



**REPORT & ACCOUNTS
2003-2004**



BIRLA FINANCIAL CORPORATION LIMITED

ANNUAL REPORT FOR THE YEAR 2003-2004

DIRECTORS

Smt. Priyamvada Birla *Chairman*
Shri Shiva Nath Prasad
Shri Umesh Khaitan
Shri Ramgopal Mundra
Shri Athul Singhi

AUDITORS

M.M. NISSIM & COMPANY
Chartered Accountants
Mumbai

BANKERS

BANK OF BARODA
UNION BANK OF INDIA

REGISTERED OFFICE

"TAMRAKOOT",
Lal Bahadur Shastri Marg,
Bhandup, Mumbai 400 078.

CORPORATE OFFICE

Industry House, 2nd Floor,
159, Backbay Reclamation,
Mumbai 400 020.



BIRLA FINANCIAL CORPORATION LIMITED

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Fourteenth Annual General Meeting of the shareholders of the Company will be held at the Registered Office of the Company at "TAMRAKOOT", Lal Bahadur Shastri Marg, Bhandup, Mumbai-400078, on Tuesday, the 29th June, 2004, at 11.00 a.m. to transact the following business:

AS ORDINARY BUSINESS:

1. To receive and consider the Report of the Directors and pass the Audited Accounts of the Company for the year ended 31st March, 2004;
2. To appoint Directors in place of Shri R.G. Mundra and Shri Umesh Khaitan, who retire by rotation, and being eligible, offer themselves for re-appointment;
3. To appoint Auditors and fix their remuneration.

The Register of Members and Share Transfer Books of the Company will remain closed from 23rd June, 2004 to 29th June, 2004, both days inclusive.



By Order of the Board

ATHUL SINGHI
Director

Registered Office:

"Tamrakoot",
Lal Bahadur Shastri Marg,
Bhandup, Mumbai 400 078.
Mumbai, 5th May, 2004.

Note:

A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, instead of himself, and the proxy need not be a Member. Proxies, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.

BIRLA FINANCIAL CORPORATION LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors present their Report, together with the Audited Accounts of the Company, for the year ended 31st March, 2004.

Accounts & Financial Matters

	<u>31st March, 2004</u>		<u>31st March, 2003</u>	
	<u>Rupees in lacs</u>	<u>Rupees in lacs</u>	<u>Rupees in lacs</u>	<u>Rupees in lacs</u>
The Year's working shows a Gross Profit of		40.72		39.30
Out of which, provision has been made for:				
Taxation		<u>16.00</u>		<u>15.00</u>
Thus, Net Profit, after taxation is		24.72		24.30
To which is added				
Excess provision of Taxation written back	.50		1.28	
Profit & Loss Account balance b/f from the previous year	<u>139.02</u>	<u>139.52</u>	<u>113.44</u>	<u>114.72</u>
Making a total disposable surplus of		<u>164.24</u>		<u>139.02</u>
Which the Directors have appropriated as follows:				
Balance carried forward to next year		<u>164.24</u>		<u>139.02</u>

Dividend

With a view to conserve available resources for Company's business and future prospects, your Directors propose not to declare any dividend for the year under review.

General

Your Company has achieved reasonable Gross Profit of Rs. 40.72 lacs as compared to Rs.39.30 lacs in the previous year.

Directors' Responsibility Statement

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors state that -

- in the preparation of the Annual Accounts, applicable accounting standards have been followed;
- the accounting policies are consistently applied and reasonable, prudent judgement and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing

and detecting fraud and other irregularities;

d) the Directors have prepared the Annual Accounts on a going concern basis.

Deposits

As on 31st March, 2004, the Company does not have any public deposits. The Company has complied with Reserve Bank of India Directions issued from time to time.

Directors

The Board wishes to place on record its deep sense of appreciation for the valuable contribution made by Shri V.D. Jain, who resigned from the directorship of the company.

Shri R.G. Mundra and Shri Umesh Khaitan Directors of the Company, retire from the Board by rotation and, being eligible, offer themselves for re-appointment.

Auditors

M/s. M.M. Nissim & Company, Chartered Accountants, retire as Auditors of the Company, and being eligible, offer themselves for re-appointment.

Particulars of Employees

Particulars of Employees in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not given, as none of the employees qualify for such disclosure.

Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgo

Provisions of Section 217(1)(e) of the Companies Act, 1956 in regard to conservation of energy and technology absorption are not applicable to the Company. There was no foreign exchange outflow during the year.

Appreciation

The Directors place on record their appreciation for the co-operation and assistance rendered by the Company's Bankers.

Yours faithfully,

(SMT.) PRIYAMVADA BIRLA

Chairman

R.G. MUNDRA

ATHUL SINGHI

} Directors

Mumbai, 5th May, 2004.