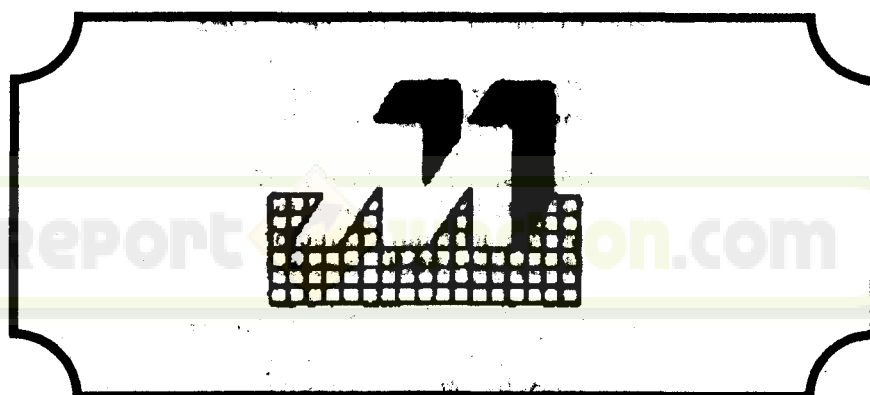


22nd
ANNUAL REPORT
2003-2004



Mega Fin (India) Limited

MEGA FIN (INDIA) LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr.Ajay Mittal - Director
Mr.Ashok Mittal - Director
Mr.Sanjay Mittal - Director

Registered & Corporate Office

Twin Arcade, "C" Building, 5th Floor,
Military Road, Marol Maroshi,
Andheri (E), Mumbai - 400 059.

Banker

The Federal Bank Limited
Fort, Mumbai.

AUDIT COMMITTEES OF DIRECTORS

Mr.Ajay Mittal - Director
Mr.Ashok Mittal - Director
Mr.Sanjay Mittal - Director

MANAGEMENT COMMITTEE

Mr.Ajay Mittal - Director
Mr.Ashok Mittal - Director
Mr.Sanjay Mittal - Director

INVESTORS GRIEVANCE COMMITTEE

Mr.Ajay Mittal - Director
Mr.Ashok Mittal - Director
Mr.Sanjay Mittal - Director

Auditors

M/S S.K.Sheth & Company
C-110, Borivli Shopping Centre,
Chandavkar Lane, Borivli (W),
Mumbai - 400 092

Share Transfer Agent

Bigshare Services Pvt.Ltd.
E/2, Ansa Industrial Estate,
Sakivihar Road, Mumbai - 400 072.

Compliance Officer

Mr.P.K.B.Nambiar

MEGA FIN (INDIA) LIMITED

NOTICE

Notice is hereby given that 22nd Annual General Meeting of the Members of Mega Fin (India) Ltd will be held on Thursday, 30th September, 2004 at 11.00 a.m. at the Registered Office of the Company at Twin Arcade, "C" Building, 5th Floor, Military Road, Marol Maroshi, Andheri (E), Mumbai - 400 059 to transact the following business.

1. To receive and adopt the Directors Report and audited Profit and Loss Account for the year ended 31st March, 2004 and Balance Sheet as at the date.
2. To appoint a Director in place of Mr. Sarjay Mittal, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

NOTES :

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
- b) Shares of the Company's are listed at Mumbai & Ahmedabad Stock Exchange.
- c) The Register of Members and the Transfer Books of the Company will remain closed from 24th September, 2004 to 30th September, 2004 (both days inclusive).
- d) The proxy form duly completed and signed should be deposited at the Registered Office of the Company not later than 48 hours before the meeting.
- e) **Members are requested to notify immediately any change in their addresses including PINCODE to the Company's share transfer agent M/S Bigshare Services Pvt. Ltd. at their office at :-**

**E/2, Ansa Industrial Estate,
Saki-Vihar Road, Mumbai - 400 072.**

For and on behalf of the Board

**Place : Mumbai
Date : 1st September, 2004**

**Sd/-
Ajay Mittal
Director**

MEGA FIN (INDIA) LIMITED

Dear Shareholders,

Your Directors have pleasure in presenting the 22nd Annual Report of the Company together with Audited Statement of account for the year ended 31st March, 2004.

1. FINANCIAL RESULTS

The summarised financial results of your company for the year ended under review are as under :-

	Year ended 31.03.2004 Rs.	Year ended 31.03.2003 Rs.
Gross Income	71,708	67,564
Profit/ (Loss) Before Depreciation	(376,998)	(324,774)
Depreciation	298,851	319,442
Profit/ (Loss) Before Tax	(675,849)	(644,216)
Provision for Tax	NIL	NIL
Profit/ (Loss) After Tax	(675,849)	(644,216)
Add : Excess Provision of earlier year written back		
Diminution in Investment	19,78,281	47,66,653
Doubtful Debts	NIL	15,000
Less : Prior Year Expenses	NIL	750
Balance Carried to Balance Sheet	13,02,432	(41,36,688)

2. DIVIDEND

The Directors of your Company do not recommend any dividend for the year under review.

3. FIXED DEPOSITS

As mentioned in our earlier reports, your company has repaid all its deposits to the holders of fixed deposit. No fresh deposits were accepted during the year under review.

The Board of your company have resolved that no fresh fixed deposits shall be accepted without the prior permission of Reserves Bank of India. In review of the repayment of all deposits, it is not incumbent on the Company to obtain credit rating.

4. WORKING RESULTS

During the year under review, your company's gross income was Rs.0.72 lacs against Rs. 0.68 lacs for the previous year. The loss after tax is Rs.6.76 lacs after providing depreciation of Rs. 2.99 lacs. As mentioned in previous year's report, your company has stopped further funding and presently concentrating on recovery of funds disbursed in the proceeding years.

5. PERFORMANCE Vs PROJECTIONS

Since your Company had not given projection for future in the prospectus of the issue of 40,00,000 Equity Shares of Rs.10/- each offered to the public in September 1996, as the same was not required to be mentioned, the details of Performance Vs Projections are not applicable in respect of your Company.

6. SUBSIDIARIES

The enclosed statement under Section 212 of the Companies Act, 1956 relating to the subsidiaries forms part of the report.

7. DIRECTORS

Mr. Sanjay Mittal, Director retires by rotation and being eligible offer himself for re-appointment.

8. CORPORATE GOVERNANCE

During the year under report, your Company is required to implement the requirements of the Code of Corporate Governance in accordance with Clause 49 of the Listing Agreement with the Stock Exchange and has complied accordingly to the best of its ability, as detailed in a Report on Corporate Governance included as part of the Annual Report.

9. DEMATERIALISATION OF SHARES

In terms of the notification issued by the Securities and Exchange Board of India (SEBI) the Company has completed the process for facilitating dematerialisation of its shares with NSDL and CDSL.

The total dematted shares as per the certificate issued by M/s. Bigshare Services Pvt. Ltd. as on 31st March, 2004 is 26,200 Shares.

10. SHARE TRANSFER / INVESTOR GRIEVANCE COMMITTEE

The Share Transfer / Investor Grievance Committee comprising of Mr. Ajay Mittal, Mr. Ashok Mittal, & Mr. Sanjay Mittal has been assigned the work of redressal of Investors/ Shareholders complaints along with approval of share transfer, sub-division / consolidation of shares etc. The committee oversees the

performance of Registrar and Transfer Agents and recommends measure for overall improvement of the quality of investor services. Details of Shares Transfer/ Transmission approved by the committee are placed before the Board Meetings from time to time.

11. DIRECTOR'S RESPONSIBILITY

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000, your Directors confirm that;

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for that period.
- c) 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;
- d) The directors had prepared the annual accounts on a going concern basis.

12. AUDITORS

M/s. S. K. Sheth & Co. Chartered Accountants, the retiring auditors being eligible offer themselves for re-appointment.

13. STATUTORY INFORMATION

Since there are no employees drawing remuneration in excess of the limits specified u/s 217 (2A) of the Companies Act, 1956, the Companies (Particulars of employees) Rules 1975 are not applicable. Since the company is not a manufacturing company, the companies (Disclosure of particulars in the report of Board of Directors) Rules, 1998 regarding conservation of energy, Technology Absorption are not applicable. The Company had no inflow/outflow of foreign currency during the year under review.

The outgo of Foreign Exchange Travelling amounted to NIL. The Company had no earnings in foreign exchange during the year under review.

14. Your Company does not have any outstanding amounts payable to small-scale industrial undertakings.

15. AUDITORS REPORT

The notes to the accounts are self explanatory in respect of comments of the auditors.

16. ACKNOWLEDGMENT

The Board wishes to place on record its appreciation for the performance of the personnel, co-operation from its Shareholders, Bankers, Clients and Auditors for their sustain support.

For and on behalf of the Board

sd/-

Ajay Mittal
Chairman.

Place : Mumbai

Dated : 01st September, 2004.



ANNEXURE TO DIRECTOR'S REPORT
Particulars under the Companies (Disclosure of Particulars in the
Report of the Board Of Directors) Rules, 1988.

CORPORATE GOVERNANCE REPORT :

Your Company come within the purview of Clause 49 of the Listing Agreement during the year under review and accordingly, a Report on Corporate Governance, in the manner specified is given here below:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

The Company's Philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its inter-action with employees, shareholders, creditors, consumers and institutional and other lenders and places due emphasis on regulatory compliance.

The Company will continue its efforts in raising the standards in Corporate Governance and will also review its systems and procedures constantly to keep pace with the changing economic environment.

BOARD OF DIRECTORS

The Board of Directors consists of three members, comprising three non-executive Directors nominated by the board.

Particulars of the directorship of the board, membership and office of the Chairman of Board/committees across all companies and attendance at Board Meeting and Annual General Meeting of the Company are given below :

Name of Director	Non-Executive /Independent	No. of outside Directorships in Public	Membership held in Committee of Directors	Chairmanship held in Committee of Directors	No. of Board Meetings attended	Whether attended Last AGM
Mr. Ajay Mittal	Non-Executive	0	2	1	7	Yes
Mr. Ashok Mittal	Non-Executive	0	2	0	5	Yes
Mr. Sanjay Mittal	Non-Executive	0	2	0	4	Yes

During the financial year 2003-04 seven Board Meetings were held on 28th April, 2003, 30th June, 2003, 28th July, 2003, 5th August, 2003, 19th August, 2003, 28th October, 2003 and 29th January, 2004 and the Annual General Meeting was held on 30th September, 2003.

AUDIT COMMITTEE BOARD TERMS OF REFERENCE

The Terms of reference of the Audit Committee include :

- To review the Company's financial reporting process and its financial statements.
- To review the accounting and financial policies and practices.
- To review the efficacy of the internal control mechanism and monitor risk management policies adopted by the Company and ensure compliance with regulatory guidelines.
- To review reports furnished by the internal and statutory auditors, and ensure that suitable follow-up action is taken.
- To examine accountancy, taxation and disclosure aspects of all significant transactions.

The Audit Committee of the Company has such powers as are detailed under Section 292A of the Companies Act, 1956 and also Clause 49(ii)© of the Listing Agreement.

COMPOSITION

The Audit Committee of the company was constituted by the Board during the year 2001-02. The Audit Committee comprises three Directors, all these Directors poses knowledge of Corporate Finance, Accounts and Company Law. The Chairman of the Committee is an Independent, Non-executive Director nominated by the Board. Audit Committee Meetings are attended by the representatives of Statutory Auditors invited to attend all the meetings.

The constitution of the Audit Committee is as follows:-

- | | |
|----------------------|----------|
| 1. Mr. Ajay Mittal | Director |
| 2. Mr. Ashok Mittal | Director |
| 3. Mr. Sanjay Mittal | Director |

During the Financial Year ended 31st March, 2004 , Four Audit Committee Meetings were held on 28th April, 2003, 28th July, 2003 and 28th October, 2003 and 29th January, 2004.

Name of Director	Category	No. of Audit Committee Meeting Attended
Ajay Mittal	Non-Executive	4
Mr. Ashok Mittal	Non-Executive	4
Mr. Sanjay Mittal	Non-Executive	4

REMUNERATION COMMITTEE

Your Company has not constituted a Remuneration Committee, since there are no remuneration paid to the Directors of the Company.

SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE

The TRANSFER-CUM-SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE held its meeting on 28th April, 2003, 28th July, 2003 and 28th October, 2003 and 29th January, 2004. The Members of the Committee are:-

Name	Category	No. of Shareholders'/ Investors Committee Meeting Attended
Mr. Ajay Mittal	Non-Executive	4
Mr. Ashok Mittal	Non-Executive	4
Mr. Sanjay Mittal	Non-Executive	4

The Transfer-Cum-Shareholders'/Investors' Grievance Committee redresses all investors' grievances with due diligence. The powers of approving the issue of duplicate certificate and all matters connected with securities' transfers, transmissions, subdivisions, consolidations etc, vests with the committee. At every meeting of the transfer-cum-Shareholders'/Investors' Grievance Committee, a periodic summary statement, depicting transfer, transaction, etc of the securities of the company, is placed before the committee and a thorough review thereof is made.

During the year there were no complaints received. All valid share transfers received during the year ended 31st March, 2004 have been acted upon and there were no share transfer pending as on 31st March, 2004.

GENERAL BODY MEETINGS :

Location and time where the last three Annual General Meetings were held are as under:-

Financial Year	Date	Location of the Meeting	Time
2000 – 2001	29-09-2001	Conference Room of Twin Arcade 5 th Floor, Military Road, Andheri (E), Bombay – 400 059.	10.30 a.m.
2001 – 2002	27-09-2002	Conference Room of Twin Arcade 5 th Floor, Military Road, Andheri (E), Bombay – 400 059.	11.00 a.m.
2002-2003	30-09-2003	Conference Room of Twin Arcade 5 th Floor, Military Road, Andheri (E), Bombay – 400 059.	12.00 p.m.