and Amortization**

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the Written down Value method.

Amortization is recognized on a Written down Value basis over their estimated useful lives.



The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Depreciation on tangible assets is provided as per the provisions of Part B of Schedule II of the Companies Act, 2013 based on useful life and residual value notified for accounting purposes by Electricity Regulatory Authorities.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

**f) Cash and Cash Equivalents**

Cash and Cash Equivalents in Balance Sheet comprises of cash at bank and hand and short term deposits with original maturity of three months or less, which are subject to insignificant risk of change in value.

**g) Taxation**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is the amount of tax payable based on the taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax liabilities and assets are measured using the tax rate enacted or substantively enacted as on the Balance Sheet date.

**h) Earnings per share**

Basic earnings per share is computed by dividing the profit/(loss) for the year by the weighted average number of equity shares outstanding during the year.

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Net Profit/(Loss) for the year	16,56,183.68/-	24,85,770.34/-

Weighted Number of Equity Shares	33,47,500/-	33,47,500/-
Nominal Value per Share	10/-	10/-
Earnings Per Share (Basic)	0.49	0.74

**i) Cash Flow Statement**

Cash flows are reported using the indirect method, as per Ind AS-7, issued by the ICAI whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals and accruals of past or future operating cash receipts and payments and item of income and expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

**j) Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. All repair and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Depreciation on fixed assets has been provided on the basis of Written down Value over the useful lives of assets as per useful life prescribed under Schedule II of Companies Act, 2013.

When significant parts of fixed assets are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

The residual values, useful lives and methods of depreciation of fixed assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from de-recognition of an tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**k) Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are

carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

**l) Provision & Contingencies and Commitments**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

A disclosure for contingent liabilities is made where there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

**m) Provision for Gratuity**

No provision for gratuity has been made as the provisions of Payment of Gratuity Act, 1972 are not applicable.

**2) Other Notes to Accounts**

- i. In the opinion of Board of Directors, the aggregate value of Current assets, Loans and Advances are realizable in ordinary course of business and will not be less than the amount at which these are stated in the balance sheet.
- ii. Deferred Tax Asset for the year of Rs. 6,080/- as per Ind AS 12 on Accounting for Taxes on income pertaining to the timing between the accounting income and the taxable income has been recognized by the management in the Profit & Loss Account.
- iii. In the opinion of the company management, the operations of the company are considered as single segment hence Ind AS -108 on Segment reporting issued by the Institute of Chartered Accountants of India is not applicable.

- iv. In accordance with the requirement of Ind AS 24 on Related Parties notified under the Companies (Indian Accounting Standards) Rules, 2015, the name of related parties where control exists and /or with whom transactions have taken place during the year and description of relationships, as identified and certified by the Management are:

**List of Related Parties:**

Particulars	Name of Parties
Whole Time Director (KMP)	Narayanjee Thakur
Company Secretary & Compliance Officer (KMP)	Mitashi Bisaria
Chief Financial Officer(KMP)	Harshita Kaushik

**a. Remuneration to Key Management Personnel:**

(In Rupees)

Particulars	Designation	Year Ended March 31, 2019	Year Ended March 31, 2018
Mr. Narayanjee Thakur	Whole Time Director	Rs. 6,60,000/-	NIL
Ms. Mitashi Bisaria (Resigned w.e.f. 31.05.2019)	Company Secretary	Rs. 4,04,578/-	Rs. 64,617/-
Mrs. Harshita Kaushik (Resigned w.e.f. 06.05.2019)	Chief Financial Officer	Rs. 2,51,780/-	Rs. 26,095/-
Mr. Abhishek Kamra (Resigned w.e.f 15.11.2017)	Company Secretary	NIL	Rs. 1,89,226/-
Ms. Chandni Ankit Singla (Resigned w.e.f 15.06.2017)	Chief Financial Officer	NIL	Rs. 1,37,643/-
Mr. Ajay Raina (Resigned w.e.f 11.08.2017)	MD & CEO	NIL	Rs. 9,86,624/-
Mr. Dinesh Kumar Gupta (Resigned w.e.f 10.08.2017)	Chief Financial Officer	NIL	Rs. 62,500/-

**b. Auditors Remuneration**

Payment to auditors (including GST) comprises of the following:

(In Rupees)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
As Statutory Audit Fees	0.00	50,000/-
<b>Total</b>	<b>0.00</b>	<b>50,000/-</b>

### **c. Contingent Liabilities**

There is no contingent liability as on March 31, 2019.

- 3.** Previous year figures have been regrouped/ reclassified wherever necessary to make them comparable with the current year figures.

**In terms of our report attached.**

**For ASHM & ASSCOIATES  
Chartered Accountants**

**For & on behalf of the Board of Directors of**

**MEGA NIRMAN & INDUSTRIES LIMITED**

**Manoj Kumar Bajaj  
Partner**

M. No. 091107  
FRN. 005790C

**Narayanjee Thakur  
DIN:-00445013  
Whole Time Director**

**Anand Rai  
DIN:- 06855524  
Director**

Place : New Delhi  
Date : 30.05.2019

**Mitashi Bisaria  
Company Secretary**

**MEGA NIRMAN & INDUSTRIES LIMITED**

**CIN: L70101DL1983PLC015425**

**Regd. Office: A-6/343B, 1st Floor, Paschim  
Vihar, New Delhi-110063**

