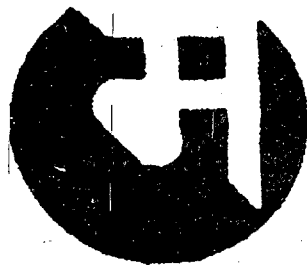


2008

15th Annual Report



CERTIFIED TO BE TRUE COPY

MEHTA SECURITIES LTD

Ahmedabad



Board of Directors

Bhavna D. Mehta
Chirag D. Mehta
Upen P. Parekh
Ramnik D. Sojitra

Auditors

Dinesh K. Shah & Co.
Chartered Accountants
Ahmedabad

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Bankers

HDFC BANK
INDUSIND BANK

Registered Office

002, Law Garden Apartment,
Scheme-I, Opp. Law Garden,
Ellisbridge, Ahmedabad 380 006.
Phone no. : 079-26565567
E-mail : mehtasec@yahoo.co.in

NOTICE

Notice is hereby given that **15th ANNUAL GENERAL MEETING** of the Members of **MEHTA SECURITIES LIMITED** will be held at 002, Law Garden Apartments, Scheme-1, Opp. Law Garden, Ellisbridge, Ahmedabad-380 006 on Tuesday, **30th JUNE, 2009** at **11.00 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 2008 and the Balance Sheet as on that date along with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Upen 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 the 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 Member and the Share Transfer Book of the Company will remain closed on 30/06/2009.
3. Member/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 :-

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

DATE: 29/04/2009

PLACE: AHMEDABAD.

FOR AND ON BEHALF OF THE BOARD
OF DIRECTORS

(BHAVNA D. MEHTA)
DIRECTOR

Details of the Directors seeking Appointment / Reappointment in forthcoming Annual General Meeting
(As per Revised clause 49 of Listing Agreement)

Name of the Directors	: Upen Parekh
Date of Birth	: 15/08/1961
Date of Appointment	: 24/12/1997
Qualification	: B.Com
Expertise in Specific functional areas	: Accounting & Tax matters
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, Share-holders, Grievances
Shareholding in the company (No. of shares)	: NIL

DIRECTOR'S REPORT

To,
The Members,
MEHTA SECURITIES LIMITED,
Ahmedabad.

Your Directors have pleasure in presenting the 15th Annual Report of the Company along with Audited Accounts for the year ended 31ST DECEMBER 2008.

1. FINANCIAL RESULTS :

The financial results of the Company for the year ended on 31ST DECEMBER 2008 as compared to the previous year are summarized below :-

	31/12/2008	(Rs. In Lacs) 31/12/2007
Total Income	6981.72	4896.77
Total Expenditure	7027.72	4905.25
Profit/(Loss) before Taxation	(46.00)	(8.48)
Provision for Income Tax	Nil	Nil
Net Profit/Loss After Tax	(46.00)	(8.48)

2. OVERALL REVIEW OF PERFORMANCE :

The operations of the Company have improved moderately in spite of several organizational and market related issues.

During the year under review, the Company has a gross income of Rs. 6981.72 Lacs.

Simultaneously, during the year under review, as well as historically the Company has provided substantial amount towards decrease in investments value, which has resulted into loss of 46 lacs.

3. DIVIDEND :

In view of the loss, the Board of Directors do not recommend dividend.

4. BUSINESS OPERATIONS AND FUTURE OUTLOOK :

The business of the Company is being affected by several external factors, which are beyond the control of the Company. Some of them are fluctuating market conditions, political situation, government control etc. But looking to the structural changes that have taken place in the economic environment, the future of the Company and the area in which the Company carries on its business is bright. The company is exploring various initiatives relating to the capital market.

5. DIRECTOR :

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

6. PARTICULARS OF EMPLOYEES :

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

7. PARTICULARS OF CONSERVATION OF ENERGY ETC :

Since the Company is not engaged in any manufacturing activity, the disclosures as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 pertaining to conservation of energy, etc. is not applicable.

8. 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 re-appointment. Board recommends the reappointment and requests the members to fix their remuneration.

9. 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 as on 31st DECEMBER 2008.

10. DIRECTORS' RESPONSIBILITY STATEMENT :

Your Director Confirm:-

- (a) That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation.
- (b) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as 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 2008 and of the Profit of the Company for that year.
- (c) That the Directors had taken proper and sufficient care for maintenance of adequate accounting records for the year ended 31ST DECEMBER 2008 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 had prepared the Annual Accounts on an ongoing basis.

11. LISTING :

The equity shares of the Company are listed on The Stock Exchange of Mumbai, Listing fees for the year 2008-09 have been duly paid.

12. CORPORATE GOVERNANCE:

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

13. ACKNOWLEDGEMENT:

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

PLACE : AHMEDABAD.
DATE : 29/04/2009

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(BHAVNA D. MEHTA)
DIRECTOR

MANAGEMENT DISCUSSION AND ANALYSIS

a. Industry Structure and Development :

The company has adapted advance technological changes to compete in the segment of our business for reasonable growth.

The global economy is passing through tremendous recessionary period including India even though the management is hopeful of the growth in this sector with the help of government assurance to over-come the situation.

There is uncertainty on the political front, a coalition government acts as impediment so as to implement reforms which will benefit to our company also.

Foreign investors are also showing interest in our country by picking up stocks from the market there by injecting funds in the market.

b. Opportunities and Threats :

Opportunities exist at a large scale and size and according geographical situation and threats for existence are there but opportunities are promising.

c. Risk Management :

There is a risk management in competitive and volatile market, but by following ways the business is likely to be sustained in positive growth.

- Identifying the risks faced by the company.
- To measure and monitor the appropriate systems and processes.
- Appropriate policy framework on risk management.
- Continuous monitoring and review of implementation of strategies for the progress.
- Regular reporting the risk mitigation results to the management.
- The most risks the company has to manage are enumerate below.

d. Credit Risk

The credit risk results in a financial loss through inability and unwillingness of a customer to meet his obligation. The company believes to deliver apt and consistent ability to provide best services to the customers and associates for that the company has setup highest standards of service and is also streamlining the process through automation and strong systems

The company is optimistic of resuming its high growth over the coming years.

e. Segment wise Performance :

The Company's activities are divided into two parts i.e. Broking activities and Investments. The broking activity is meager but likely to be expanded appropriate opportunities upon which the due concentration is applied.

f. Recent Trend and Future Outlook :

The Indian economy and markets are likely to grow and develop and the company also will show better performance in years to come.

g. Risks and Concerns :

The company has taken necessary measure to safe guard its assets/interest etc. Company does not face any risk of fluctuation in exchange rate as it is not involved in such business of importing and exporting raw material, finished product though the risk of competition, government policy natural factors are there.

h. Internal Control Systems and their Adequacy :

The Company has adequate systems of Internal Controls commensurate with its size and operations 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 year 2008 is described in the Directors' Report under the head "Financial Results".

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

Certain Employees Development Initiatives your company have undertaken has positive impact on the morale and spirit of the employees. Special attention to human resources / industrial relations development is given by the company. Industrial relations remained cordial throughout the year and there was no incidence of strike, lockout etc.

k. Material development in human resource/ industrial relation front, including number of people employed.

There has been no material development on the human recourse / industrial relation front during the year. Employee relations at all levels continue to remain cordial. The company had 6 (six) employees as on 31st December 2008.

l. 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 or regulations. Actual results may differ materially from those either expressed or implied.

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PLACE : AHMEDABAD.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

DATE : 29/04/2009

(BHAVNA D. MEHTA)
DIRECTOR