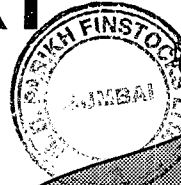


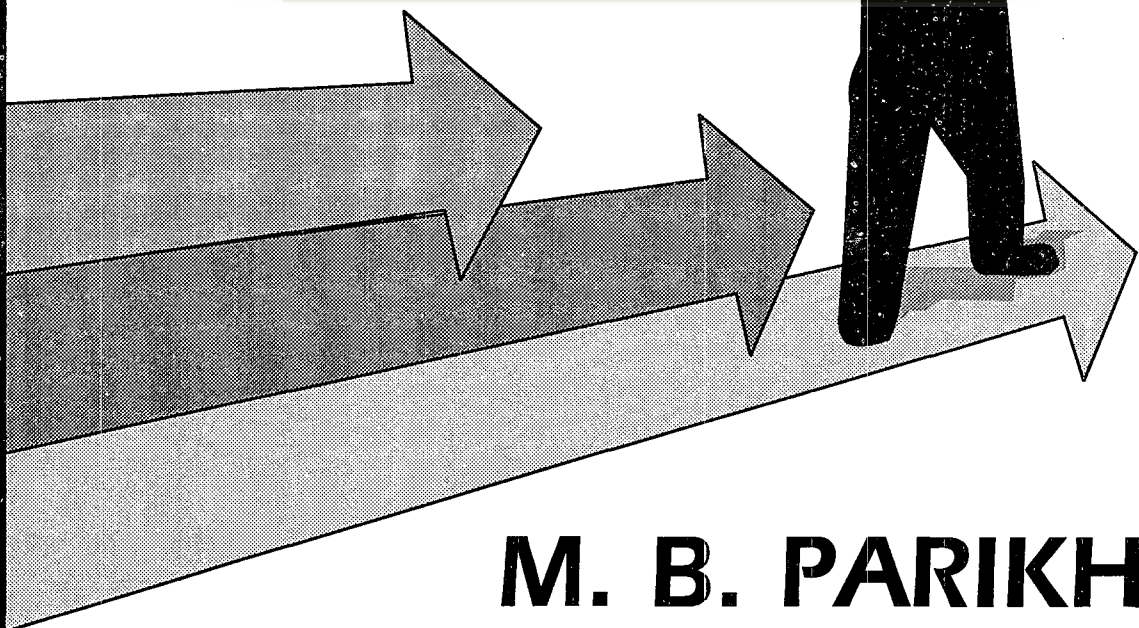
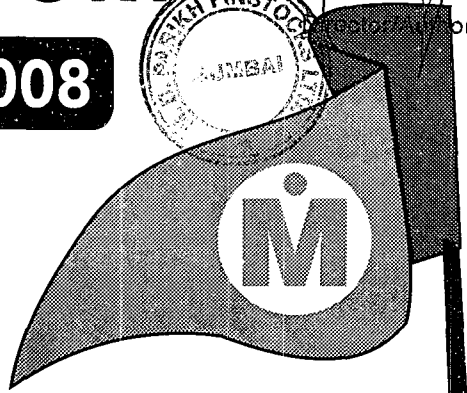
For M. B. PARIKH FINSTOCKS LTD.

ANNUAL REPORT

YEAR : 2007-2008



Authorised Signatory



M. B. PARIKH
FINSTOCKS LIMITED

PERFORMANCE AT A GLANCE

	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004	31.03.2003	31.03.2002	31.03.2001	31.03.2000	31.03.1999	31.03.1998	31.03.1997
Capital	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
Net Worth	367.70	343.12	340.34	334.12	320.04	306.68	305.86	305.79	312.25	300.56	288.01	287.82
Net Fixed Assets	27.85	27.02	30.20	34.07	51.51	44.99	36.29	46.55	48.89	31.71	33.36	33.60
Investment & Stock In Trade	137.86	62.11	45.36	34.85	4.91	10.63	23.36	52.06	96.14	111.94	115.64	117.07
Total Income	72.38	46.78	60.15	85.08	78.95	48.18	34.45	46.77	56.13	52.21	34.25	47.96
Expenditure	33.91	36.29	43.50	67.78	64.64	22.52	27.44	43.72	34.27	30.87	27.58	47.96
Operating Profit (PBDT)	38.47	10.49	16.65	28.78	25.68	25.66	7.01	3.05	21.86	21.34	6.67	0.27
PBDT	30.57	6.89	13.16	25.60	23.20	16.31	5.73	-0.01	16.28	16.81	3.05	3.93
PBT	26.83	3.08	7.23	17.30	14.31	9.09	0.07	-4.02	11.69	12.55	-3.03	-8.30
PAT	24.59	2.77	6.23	14.07	13.35	4.59	0.07	-4.02	11.69	12.55	-3.03	-8.30
Book Value (Rs.)	12.25	11.40	11.34	11.14	10.67	10.22	10.19	10.19	10.41	10.02	9.60	9.59
E.P.S. (Rs.)	0.82	0.09	0.21	0.47	0.45	0.15			0.39	0.42		



M. B. Parikh Finstocks Limited

BOARD OF DIRECTORS

PROMOTER DIRECTORS

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

INDEPENDENT / PROFESSIONAL DIRECTORS

Mr. T. G. Natarajan (A.C.A)	Director
Mr. G.D. Rath (F.C.A)	Director
Mr. Lalit Dalal (F.C.A)	Director

STATUTORY AND TAX AUDITORS

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

INTERNAL AUDITORS

M/s. U S Tanwar & Co.
35/36 Gajanan Building
No. 9, Jawahar Nagar
Goregaon (W)
Mumbai - 400 062.

COMPANY LAW CONSULTANT

Sanjay Dholakia & Associates
209, Ground Floor, Raghuleela Mall,
Behind Poisar Bus Depot, Kandivli (W)
Mumbai - 400 067.

REGISTRARS

Intime Spectrum Registry Ltd.
C/13, Panna Lal Silk Mills Comp.,
L. B. S. Marg, Bhandup(W),
Mumbai 400 078.

LEGAL ADVISORS/ ADVOCATES

Mr. Rohit Shetty	Mumbai
Mr. Anandvardhan Yagnik	Ahmedabad
Mr. Jagdish Chokshi	Vadodara

BANKERS TO THE COMPANY

DEVELOPMENT CREDIT BANK LTD.
IDBI BANK LTD.
VIJAYA BANK LTD.
SHAMRAO VITHAL CO-OP. BANK LTD.

HDFC BANK LTD.
KOTAK MAHINDRA BANK LTD.
YES BANK LTD.

OFFICES

REGISTERED OFFICE

705, Galav Chambers,
Sayajigunj
Vadodara - 390 005.
Tel. : (0265) 2362 909

CORPORATE OFFICE

Heena Shopping Arcade, 2nd Floor
Office no. 9 & 10, S.V. Road
Jogeshwari (W), Mumbai - 400 102.
Tel. : 2679 0434/2103/2105
Fax : 2679 0463
EMAIL : mbpfin@bom5.vsnl.net.in

M. B. Parikh Finstocks Limited**NOTICE**

Notice is hereby given that the **Fourteenth Annual General Meeting** of the Shareholders of **M.B. PARIKH FINSTOCKS LIMITED** will be held on Saturday, 26th July, 2008 at the registered office of the Company situated at 705, Galav Chambers, Sayajigunj, Vadodara, 390 005 at 12.30 p.m. to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider, and adopt the Audited Balance Sheet as at 31st March, 2008 and the Audited Profit and Loss Account for the year ended 31st March, 2008 and the Report of the Directors and the Auditors thereon.
- 2) To appoint a Director in place of Mrs. Sudha Kapadia who retires by rotation and being eligible offers herself for reappointment.
- 3) To appoint a Director in place of Mr. Lalit Dalal, who retires by rotation and being eligible offers himself for reappointment.
- 4) To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution.

"RESOLVED THAT as recommended by the Remuneration Committee and Board of Directors in their respective meetings convened on 28.06.2008 and pursuant to the provisions of Sections 198, 269, 309 and 310 and other applicable provisions, if any, of the Companies Act, 1956, including Schedule XIII of the said Act as amended up-to-date and in supersession to the resolution passed at Company's Thirteenth Annual General Meeting held on 25th August 2007, the consent and approval be and is hereby accorded in connection with appointment and payment of remuneration to Mr. Digant M Parikh as Managing Director of the company for a period of five years w. e. f. 01.07.2008 at a remuneration of Rs. 2,00,000/- p.m. (including perquisites) and on the terms and conditions set out in draft Letter of appointment, a copy whereof initialed by Mr. Mahesh B. Parikh, Chairman & Director of the Company, for the purpose of identification has been placed before this Meeting, which draft Letter of appointment is hereby specifically approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration in the said draft Letter of appointment to the extent the Board of Directors may consider appropriate and as may be permitted or authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Digant M. Parikh shall be within the limits set out in the said Act including the said Schedule XIII to the Act or any amendments thereto or any



M. B. Parikh Finstocks Limited

modification(s) or statutory re-enactment(s) thereof and / or any rules or regulations framed thereunder and the terms of the aforesaid Letter between the Company and Mr. Digant M. Parikh shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Digant M. Parikh's office as Managing Director, the remuneration set out in the aforesaid draft Letter of appointment be paid or granted to Mr. Digant M. Parikh as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Section II of Part II of Schedule XIII to the said Act or such other amount as may be provided in the said Schedule XIII as may be amended from time to time or any equivalent statutory re-enactment(s) thereof".

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all necessary acts, deeds and things necessary in connection with the above resolution."

6. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to Section 31 and any other provisions of the of the Companies Act, 1956 in the Articles of Association of the Company after Article 127, Article 127A be added in the following manner:

Article 127 A

Mr. Digant Mahesh Parikh shall not retire by rotation nor he be removed from the office of Director unless he resigns from the office of Director as long he holds the 5% of the Paid up Capital of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all necessary acts, deeds and things necessary in connection with the above resolution."

Dated : 28th June, 2008
Place : Mumbai
Registered Office:
705, Galav Chambers,
Sayajigunj
Vadodara - 390 005.

By order of the Board of Directors
for **M.B. PARIKH FINSTOCKS LIMITED**

DIGANT M. PARIKH
MANAGING DIRECTOR.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Register of the Company will remain closed from **Wednesday, 23rd July, 2008 to Saturday, 26th July, 2008** (both the days inclusive).
4. The members are requested to :
 - a) Intimate changes, if any, in their Registered address to the Company's Share Transfer Agent M/s. Intime Spectrum Registry Ltd.
 - b) Quote ledger folio numbers in all their correspondence.
 - c) Get the multiple folios consolidated and also get the shares transferred in joint names if they are held in single name to avoid inconvenience in future.
 - d) Bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.
 - e) Write at least 10 days prior to the date of Meeting, any information which they desire on the accounts, to enable the management to keep the information ready.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

The members of the company have approved at Company's Eleventh Annual General Meeting appointment of Mr. Digant M Parikh as Managing Director of the Company w. e. f. 1.12.2004 on the terms and conditions as mentioned in Resolution item no. 7 of the Company's Annual General Meeting held on 13.8.2005.

Also at the last 13th Annual General Meeting held on 25th August, 2007 the Members had approved the revision in remuneration from Rs 48,000/- p. m. to Rs. 75,000/- p. m. w. e. f. 1st September, 2007.

The Company has made growth under the leadership and untiring efforts of Mr. Digant Parikh during last several years. The Company now expects approval of Central Depository Services (India) Ltd. membership to enable it to undertake opening of and operations of Demat A/cs for its clients.

In view of the above, the Remuneration Committee of the Board of Directors at its meeting convened on 27.06.08 has decided to terminate the earlier contract with Mr. Digant M. Parikh and decided to appoint Mr. Digant M. Parikh as Managing Director of the Company for a period of 5 years w. e. f. 1st July, 2008.

The detailed terms and conditions regarding remuneration to be paid to him is given below which is as per Section 198, 269, 309 read with Schedule XIII of the Companies Act, 1956.

1) Details of Remuneration to be paid is as follows :

Mr. Digant M Parikh Rs. 2,00,000/- per month. (including perquisites)

2) Leave:

As per the Rules and regulations of the Company.

Where in any financial year, during the tenure of Managing Director, the Company has no profit or its profits are inadequate, the Company will pay remuneration not exceeding the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956.

3) Other Conditions:

- i. For all other terms and conditions not specifically spelt out above, the Rules and Order of the Company shall apply.
- ii. The Managing Director holds office as such, subject to the provisions of Section 283(1) of the Companies Act, 1956.

The Resolution is recommended for approval of the Members.

These appointment have been made under Schedule XIII in part II in Section II (1) (A) (i) of the Companies Act, 1956.

M. B. Parikh Finstocks Limited

The Board recommends the resolutions in the best interest of the company.

The Explanatory Statement together with the accompanying Notice should be treated as an abstract of the terms of the Agreement and Memorandum of concern or interest under Section 302 of the Companies Act, 1956.

None of the Directors except Mr. Mahesh Parikh and Mr. Digant Parikh may be considered to be interested in the passing of the resolution.

ITEM NO. 6

Mr. Digant Parikh is a Managing Director of the Company and under his dynamic and his untiring efforts the Company has achieved the respectable growth and name in the corporate sector. The Board of Directors thought it fit to value the efforts put in by Mr. Digant Parikh and as such has decided to alter the Articles of Association by inserting Article No.127A after Article 127 by which Mr. Digant Parikh is not liable to retire by rotation and also cannot be removed unless he resigns from the Board as long as he holds 5% of the paid up Capital of the Company.

The alteration in Articles of Association of Company requires Special Resolution and hence the Special Resolution is proposed at item No. 6 of the Notice.

None of the Directors except Mr. Mahesh Parikh and Mr. Digant Parikh may be considered to be interested in the passing of the resolution.

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Dated : 28th June, 2008
Place : Mumbai

By order of the Board of Directors
for **M.B. PARIKH FINSTOCKS LIMITED**

Registered Office:
705, Galav Chambers,
Sayajigunj,
Vadodara-390 005.

DIGANT M. PARIKH
MANAGING DIRECTOR



M. B. Parikh Finstocks Limited

DIRECTORS' REPORT

To
The Members,

Your Directors present herewith the Fourteenth Annual Report of your Company together with the Audited Accounts for the year ended 31-March, 2008.

1. FINANCIAL RESULTS

(Rs. in Lacs)

	Year Ended 31/03/2008	Year Ended 31/03/2007
Profit before Tax	26.83	3.09
Less : Provision for Taxation	2.71	0.72
Add : Prior period adjustment/deferred tax liability	0.46	0.41
Profit after Tax	24.58	2.78
Balance b/f	43.12	40.34
Balance carried to balance sheet	67.70	43.12

2. DIVIDEND

Your Directors do not recommend any dividend on the Equity Share Capital of the Company so as to conserve the resources for working capital requirement of the company.

3. OPERATIONS

Due to buoyancy in Capital Market Co's revenue in Share Broking, Profit on Share Trading and Intra-day Square-Off has registered a rise from Rs. 17.43 lacs to Rs. 43.32 lacs; though in Derivative Trading, the Company has suffered an overall loss of Rs. 1.43 lacs. Consultancy Income is Nil. The Company is taking steps to concentrate on consultancy business and Derivative Trading strategies.

4. DIRECTORS

Mr. Lalit P Dalal and Mrs. Sudha P Kapadia, retires by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

5. MEMBERSHIP OF CENTRAL DEPOSITORY SERVICES (INDIA) LTD.

In terms of Board Resolution dated 31-1-08, the Company made application to Central Depository Services (India) Ltd. for Membership on 5-2-08. The Company has made payment of necessary charges on 13-3-08. Company's Managing Director and Executives appeared before the Committee of Central Depository Services (India) Ltd. on 26-3-08. Central Depository Services (India) Ltd. has forwarded Company's application to SEBI for grant of Central Depository Services (India) Ltd. Membership. In the meanwhile the Company has secured Lease Line of MTNL and necessary / recommended hardware is in place.

The Company expects to secure Central Depository Services (India) Ltd. Membership which would enable it to service its clients more efficiently and also tap good potential of retail investors in Andheri-Goregaon belt.

M. B. Parikh Finstocks Limited



6. MANAGEMENT

Now, with CDSL Membership likely to be received shortly and turbulent Capital Market (as witnessed in this month), the company's Board has decided to strengthen Senior Level Management with focused responsibility and duties. Accordingly, Mr. Imtiyazul Hasan is designated as Chief Operating Officer of the company with primary responsibility equivalent to that of Chief Dealer and Compliance Officer. Mr. Santosh Patole is designated as Chief Finance Officer of the company and would also look after Back-office operations and Derivative Segment Dealing / related activities. The company intends to appoint atleast one Dealer and Back-office Executive. On receipt of CDSL Membership, the necessary upgradation of personnel and appointment of new and experienced Executives would be finalized.

7. FIXED DEPOSITS

The Company has not accepted any deposits from the public.

8. PARTICULARS OF EMPLOYEES

Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended is not given as there was no employee drawing the salary as per the limits mentioned in the said Section and Rules.

9. LISTING OF SHARES

The Company's shares are listed on Mumbai and Vadodara Stock Exchanges. The Company has already paid listing fees to them for the year 2007 – 2008.

10. INSURANCE

All the assets of the Company are adequately insured.

11. HUMAN RESOURCES

The relationship of your Company with its employees remained cordial throughout the year. The Company is paying full attention in the development of Human Resources at all levels by group discussions, job related training etc. The Company appreciates the value of maintaining high morale amongst its employees and has always endeavored to keep it at highest level.

12. CODE OF CONDUCT

The company has adopted the code of conduct as per revised Clause 49 of the Listing Agreement applicable to all the Directors and senior management personnel of the company. The company has received confirmation from all the Directors and senior management personnel of the company on the compliance of the said code of conduct.

13. DISCLOSURE U/S 274(1)(g)

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 274(1)(g) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000.

14. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 217 (2AA) of the Companies Act, 1956 with respect to the Directors Responsibilities