

THIRD ANNUAL REPORT 1996-97

MD	<input checked="" type="checkbox"/>	BKC	<input checked="" type="checkbox"/>
CS	<input checked="" type="checkbox"/>	DPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>	ENV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>	AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	SH	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>		

Report  junction.com



M. B. PARIKH FINSTOCKS LTD.



M.B. PARIKH FINSTOCKS LIMITED.

**BOARD OF DIRECTORS**

Mr. Mahesh B. Parikh	Chairman
Mr. Digant M. Parikh	Managing Director
Mrs. Sudha P. Kapadia	
Mr. Gautam D. Shah	

STATUTORY AND TAX AUDITORS

M/s. B.R. Pancholi & Co.
11 Shree Ramway Plaza, Khari Vav Road,
Dandia Bazar, Vadodara - 390 001.

INTERNAL AUDITOR

M/s. Sameer P. Shah & Associates
202, Anand, 82/84 Kazi Sayeed
Street, Mumbai - 400 003

COMPANY LAW CONSULTANT

Sanjay Dholakia & Associates
B 26, Sankalpa Society, Rokadia Cross Lane
SVP Road, Borivli (W), Mumbai - 400 092.

LEGAL ADVISORS / ADVOCATES

Bagla Dandekar & Co.
84, Janma Bhoomi Marg
Fort, Mumbai - 400 001.

Mr. Rajendra Trivedi
Bhajwada - Sheth Seri
Vadodara - 390 001.

BANKERS TO THE COMPANY

CANARA BANK

DEVELOPMENT CREDIT BANK LTD.

DENA BANK

ORIENTAL BANK OF COMMERCE

VIJAYA BANK

OFFICES**Registered Office**

705, Galav Chambers,
Sayajiganj,
Vadodara - 390 005
Tel. No. 362909/
Tel/Fax 361811

Corporate Office

Radha Rani Silk Mill Compound,
30 Parsi Panchayat Road,
Andheri (E), Mumbai - 400 069.
Tel. 8200811/22, 836 9462
Fax: 836 9463

3rd Annual Report 1996-97

M.B.PARIKH FINSTOCKS LIMITED.



Notice is hereby given that the Third Annual General Meeting of the members of M.B.PARIKH FINSTOCKS LIMITED, will be held on Saturday, the September 27, 1997 at 9.30 A.M. at Conference Hall, Institute of Companies Secretaries, Vadodara Chapter, Offtel Towers, R.C. Dutt Road, Vadodara-390 005 to transact the following business :

○ ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March 1997 and the Balance Sheet as at that date and the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Sudha P. Kapadia who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditors who shall hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting and fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification/s the following resolution as an Ordinary Resoulution:

"RESOLVED THAT M/s B.R.Pancholi & Co., Chartered Accountants, Vadodara, be and are hereby appointed as Auditors of the Company to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company in addition to reimbursement of out of pocket expenses that may be incurred by them in connection with the Audit."

For and on behalf of the Board

Date: 16/08/97, Mumbai
Regd. Office: 705, Galav Chambers, Sayajiganj,
Vadodara-390005.

DIGANT M.PARIKH
MANAGING DIRECTOR

Report Junction.com

○ NOTES

- A) A MEMBER WHO IS 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. THE INSTRUMENT APPOINTING PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- B) The Register of Members and Share Transfer Books will remain closed from **20th September 1997 to 27th September 1997**.
- C) Intimation of any change in address (with Folio No.) should be given to the company immediately.
- D) Members are requested to bring their copies of Annual report at the Annual General Meeting.

○ DIRECTORS' REPORT

Your Directors present herewith the **Third Annual Report** alongwith Audited Accounts of the Company for the **year ended 31st March, 1997**.

○ Financial Results

The Financial performance of the company is as under:

	1995-96 (Rs.in Lacs)	1996-97
Profit before Tax	(12.00)	(8.30)
Less: Provision for taxation	-	-
Add : Balance b/f	1.97	(3.88)
Add : Prior period items	6.14	-
	<hr/>	<hr/>
Balance available for appropriation	(3.89)	(12.18)
Transfer to General Reserve	Nil	Nil
Proposed Dividend	Nil	Nil
Balance Carried to Balance Sheet	(3.89)	(12.18)

Directors do not recommend dividend. The loss of Rs. 12.18 lacs has been arrived at after providing for Rs. 8.51 lacs as depletion in the value of investment as required under the new Guidelines for investments as mentioned in AS13 and bad-debts of Rs. 5.89 lacs being failure of clients to pay off for losses / bad-deliveries incurred in NSE operations at Vadodara. However the operations of the company have resulted into operating profit of Rs. 10.47 lacs.

○ Project V/s Performance

In compliance with Clause 43 of listing agreement with stock exchanges, comparison of projections as indicated in the prospectus dated 17/1/95 (Public Issue) with actual performance of the company for the year 1996-97 is furnished below:

		(Rs. in Lacs)
Particulars	Projections	Performance
Total Income	456.45	47.96
Profit after tax	203.42	(8.30)
EPS	6.78	-



○ Reasons for variation

Performance is short of projection owing to non receipt of SEBI registration as Merchant Bankers, absence of issue marketing activities in Primary market and shy capital market activities.

○ Deployment of funds

The funds raised through Prospectus dated 17th January, 1995 has been utilised towards the objectives mentioned in the prospectus.

○ NSE Operations at Vadodara

NSE operations at Vadodara recorded an impressive growth. However, some of the clients who incurred sizeable losses in trading failed to honour pay-in liabilities. Moreover, the company was stuffed with Bad-deliveries which were not rectified by introducing clients. This put a tremendous strain on company's performance and weakened financial position as also liquidity crunch.

The company had to suspend trading for about two months to re-assess clients' relationship and control/ checks mechanism in set-up & policy / procedures. The management is restructured and clients' enrollment is streamlined with strict selectivity based on integrity / resourcefulness / adherence to commitments etc. Directors of the company are supervising operations and day-to-day routine.

NSE operations at Vadodara has pushed the company into filing of several recovery suits including cases under IPC. The resultant impact is favourable.

○ NSE Operations at Mumbai

The company secured installation of V-SAT at its Mumbai Corporate Office which became activated w.e.f. April 1997 with Mr. Ketan Mehta joining as Vice President (NSE). During the period of 5 months, Mumbai has identified and established modest clientele and is actively marketing NSE operations amongst BSE brokers and high networth individuals. Progress is slow but steady and non-anxiety causing.

○ BSE - BOLT Terminal

The company has successfully negotiated BOLT terminal at Mumbai Corporate Office which should become operative at Andheri (E) during the year. Negotiations are almost finalised to secure BSE BOLT terminal at Vadodara.

○ Investments

Shy capital market, particularly for B1 & B2 group companies have lowered value of company's investments. The company is constrained to file legal suits in respect of investments for amounts aggregating to Rs. 12.25 lacs. The Directors' are hopeful of recovery during the year.

○ Merchant Banking

Company has yet to receive registration under CAT II as Merchant Banker from SEBI.

○ Corporate Consultancy Services

Effective from April 97, the company has stepped up its activities in placement of Secured & Rated NCD, Cumulative Redeemable Preference Capital and loan syndication / ECB. The Directors are happy to inform shareholders of successful completion of 4 assignments and 6 assignments on hand. The company has also tied up with two individual groups to provide financial & corporate consultancy services on retainer basis. Directors intend to intensify efforts in this line of activity.

○ NBFC Registration

Though the company has made an application for NBFC registration in June 1996, an application is submitted to RBI - Ahmedabad on 4th July, 1997 to commence / carry on business of NBFC by a company (vide Section 41 A of RBI Act 1934).

○ CARE Rating

During the year, the company secured CARE rating for its proposed Fixed Deposit scheme. However, having regard to high costs of funds, the proposal was kept in abeyance and Banks' Loans were re-sorted, instead.

○ Management

NSE Operations at Vadodara are directly placed under the Director of the company and management is re-structured and its role redefined. NSE operations at Mumbai are under direct supervision and guidance of Managing Director with the help of qualified & experienced staff.

○ Directors

In accordance with the Companies Act, 1956 and under the Articles of Association of the Company, Mrs. Sudha P. Kapadia who will retire from the Board as a Director at the forthcoming Annual General Meeting and being eligible, offers herself for reappointment.

During the year under review Mrs. Gita M. Parikh, Mrs. Purvi A Lohana and Mr. Dinkar More resigned from the office of Directors. The Board appreciates the services rendered by them during tenor of office.

○ Prospects of F.Y. 1997-98

The company expects to enhance clients' business at its NSE counters at Vadodara and Mumbai cautiously. During the year the company expects to secure BSE BOLT terminal. Intensifying efforts to secure and execute successfully corporate consultancy and debt / capital placement assignments are of top priority. It is felt that the capital market would have bullish trend which would help the company to re-shuffle its investment portfolio. The company is serious to follow legal recoveries assiduously and chase defaulting clients.

M.B. PARIKH FINSTOCKS LIMITED.



○ Particulars required under Section 217

Your company is not required to furnish details in Forms A & B as per the provision in Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988. Pursuant to the requirements of Section 217(2A) of the Companies Act, 1956, as amended, read with the Companies (Particulars of employees) Rules, 1975, as amended by the Companies (Particulars of employees amended) Rules, 1994, the information is as under -

Name & Qualification	Age in Years	Designation	Remuneration	Experience No. of years	Date of commencement	Past Employment
----------------------	--------------	-------------	--------------	-------------------------	----------------------	-----------------

Parikh Digant M B.Com;Int. I.C.W.A.	26	MG. Director	1,00,000 *	3	1.12.1996	M.B. Parikh & Co.
---	----	--------------	------------	---	-----------	----------------------

* Employed for the part of the year

Note : The payment of remuneration to Mr. Digant M. Parikh was as per the resolution passed by the Member at the Extra-Ordinary General Meeting held on 27th November, 1996 and is contractual appointment.

○ Auditors

M/s. B.R.Pancholi & Co., Chartered Accountants and present Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Auditors have furnished the certificate of their eligibility of appointment as required under Section 224(1B) of the Companies Act, 1956. Members are requested to appoint them as Auditors of the Company for the current year and fix their remuneration.

○ Acknowledgement

The Directors would like to take the opportunity to acknowledge the support and assistance received from the Bankers, NSE & NSCCL, Clients, Business associates, Company Law Consultant, Auditors, Internal Auditors, Legal Advisors/Advocates and staff members during the year.

For and on Behalf of the Board
of Directors

Dated: 16.08.97
Place: Mumbai

(DIGANT M. PARIKH)
MANAGING DIRECTOR