



# 39<sup>TH</sup> ANNUAL REPORT

MEGA NIRMAN & INDUSTRIES LIMITED

2021-2022



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## CORPORATE INFORMATION

Whole Time Director  
**Mr. Ramanuj Murlinarayan Darak**

Executive Director  
**Mr. Anand Rai**  
**Mr. Mohan Jagdish Agarwal**

Non-Executive Independent Director  
**Mr. Vinay Singh (Resigned w.e.f. 12.07.2022)**  
**Mr. Monendra Srivastava**  
**Mrs. Sushma Jain**

Chief Financial Officer  
**Mr. Himanshu Gopal**

Company Secretary & Compliance Officer  
**Ms. Kanika Chawla**

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

**Banker**  
HDFC Bank, New Delhi

**Stock Exchange**  
Bombay Stock Exchange Limited

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

**Registered Office:**  
A-6/343B, 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, 3<sup>rd</sup> 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 **39<sup>th</sup> Annual General Meeting ('AGM')** of the members of Mega Nirman & Industries Limited ('THE COMPANY') will be held on **Saturday, the 20<sup>th</sup> day of August, 2022 at 10:00 A.M. at Maharaja Banquets Monarch Residency, A-1/20A, Paschim Vihar, (Opposite Metro Pillar No. 256), Main Rohtak Road, 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, 2022, including Board of Directors and Auditors Report thereon.
2. To re-appoint Mr. Mohan Jagdish Agarwal (DIN: 07627568), Director who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Auditors and to fix their remuneration:

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

**“RESOLVED THAT** pursuant to the provisions of section 139 and 142 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. A N S K & Associates, Chartered Accountants (Firm Registration No. 026177N), be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the 44<sup>th</sup> (Forty Fourth) AGM of the Company to be held in the year 2027, at such remuneration in addition to reimbursement of out-of-pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### **SPECIAL BUSINESS:-**

#### **4. AMENDMENT OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION**

To amend Object Clause of the Memorandum of Association of the Company and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special resolution**:

**“RESOLVED THAT** pursuant to Section 13 & other applicable provisions, if any, of the Companies Act, 2013 including Rules made thereunder as well as any other applicable laws for the time being in force & such other approvals, permissions and sanctions, as may be necessary, the existing Main Objects of Clause III (A) be and are hereby altered by adding with the following as under:

9. To do research, development, trading, import, export, manufacturing of green fuel by conversion of waste to wealth i.e. Bio Fuel, Bio Diesel, Bio ethanol, Hydrogen Fuel or any other non-polluted fuel based on innovative technologies for generation and conservation of energy.
10. To set up charging station based on Solar or Hybrid for own or on lease basis and filing station for marketing or distribution of Green fuel in India or abroad on its own or in partnership/ joint venture or on distributed model.

## **5. RECLASSIFICATION OF PROMOTER OF THE COMPANY AS PUBLIC SHAREHOLDERS.**

To consider and approve reclassification of Promoter of the Company and in this regard to consider and fit to pass, with or without modification(s), the following resolution as a **Special Resolution**

**“RESOLVED THAT** pursuant to provisions of Regulation 31A (2) read with Regulation 31A (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Including any amendments made thereto) (hereinafter referred to as “Listing Regulations”) or any other applicable provisions of Listing Regulations and other applicable laws, consent of the members of the company be and is hereby given to reclassify the following person from “Promoter Category” to “Public Category” since the person is neither involved in the management nor holding any controlling stake in the Company. None of the aforesaid person has entered into any Shareholders Agreement with the Company and they have not got any Veto Rights or Special Information Rights or Special Rights as to Voting power or Control of the Company:

<b>S. No.</b>	<b>Name of Promoter</b>	<b>No. of Equity Shares Held</b>	<b>% of the total Equity Capital</b>
1.	Mr. Yogesh Kumar Goyal	75,100	2.24%

**RESOLVED FURTHER THAT** it is hereby confirmed that

- i. The aforesaid person do not hold more than 10% of the paid-up Capital of the Company.
- ii. The shareholding of the aforesaid Promoter is only 2.24% of the equity share capital of the Company.
- iii. The aforesaid persons has not and will continue to not exercise direct or indirect control over the Company.
- iv. No director of the above said person has been or would be appointed as key managerial personnel of the Company.
- v. No special right were even held and would not be ever held by the above reclassified above said person / entity/Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

## **6. APPOINTMENT OF MR. RAMANUJ MURLINARAYAN DARAK (DIN: 08647406) AS WHOLETIME DIRECTOR**

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. Ramanuj Murlinarayan Darak (DIN: 08647406) as Whole Time Director for the period of 5 (Five) years, 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. Ramanuj Murlinarayan Darak, 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** Company Secretary be and is hereby authorised 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."

**7. APPOINTMENT OF MR. ZABIULLAH BURHANI FROM WHOLETIME DIRECTOR TO DIRECTOR**

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 118, 168 ,196, 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. Zabihullah Burhani (DIN: 07097788) who was appointed as Wholetime Director with effect from January 11, 2021 by the members of the Company, based on the recommendation of Nomination and Remuneration Committee, change in designation from Whole Time director to Director

**RESOLVED FURTHER THAT** Company Secretary be and is hereby authorised 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."

**8. APPROVAL FOR NAME CHANGE OF THE COMPANY FROM "MEGA NIRMAN & INDUSTRIES LIMITED" TO "MEGA INDUSTRIES LIMITED"**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 4 and 13 of the Companies Act, 2013 ("Act") and rules made thereunder and other applicable provisions, if any, of the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) as applicable, the Memorandum of Association and Articles of Association of the Company and subject to the approval, consent, sanction and permission of the Central Government, Ministry of Corporate Affairs, Stock Exchanges, and any other appropriate Regulatory and Statutory Authorities, as may be necessary, and as per the approval of the Board of Director granted through Board Resolution dated July 20, 2022 consent of the Members of the Company be and is hereby accorded for change of name of the Company from "**Mega Nirman & Industries Limited**" to "**Mega Industries Limited**

**RESOLVED FURTHER THAT** upon issuance of the fresh certificate of incorporation by the Registrar of Companies consequent upon change of name, the Memorandum of Association and the Articles of Association and other relevant documents shall stand altered as below: Clause I (Name clause) of Memorandum of Association of the Company and wherever appearing in the Articles of Association of the Company and other relevant documents, papers and places, as applicable. The name **Mega Nirman & Industries Limited** will be substituted with the new name **Mega Industries Limited**

**RESOLVED FURTHER THAT** Company Secretary of the Company be and is hereby authorized to make, sign, execute and file necessary applications, forms, returns, and documents as may be considered necessary or expedient including appointing attorney(s) or authorized representatives under appropriate Letter(s) of Authority, to appear before the Central Government, Ministry of Corporate Affairs, Stock Exchanges where shares of the Company are listed, and such other Regulatory or Statutory Authorities, as may be required from time to time and to do all such acts, deeds and things including settling and finalizing all issues that may arise in this regard in order to give effect to this resolution and to delegate all or any of the powers conferred herein as they may, in their absolute discretion, deem fit.”

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

Place: New Delhi  
Date: 20.07.2022

Sd/-  
Ms. Kanika Chawla  
Company Secretary  
M.No. A50543

**NOTES: -**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ENCLOSED PROXY FORM, IF INTENDED TO BE USED SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED, STAMPED AND SIGNED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FIXED FOR THE MEETING.**
2. As there is no special business to be transacted at the 39<sup>th</sup> Annual General Meeting, therefore there is no requirement to annex Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013.
3. The details of Director/ Manager seeking re-appointment, in terms of the Companies Act, 2013 (including Secretarial Standard-2) are annexed hereto and forms part of this notice.
4. Relevant documents, if any and statutory registers will be open for inspection, in physical form, at the Registered Office of the Company on all working days up to the date of the AGM and will also be available for inspection at the AGM. Members seeking inspection of such documents can send an e-mail to [secretarial.mnil@gmail.com](mailto:secretarial.mnil@gmail.com)
5. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a

certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting alongwith the Specimen Signature of representative authorised under said resolution to attend & vote on behalf of the meeting.

6. In terms of the Articles of Association, the facility for voting through polling paper in terms of Section 109 of the Act and the rules made thereunder shall be made available at the AGM.
7. 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.
8. 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.
9. 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.
10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
11. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, all requests for transfer of securities shall be processed only if the securities are held in dematerialized form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialization since physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI. Members can contact Company's RTA at [beetalrta@gmail.com](mailto:beetalrta@gmail.com). in for assistance in this regard.
12. Members may please note that SEBI vide its Circular dated January 25, 2022 has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4.
13. The attendance of the Members attending the EGM/AGM through Physically or through proxy/Authorised representative shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the

Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.

15. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [secretarial.mnil@gmail.com](mailto:secretarial.mnil@gmail.com) The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
16. Institutional shareholders (i.e. other than individuals, Hindu Undivided Family, Non-resident Indians etc.) are required to send a scanned copy (PDF/ JPG Format) of their board resolution/ authority letter/ power of attorney etc., authorizing their representatives to attend/ participate in the AGM through VC/ OAVM on their behalf and to vote through remote e-voting. The said resolution/ authority letter/ power of attorney etc. shall be sent to the Scrutinizer by e-mail through their registered e-mail address at [jvijay624@gmail.com](mailto:jvijay624@gmail.com) with a copy to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
17. In terms of Notification issued by the Securities and Exchange Board of India (SEBI), Equity Shares of the Company are under compulsory demat for trading by all investors. Members are, therefore advised to dematerialize their physical shareholding to avoid any inconvenience of trading in the shares of the Company.
18. The Integrated Annual Report including the Notice of the AGM for the FY 2021-22 is being sent to all the Members whose e-mail addresses are registered with the Company / Depository Participants ('DPs') unless any Member has requested for a physical copy of the same. The Company shall send a physical copy of the Integrated Annual Report to those Members who request the same at [secretarial.mnil@gmail.com](mailto:secretarial.mnil@gmail.com) mentioning their Folio No. / DP ID and Client ID. The Notice convening the 39<sup>th</sup> AGM has been uploaded on the website of the Company at [www.mnil.in](http://www.mnil.in) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. at [www.msei.in](http://www.msei.in). The AGM Notice is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
19. The cut-off date, i.e. Saturday, 13<sup>th</sup> August 2022, shall only be entitled to avail the facility of remote e-voting/ voting at the AGM.
20. Members who are holding shares in physical form in identical names in more than one folio are requested to write to RTA enclosing their Share Certificate(s) to enable the Company to consolidate their holding into one folio.
21. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 13<sup>th</sup> August 2022 to Saturday, the 20<sup>th</sup> August, 2022 (both days inclusive).
22. In terms of Section 72 of the Companies Act, 2013, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/her death. Shareholders desirous of availing this facility may submit nomination in SH-13.

23. Updation of PAN and other details SEBI vide Circular dated November 3, 2021 and December 14, 2021 has mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, e-mail address, mobile number, bank account details) and nomination details by holders of physical securities through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) available at [www.mnil.in](http://www.mnil.in) PAN details are to be compulsorily linked to Aadhaar by March 31, 2023 or any other date specified by Central Board of Direct Taxes. Folios wherein any of the above cited documents / details are not available, on or after April 1, 2023, shall be frozen as per the aforesaid circular. Effective from January 1, 2022, any service requests/ complaints received from a Member holding physical securities will not be processed by the Registrar till the aforesaid details/documents are provided to the Registrar. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination. Members holding shares of the Company in physical form are requested to go through the requirements on the website of the Company at [www.mnil.in](http://www.mnil.in) to furnish the abovementioned details.
24. Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registration of nomination, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar at [www.mnil.in](http://www.mnil.in) in case the shares are held in physical form, in the prescribed form, pursuant to the SEBI Circular dated November 3, 2021. Changes intimated to the DP will then be automatically reflected in the Company's records.
25. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
26. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and TPCL in case the shares are held by them in physical form
27. The Equity Shares of the Company are listed with the Bombay Stock Exchange. The Company has paid the annual listing fees to the BSE Limited for the year 2021-22.
28. Pursuant to the aforesaid Circular issued by Ministry of Corporate Affairs, for remote e-voting at AGM, shareholders who have not yet registered their email address and in consequence the e-voting notice cannot be serviced may temporarily get their email address registered with the Company's Registrar and Share Transfer Agent, Beetal Financial & Computer Services Private Limited by sending a mail at [beetalrta@gmail.com](mailto:beetalrta@gmail.com).
29. It is clarified that for permanent registration of email address, shareholders are requested to register their email addresses, in respect of electronic holdings with their concerned Depository Participants and in respect of physical holdings, with the Company's Registrar and Share Transfer Agent, BEETAL Financial & Computer Services Private Limited, Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi-110062 India by following due procedure.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on 17<sup>th</sup> August, 2022 at 09:00 A.M. and ends on 19<sup>th</sup> August, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 13<sup>th</sup> August, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 13<sup>th</sup> August, 2022.

### How do I vote electronically using NSDL e-Voting system?

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

#### Step 1: Access to NSDL e-Voting system

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

#### Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL</li></ol>

	<p>Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period”.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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 [ivijay624@gmail.com](mailto:ivijay624@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login
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

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

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 ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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. Password details for shareholders other than Individual shareholders 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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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 etc.
  - 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.

of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Abhishek Mishra at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@be-swasth.com](mailto:cs@be-swasth.com).
  2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@be-swasth.com](mailto:cs@be-swasth.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
  3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
  4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
30. The Company has appointed Mr. Vijay Jain, Company Secretary in practice of M/s Vijay Jain & Associates (Membership No. - 50242; C.P. No.-18230) as Scrutinizer for conducting the e-voting process in a fair and transparent manner.

31. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and there after unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 working days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or any other person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
32. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.mnil.in](http://www.mnil.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the concerned stock exchanges.
33. 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.
34. Members are requested to notify any change in their address, if any to the Registrar & Share Transfer Agent of the Company at the following address:-

M/s Beetal Financial & Computer Services (P) Limited,  
Beetal House, 3<sup>rd</sup> Floor, 99 Madangir,  
Behind Local Shopping Centre,  
Near Dada Harsukhdas Mandir,  
New Delhi-110062  
Phone: 91-11-29961281-83  
Fax: 91-11-2996 1284  
Email- [beetal@beetalfinancial.com](mailto:beetal@beetalfinancial.com)  
In all correspondence, please quote your DP ID & Client ID or Folio Number.

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

**Sd/-**

**Place: New Delhi  
Date: 20.07.2022**

**Kanika Chawla  
Company Secretary  
M. No. A50543**

## **EXPLANATORY STATEMENT**

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

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

#### **ITEM NO. 4-**

Change of Object Clause of the Memorandum of Association of the Company.

Your Board has to consider from time to time proposals for diversification into areas which would be profitable for the Company as part of diversification Plans. For this purpose, the object Clause of the Company, which is presently restricted in scope, requires to be comprehensive so as to cover a wide range of activities to enable your Company to consider embarking upon new projects and activities.

The alteration in the Objects Clause of the Memorandum of Association as set out in the Resolution is to facilitate diversification. This will enable the company to enlarge the area of operations and carry on its business economically and efficiently and the proposed activities can be, under the existing circumstances, conveniently and advantageously combined with the present activities of the company.

The "Main Object" clause of the Memorandum of Association of the Company is being amended by addition of Clause III (A).

The Board at its meeting held on July 20, 2022 has approved alteration of the MOA of the Company and the Board now seek Members' approval for the same.

The draft Copy of the Memorandum of Association of the Company is available for inspection at the registered office of the Company on any working day during Business Hours till the date of AGM. The Amendment shall be effective upon the registration of the resolution with the Registrar of the Companies. The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed resolution.

The Board recommends the Special Resolution set forth in Item No. 4 of the Notice for approval of the Members.

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

The Company had received the letter from the following person falling under the category of promoter of the Company requesting to be reclassified from the Category of "Promoter" to "Public Category".

<b>Sr No</b>	<b>Name of Promoter</b>	<b>No. of Equity Shares Held</b>	<b>% of the total Equity Capital</b>
1.	Mr. Yogesh Kumar Goyal	75,100	2.24%

The aforesaid Promote is holding very insignificant shareholding which constitutes 2.24% of the total paid up capital of the Company. The aforesaid promoter do not exercise any control over the Company and is not engaged in the management of the Company. The aforesaid person neither

have representation on the Board of Directors of the Company nor hold any key Management position in the Company. The Company also not entered into any Shareholders Agreement with them. Further none of the aforesaid person has got any veto Rights as to voting power or control of the Company. They do not have any Special Information Rights.

The aforesaid person have requested to the Company to reclassify them from being a “Promoter Category” to “Public Category” Shareholder of the Company.

Based on the letter received from above promoter person, the matter was discussed by the Board of Director at their meeting held on 27<sup>th</sup> May, 2022 and Board decided to get the above promoter reclassified from the” Promoter Category” to “Public Category” with the approval of stock exchanges

Regulation 31A (2) read with Regulation 31 A (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations,2015 (Including any amendments made thereto) (hereinafter referred to as Listing Regulations”) is the main regulation which deals with reclassification of promoter shareholding in to public Shareholding. It provides that the Stock exchanges allow reclassification of the status of promoter shareholders only if the following main conditions are satisfied.

- (i) Upon receipt of a request from the concerned listed entity or the concerned Shareholders.
- (ii) Upon receipt of all relevant evidence to be provided.
- (iii) On BSE being satisfied with the Compliance of conditions mentioned in Regulation 31A.

Regulation 31A (7) (any other manner) means with the consent of the person wants to change reclassification. A reclassification may also be permitted by the stock exchanges under the main Listing Regulation No, 31A (2) itself read with the additional condition specified under the Regulation 31A (7) of Listing Regulation, The sum total of conditions under the two sub regulations are as follows.

- (i) A request for reclassification to be made by the concerned listed entity or by the concerned shareholders/ to stock exchanges.
- (ii) All relevant evidence to be provided.
- (iii) Reclassified promoter shall not directly or indirectly exercise control over the affair of company.
- (iv) Increase in the level of public shareholding pursuant to reclassification of promoters shall not be considered towards achieving compliances with minimum public Shareholding requirement under Rule 19 A of the Securities contracts (Regulation) Rule, 1975 and
- (v) The event of reclassification shall be disclosed to the Stock exchange as a material event in accordance with the provisions of Listing Regulations.

All the conditions Specified under Regulation 31A (2) and 31 A (7) of Listing Regulation have been duly complied with by the Company.

The Company’s case of reclassification of promoter is covered under Regulation 31A (2) of Listing Regulation.

None of the Directors, Key Managerial persons of the Company and their relatives is/are concerned or interested in the resolution.

The Board therefore commends the Resolution no. 5 for approval of the members as Special Resolution.

#### **ITEM NO. 6:-**

The Board of Directors and Nomination & Remuneration Committee at its meetings held on July 21, 2022\* appointed Mr. Ramanuj Murlinarayan Darak as Whole Time Director for a period of Five (5) year subject to the approval of shareholders. Pursuant to Section 196, 197, 203 and Schedule V of the Companies Act, 2013, the appointment of 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. Ramanuj Murlinarayan Darak will provide his assistance, consultancy and advisory services. So, it is proposed that in return the Company would give him Rs. 5,000/- pm (Rupees Five Thousand only) as remuneration.

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. 6 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 company Board Meeting starts from 20.07.2022 and concludes at 21.07.2022 at 06.50 pm

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, acquire, deal in other precious metals, precious stones, jewellery and buy, sell and deal, wholesale and retail, import and export in bullion, precious metals, precious stones, jewellery and articles made of precious metals, precious stones articles of virtue and objects of art.

**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, 2020 to March 31, 2022.**

**(Rs. In Lakhs)**

	Business Years		
	2019-20	2020-21	2021-22
<b>Turnover including other income</b>	214.81	30.22	40.99
<b>Profit before Tax/ (Loss)</b>	<b>17.38</b>	<b>6.19</b>	<b>9.61</b>
Net Profit/ (loss)	<b>13.52</b>	<b>4.56</b>	<b>7.17</b>
<b>Dividend Paid</b>	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. Ramanuj Murlinarayan Darak, 54 years, He is Director in LARK WIRES & INFOTECH LIMITED, ASHOKA NON FERROUS METALS LIMITED and VP KOMMODITY TRADE (I) PRIVATE LIMITED. He is having more than 30 years' experience in Sales and Marketing of cotton yarn and various metal like copper, Gold, Silver and other Precious Metals.

2. **Past Remuneration:** N.A.
3. **Remuneration proposed:** Rs. 5,000/- pm (Rupees Five Thousand only)
4. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:**

Mr. Ramanuj Murlinarayan Darak, 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. Ramanuj Murlinarayan Darak.

### **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. 7:-**

Pursuant to Section 118, 168 and 196 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. Zabihullah Burhani (DIN: 07097788) as Director under category of Executive Director with effect from July 21, 2022\*. Earlier Mr. Burhani hold position of Wholetime Director in company, but due to pre-occupation, he resigned from Wholetime Director but continue as Director.

Mr. Zabihullah Burhani, 46 years had completed his Graduation from Ghulam Haider Khan High School, Kabul, Afghanistan. He is having 5 years' experience in gemstone Business.

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

The Board commends the resolutions set forth in Item No. 7 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.

\*The company Board Meeting starts from 20.07.2022 and concludes at 21.07.2022 at 06.50 pm

**ITEM NO. 8:-**

**CHANGE NAME OF THE COMPANY**

At the Board meeting held on 20<sup>th</sup> day of July, 2022, the Directors of the Company put forward the proposal to change the name of the Company by new name "Mega Industries Limited" would be used to give better representation in the Market. The Board of Directors discussed the same and is of the opinion that the name of the company be changed from 'Mega Nirman & Industries Limited' to 'Mega Industries Limited'.

As a result of change in the name, the clause I of the Memorandum of Association is also required to be suitably amended.

Your Directors recommend the above as Special Resolution.

None of the Directors or their relatives are deemed to be concerned or interested in any way in this resolution.

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

**Sd/-**

**Place: New Delhi  
Date: 20.07.2022**

**Kanika Chawla  
Company Secretary  
M. No. A50543**

**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. RAMANUJ MURLINARAYAN DARAK**

Mr. Ramanuj Murlinarayan Darak; 54 years (DOB: 18/09/1967) is an Executive Director of Mega Nirman & Industries Limited. He is a dynamic professional with 30 years of experience in Sales and Marketing of cotton yarn and various metal like copper, Gold, Silver and other Precious Metals.

He is on the Board of the Company since July 21, 2022. He doesn't hold any share of the Company.

He also hold directorship in Lark Wires & Infotech Limited w.e. f. 10/02/2021, Ashoka Non Ferrous Metals Limited w.e.f. 06/02/2021 and VP Kommodity Trade (I) Private Limited w.e.f. 16/01/2020.

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

As on July 21, 2022\*, Mr. Ramanuj Murlinarayan Darak does not hold membership in any committee.

**Other Details:**

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

\*The company Board Meeting starts from 20.07.2022 and concludes at 21.07.2022 at 06.50 pm

**2. MR. ZABIHULLAH BURHANI**

Mr. Zabihullah Burhani; 46 years (D.O.B. – 12/07/1976), request to discontinue from the post of Wholetime Director but to continue as Director only. He is having more than 5 years' experience in Gemstone Business, Manufacturing, Wholesaler, retailer, exporting & importing gemstones.

He is on the Board of the Company since January 11, 2021. He doesn't hold any share of the Company.

Also He is designated Partner in Sky World Tradelink LLP w.e.f. 24.02.2015.

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

As on July 20, 2022, Mr. Burhani does not hold membership in any committee.

**Other Details:**

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

\* 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.

**PROXY FORM**

**MGT-11**

[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 39<sup>th</sup> Annual General Meeting the members of the Company to be held on **Saturday, August 20, 2022 at 10:00 AM at Maharaja 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, 2022, the Reports of the Board of Directors and Auditors thereon.		
2.	To re-appoint Mr. Mohan Jagdish Agarwal (DIN: 07627568), Director who retires by rotation and being eligible, offers himself for re-appointment		
3.	Appointment of Auditors and to fix their remuneration		

4.	To consider and approve the Amendment of the object clause of the Memorandum Of Association		
5.	Reclassification of Promoter of the company as public shareholders.		
6.	Appointment of Mr. Ramanuj Murlinarayan Darak (DIN: 08647406) as Wholetime director		
7.	Appointment of Mr. Zabiullah Burhani (DIN: 07097788) from Wholetime Director to Director		
8.	Approval for name change of the Company From “Mega Nirman & Industries Limited” to “ Mega Industries Limited”		

\* Applicable for investors holding shares in Electronic form.

Affix Revenue Stamps of Rs. 1/-
---------------------------------------

Signed this \_\_\_\_\_day of \_\_\_\_\_2022

**Signature of Member    Signature of Proxy holder**

**Across Revenue Stamp**

**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.

**Mega Nirman & Industries Ltd.**

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

**ATTENDANCE SLIP**

**39<sup>th</sup> Annual General Meeting, Saturday, 20<sup>th</sup> August, 2022 at  
Maharaja 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 **39<sup>th</sup> ANNUAL GENERAL MEETING** of the Company, at **Maharaja Banquets**, A-1/20 B, Paschim Vihar, Rohtak Road, Near Metro Station Paschim Vihar (West), New Delhi-110063, on Saturday, the 20<sup>th</sup> August, 2022 at 10:00 AM.

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

(Member's /Proxy's Signature)

**Note:** Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report of your company for the financial year ended on 31<sup>st</sup> March, 2022 is as under:

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

The Company is involved in the business of acquiring, dealing in other precious metals, precious stones, jewelry and buying, selling and dealing, wholesale and retailing, in precious metals, precious stones, jewelry and articles made of precious metals, precious stones articles of virtue and objects of art.

During the current financial year the Company has made turnover of Rs. 40.99 lakhs.

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

Mega Nirman & Industries Limited has very strategically build the business to achieve profitable growth while maintaining a healthy Balance Sheet. In times like now, the Company is ahead in the game to not only follow through on the existing growth plans but capitalise on the market opportunity aiming for superior results.

#### **Opportunities:**

- Increased scalability in adjacent categories
- Advent of new digital platforms
- Advanced manufacturing facilities
- Reinforcing the deep discounting proposition
- Replicability and scalability across developing countries
- Business-friendly government policies

#### **Threats:**

- Low-cost end-to-end business model being adopted by existing or new competitors.
- Increase in cyber threats.

## **FINANCIAL PERFORMANCE OVERVIEW**

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

A comparative table showing synopsis of FY 2022 vs. FY 2021 is provided below:

(Rs. In Lakhs)

<b>Particulars</b>	<b>2022</b>	<b>2021</b>	<b>Increase / (Decrease)</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital</b>	334.75	334.75	-
<b>Reserves and surplus</b>	159.37	152.25	7.12
<b>Net worth</b>	<b>494.12</b>	<b>487.00</b>	<b>7.12</b>
<b>Non- current liabilities</b>			-

<b>Current liabilities</b>	669.73	609.81	59.92
<b>Total</b>	<b>1163.85</b>	<b>1096.81</b>	<b>67.04</b>
<b>ASSETS</b>			
<b>Non-current assets</b>	743.91	707.93	35.98
<b>Current assets</b>	419.94	388.88	31.06
<b>Total</b>	<b>1163.85</b>	<b>1096.81</b>	<b>67.04</b>

## **2. Profit and Loss analysis:**

A comparative table showing synopsis of FY 2022 vs. FY 2021 is provided below:

<b>Particulars</b>	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>	<b>Increase / (Decrease )</b>
<b>Income</b>	40.99	30.21	10.78
Total Expenditure	(31.37)	(24.02)	7.35
Net Profit/(Loss) before Tax (PBT)	9.61	6.19	3.42
Provision for Income Tax-Current	2.33	1.55	0.78
Provision for Deferred Tax	0.10	0.08	0.02
<b>Profit for the period</b>	<b>7.17</b>	<b>4.56</b>	<b>2.61</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 39<sup>th</sup> Annual Report together with audited financial statements & accounts for the financial year ended March 31, 2022.

### **1. FINANCIAL RESULTS**

(Amount in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income	40.99	30.21
Total Expenditure	31.37	24.02
Net Profit / (Loss) before Exceptional and Extraordinary items and Tax	9.61	6.19
Extraordinary items	-	-
Net Profit/(Loss) before Tax (PBT)	9.61	6.19
Provision for Income Tax-Current	2.33	1.55
Provision for Deferred Tax	0.10	0.08
<b>Profit for the period</b>	<b>7.17</b>	<b>4.56</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 acquiring, dealing in other precious metals, precious stones, jewellery and buying, selling and dealing, wholesale and retailing, in precious metals, precious stones, jewellery and articles made of precious metals, precious stones articles of virtue and objects of art.

### **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 2021-22.

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

Authorised Share Capital:

The authorized share capital of the Company as at March 31, 2022 was Rs. 28, 25, 00,000/-

Paid-up Share Capital:

The paid-up share capital as at March 31, 2022 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, bonus issue or preferential issue, etc. during the year.

The Company planning to come with Right Issue and also got approval on 28.03.2022, but it is in the process.

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.	Mr. Monendra Srivastava	Independent Director	May 05, 2016	-
2.	Mrs. Sushma Jain	Independent Director	August 26, 2019	-
3.	Mr. Vinay Singh*	Independent Director	January 16, 2021	-
4.	Mr. Mohan Jagdish Agarwal	Director	February 10, 2021	-
5.	Mr. Zabihullah Burhani	Director	July, 21, 2022	-

\*Mr. Vinay Singh resigned from the post of Independent Director W.e.f. 12.07.2022.

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:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>
1.	Mr. Zabihullah Burhani*	Whole Time Director	January 11, 2021	July 21, 2022*

2.	Mr. Ramanuj Murlinarayan Darak **	Whole Time Director	July 21, 2022#	-
3.	Ms. Kanika Chawla	Company Secretary	August 10, 2019	-
4.	Mr. Himanshu Gopal	Chief Financial Officer	August 27, 2019	-

\*Mr Zabihullah Burhani cease to be Wholetime director w.e.f. 21.07.2022\*.

\*\*The Board in its meeting held on 21.07.2022\* appointed Mr. Ramanuj Murlinarayan Darak, as Whole Time Director of the Company subject to the approval of the shareholders in ensuing Annual General Meeting.

#The Company Board Meeting starts from 20.07.2022 and concludes at 21.07.2022 at 06.50 pm

## **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, 2022, the Board met 4 times, Audit Committee met 4 times and Nomination & Remuneration Committee met 1 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 2021-22 one meeting of the Independent Directors was held on 15.03.2022 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 2021-22. 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:

The term of Appointment of Statutory Auditor (Upto the conclusion of AGM to be held in 2022), M/s AHSM & Associates (FRN: 005790C) is completed. The Board approved the appointment of M/s A N S K & Associates Chartered Accountants (FRN: 026177N) in Board Meeting dated 27.05.2022, pursuant to Section 139 of the Companies Act, 2013.

The Auditors' Report for the financial year ended 31<sup>st</sup> March, 2022 on the financial statements of the Company forms a part of this Annual Report. There is qualification in the Auditors' Reports as follows:

*The Company has not done the reversal of GST input of Rs. 20,13,891/- (excluding interest as payable thereon) for the tax period 2018-19 to 2020-21 due to non-payment to creditors within a stipulated time as prescribed in terms of 2nd proviso to section 16(2) of CGST Act, 2017 and a pending GST demand of Rs. 3,55,636/- excluding interest as per GST assessment order dt. 26/10/2020 for tax period 2017-18 towards differential tax on ITC claim under GST. Accordingly, the statutory liability would have been increased by Rs. 23,69,527/- and the Net Worth would have been reduced by Rs. 23,69,527/- respectively. This matter is also disclosed in our Report on Other Legal and Regulatory Requirements in paragraph below. As per information and according to the explanations given to us, the company has not received any notice or demand letter on this GST input reversal from the GST department.*

Reply from the Board: The Management has noted this and will take steps to comply this in current year,

- 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 27.05.2022 had appointed **M/s Vijay Jain & Co. (COP No. 18230)**, to undertake the Secretarial Audit of the Company for the Financial Year 2021-22. The Secretarial Auditors have submitted their report, confirming compliance by the Company of all the provisions of applicable corporate laws. The Report does contain one qualification, the views of

management on that is mentioned in this Board Report. The Secretarial Audit Report is annexed 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 2020-21, 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:** No significant or material orders were passed by the Regulators, Courts or Tribunals impacting the going concern status and Company's

operations in future. During the financial year under review, neither any application is made by the Company, nor is any proceeding pending against the Company under Insolvency and Bankruptcy Code, 2016.

- 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, 2022 and of the profits of the company for the year ended March 31, 2022;
- 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**

**Sd/-**

**Sd/-**

**Anand Rai**

**Sushma Jain**

**Director**

**Director**

**DIN: 06855524**

**DIN: 08545336**

**Place : New Delhi**

**Date : 20.07.2022**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies*  
*(Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
Mega Nirman & Industries Limited  
A-6/343B, Paschim Vihar,  
New Delhi -110063

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **MEGA NIRMAN & INDUSTRIES LIMITED (CIN: L70101DL1983PLC015425)** (“**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.

Based on my verification of **MEGA NIRMAN & INDUSTRIES LIMITED (CIN: L70101DL1983PLC015425)** (“**the Company**”) 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 31<sup>st</sup> March 2022, 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the **MEGA NIRMAN & INDUSTRIES LIMITED (“The Company”)** for the financial year ended on 31st March 2022 according to the provisions of:
  - i. The Companies Act, 2013 and the Rules made thereunder.
  - ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder.
  - iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: *Not applicable to the extent of Overseas Direct Investment and External Commercial Borrowings as there were no reportable events during the financial year under review.*
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
    - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;  
*Not applicable*
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *Not applicable*
- i) Any other provisions as may be applicable to company.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India.
  - ii) The SEBI (LODR) Regulation 2015 entered into by the Company with Stock Exchanges
  - iii) During the period under review and as per explanations and clarifications given to us and the representations made by the Management, the company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act and the Memorandum and Articles of Association of the Company, with regard to:
- a. maintenance of various statutory registers and documents and making necessary entries therein;
  - b. closure of the Register of Members.
  - c. forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government.
  - e. service of documents by the Company on its Members, Auditors and the Registrar of Companies and other stakeholders.
  - f. notices of Board meetings and Committee meetings of Directors.
  - g. the meetings of Directors and Committees of Directors including passing of resolutions by circulation.
  - h. the 38<sup>th</sup> Annual General Meeting held on Thursday, the 5<sup>th</sup> Day of August 2021.
  - i. minutes of proceedings of General Meetings and of the Board and its Committee meetings; approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required.
  - j. constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors.
  - k. payment of remuneration to Directors including the Managing Director and Whole-time Directors,
  - l. appointment and remuneration of Auditors and Cost Auditors; *Not Applicable*
  - m. transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares.
  - n. declaration and payment of dividends; *No dividend has been declared during reporting period*
  - o. Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs; **No Amount was pending**
  - p. borrowings and registration, modification and satisfaction of charges wherever applicable.
  - q. investment of the Company's funds including investments and loans to others.

- r. form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act.
- s. Directors' report.
- t. contracts, common seal, registered office and publication of name of the Company; and
- u. Generally, all other applicable provisions of the Act and the Rules made under the Act.

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

**I. The provision of section 149 relation to independent directors has not complied with as explained herein below:**

**In October 2019, The Ministry (MCA) made it compulsory for independent directors to pass the online self-assessment proficiency test, which is conducted by the Indian Institute of Corporate Affairs (IICA) – if they take up or must maintain their positions on the Board of Directors.**

**However, Mr. Monendra Srivastava and Mrs. Sushma Jain, independent director in the company with effect from 05.05.2016 and 26.08.2019 respectively have not appeared for the self-proficiency exam conducted by the IICA, hence stand ineligible to be appointed as such in the office of independent directors in any company.**

We further report that:

- a. The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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 Committee of the Board, as the case may be.

- 4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
- 5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed there under by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
- 6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.
- 7. I further report that:
  - a. the Company has complied with the requirements under the SEBI (LODR) Regulation 2015 entered into with Stock Exchanges.
  - b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
  - c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

I further report that as per explanation given to me and the representations made by the Management and relied upon by me 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.

Date: 20.07.2022

Place: Delhi

*For Vijay Jain & Co.  
Company Secretaries*

*Sd/-  
CS Vijay Jain  
Practicing Company Secretary  
C.P. No.: 18230  
M No. 50242  
Peer Review Certificate no. 2241/2022  
UDIN: A050242D000655902*

\*This report is to be read with our letter of even date which is annexed as Annexure A

**Annexure A**

**To,  
The Members,  
Mega Nirman & Industries Limited  
A-6/343B, Paschim Vihar,  
New Delhi -110063**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provision of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

7. We have inspected physical records, papers, registers etc. of the Company for the financial year 2021-22 and information required by us were provided through electronic Mode. Therefore, we also recommend the company to strengthen its Compliance as per requirement of law.

Date: 20.07.2022

Place: Delhi

***For Vijay Jain & Co.  
Company Secretaries***

***Sd/-  
CS Vijay Jain  
Practicing Company Secretary  
C.P. No.: 18230  
M No. 50242  
Peer Review Certificate no. 2241/2022  
UDIN: A050242D000655902***

**Extract of Annual Return  
(Form No.MGT-9)  
As on the Financial Year ended on March 31<sup>st</sup>, 2022**

*[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, 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	Precious and semi-precious stones	46	NIL Turnover

**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, 2021)				No. of shares held at the end of the year (March 31, 2022)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total share	
A.	Promoter									
(1)	Indian									
	a) Individuals/	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	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) FIs	-	-	-	-	-	-	-	-	-
	h) Foreign Venture	-	-	-	-	-	-	-	-	-
	i) Others	-	-	-	-	-	-	-	-	-

S No.	Category of Shareholder	No. of shares held at the beginning of the year (April 01, 2021)				No. of shares held at the end of the year (March 31, 2022)				% 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	238543	-	238543	7.13	37921	-	37921	1.13	-6.00
	(ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individual									
	(i) Individuals shareholders holding nominal share capital up to Rs. 1 lakh	512084	83900	595984	17.80	536280	83900	620180	18.53	+0.73
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2245517	12000	2257517	67.44	2269035	12000	2281035	68.14	+0.7
	c) Others									
	(i) Clearing Members	7115	-	7115	0.21	71327	-	71327	2.13	+1.92
	(ii) HUF	161241	-	161241	4.82	258670	-	258670	7.73	+2.91
	(iii) N R I - Non - Repatriable	7000	-	7000	0.21	30	-	30	0.00	-0.21
	(iv) N R I - REPATARIABLE	5000	-	5000	0.15	3237	-	3237	0.10	-0.05

	Sub-Total (B)(2)	3176500	95900	3272400	100	3176500	95900	3272400	100	-
	Total Public Shareholding (B) = (B)(1)+(B)(2)									-
	<b>TOTAL (A)+(B)</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>	<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>	<b>-</b>

### (ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2021)			Shareholding at the end of the year (March 31, 2022)		% 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/decrease 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	KABIR SHRAN DAGAR				
	At the beginning of the year	16605	0.50	16605	0.50
	Bought during the year	847482	2.53	864087	25.81
	Sold during the year	656924	19.62	207163	6.18
	At the end of the year			207163	6.18
2	SITA RAM				
	At the beginning of the year	51739	1.54	51739	1.54
	Bought during the year	945647	28.25	997386	29.79
	Sold during the year	792179	23.66	205207	6.13
	At the end of the year			205207	6.13
3	KABIR SHRAN DAGAR (HUF)				
	At the beginning of the year	1921	0.05	1921	0.05
	Bought during the year	300717	8.98	302638	9.04
	Sold during the year	143918	4.29	158720	4.74
	At the end of the year			158720	4.74
4	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	100000	2.98
5	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	100000	2.98
6.	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	100000	2.98
7.	MANJU SIROHI				
	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	100000	2.98
8.	KANTA RANI				
	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	100000	2.98
9.	ASHOK KUMAR SIROHI				
	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	100000	2.98
10.	NEETA SAHA				
	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	100000	2.98

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

***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.***

S. No.	Name & Designation	Shareholding at the beginning of the year (April 1, 2021)		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 (2021-22)		At the end of the year (March 31, 2022)	
		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*								

## 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>	-	-	-	-
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#### 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. ZABIHULLAH BURHANI (WTD)*	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (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	0	0
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - Others, specify	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	<b>0</b>	<b>0</b>
	Ceiling as per the Act	As per the Companies Act, 2013	

##### B. Remuneration to other Directors:

S.No.	Name	Fee	Commission	Total
1.	Ms. Sushma Jain (Non-Executive Independent Director)	10,000	0	10,000
2.	Mr. Anand Rai (Executive Director)	5,000	0	5,000
3.	Mr. Mohan Jagdish Agarwal	2,16,129	0	2,16,129

	Total	2,31,129	0	2,31,129
	Ceiling as per the Act	As per the Companies Act, 2013		

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. Kanika Chawla (CS)	Mr. Himanshu Gopal(CFO)	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of	6,50,000	3,78,428	10,28,428
	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>6,50,000</b>	<b>3,78,428</b>	<b>10,28,428</b>

**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 2021-22 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 2021-22 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 Six 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, 2022.

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:

S. No.	Name of Independent Director	Date of Appointment	Date of Completion of Tenure
1	Mr. Monendra Srivastava	May 05, 2021	May 04, 2026
2	Mr. Vinay Singh*	January 16, 2021	January 15, 2026
4.	Mrs. Sushma Jain	August 26, 2019	August 25, 2024

\* Mr. Vinay Singh appointed as Non-executive Independent Director w.e.f. 16.01.2021 for first term for 5 years and regularized in the AGM 2021.

He resigned from the post of Independent Director w.e.f. 12.07.2022

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.

## **(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 four times i.e. on 25.06.2021, 10.08.2021, 28.10.2021 and 10.02.2022.

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, 2022 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 2021-22	Attended		Directorship	Committee Membership	Committee Chairmanship
Mr. Monendra Srivastava (DIN: 07489845)	Independent Director	4	4	NO	1	3	1
Mr. Anand Rai (DIN: 06855524)	Director	4	3	YES	0	2	-
Mrs. Sushma Jain (DIN: 08545336)	Independent Director	4	4	YES	2	3	2
Mr. Zabihullah Burhani (DIN: 07097788)	Wholetime Director	4	1	NO	-	-	-
Mr. Vinay Singh* (DIN: 09032266)	Director (Independent)	4	4	NO	2	1	-
Mr. Mohan Jagdish Agarwal (DIN: 07627568)	Director	4	4	YES	1	1	-

\*Mr. Vinay Singh resigned as Independent Director W.e.f. 12.07.2022

**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, 2022 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 25" 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>Nomination and Remuneration Committee</b>	<b>Stakeholders Relationship Committee</b>
Mr. Monendra Srivastava	Mr. Monendra Srivastava	Mr. Monendra Srivastava (Chairman)

Mr. Anand Rai	Mr. Vinay Singh *	Ms. Sushma Jain
Mrs. Sushma Jain (Chairman)	Ms. Sushma Jain (Chairman)	Mr. Anand Rai

\*Mr. Vinay Singh cease to be Director W.e.f. 12.07.2022.

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

Name of the Directors	No. of Committee Meeting			
	Audit Committee		Nomination & Remuneration Committee	
	Held	Attendance	Held	Attendance
Monendra Srivastava	4	4	1	1
Anand Rai	4	4	NA	NA
Sushma Jain	4	4	1	1
Vinay Singh (resigned w.e.f. 12.07.2022)	NA	NA	1	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 four times i.e. on 25.06.2021, 10.08.2021, 28.10.2021 and 10.02.2022.

**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 one times i.e. on 25.06.2021.

**(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, 2022.

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

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

The Company had 1927 shareholders as on March 31, 2022.

**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 2021-22.

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 2021-22, 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 2021-22 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 2021-22, the Company has not paid any remuneration to the non-executive directors.

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

During the FY 2021-22 the Company has paid fee to the non-executive directors as per the MGT-9.

### iv. Shareholding of directors

Information on shares held by directors in the Company as on March 31, 2022 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
2020-21(38 <sup>th</sup> AGM)	August 05, 2021	11:00 AM	Through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') without the physical presence of members at a common venue.
2019-20(37 <sup>th</sup> AGM)	September 30, 2020	11:00 AM	Through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') without the physical presence of members at a common venue.
2018-19 (36 <sup>th</sup> AGM)	September 27, 2019	11:00 AM	Apsara Grand Banquets, A-1/20 B, Paschim Vihar, Rohtak Road, Near Metro Station Paschim Vihar(West), 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
38 <sup>th</sup> AGM	August 05, 2021 (11:00) A.M.	Alteration in Articles of Association of the Company, (Amended and replaced the Article "CALLS ON SHARES)
37 <sup>th</sup> AGM	September 30, 2020 (11:00 A.M.)	Regularization of Mr. Monendra Srivastava as an Independent Director of the Company for second term who shall hold office for the period of 5 years up to 04 May, 2026.
36 <sup>th</sup> AGM	September 27, 2019 (11:00 A.M.)	No special resolutions were passed

### **iii. Special Resolutions passed through Postal Ballot during FY 2021-22**

During the year ended 31<sup>st</sup> March, 2022, 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 2020-21. A declaration signed to this effect by Mr. Zabihullah Burhani (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 2021-22 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 2021-22 (as applicable) 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 39<sup>th</sup> Annual General Meeting

As per notice of 39<sup>th</sup> Annual General Meeting, the meeting is scheduled to be held on Saturday, the 20<sup>th</sup> day of August, 2022 at 10:00 A.M. at Maharaja Banquets Monarch Residency, A-1/20A, Paschim Vihar, (Opposite Metro Pillar No. 256), Main Rohtak Road, 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 2022-23 is as follows:

Item	Tentative Dates *
First Quarter Results	August 14, 2022
Second Quarter Results	Before 14 <sup>th</sup> November, 2022
Third Quarter Results	Before 14 <sup>th</sup> February, 2023
Audited Annual Results for the year	Before 30 <sup>th</sup> May, 2023

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

### iii. Book Closure & Dividend Payment Dates

Book Closure date is as per Notice of 39<sup>th</sup> Annual General Meeting. Further, no dividend has been recommended for the year ended March 31, 2022.

### 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 2021-22 is given hereinafter:

Month	BSE	
	High (₹)	Low (₹)
Apr-21	7.98	6.00
May-21	7.74	6.27
Jun-21	11.37	6.63
July-21	13.03	8.22
Aug-21	16.71	12.26
Sep-21	17.78	12.92
Oct-21	16.17	10.51
Nov-21	12.21	10.48
Dec-21	14.40	10.50
Jan-22	15.08	13.02
Feb-22	14.61	12.06
Mar-22	20.18	12.25

#### 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
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### 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, 2022

#### (a) Value Wise

Shareholding of nominal value (in `)	Shareholders		Shareholding	
	Number	%	Number	%
Upto 5000	1672	86.76	139003	4.15
5001 to 10000	89	4.61	74859	2.24
10001 to 20000	40	2.07	65611	1.96
20001 to 30000	23	1.19	62397	1.86
30001 to 40000	15	0.77	52618	1.57
40001 to 50000	10	0.51	46867	1.40
50001 to 100000	29	1.50	213155	6.37
100001 and above	49	2.54	2692990	80.45
<b>Total</b>	<b>1927</b>	<b>100</b>	<b>3347500</b>	<b>100</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	37921	1.13
4	Non-Resident Indians	3267	0.10
5	FII / Foreign Investors	0	0
6	Indian Public	3306312	98.77
	<b>Total</b>	<b>3347500</b>	<b>100</b>

**CAPITAL STRUCTURE OF COMPANY**

**Authorised Capital: Rs. 28, 25,00,000/-**  
**Paid Up Capital : Rs. 3,34, 75,000/-**

**x. Unclaimed Dividends**

There are no unclaimed dividends, details of which are required to be given as at the March 31, 2022.

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

There are no equity shares which are lying in the unclaimed suspense account as at March 31, 2022.

**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, 2021. 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, 2022 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](mailto:secretarial.mnil@gmail.com)
- SEBI vide its circular dated 26<sup>th</sup> 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.

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<b>BEETAL FINANCIAL AND COMPUTER SERVICES PVT LTD</b>	<b>MEGA NIRMAN &amp; INDUSTRIES LIMITED</b>	<b>COMPLIANCE OFFICER</b>
Beetal House, 99 Madangir, Behind Local Shopping Centre, New Delhi-110062 Tel:011-29961281-83 Fax:01129961284	CIN: L70101DL1983PLC015425 A6/343B, 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 Chawla (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>

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## 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 31<sup>st</sup> March, 2022 to the extent mentioned below:

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

The Company has no Regular Chairman as at March 31, 2022.

#### 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 endeavor 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, 2022.

**For Mega Nirman & Industries Limited**

Sd/-

**Place: New Delhi**

**Date: 27.05.2022**

**Zabihullah Burhani**

**Whole Time Director**

**DIN: 07097788**

**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.

**CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

To  
The Members,  
Mega Nirman & Industries limited  
A-6/343B, 1st Floor, Paschim Vihar,  
New Delhi 110063

We have examined the compliance of conditions of Corporate Governance by **Mega Nirman & Industries limited CIN: L70101DL1983PLC015425** (hereinafter referred as “the Company”) for the year ended March 31, 2022, as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46 (2) and para C, D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

The compliance of various provisions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of the procedures and implementations, thereof, adopted by the Company for ensuring 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 Management of the Company and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the, spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

We state that in respect of investor grievances received during the year ended 31st March, 2022, no investor grievances are pending against the Company for a period exceeding 15 days as per records maintained by the company which are presented to the Board of Directors of the Company.

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

Date: 20.07.2022  
Place: Delhi

**For Vijay Jain & Co.  
Company Secretaries**

Sd/-

**CS Vijay Jain**  
**Practicing Company Secretary**  
C.P. No.: 18230  
M. No. A50242  
Peer Review Certificate no. 2241/2022  
UDIN:A050242D000655871

**Annexure D**

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

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

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31<sup>st</sup>, 2022 and that to the best of our knowledge and belief we state that:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 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) We 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) We 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:
- Significant changes in internal control over financial reporting during the year;
  - Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 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**

Sd/-

Sd/-

**Place: New Delhi**  
**Date: 27.05.2022**

**Zabihullah Burhani**  
**Whole Time Director**  
**DIN: 07097788**

**Himanshu Gopal**  
**Chief Financial Officer**  
**PAN: BOTPG1406C**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Part C Clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Members,  
**MEGA NIRMAN & INDUSTRIES LIMITED**  
A-6/343B, 1st Floor, Paschim Vihar, New Delhi-110063

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MEGA NIRMAN & INDUSTRIES LIMITED** having **CIN: L70101DL1983PLC015425** and having registered office at A-6/343B, 1st Floor, Janta Flats, Paschim Vihar, New Delhi 110063 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my our opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India Ministry of Corporate Affairs or any such other Statutory Authority.

S.No.	Name of Director	DIN	Date of Appointment in Company
1.	Anand Rai	06855524	25/06/2001
2.	Zabihullah Burhani	07097788	11/01/2001
3.	Monendra Srivastava	07489845	05/05/2016
4.	Sushma Jain	08545336	26/08/2019
5.	Mohan Jagdish Agarwal	07627568	10/02/2021
6.	Vinay Singh	09032266	16/01/2021

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Date: 20.07.2022**

**Place: Delhi**

**For Vijay Jain & Co.**  
**Company Secretaries**

Sd/-  
**CS Vijay Jain**  
**Practicing Company Secretary**  
C.P. No.: 18230  
M. No. A50242  
Peer Review Certificate no. 2241/2022  
UDIN: A050242D000655836

## *Independent Auditor's Report*

To  
The Members of **Mega Nirman & Industries Limited**  
**Report on the IND AS Financial Statements**

We have audited the standalone financial statements of **Mega Nirman & Industries Limited** (“the Company”), which comprise the Standalone Balance Sheet as at March 31, 2022, and the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

### **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 judgements 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of user taken on basis of these standalone financial statements.

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

- i. Identify and access the risk of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguard

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

#### **Basis for Qualified Opinion**

The company has not done the reversal of GST input of Rs. 20, 13, 891 (excluding interest as payable thereon) for the tax period 2018-19 to 2020-21 due to non-payment to creditors within a stipulated time as prescribed in terms of 2<sup>nd</sup> proviso to section 16(2) of CGST Act, 2017 and a pending GST demand of Rs. 3, 55, 636 /- excluding interest as per GST assessment order dt. 26/10/2010 for tax period 2017-18 towards differential tax on ITC claim under GST.

Accordingly, the statutory liability would have been increased by Rs. 23,69, 527/- and the Net worth would have been reduced by Rs. 23,69,527/- respectively. This matter is also disclosed in our report on other legal and regulatory requirement in paragraph below.

As per information and according to the explanation given to us, the company has not received any notice or demand letter on this GST input reversal from the GST department.

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Other Information**

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the standalone financial statements and our auditors’ report thereon.

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

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

### **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 (including other comprehensive income), the statement of change in equity 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 March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g) With respect to the matter to be included in the Auditor’s Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 demands or litigations which would impact on its financial position except the following:
- Pending GST input reversal of Rs. 20,13,891/- (excluding interest as payable thereon) for the tax period 2018-19 to 2020-21 due to non-payment to creditors within a stipulated time as prescribed in terms of 2<sup>nd</sup> proviso to section 16(2) of CGST Act, 2017.
  - Pending GST demand of Rs. 3,55,636/- (excluding interest as per GST assessment order dt. 26/10/2020 for tax period 2017-18 towards differential tax on ITC claim under GST Act, 2017.
- 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.
- iv. (a) The management has represented that to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities including foreign entities (intermediaries) with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invested in other person or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or provide any guarantee , security or the like on behalf of the ultimate beneficiaries;
- ( b)the management has represented that to the best of its knowledge and belief other than as disclosed in the notes to the accounts, no funds have been received by the company from any persons or entities including foreign entities (funding parties) with the understanding, whether recorded in writing or otherwise, that the company shall whether directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide any Gurantee, security or the like on behalf of the ultimate beneficiaries and

© based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under sub clause (i) and (ii) of Rule 11€ as provided under (a) and (b) above, contain any material mis-statement.

- v. No dividend have been declared or paid during the year by the company.

**For ASHM & Associates  
Chartered Accountants  
Firm's Registration No. 005790C**

**Sd/-**

**Manoj Kumar Bajaj  
Partner  
M.No-091107  
UDIN: 21091107AMGOYJ3990**

**Place: New Delhi  
Date: 27.05.2022**

**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. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has any loans, secured or unsecured or granted guarantees in terms of provisions of section 185 and 186 of the Companies Act, 2013 and the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

- v. 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 accepted any deposits or deemed deposits in terms of the directives issued by Reserve Bank of India and the provision of Section 73 to 76 or any other relevant provision of the of the Companies Act, 2013 and the rules framed there under, where applicable, hence provision of clause 3 (v) of the order are not applicable to the company. .
- 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 148of the Companies Act, 2013.
- vii. 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 a son 31.03.2022 except pending GST demand of Rs. 3,55,636/- excluding interest as per GST assessment order date 26/10/2020 for tax period 2017-18 towards differential tax on ITC claim under GST and pending GST input reversal of Rs. 20,13, 891/- for the tax period 2018-19 to 2021-22 excluding interest due to nonpayment to creditors within a stipulated time as prescribed in terms of 2<sup>nd</sup> proviso to section 16(2) of CSGT Act, 2017.
- 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. According to the information and explanations given to us on the basis of our examination of books of account, the company has not surrendered or disclosed as income in income tax proceedings as to the balance sheet date.
- ix. According to the information and explanations given to us on the basis of our examination of books of account, the company has not availed financial assistance from any financial institution or bank or debenture holders, as to the balance sheet date.
- x. According to the information and explanations given to us on the basis of our examination of books of account, the company has not raised any money by way of public issue/ follow on offer (including debt instruments) and term loans during the year under review. Hence provision of this clause of the order are not applicable to the Company.
- xi. 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 by the management.
- 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 adequate an internal audit system in accordance with its size and business activities.
- xv. 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 entered into any non-cash transactions with directors or persons connected with him.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- xvii. The company has not incurred any cash losses in the financial year and in the' immediately preceding financial year.
- xviii. There has been no resignation of statutory auditors during the year under review.
- xix. On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities and other information accompanying the financial statements and in absence of management plans and based on the above evaluation and in absence of evidences, which causes us to believe that there is existence of material uncertainty on the date of the audit report indicating that the company is not capable of meeting its liabilities which exist as at the balance sheet date and also when such liabilities are due in the future. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has no obligations under Corporate Social Responsibility as per provisions of the Companies act 2013, consequently, the provisions of clause xx of the order is not applicable to the company.

**For ASHM & Associates  
Chartered Accountants  
Firm's Registration No. 005790C**

**Sd/-**

**Manoj Kumar Bajaj  
Partner  
M.No-091107  
UDIN: 22091107AMGOYJ3990**

**Place: New Delhi  
Date: 27.05.2022**

**ANNEXURE-“B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MEGA NIRMAN & INDUSTRIES LIMITED AS ON 31<sup>ST</sup> MARCH 2022**

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

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

We have audited the internal financial controls over financial reporting of **Mega Nirman & Industries Limited** (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”.] These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal Financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the

Possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit material, weakness has been identified in the company's internal financial controls over financial reporting as at March 31 2022 as regards:

- i) Uncertainty for realizing the carrying value of its trade receivables and payment of the carrying value of its trade payables which are subject to their balance confirmation and in view of ageing analysis.
- j) Non-maintenance / Updation of stock register, loans and investment register for agreements or contracts with related parties and other records as prescribed under Companies Act 2013 in respect of applicable provisions of Section 177,185,186,188,189 as applicable.
- k) No other documentary evidences in case of goods inward and outward except Sale and purchase invoices.
- l) non-accounting of reversal of GST input of Rs.20,13,891 /- (excluding interest as payable Thereon) for the tax period 2018-19 to 2020-21 due to non-payment to creditors within a stipulated time as prescribed in terms of 2nd proviso to section 16(2) of CGST Act, 2017 and non accounting of a pending GST demand of Rs. 3,55,636/- excluding interest as per GST assessment order dt. 26/10/2020 for tax period 2017-18 towards differential tax on ITC claim under GST.

A 'material weakness' is a deficiency or a combination of deficiencies in internal financial control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria the Company has maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022 based on the internal control over financial reporting criteria established by the Company considering the

essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For ASHM & Associates  
Chartered Accountants  
Firm's Registration No. 005790C**

**Sd/-**

**Manoj Kumar Bajaj  
Partner  
M.No-091107  
UDIN: 22091107AMGOYJ3990**

**Place: New Delhi  
Date: 27.05.2022**

**MEGA NIRMAN & INDUSTRIES LIMITED**  
**CIN: L70101DL1983PLC015425**  
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2022**

Particulars	Note No.	March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	1	5,51,726	5,58,289
(b) Financial Assets			
(i) Investments	2	20,00,000	20,00,000
(ii) Loans	3	80,00,000	80,00,000
(iii) Trade Receivables	4	5,85,41,713	5,73,19,713
(c) Other Non Current Assets		52,22,886	28,29,850
(d) Deferred Tax Assets		75,091	85,963
<b>Current assets</b>			
(a) Financial Assets			
(i) Loans	5	2,57,58,983	3,57,34,591
(ii) Cash and cash equivalents	6	3,49,429	3,96,341
(iii) Trade Receivables		-	-
(iv) Inventories	7	1,46,00,920	19,12,440
(v) Other Financial Assets		-	-
(b) Other Current Assets	8	6,66,741	5,70,905
(c) Current Tax Assets	9	6,17,907	2,73,088
<b>Total Assets</b>		<b>11,63,85,396</b>	<b>10,96,81,181</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>		-	-
(a) (i) Equity Share Capital	10	3,34,75,000	3,34,75,000
(b) Other Equity	11	1,59,37,016	1,52,24,586
<b>Liabilities</b>	-		
<b>Non-Current liabilities</b>		-	-
(a) Financial Liabilities			
(i) Trade Payables	12	5,59,40,177	5,73,54,503
(b) Loans		-	-
(c) Deferred Tax Liabilities		-	-
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Loans		-	-
(ii) Trade Payables	13	1,03,89,000	19,17,440
(iii) Other Financial Liabilities		-	-

(b) Provision	14	48,910	51,246
(c) Other Current Liabilities	15	1,05,516	12,46,521
(d) Current Tax Liabilities	16	4,89,777	4,11,884
<b>Total Equity and Liabilities</b>		<b>11,63,85,396</b>	<b>10,96,81,181</b>

Summary of Significant Accounting Policies **24**

The accompanying notes are an integral part of the Financial Statements.  
In terms of our report attached.

**For ASHM & Associates**

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

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

**Zabihullah Burhani**  
Wholetime Director  
DIN:07097788

**Anand Rai**  
Director  
DIN: 06855524

**Place : New Delhi**  
**Date: 27.05.2022**  
**UDIN: 22091107AMGOYJ3990**

**Kanika Chawla**  
Company Secretary  
M. No. A50543

**Himanshu Gopal**  
Chief financial Officer  
PAN: BOTPG1406C

**MEGA NIRMAN & INDUSTRIES LIMITED**  
**Statement of Profit & Loss for the Year Ended 31<sup>st</sup> March 2022**

(In Rupees)			
Particulars	Note No.	March 31, 2022	March 31, 2021
<b>INCOME</b>			
Revenue from operations	17	-	-
Other Income	18	40,99,106	30,21,578
<b>Total Income</b>		<b>40,99,106</b>	<b>30,21,578</b>
<b>Expenses</b>			
Purchases of Stock-in-Trade	19	1,26,88,480	19,12,440
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(1,26,88,480)	(19,12,440)
Employee benefits expenses	21	14,57,807	12,77,000
Finance costs	22	3,464	1,020
Depreciation and amortization expenses	1	28,597	39,932
Other expenses	23	16,47,582	10,84,222
<b>Total Expenses</b>		<b>31,37,451</b>	<b>24,02,174</b>
<b>Profit/(loss) before tax</b>		<b>9,61,655</b>	<b>6,19,404</b>
Tax expense:			
Current Tax		2,33,218	1,55,325
Deferred Tax		10,872	8,019
<b>Profit/(loss) for the period</b>		<b>7,17,565</b>	<b>4,56,060</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 profit or loss		-	-
B) (i) Items that will be reclassified to profit or loss		-	-
B) (ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year, Net of Tax			
<b>Total Comprehensive Income for the year (Comprising (Loss) and Other Comprehensive Income for the year)</b>		<b>7,17,565</b>	<b>4,56,060</b>
Earnings per equity share:			
(1) Basic		0.21	0.14
(2) Diluted		-	-
Summary of Significant Accounting Policies	24		
The accompanying notes are an integral part of the Financial Statements.			
In terms of our report attached.			
<b>For ASHM &amp; Associates</b>	<b>For &amp; on behalf of the Board of Directors of</b>		
<b>Chartered Accountants</b>	<b>Mega Nirman &amp; Industries Limited</b>		
<b>Manoj Kumar Bajaj</b>	<b>Zabihullah Burhani</b>	<b>Anand Rai</b>	
<b>Partner</b>	<b>Wholetime Director</b>	<b>Director</b>	
<b>FRN. 005790C</b>	<b>DIN:07097788</b>	<b>DIN: 06855524</b>	
<b>M.No. 091107</b>			
<b>Place : New Delhi</b>	<b>Kanika Chawla</b>	<b>Himanshu Gopal</b>	
<b>Date : 27.05.2022</b>	<b>Company Secretary</b>	<b>Chief financial Officer</b>	
<b>UDIN: 22091107AMGOYJ3990</b>	<b>M. No. A50543</b>	<b>PAN: BOTPG1406C</b>	

**MEGA NIRMAN & INDUSTRIES LIMITED**  
**CASH FLOW STATEMENT AS AT 31st MARCH 2022**

Particulars	March 31, 2022	March 31, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxation	9,61,655	6,19,404
Add: Adjustment For		
Depreciation	28,597	39,932
Interest Income	(26,48,256)	(30,21,578)
Reversal of Provision for Tax	(5,135)	28,798
<b>Operatine Profit Before Working Capital Change</b>	<b>(16,63,139)</b>	<b>(23,33,444)</b>
Adjustment For		
(Increase)/decrease in Loans & Advances	99,75,608	(3,14,960)
(Increase)/decrease in Trade Receivables	(12,22,000)	23,32,404
(Increase)/decrease in Other Current Assets	(95,836)	80,959
(Increase)/decrease in Inventories	(1,26,88,480)	(19,12,440)
(Increase)/decrease in Other Current Assets	(23,93,036)	-
(Increase)/decrease in Current Tax Assets	(3,44,818)	(2,00,127)
Increase/(decrease) in Trade Payables	70,57,234	9,80,837
Increase/(decrease) in Current Liabilities	(10,65,448)	(7,66,731)
Cash Generated from Operation	(7,76,777)	1,99,942
Less: Direct Tax	(2,33,218)	(1,55,325)
	<b>(26,73,133)</b>	<b>(22,88,827)</b>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>		<b>(22,88,827)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Income from Investment	-	-
Sale of Fixed Assets	-	-
Fixed Assets Purchase	(22,034)	(4,18,898)
	<b>(22,034)</b>	<b>(4,18,898)</b>
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>		<b>(4,18,898)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Income	26,48,256	30,21,578
	<b>26,48,256</b>	<b>30,21,578</b>
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>		<b>30,21,578</b>
Net Changes in Cash & Cash Equivalents (A+B+C)	<b>(46,912)</b>	<b>3,13,853</b>
Opening balance of Cash & Cash Equivalents	3,96,341	82,487

Closing Balance of Cash & Cash Equivalents	(3,49,429)	(3,96,341)
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENT</b>	<b>46,912</b>	<b>(3,13,853)</b>

**Significant Accounting Policies (Note 1)**

The accompanying notes are an integral part of the Financial Statements.

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

**Zabihullah Burhani**  
Whole Time Director  
DIN:07097788

**Anand Rai**  
Director  
DIN: 06855524

**Place : New Delhi**  
**Date: 27.05.2022**  
**UDIN: 22091107AMGOYJ3990**

**Kanika Chawla**  
Company Secretary  
M. No. A50543

**Himanshu Gopal**  
Chief financial Officer  
**PAN: BOTPG1406C**

**Notes to financial statements for the year ended 31 March 2022**

(Amount in Rupees unless otherwise stated)

**Note 1 - Property, Plant and Equipments**

Particulars	Air Conditioner	Phone	CAR	Furniture	Invertor	Vehicle	Plant and Machinery	Total
<b>Cost:</b>								
<b>Balance as at 31st March 2020</b>	<b>27,000</b>	<b>70,148</b>	<b>12,75,000</b>	<b>15,090</b>	<b>11,550</b>	<b>1,55,000</b>	<b>64,300</b>	<b>16,18,088</b>
Additions during the year	-	2,398	-	-	-	-	4,16,500	4,18,898
Deletions during the year	-	-	-	-	-	-	-	-
<b>Balance as at 31st March 2021</b>	<b>27,000</b>	<b>72,546</b>	<b>12,75,000</b>	<b>15,090</b>	<b>11,550</b>	<b>1,55,000</b>	<b>4,80,800</b>	<b>20,36,986</b>
Additions during the year	-	22,034	-	-	-	-	-	22,034
Deletions during the year	-	-	-	-	-	-	-	-
<b>Balance as at 31st March 2022</b>	<b>27,000</b>	<b>94,580</b>	<b>12,75,000</b>	<b>15,090</b>	<b>11,550</b>	<b>1,55,000</b>	<b>4,80,800</b>	<b>20,59,020</b>
<b>Depreciation:</b>								
<b>Balance as at 31st March 2020</b>	<b>25,409</b>	<b>52,287</b>	<b>11,81,177</b>	<b>14,548</b>	<b>10,948</b>	<b>1,54,395</b>	-	<b>14,38,765</b>
Depreciation for the year	717	8,757	29,991	169	109	189	-	<b>39,932</b>
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31st March 2021</b>	<b>26,126</b>	<b>61,044</b>	<b>12,11,168</b>	<b>14,717</b>	<b>11,057</b>	<b>1,54,584</b>	-	<b>14,78,697</b>
Depreciation for the year	392	7,596	20,404	116	89	-	-	<b>28,597</b>
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31st March</b>								

<b>2022</b>	<b>26,518</b>	<b>68,640</b>	<b>12,31,572</b>	<b>14,833</b>	<b>11,146</b>	<b>1,54,584</b>		<b>15,07,294</b>
<b>Net Block:</b>								
<b>Balance as at 31st March 2022</b>	<b>482</b>	<b>25,940</b>	<b>43,428</b>	<b>257</b>	<b>404</b>	<b>416</b>	<b>4,80,800</b>	<b>5,51,726</b>
<b>Balance as at 31st March 2021</b>	<b>874</b>	<b>11,502</b>	<b>63,832</b>	<b>373</b>	<b>493</b>	<b>416</b>	<b>4,80,800</b>	<b>5,58,289</b>
<b>Balance as at 31st March 2020</b>	<b>1,591</b>	<b>17,861</b>	<b>93,823</b>	<b>542</b>	<b>602</b>	<b>605</b>	<b>64,300</b>	<b>1,79,323</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.

**NON-CURRENT ASSETS**

**FINANCIAL ASSETS**

Note 2 - Investments (In Rupees)

<b>Particulars</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
<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
		2022	2021		2022	2021	2022	2021		
(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 3- Loans**

<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 4 - Trade Receivables**

Particulars	31-Mar-22	31-Mar-21
<b>Non-Current</b>		
Unsecured Considered Good	5,85,41,713	5,73,19,713
<b>Total</b>	<b>5,85,41,713</b>	<b>5,73,19,713</b>

**Notes:**

1. Trade Receivables balances are subject to confirmation during the year.
2. For explanations on the Company's Credit risk management processes, refer to Note No.26 (b)

The trade Receivables ageing schedule for the years ended as on March 31, 2022 are as follows:

Particulars	Not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed trade receivables - considered good	-	3,70,000	-	-	18800590.95	39371122.21	5,85,41,713
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-

**Note 5- Loans**

Particulars	31-Mar-22	31-Mar-21
<b>Current</b>		
<b>At Amortised Cost</b>		
Security Deposits	-	-
<b>Unsecured, considered good</b>		
Other Loans and Advances	2,57,58,983	3,57,34,591
<b>Total</b>	<b>2,57,58,983</b>	<b>3,57,34,591</b>

**Note 6- Cash and cash equivalents**

Particulars	31-Mar-22	31-Mar-21
<b>Current</b>		
Cash in Hand	169107	318960
Bank Balances:-		
Yes Bank	-	7015
HDFC bank	180322	70366
<b>Total</b>	<b>349429</b>	<b>396341</b>

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

Particulars	31-Mar-22	31-Mar-21
Cash in Hand	169107	318960
Bank Balances		
Yes Bank	-	7015
HDFC bank	180322	70366
<b>Total</b>	<b>349429</b>	<b>396341</b>

**Note 7 - Inventories**

Particulars	31-Mar-22	31-Mar-21
<b>Current</b>		
Stock in Trade	1,46,00,920	19,12,440
<b>Total</b>	<b>1,46,00,920</b>	<b>19,12,440</b>

**Note 8 - Other assets**

Particulars	31-Mar-22	31-Mar-21
<b>Current</b>		
Income Tax Refund	3,44,287	3,44,287
Tax Deducted At Source		
Tax Paid Under Appeal		
TDS FY 2020-21	66,158	2,26,618
TDS FY 2021-22	2,56,296	-
<b>Total</b>	<b>6,66,741</b>	<b>5,70,905</b>

**Note 9 - Current Tax Assets**

Particulars	31-Mar-22	31-Mar-21
GST Receivable	6,17,907	2,73,088
<b>Total</b>	<b>6,17,907</b>	<b>2,73,088</b>

## Note 10 - 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 2020	42,50,000.00	4,25,00,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2021	42,50,000.00	4,25,00,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2022	2,82,50,000.00	28,25,00,000.00

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 2020	33,47,500.00	3,34,75,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2021	33,47,500.00	3,34,75,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2022	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 amount 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	31-Mar-22		31-Mar-21	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shree Bhuvanakaram Tradinvest Pvt. Ltd.	-	-	1,99,690	5.96
	-	-	1,99,690	5.96

(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			
	31-Mar-22		31-Mar-21	
	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 2022**

(Amount in Rupees, unless otherwise stated)

**Note - 11**

**(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 2020	33,47,500.00	3,34,75,000.00
Changes in equity share capital	-	-
At 31 March 2021	33,47,500.00	3,34,75,000.00
Changes in equity share capital	-	-
At 31 March 2022	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 2020</b>	-	1,20,00,000	27,39,728	14739728
Profit / (Loss) for the year	-	-	4,56,060	456060
(+) Reversal of Provision of Tax	-	-	28,798	28798
(+) Prior Period Adjustment	-	-	-	-
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	-	<b>1,20,00,000</b>	<b>32,24,586</b>	<b>15224586</b>
Any changes	-	-	-	-
<b>As at 31 March 2021</b>	-	<b>1,20,00,000</b>	<b>32,24,586</b>	<b>15224586</b>
Profit / (Loss) for the year	-	-	7,17,565	717565
(+) Reversal of Provision of Tax	-	-	(5,135)	-5135

(+)Prior Period Adjustment			-	-
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	-	1,20,00,000	<b>39,37,016</b>	<b>15937016</b>
Profit / (Loss) for the year	-	-	-	-
Any changes	-	-	-	-
(+)Prior Period Adjustment	-	-	-	-
<b>As at 31 March 2022</b>	-	<b>1,20,00,000</b>	<b>39,37,016</b>	<b>15937016</b>

**Note 12. Break up of financial liabilities:**

Particulars	31-Mar-22	31-Mar-21
<b>Financial liabilities carried at amortised cost:</b>		
<b>Non Current</b>		-
Trade payables	5,59,40,177	5,73,54,503
<b>Total financial liabilities carried at amortised cost</b>	<b>5,59,40,177</b>	<b>5,73,54,503</b>

**Note 13. Break up of financial liabilities:**

Particulars	31-Mar-22	31-Mar-21
<b>Financial liabilities carried at amortised cost:</b>		
<b>Current</b>		
Trade payables	1,03,89,000	19,17,440
<b>Total financial liabilities carried at amortised cost</b>	<b>1,03,89,000</b>	<b>19,17,440</b>
<b>Total financial liabilities carried at amortised cost (Non Current + Current)</b>	<b>6,63,29,177</b>	<b>5,92,71,943</b>

**Note - 14**

Particulars	31-Mar-22	31-Mar-21
<b>(a) Provision</b>		
TDS Payable	48,910	51,246
<b>Total</b>	<b>48,910</b>	<b>51,246</b>

**Notes:**

1. Trade payables are non-interest bearing and the balances are subject to confirmation during the year.
2. For explanations on the Company's credit risk management processes, refer to Note No. 26 (c)
3. Based on the information available with the Company, the balance due to Micro and Small Enterprises as defined under the MSMED Act, 2006 is Rs. /- (Previous year Rs. /-) and interest during the year Rs. Nil (Previous year Rs. Nil) has been paid or is payable under the terms of the MSMED Act, 2006. The information provided by the Company has been relied upon by the auditors.

Particulars	31-Mar-22	31-Mar-21
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	40,498.00	20,538.00
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	59,418.00	29,918.00
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-

Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

The trade payables ageing schedule for the years ended as on March 31, 2022 are as follows:

Particulars	Not due	Outstanding for the following periods from due date of payment				
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	more than 3 years
Undisputed trade payables - considered good	-	-	10388611	1014189	17991525.2 2	3,69,34,8 52
Undisputed trade payables - credit impared	-	-	-	-	-	-
Disputed trade payables - considered good	-	-	-	-	-	-
Disputed trade payables - credit impared	-	-	-	-	-	-

**Note - 15**

Particulars	31-Mar-22	31-Mar-21
<b>(b) Others current liabilities</b>		
Salary & reimbursement	1,05,516	12,46,521
<b>Total</b>	<b>1,05,516</b>	<b>12,46,521</b>

**Note - 16**

Particulars	31-Mar-22	31-Mar-21
<b>(c) Current tax liabilities</b>		
Provision for tax	4,89,777	4,11,884
<b>Total</b>	<b>4,89,777</b>	<b>4,11,884</b>

**Note 17. Revenue from Operations**

(In Rupees)

Particulars	31.03.2022	31.03.2021
Sale of Goods	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

(In Rupees)

**Note 18. Other Income**

Particulars	31.03.2022	31.03.2021
Interest Income	26,48,256	30,21,578
Other income	14,50,850	-
<b>Total</b>	<b>40,99,106</b>	<b>30,21,578</b>

(In Rupees)

**Note 19. Purchase of Stock in Trade**

Particulars	31.03.2022	31.03.2021
Traded goods	1,26,88,480	19,12,440
<b>Total</b>	<b>1,26,88,480</b>	<b>19,12,440</b>

(In Rupees)

**Note 20. Change in Inventories of Finished goods,  
Work-in-progress and Stock-in-Trade**

Particulars	31.03.2022	31.03.2021
<b>Inventories at the beginning of the year:</b>		
Raw Material	-	-

Finished Goods	-	-
Stock in Trade	19,12,440	-
	<b>19,12,440.00</b>	-
<b>Inventories at the closing of the year:</b>		
Raw Material	-	-
Finished Goods	-	-
Stock in Trade	1,46,00,920	19,12,440
	<b>1,46,00,920</b>	<b>19,12,440</b>
<b>Net (increase)/ Decrease</b>	<b>(1,26,88,480)</b>	<b>(19,12,440)</b>

**Note 21. Employee Benefit Expenses**

Particulars	31.03.2022	31.03.2021
Salary	14,24,557	11,97,000
Wages	-	80,000
Staff welfare	33,250	-
<b>Total</b>	<b>14,57,807</b>	<b>12,77,000</b>

**Note 22. Finance Cost**

Particulars	31.03.2022	31.03.2021
Bank Charges	3,464	1,020
<b>Total</b>	<b>3,464</b>	<b>1,020.10</b>

**Note 23. Other Expenses**

Particulars	31.03.2022	31.03.2021
Advertisement	21,980	33,880
Audit Fees	50,000	55,000
AGM Expense	25,000	14,946
Conveyance Exp.	33,795	66,304
Diwali Expenses	18,549	3,130
Electricity Expenses	17,640	17,730
Interest Paid	3,475	25,860
ROC Exp.	6,700	8,000
Legal & Professional Charges	3,05,900	1,91,854
Listing Fees	3,95,500	3,00,000
Misc. Office Exp.		

	39,500	21,995
News Paper exp	3,860	-
office expense	1,15,341	73,001
late filing fees	700	3,748
Office Rent	48,000	48,000
Postage Telegram & Courier	1,039	3,270
Printing & Stationary	19,761	20,765
Repair & Maintenance	41,663	41,592
Travelling Expenses	4,10,613	97,546
Telephone Exp.	16,396	14,330
Website Maintenance Charges	2,270	2,270
Round Off	(2)	1
Software exp	21,400	10,600
Director Sitting fees	24,500	20,000
Packaging and forwarding charges	-	10,400
Donations	24,000	-
<b>Total</b>	<b>16,47,581</b>	<b>10,84,222</b>

**Mega Nirman & Industries**  
**Notes to financial statements for the year**  
**ended 31 March 2022**  
(Amount in Rupees, unless  
otherwise stated)

**25 Fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
		As at	As at	As at
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
		INR	INR	INR
<b>FINANCIAL ASSETS</b>				
<b>a) Financial assets measured at amortised cost</b>				
Investments in Equity Instruments (Refer Note 2)	20,00,000	20,00,000	20,00,000	20,00,000
Loans ( Refer Note 3 & 5)	3,37,58,983	4,37,34,591	3,37,58,983	4,37,34,591
Other Financial Assets	-	-	-	-
Cash and cash equivalents (Refer Note 6)	3,49,429	3,96,341	3,49,429	3,96,341
Other Bank Balances	-	-	-	-
Trade Receivables ( Refer Note 4)	5,85,41,713	5,73,19,713	5,85,41,713	5,73,19,713

Inventories ( Refer Note 7)	1,46,00,920	19,12,440	1,46,00,920	19,12,440
<b>FINANCIAL LIABILITIES</b>				
<b>Financial liabilities measured at amortised cost</b>				
Loans	-	-	-	-
Trade payables (Refer Note 12 & 13)	6,63,29,177	5,92,71,943	6,63,29,177	5,92,71,943
Other Financial Liabilities	-	-	-	-

The management assessed that cash and cash equivalents, trade receivables, other bank balances and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company determines fair values of financial assets and financial liabilities by discounting the contractual cash inflows/ outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. The fair value of investment is determined using quoted net assets value from the fund. Further, the subsequent measurement of all financial assets and liabilities (other than investment in mutual funds) is at amortised cost, using the effective interest method.

## **26 Financial risk management objectives and policies**

The Company's principal financial liabilities comprise trade payables, employee related liabilities, etc. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, security deposits, etc. that derive directly from its

operations. The Company also holds FVTPL investments.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is responsible for formulating an appropriate financial risk governance framework for the Company and periodically reviewing the same. The company's senior management ensures that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The company's senior management reviews and agrees policies for managing each of these risks, which are summarised below.

**(a) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. Financial instruments affected by market risk include fixed deposits and FVTPL investments.

**(i) Interest Rate Risk**

The company does not have any borrowings or significant interest bearing assets. So, the Company is not exposed to such risk.

**(ii) Foreign currency risk**

The Indian Rupee is the Company's most significant currency. As a consequence, the Company's results are presented in Indian Rupee. Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business majorly in local currency and there is no significant foreign currency transactions, therefore do not pose a significant foreign currency risk on the company.

**(b) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

### ***Trade receivables***

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is primarily from trade receivables amounting to Rs. 5.85 crore for the F.Y. 2021-22 and are typically unsecured. Days sales outstanding was not calculated as of 31/03/2022 as there is no sales during the year.

### ***Financial instruments and cash deposits***

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the Balance Sheet at reporting dates are the carrying amounts as illustrated in note below.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

<b>Particulars</b>	<b>Note</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Investments in Equity Instruments	2	2000000	2000000
Loans	3 & 5	33758983	43734591
Other Financial Assets		-	-
Cash and cash equivalents	6	349429	396341
Other Bank Balances			

		-	-
Trade Receivables	4	58541713	57319713
Inventories	7	14600920	1912440
<b>Total</b>		<b>10,92,51,046</b>	<b>10,53,63,085</b>

**(c) Liquidity Risk**

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's treasury function reviews the liquidity position on an ongoing basis. The Company has access to a sufficient variety of sources of funding. It may be noted that its Promoter Mr. Yogesh Kumar Goyal have been prohibited from accessing the securities market by raising money from public for a period of 2 years from the date of the SEBI order dated 13/05/2022.

**The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31 March 2022:**

Particulars	Carrying amount	Contractual cash flow	Less than 1 year	1-2 years	2-3 years	3 years and above
Loans	-	-				
Trade payables	6,63,29,177	6,63,29,177	10388611	1014189	17991525	3,69,34,852
Other financial						

liabilities	-	-	-	-	-
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**The following are the contractual maturities of the financial liabilities, including estimated interest payments as at 31 March 2021**

Particulars	Carrying amount	Contractual cash flow	Less than 1 year	1-2 years	2-3 years	3 years and above
Loans	-	-				
Trade payables	5,92,71,943	5,92,71,943	1912440	19866736	2013922 2	17353545
Other financial liabilities	-	-	-		-	-

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

## 27 Capital management

The company's policy is to maintain a strong capital base so as to maintain investor, creditor confidence and to sustain future development of the business. The company's senior management monitor the return on capital employed and gearing ratio.

The Company's Gearing ratio was as follows:

Particulars	As at	As at
	31-Mar-22	31-Mar-21
Total liabilities *	6,69,73,380	6,09,81,594

Less: Cash and cash equivalents	3,49,429	3,96,341
Net debt	6,66,23,951	6,05,85,253
Total equity	4,94,12,016	4,86,99,586
Gearing ratio	1.35	1.24

\* Total liabilities majorly consists of trade payables, statutory dues etc.

There were no changes in the Company's approach to capital management during the year ended 31 March 2022 and 31 March 2021.

**28 Statement of Opening Stock, Purchase, Sales and Closing Stock**

Particulars	Opening Stock		Purchases	Sales		Closing Stock
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Semi Precious Stones	**	19,12,440	**	1,26,88,480	**	-
	**	-	**	(1,912,440)	**	-

\* Figures in Brackets represent that of Previous year.  
 \*\* Products are measurable in multi units No's, MT, gram, sets etc., hence not reported

29 **Financial Ratios**

Particulars	Numerator	Denominator	AS ON MARCH 31, 2022	AS ON MARCH 31, 2021
(a) Current Ratio	Current Assets	Current Liabilities	3.81	10.72
(b) Debt-Equity Ratio	Total debt	Shareholder's equity	1.13	1.18
(c) Debt Service Coverage Ratio	Earnings available for debt service	Debt service	-	-
(d) Return on Equity Ratio	Net Profit after taxes	Shareholder's equity	0.21	0.14
(e) Inventory turnover ratio	Revenue	Average inventory	-	-
(f) Trade Receivables turnover ratio	Revenue	Average trade receivable	-	-
(g) Trade payables turnover ratio	Purchase	Average trade payables	-	-
(h) Net capital turnover ratio	Revenue	Working capital	-	-
(i) Net profit ratio	Net Profit	Revenue	0.18	0.15
(j) Return on Capital employed	Earning before interest & taxes	Capital Employed	0.02	0.01

(k) Return on investment	Income from investment	Cost of Investment	NA	NA
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(1) Debt represents only lease liabilities

(2) Net profit after taxes + Non-cash operating expenses + Interest + Other adjustments like loss on sale of fixed assets etc.

(3) Lease payments for the current year (4) Tangible net worth + Deferred tax liabilities + Lease liabilities

\* Revenue growth along with higher efficiency on working capital improvement has resulted in an improvement in the ratio.



## **Note No. 24**

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

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

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

Mega Nirman & Industries Limited was incorporated on 23<sup>rd</sup> 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. Due to covid-19, pandemic, there is recession in Mining and construction business, so company switch to Precious and Semi-Precious Stones Business.

##### **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 the 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 III 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.

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Net Profit/(Loss) for the year	717565/-	4,56,060/-



Weighted Number of Equity Shares	33,47,500/-	33,47,500/-
Nominal Value per Share	10/-	10/-
Earnings Per Share (Basic)	0.21	0.14

i) **Cash Flow Statement**

Cash flows are reported using the indirect method, as per Ind AS-7, issued by the ICAI where by 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.75,091/- 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:**

<b>Particulars</b>	<b>Name of Parties</b>
Whole Time Director (KMP)	Mr. Zabihullah Burhani**
Company Secretary & Compliance Officer (KMP)	Ms. Kanika Chawla
Chief Financial Officer(KMP)	Mr. Himanshu Gopal

**\*\*Appointment w.e.f. 11.01.2021**

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

**(In Rupees)**

<b>Particulars</b>	<b>Designation</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
Mr. Narayanjee Thakur (Cessation w.e.f. 30.09.2020)	Whole Time Director	-	Rs. 1,80,000
Mr. Mohan Jagdish Agarwal	Executive Director	Rs. 2,16,129	-
Ms. Kanika Chawla	Company Secretary	Rs. 6,50,000	Rs. 5,22,000
Mr. Himanshu Gopal	Chief Financial Officer	Rs. 3,78,428	Rs. 3,25,000

**v. Auditors Remuneration**

Payment to auditors comprises of the following:

**(In Rupees)**

<b>Particulars</b>	<b>Year Ended March 31, 2022</b>	<b>Year Ended March 31, 2021</b>
As Statutory Audit Fees	Rs. 50,000.00	Rs. 50,000.00
<b>Total</b>	<b>Rs. 50,000.00</b>	<b>Rs. 50,000.00</b>

**vi. Contingent Liabilities**

There is no contingent liability as on March 31, 2022.



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 & 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**

**Zabihullah Burhani  
Whole Time Director  
DIN:-07097788**

**Anand Rai  
Director  
DIN: 06855524**

**Place : New Delhi  
Date : 27.05.2022  
UDIN: 22091107AMGOYJ3990**

**Kanika Chawla  
Company Secretary  
M.No. A50543**

**Himanshu Gopal  
Chief financial Officer  
PAN: BOTPG1406C**



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# **MEGA NIRMAN & INDUSTRIES LIMITED**

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**CIN: L70101DL1983PLC015425**

**REGD. OFFICE: A-6/343B, 1<sup>st</sup> Floor, Paschim  
Vihar, New Delhi New Delhi-110063**

