
2011

18th
Annual Report



Mehta Housing Finance Limited
Ahmedabad

: Board of Directors :

Vishwesh D. Mehta
Anil P. Parekh
Bhavna D. Mehta

: Auditors :

Dinesh K. Shah & Co.
Chartered Accountants
Ahmedabad

: Bankers :

UTI Bank Limited
Dena Bank

: Registered Office :

4, Law Garden Apartment, Scheme-I,
Opp. Law Garden, Ellisbridge,
Ahmedabad 380 006
Phone No. : 26561000
Email : mehtahousingfinanceltd@gmail.com

NOTICE

Notice is hereby given that 18th ANNUAL GENERAL MEETING of the Members of MEHTA HOUSING FINANCE LIMITED will be held at 004, Law Garden Apartments, Scheme-1, Opp. Law Garden, Ellisbridge, Ahmedabad-380 006 on Saturday, the 30th JUNE, 2012 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS: -

1. To receive, consider and adopt the accounts of the Company for the year ended 31st DECEMBER, 2011 and the Balance Sheet as on that date along with the Reports of the Directors and Auditors thereof.
2. To appoint a director in place of MR. ANIL P. PAREKH, who retires by rotation in terms of Article 127 of the Articles of Association of the Company and being eligible, offers himself for reappointment.
3. To consider the reappointment of M/s. Dinesh K. Shah & Co., Chartered Accountants, as Auditors of the Company to hold office until the conclusion of next Annual General Meeting and to fix their remuneration in addition to the reimbursement of out-of-pocket expenses.

NOTES

1. A member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the company; proxies in order to be effective must be received at the registered office of the company, not less than forty eight hours before this annual general meeting.
2. The Register of Members and the Share Transfer Book of the Company will remain Closed on 30th June, 2012.
3. Members/Proxies should bring copies of Annual Report and Attendance Slip sent herewith duly filed in for attending the meeting.
4. Members are requested to notify any change in their address immediately to the Company's Registrar office Purva Share Registry India Pvt. Ltd. Shiv Shakti Industrial Estate, Unit No: 9, Sitaram Mills Compound, J.R.Boricha Marg, Lower Parel, Mumbai-400011.

REGISTERED OFFICE :-
004, LAW GARDEN APARTMENT,
SCHEME-I, OPP. LAW GARDEN,
ELLISBRIDGE,
AHMEDABAD-380 006.

Date: 29th April 2012
Place: Ahmedabad

FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS

Sd/-

(VISHWESH D. MEHTA)

Details of the Directors seeking Appointment / Reappointment in forthcoming Annual General Meeting
(As per clause 49 of listing agreement):

Name of the Directors	: Anil P. Parekh
Date of Birth	: 15/08/1953
Date of Appointment	: 06/09/2005
Qualification	: B.Com
Expertise in Specific functional areas	: Finance, Accounts, company Laws etc.
List of Public Limited Companies in which Directorships held	: Nil
Chairman / Member of the Committees of the Board of Directors of the Company.	: Audit Committee
Shareholding in the company (No. of shares)	: Nil

DIRECTOR'S REPORT

To,
The Members,
MEHTA HOUSING FINANCE LIMITED
Ahmedabad.

Our Directors have pleasure in presenting 18th Annual Report of the Company along with Audited Accounts for year ended 31ST DECEMBER 2011.

1. FINANCIAL RESULTS

The financial Results of the Company for the year ended on 31ST DECEMBER 2011 as compared to the previous year are summarized below:

	(Rs. In Lacs) 31/12/2011	(Rs. In Lacs) 31/12/2010
Total Income	10.48	12.07
Profit/(Loss) before Taxation	8.19	4.91
Provision for Income Tax	NIL	NIL
Net Profit/Loss After Tax	8.19	4.91
Transfer to General Reserve	NIL	NIL

2. PERFORMANCE AND FUTURE OUTLOOK

Company is making investments in stock market, the stock market looks promising over the long run as the Indian economy has good growth prospects. .

During the year under review, the Company has a gross income of Rs. 10.48 Lacs. The company is working out for new strategies to explore new business, for which the Company will take necessary actions at appropriate opportunities.

3. DIRECTOR

One of our Directors viz. Mr. Anil P. Parekh, retires from office by rotation in accordance with the requirement of The Companies Act, 1956. He, however, being eligible, offers himself for reappointment.

4. PARTICULARS OF EMPLOYEES

The Company has no employee of the category specified in Section 217 (2A) of The Companies Act, 1956.

5. PARTICULARS OF CONSERVATION OF ENERGY ETC.

The Company has no activities relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo during the year under review.

6. AUDITORS AND THEIR REPORT

Auditors M/s. Dinesh K. Shah & Co., Chartered Accountants hold office till the conclusion of ensuing Annual General Meeting and having furnished the required certificate U/s. 224 (1-B) of The Companies Act, 1956 are eligible for reappointment. Board recommends the reappointment and requests the members to fix their remuneration.

7. PUBLIC DEPOSITS

There was no Deposit unclaimed or unpaid by the Company after the date on which it has become due for payment or renewal on 31ST DECEMBER 2011.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Our Directors Confirm:

- That in preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation.
- That the Directors had selected such accounting policies and applied them consistently and made judgments 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 ended on 31ST DECEMBER 2011.
- That the Directors have taken proper and sufficient care for maintenance of adequate accounting records for the year ended 31ST DECEMBER 2011 in accordance with the provision of the Companies

Act, 1956 for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities.

(d) That the Directors have prepared the Annual Accounts on an ongoing basis.

9. LISTING

The Equity Shares of the Company are listed at Bombay Stock Exchange. The Company is generally regular in payment of Annual Listing Fees.

10. CORPORATE GOVERNANCE

A detailed section on the code of Corporate Governance forms part of the Annual Report.

11. ACKNOWLEDGMENT

Your Directors take this opportunity to place on record the appreciation of the valuable contribution and dedication shown by the employees of the Company, who have contributed to the successful management of the Company's affairs.

The directors also express their gratitude to the support extended by Financial Institutions, Various Bankers, Central Govt. & State Govt. authorities & the Shareholders of the Company.

REGISTERED OFFICE :-

004, LAW GARDEN APARTMENT,
SCHEME-I, OPP. LAW GARDEN,
ELLISBRIDGE,
AHMEDABAD-380 006.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-

(VISHWESH MEHTA)
DIRECTOR

DATE : 29th April 2012

PLACE : AHMEDABAD.

DIRECTOR CERTIFICATION

Director of the Company certifies that :

- a) I have reviewed the financial statements and cash flow statement for the year ended December 31, 2011 and to the best of my knowledge and belief:
 - i) these statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statement together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws & regulations.
- b) To the best of my knowledge and belief, no transaction entered into by the Company during the year ended December 31, 2011 are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept the responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. I have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which I am aware and steps have been taken to rectify these deficiencies.
- d) I have indicated to the Auditors and to the Audit Committee:
 - i) Significant changes in the internal control over financial reporting during the year.
 - ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii) There is no significant fraud is noticed during the year , however to safeguard the company from such instances, the role of management and employees to be followed has been described to them.

Date : 29/04/2012
Place : Ahmedabad

- Director

MANAGEMENT DISCUSSION AND ANALYSIS

a. Industry Structure and Development

The company has not ventured into housing finance due to low margins high leverage and competition. The company concentrated to conserve its resources for appropriate opportunities.

b. Opportunities and Threats

The opportunities in the securities market is in line with the opportunities and threats in the Indian economy. However the company conducts intensive research and care to improve its performance.

c. Investments

The Company has made investments of Rs. 490.12 lacs which is 74.80% of the total assets.

The total investments made by the company to the tune of Rs. 490.12 Lacs.

d. Risk Management

The company diversifies its investments to manage risk.

e. Segment wise Performance:

There is only one segment in the company.

f. Recent Trend and Future Outlook:

The country has a growth of 9% in the same is likely to be achieved in the current year which promises a better outlook for the economic business and capital market.

g. Risks and Concerns:

Like any other industry, this sector is also exposed to risk of competition, government policies, natural factors etc. The Company has taken necessary measures to safeguard its assets/interest etc.

To overcome the risk in the investment due to volatility the company is taking suitable measures to safeguard the assets/interest.

h. Internal Control Systems and their Adequacy:

The Company has adequate systems of Internal Controls commensurate with its size and operation to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

i. Financial Performance with respect to Operational Performance:

The financial performance of the Company for the financial year 2011 is described in the Directors' Report under the head "Financial Results".

j. Material Developments in human Resources and Industrial Relations Front:

The employment development activities undertaken by the company have made positive impact on the morale and efficiency of the employees

Your Company has undertaken certain Employees' Development Initiatives, which have very positive impact on the morale and team spirit of the employees. The company has continued to give special attention to human resources / industrial relations development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lockout etc.

k. Cautionary Statement:

Statement in this management discussion and analysis report, describing the company's objectives, estimates and expectations may constitute forward-looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
(VISHWESH MEHTA)
DIRECTOR

REPORT ON CORPORATE GOVERNANCE

INTRODUCTION:

According to the Clause-49 of the listing agreement with the stock exchange, best practice is followed in corporate Governance by the company. The details of system of Corporate Governance followed is as under:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The company is committed to meet the aspirations of stake holders employees and all the clients by strict adoption on clause -49 to apply benchmark compliance to achieve higher standard by providing over sight and guidance to management strategic implementation and risk management.

The company not only adheres to the prescribed corporate practice as per clause-49 but by constant efforts endeavour to raise higher standards in corporate Governance.

2. BOARD OF DIRECTORS:

Composition and Category of Directors:

The company has the policy to maintain proper combination of executive and non executive directors. Presently company consists of three members comprising all non-executive and two Independent Directors. The Chairman of the Company is Non-Executive Directors. The number of Non-Executive and Independent Director exceeds one half of the total number of Directors.

Name of Director	Executive / Non-Executive/ Independent	No of outside directorship(s) (*)	No of Memberships in other Board Committees	Number of Chairmanship(s) in other Board Committees
Vishvesh D Mehta	Non-Executive & Independent	-	3	2
Bhavna D. Mehta,	Chairman	1	3	1
Anil P. Parekh	Non-Executive & Independent	—	3	—

- Excludes alternative directorship, directorship in private/foreign companies and interest in firms/other bodies.
- Includes memberships of only audit and shareholders' grievances committee.

Board Procedures:

The Board meetings are held at least once in every quarter and get acquainted of the financial results and review of performance by giving appropriate notice alongwith the agenda notes

The Chairman/Director briefs the Directors regarding the performance and future plans of the company. All the decisions are approved at the meeting of the Board of Directors.

The meetings of the Board of Directors were held on 31/01/2011, 30/04/2011, 30/07/2011 and 31/10/2011

Attendance of each Director at the Board Meetings and the Last Annual General Meeting :

Name of Director	Board Meetings attended	Attendance at last AGM
Vishwesh D. Mehta	4	Present
Bhavna D. Mehta, Chairman	4	Present
Anil P. Parekh	3	Present

3. AUDIT COMMITTEE:

The audit committee of the Board comprises of three members who are having financial/accounting expertise/exposure. The composition of the audit committee meets with the requirements of section 292A of the companies act 1956 and clause-49 of the listing agreements.