



M. B. PARIKH FINSTOCKS LIMITED



**18TH
ANNUAL REPORT
2011 - 2012**



BOARD OF DIRECTORS

Mr. Mahesh B. Parikh	Chairman & Managing Director (w.e.f. 1.11.2011)
Mr. Digant M. Parikh	Managing Director (upto 31.10.2011)
Mrs. Sudha P. Kapadia	Director
Mr. Govind Rathi (FCA)	Independent & Professional Director
Mr. Lalit Dalal (FCA)	Independent & Professional Director
Mr. Jitendra Sharma (FCA)	Independent & Professional Director

LEADERSHIP TEAM

Mr. Imtiyazul Hasan	Chief Operating Officer & Compliance Officer
Mr. Santosh Patole	Chief Financial Officer
Mr. Laxman Dait	Chief Depository Operations

COMPANY LAW CONSULTANT

M/s Sanjay Dholakia & Associates

AUDITORS (CHARTERED ACCOUNTANTS)

M/s. B.R. Pancholi & Co.	Statutory & Tax Auditors
M/s. U S Tanwar & Co.	Internal Auditors
M/s Mehta Sanghvi & Associates	Internal Compliances Auditors

LEGAL ADVISORS/ ADVOCATES

Mr. Rohit Shetty	Mumbai
Mr. Anandvardhan Yagnik	Ahmedabad
Mr. Milan Bhatt	Ahmedabad
Mr. Jagdish Choksi	Vadodara

REGISTRARS

Link Intime India Pvt. Ltd.
C/13, Panna Lal Silk Mills Comp.,
L. B. S. Marg, Bhandup(W),
Mumbai -400 078.

OFFICES

REGISTERED OFFICE

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

CORPORATE OFFICE

209/10, Heena Arcade
S.V. Road, Jogeshwari (W),
Mumbai – 400 102.
Tel. : 2679 0434
Fax : 2679 0463

Website : www.mbpfin.com Email : mbpfin@vsnl.com



NOTICE

Notice is hereby given that the **Eighteenth Annual General Meeting** of the Shareholders of **M.B. PARIKH FINSTOCKS LIMITED** will be held on Saturday, 11th August 2012 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, 2012 and the Audited Profit and Loss Account for the year ended 31st March, 2012 and the Report of the Directors and the Auditors thereon.
- 2) To appoint a Director in place of Mr. Govind Rathi, who retires by rotation and being eligible offers himself for reappointment.
- 3) To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS :

- 4) 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, the consent and approval be and is hereby accorded in connection with appointment and payment of remuneration to Mahesh Parikh as Managing Director of the company for a period of three years w. e. f. 01.11.2011 at a remuneration not exceeding Rs. 1,00,000/- p.m. (including perquisites) and on the terms and conditions set out in draft Letter of appointment.

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. Mahesh 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 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. Mahesh Parikh's office as Managing Director, the remuneration set out in the aforesaid draft Letter of appointment be paid or granted to Mr. Mahesh 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."

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

ITEM NO. 4

The Board of Directors at the recommendation of remuneration committee meeting held on 31st October, 2011 has appointed Mr. Mahesh B. Parikh as Managing Director of the Company w. e. f. 1st November, 2011.

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 :
Rs. 1,00,000/- 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.

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

The Board recommends the special resolution in the best interests 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 B. Parikh may be considered to be interested in the passing of the resolution.

Dated : 30th May 2012

Place : Mumbai

Registered Office:

705, Galav Chambers,

Sayajigunj,

Vadodara -390 005.



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

**MAHESH 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 Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 for item No. 4 of the Notice is attached and forms part of this Notice.
4. The Register of Members and Share Transfer Register of the Company will remain closed from **3rd August 2012 to 11th August 2012** (both the days inclusive).
5. The members are requested to :
 - a) Intimate changes, if any, in their Registered address to the Company's Share Transfer Agent M/s. Link Intime India Pvt. 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.



**DIRECTORS REPORT**

To
The Members,

Your Directors present herewith the Eighteenth Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2012.

1. FINANCIAL RESULTS

(Rs. in Lacs)

	Year Ended 31/03/2012	Year Ended 31/03/2011
Profit before Tax	(4.30)	(13.80)
Less : Provision for Taxation	-----	0.05
Add : Prior period adjustment/(deferred tax liability)	4.19	(0.22)
Profit after Tax	(0.11)	
Balance b/f	65.09	(13.63)
Balance carried to balance sheet	64.98	65.09

2. OPERATIONS/DIVIDEND

The year witnessed recession and downturn in capital market. The Company suffered a loss of Rs. 9.15 Lacs on trading. Depository activities at low level also made dent in Co's earnings. Co's investment also suffered due to providing valuation at Mark to Market on existing investments and futures and options outstanding position. The Company has a prudent policy to value investments at actual value as on 31.03.2012. We hope the economy & Capital Market in particular would stabilize soon to bring back retail & corporate investors.

3. DIRECTORS

Mr. Govind Rathi retires by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

4. FIXED DEPOSITS

The Company has not accepted any deposits from the public.

5. 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.

6. COMPLIANCE CERTIFICATE

In terms of subsection (1) of section 383A read with the Companies (Compliance Certificate) Rules, 2001, the Company has obtained the Compliance Certificate received from M/s Sanjay Dholakia & Associates, Practicing Company Secretary and is attached to this Report.

7. LISTING OF SHARES

The Company's shares are listed on Bombay Stock Exchange Ltd. and Vadodara Stock Exchange Ltd. The Company has already paid listing fees to them for the year 2011 – 2012.

8. INSURANCE

All the assets of the Company are insured.



9. 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.

10. 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.

11. 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.

12. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement Under Section 217 (2AA) of the Companies Act, 1956 with respect to the Directors Responsibilities Statement, it is hereby confirmed;

- i) That in the preparation of the Annual Accounts for the financial year 31st March, 2012, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were 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 the year under review.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the Accounts for the financial year ended 31st March, 2012 on a going concern basis.

13. CORPORATE GOVERNANCE

As per the requirements of Listing Agreement with Stock Exchange, a report on Corporate Governance is made a part of the Annual Report.

14. AUDITORS

M/s. B. R. Pancholi & Co., Statutory & Tax Auditors (Chartered Accountants) retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. You are requested to appoint them and fix their remuneration.

15. ACKNOWLEDGMENT

The Board wishes to place on records its appreciation to all its bankers, shareholders, customers and employees for achieving these results.

Dated : 30th May 2012
Place : Mumbai

By order of the Board,
For M. B. PARIKH FINSTOCKS LIMITED,

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

MAHESH B. PARIKH
CHAIRMAN



**FORM
[SEE RULE 3]
COMPLIANCE CERTIFICATE**

**To
The Members,
M. B. PARIKH FINSTOCKS LIMITED**

We have examined the registers, records, books and papers of **M. B. PARIKH FINSTOCKS LIMITED**, (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The company is a public limited company and the restrictions mentioned in section 3(1)(iii) of the Act is not applicable to public limited companies.
4. The Board of Directors duly met 5 times on 30th April, 2011, 29th June, 2011, 30th July, 2011, 31st October, 2011 and 14th February, 2012, in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed.
5. The company has closed its Register of Members from 3rd August, 2012 to 11th August, 2012 (both days inclusive) during the financial year after complying with the provisions of Section 154 of the Companies Act, 1956.
6. The annual general meeting for the financial year ended on 31st March, 2011 was held on 20th August, 2011 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The company has not advanced any loans to its directors and/or persons or firms or companies referred in the section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The company has made necessary entries in the Register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government, as the case may be.
12. The company has not issued any duplicate share certificates during the financial year.



13. The Company has:
- (i) not made any allotment/ transmission of securities during the financial year. The Company has delivered the share certificates on lodgement thereof for transfer of shares during the year.
 - (ii) not deposited any amount in a separate bank account as no dividend was declared during the financial year.
 - (iii) not posted warrants to any member of the company, as no dividend was declared during the financial year.
 - (iv) no unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid and as are required to be transferred to Investor Education and Protection Fund.
 - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. One Director Mr. Digant Parikh as resigned as Director and Managing Director w e f 31st October, 2011 during the financial year.
15. No Whole Time Director /Manager were appointed during the financial year. The Company has appointed Mr. Mahesh Parikh as Managing Director of the Company w e f 1st November, 2011 after complying with the provisions of the Act.
16. The company has not appointed any sole-selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other applicable authorities as may be prescribed in the Act during the year under review.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transaction necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any deposits as per the provisions of section 58A read with companies (Acceptance of Deposits) Rules, 1975 during the financial year.
24. The company has not made any borrowings during the financial year.
25. The company has made investments in mutual funds and in equity shares of other bodies corporate and consequently necessary entries have been made in the register kept for the purpose during the



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year. However, the Company has not given any loans and guarantees to other bodies corporate and consequently no entries have been made in the register kept for the purpose during the year.

26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company regarding during the year under scrutiny.
30. The company has not altered its articles of association after complying with the provisions of the Act during financial year.
31. There was no prosecution initiated against or show cause notices received by the company during the financial year for offences under the Act.
32. The company has not received any money as security from its employees during the financial year under certification as per provisions of section 417(1) of the Act.
33. The company was not required to deposit both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

For Sanjay Dholakia & Associates

Place : Mumbai
Date : 30th May, 2012

(SANJAY R. DHOLAKIA)
Practising Company Secretary
Proprietor