



# **M. B. PARIKH FINSTOCKS LIMITED**



**18<sup>TH</sup>  
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](http://www.mbpfin.com) Email : [mbpfin@vsnl.com](mailto: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, 11<sup>th</sup> 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 31<sup>st</sup> October, 2011 has appointed Mr. Mahesh B. Parikh as Managing Director of the Company w. e. f. 1<sup>st</sup> 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 : 30<sup>th</sup> 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 **3<sup>rd</sup> August 2012 to 11<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 : 30<sup>th</sup> 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 31<sup>st</sup> 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 30<sup>th</sup> April, 2011, 29<sup>th</sup> June, 2011, 30<sup>th</sup> July, 2011, 31<sup>st</sup> October, 2011 and 14<sup>th</sup> 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 3<sup>rd</sup> August, 2012 to 11<sup>th</sup> 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 31<sup>st</sup> March, 2011 was held on 20<sup>th</sup> 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 31<sup>st</sup> 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 1<sup>st</sup> 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



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**

**(SANJAY R. DHOLAKIA)**  
**Practising Company Secretary**  
**Proprietor**

**Place : Mumbai**  
**Date : 30<sup>th</sup> May, 2012**



**Annexure A**

Registers as maintained by the Company

1. Register of Members u/s. 150.
2. Register of Directors, Managing Director, Manager and Secretaries u/s. 303.
3. Register of Director's Shareholding u/s. 307.
4. Minutes of the Annual General Meeting/Extra Ordinary General Meeting and Board Meeting under section 193 with Attendance Register.
5. Register of Contracts u/s. 301.
6. Register of Charges u/s 143.

**For Sanjay Dholakia & Associates**

**Place : Mumbai**

**Date : 30<sup>th</sup> May, 2012**

**(SANJAY R. DHOLAKIA)  
Practising Company Secretary  
Proprietor**

**Annexure B**

**Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31<sup>st</sup> March, 2012.**

1. Form 23AC XBRL for Balance Sheet as at 31<sup>st</sup> March, 2011 and Form 23ACA XBRL for Profit & Loss Account for the year ended 31<sup>st</sup> March, 2011 filed with the Registrar of Companies, Gujarat on 10<sup>th</sup> December, 2011.
2. Form 20B for Annual Return made up to 20<sup>th</sup> August, 2011 filed with the Registrar of Companies, Gujarat on 13<sup>th</sup> September, 2011.
3. Form 66 for Compliance Certificate as per the provisions of Section 383A of the Companies Act, 1956 for the financial year ended 31<sup>st</sup> March, 2011 was filed with the Registrar of Companies, Gujarat on 12<sup>th</sup> September, 2011.
4. Form 32 in respect of appointment of Mr. Mahesh B. Parikh as Managing Director and resignation of Mr. Digant Parikh as Director w e f 31<sup>st</sup> October, 2011 was filed with the Registrar of Companies, Gujarat on 1<sup>st</sup> November, 2011.
5. Form 23 in respect of appointment of Mr. Mahesh B. Parikh as Managing Director was filed with the Registrar of Companies, Gujarat on 1<sup>st</sup> November, 2011.
6. Form 25C in respect of appointment of Mr. Mahesh B. Parikh as Managing Director was filed with the Registrar of Companies, Gujarat on 1<sup>st</sup> November, 2011.

**For Sanjay Dholakia & Associates**

**Place : Mumbai**

**Date : 30<sup>th</sup> May, 2012**

**(SANJAY R. DHOLAKIA)  
Practising Company Secretary  
Proprietor**



## **CORPORATE GOVERNANCE REPORT**

The Bombay Stock Exchange Limited has implemented the revised provisions of Clause 49 of the Listing Agreement from December 31, 2006, the Company has already taken steps to comply with the revised provisions to the maximum extent possible.

As per the Clause 49 of Listing Agreement, incorporate certain mandatory disclosure requirements with regard to Corporate Governance. In pursuance of the requirements of Corporate Governance, the Board of Directors reports the following;

### **I COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company's philosophy on Corporate Governance strives for attaining the optimum level of transparency and accountability in all facets of its operations and all dealings. The Board of Directors by considering itself as a trustee of its Shareholders aims at maximizing shareholders value and protecting the interest of other stakeholders

### **II. BOARD OF DIRECTORS;**

#### **i) Board Composition:**

The strength of the Board was 5 Directors as on 31<sup>st</sup> March, 2012. The composition and category of Directors on the Board of the Company are:

#### **Managing Director**

Mr. Mahesh B. Parikh

#### **Non-executive Director**

Mrs. Sudha Kapadia

#### **Independent / Professional Directors**

Mr. Govind Rathi

Mr. Lalit P. Dalal

Mr. Jitendra Sharma

The independent Directors do not have any material or pecuniary relationship or transaction with the Company, its promoters or its management, which may affect their judgment in any manner

#### **ii) Other Directorship and Membership of Board Committees:**

None of the Directors hold Directorship in more than the permissible no. of Company under the relevant provision. Further, none of the Directors on the Board is a member of more than Ten Committees or Chairman of more than Five Committees.

#### **iii) Board Meetings:**

The Board met 5 times during the period from April, 2011 to March, 2012 i.e. 30.04.2011, 29.06.2011, 30.07.2011, 31.10.2011 & 14.02.2012.

**iv) Attendance of Directors:**

		Attendance Particulars	
		Board Meeting	Last AGM
Mr. Mahesh Parikh	Chairman/ Director	5	Yes
Mr. Digant Parikh	Managing Director (*)	4	Yes
Mrs. Sudha Kavadia	Director	1	Yes
Mr. Govind Rathi	Director	5	Yes
Mr. Lalit Dalal	Director	5	Yes
Mr. Jitendra Sharma	Director	2	No

**ii) Directorship of Public Limited Company**

None of the Directors except the following Directors are Directors in any other public limited company.

Name	Director in Public Ltd. Co.
Mr. Mahesh Parikh	Career Launchers Education Infrastructure and Services Ltd.
Mr. Jitendra M. Sharma	Relonchem Ltd Novapharmaceuticals Australasia Pty Ltd.

**ii) Code of Conduct:**

The Board has formulated a code of conduct for the Board members and senior management of the Company. All Board members and senior management have affirmed their compliance with the code. A declaration to this effect signed by the Managing Director of the Company is given elsewhere in the Annual Report.

**III AUDIT COMMITTEE**

As per the terms of reference prescribed by the Board as stipulated in Clause 49 (II) (d) of the Listing Agreement, the committee performs such duties and tasks as are assigned to it by the Board. The Committee has access to all records of the Company. The Committee reviews the report of the statutory auditors and procedures, internal control systems, etc. and also addresses the requirements of the Companies Act, 1956 and the Listing Agreement with the Stock Exchanges.

The Audit Committee of the Company meets before the finalization of accounts each year and also meets each quarter before the results of that quarter is published in the newspaper and informed to the Stock Exchanges as required under Clause 41 of the Listing Agreement. During the year 2011 – 2012 the Audit Committee has met 5 times as under –

Date of meeting	Mr. Lalit Dalal Director/Member	Mr. Govind Rathi Director/Member	Mr. Digant Parikh (by invitation)
30.04.11	Yes	Yes	Yes
29.06.11 *	Yes	Yes	Yes
30.07.11	Yes	Yes	Yes
31.10.11	Yes	Yes	Yes
14.02.12	Yes	Yes	Mr. Mahesh Parikh by Invitation

\* Mr. B R Pancholi – Statutory Auditor was present (by invitation)

**IV REMUNERATION COMMITTEE**

The Remuneration Committee determines the remuneration of Managing Director within the framework as approved by the Shareholders and also decides on the sitting fees to be paid to the Non-Executive Directors for attending the Board Meetings.



## **M. B. PARIKH FINSTOCKS LIMITED**

The Remuneration Committee held two meetings as under –

Member	31.07.10	31.10.11
Mr. Mahesh Parikh	Yes	Yes
Mr. Lalit Dalal	Yes	Yes
Mr. Govind Rathi	Yes	Yes

### **NOTES:**

1. The Company has not paid compensation by way of sitting fees to the Directors of the Company.
2. The Company does not pay bonus, pension and incentives to the Managing Director. The Company so far has not issued any stock options to Managing Director/ Executive / Non-executive/ independent Director.(upto 31.10.2011)
3. Equity shares of the Company held by non-executive Directors are as follows:

Directors	No. of shares held as on 31 <sup>st</sup> March, 2012	No. of shares held as on 31 <sup>st</sup> March, 2011
Mrs. Sudha Kanadia	600	600
Mr. Lalit Dalal	-	-
Mr. Govind Rathi	-	-
Mr. Jitendra Sharma	-	-

Though the shareholders have approved payment of Rs. 24 Lacs p.a. to Managing Director, Mr. Digant M. Parikh has not withdrawn any salary during the year.

## **V SHAREHOLDERS / INVESTORS' GRIEVANCES COMMITTEE**

The Committee is Authorized to approve the transfer of shares and other shareholders / investors correspondence. The Committee also monitors redressal of investors' grievances. The total number of complaints received and replied to the satisfaction of shareholders during the year under review was Nil. There were no complaints pending as on March 31, 2012.

As required by the Stock Exchanges, the Company has appointed Mr. Imtiyazul Hasan as the Compliance Officer to monitor the share transfer process and liaise with the regulatory authorities.

During the year 2011 – 2012 the Shareholders / Investors' Grievances Committee has met 4 times and all the members of the Shareholders / Investors' Grievances Committee remained present.

### **Managing Director**

The Board of Directors, at its meeting on 31.10.2011 had a detailed discussions on the reasons / rationale and professional opportunities available post MBA Finance Qualification at No. 1 position from Premier Business School which led to the resignation of Mr. Digant M. Parikh. Keeping in mind Mr. Digant's association for more than 16 years and cordial relationship will all concerned and leadership provided in growth & consolidation of Co's activities, his regulation was accepted with the note that the Co. would really miss his lively presence and dedication.

At the said Meeting, Mr. Mahesh B. Parikh was appointed as Managing Director for a period of 3 years w.e.f. 01.11.2011 at a consolidated remuneration not exceeding Rs. 1,00,000/- p.m. subject to approval & confirmation thereof at the next AGM of the members of the Co.

**VI. GENERAL BODY MEETINGS**

Date time and venue for the last 3 Annual General Meetings are given below;

Financial Year	Date	Location	Time
31 <sup>st</sup> March, 2009	14 <sup>th</sup> August, 2009	Registered Office	1.00 p.m.
31 <sup>st</sup> March, 2010	14 <sup>th</sup> August, 2010	Registered Office	1.00 p.m.
31 <sup>st</sup> March, 2011	20 <sup>th</sup> August, 2011	Registered Office	12.00 p.m.

**VII. DISCLOSURES**

- i. The Company has not entered into any materially significant related party transaction during the year that may have potential conflict with the interests of the Company at large.
- ii. There has been no incidence of non-compliance by the Company of any statutory regulations nor any penalty or stricture imposed by the Stock Exchange or SEBI or any other statutory authority, on any matter relating to the capital market over the last three years.
- iii. The details of all transactions with related parties are placed before the Audit Committee on quarterly basis.
- iv. In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.
- v. The constitution of whistle blower policy is a non mandatory requirement. However the Company affirms that no employee has been denied access to the Audit Committee during the financial year 2011 – 2012.
- vi. The Company has complied with all mandatory requirements of clause 49 of Listing requirements.

**VIII MEANS OF COMMUNICATIONS**

The Company's quarterly results in the format prescribed by the Stock Exchanges are approved and taken on record by Board within the prescribed time frame and sent immediately to the Stock Exchange on which the Company's shares are listed.

**IX GENERAL SHAREHOLDER INFORMATION****AGM Date**

11<sup>th</sup> August, 2012

**Financial Year**

1<sup>st</sup> April 2011, to 31<sup>st</sup> March 2012

**Book Closure**

3<sup>rd</sup> August 2012 to 11<sup>th</sup> August 2012 (both days inclusive)

**Dividend**

No dividend was declared for last financial year.

**Dividend declared in earlier years; year ending**

31 <sup>st</sup> March 2008	-	Nil
31 <sup>st</sup> March 2009	-	Nil
31 <sup>st</sup> March 2010	-	Nil
31 <sup>st</sup> March, 2011	-	Nil
31 <sup>st</sup> March, 2012	-	Nil

**Listing of Shares**

The Company's shares are listed at Bombay Stock Exchange Ltd. and Vadodara Stock Exchange Ltd. Listing fees for the same have been paid to the stock exchanges.

**Stock code**

Bombay Stock Exchange Ltd., Mumbai

Physical Script Code No. - 526935

Demat Script Code No. - ISIN – INE 377D01018

Vadodara Stock Exchange Ltd., Vadodara

Physical Script Code No. - Not allotted

Demat Script Code No. - ISIN – INE 377D01018

Share Transfers in Physical and Demat form is handled by the Company's Share Transfer Agents M/s. Link Intime India Private Limited, a Registrar & Share Transfer Agent (RTA) having its office at C/13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078.

**Share Transfer System**

All the transfers in physical and demat form are received and processed by the Company's Share Transfer Agent M/s. Link Intime India Private Limited and sent for approval to the **Shareholders / Investors' Grievances Committee** and then sent back to the transferee.

**Market Price Data on BSE**

	Open	High	Low	Close	No. of shares traded
April 2011	11.75	11.75	11.75	11.75	1
May 2011	12.30	12.30	12.30	12.30	100
June 2011	12.91	12.91	12.80	12.89	277
July 2011	13.40	14.60	13.40	14.60	265
August 2011	14.60	15.20	14.60	15.20	205
September 2011	14.45	14.45	14.45	14.45	200
October 2011	13.73	13.73	11.79	12.30	718
November 2011	11.69	11.69	10.56	10.56	1253
December 2011	10.55	10.55	09.69	09.69	1929
January 2012	10.17	12.70	09.67	12.70	1515
February 2012	13.30	16.06	11.86	11.86	3467
March 2012	11.27	11.27	10.18	10.18	183
<b>Total</b>					<b>10113</b>



**Shareholding Pattern**

The following tables give the pattern of shareholding as on 31<sup>st</sup> March, 2011.

No. of Equity shares held	No. of shareholders	% of shareholders	Share amount (Rs. in lacs)	% of shareholding
Upto 5000	2623	87.0272	403524	13.4508
5001 – 10000	201	6.6689	167306	5.5769
10001 – 20000	103	3.4174	150517	5.0172
20001 – 30001	28	0.9290	68027	2.2676
30001 – 40000	18	0.5972	63271	2.1090
40001 – 50000	8	0.2654	36561	1.2187
50001 – 100000	11	0.3650	82781	2.7594
100001 & above	22	0.7299	2028013	67.6004
<b>Total</b>	<b>3014</b>	<b>100.0000</b>	<b>3000000</b>	<b>100.0000</b>

**Pattern of shareholding by ownership as on 31<sup>st</sup> March, 2012.**

Category	No. of Shares Held	% of Shareholding
<b>A. Promoter's Holding</b>		
1 Promoters		
-Indian Promoters	13,75,396	45.85
-Foreign Promoters		
2 Person Acting In Concert	2,80,500	9.35
<b>Sub – Total</b>	<b>16,55,896</b>	<b>55.20</b>
<b>B. Non – Promoter's Holding</b>		
3 Institutional Investors		
a Mutual Funds & UTI	-	-
b Banks, FIs, Insurance Cos., (Central/ State Govt. Inst., Non-Govt. Inst.)	-	-
c FIIS	-	-
<b>Sub – Total</b>	<b>-</b>	<b>-</b>
4 Others		
a Private Corporate Bodies	44,324	1.48
b Indian Public	12,89,428	42.97
c NRIs/OCBs FIIS	400	0.01
d NRN	200	0.01
e Any other (please specify) (Clearing Member)	9,752	0.33
<b>Sub – Total</b>	<b>13,44,104</b>	<b>44.80</b>
<b>Grand – Total</b>	<b>30,00,000</b>	<b>100.00</b>

**Dematerialization of shares and liquidity**

The Company's shares are dematerialized.

70.82% of the Share Capital is dematerialized as on 31<sup>st</sup> March, 2012.

**Registered Office**

705, Galav Chambers, Sayajigunj,  
Vadodara, 390 005.  
Telfax No. (0265) 23 62 909  
Website : [www.mbpfin.com](http://www.mbpfin.com)  
Email : [mbpfin@vsnl.com](mailto:mbpfin@vsnl.com)

**Corporate Office:**

Heena Arcade, 2<sup>nd</sup> Floor, Office No. 9 & 10,  
S. V. Road, Jogeshwari (W), Mumbai-400102.  
Tel. No.(022) 26790434/Fax No.(022) 26790463  
Website : [www.mbpfin.com](http://www.mbpfin.com)  
Email : [mbpfin@vsnl.com](mailto:mbpfin@vsnl.com)



**X. Auditor's Certificate on Corporate Governance**

Auditor's certificate on compliance of clause 49 of the Listing Agreement relating to Corporate Governance is published as an annexure to the Director's Report.

**XI. Declaration by the CEO on Code of Conduct as required by Clause 49.1.(D)(ii)**

This is to declare that the company has received affirmations of compliance with the applicable Code of Conduct from the Directors and Senior Management personnel of the company in respect of the financial year 2011-12.

for **M.B. PARIKH FINSTOCKS LIMITED**

**Place : Mumbai**

**Date : 30<sup>th</sup> May 2012**

**MAHESH PARIKH  
MANAGING DIRECTOR**



**MANAGEMENT CERTIFICATE  
ON CLAUSE 49 (1D) OF THE LISTING AGREEMENT**

**To,  
The Members,  
M B Parikh Finstocks Limited**

This is to affirm that the Board of Directors of M B Parikh Finstocks Limited adopted a Code of Conduct for its Directors and Senior Management Personnel in compliance with the provisions of Clause 49 (1D) of the Listing Agreement with the Stock Exchange and Board of Members and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended 31<sup>st</sup> March, 2012.

**for M.B. PARIKH FINSTOCKS LIMITED**

**MAHESH PARIKH  
MANAGING DIRECTOR**

**Place : Mumbai  
Date : 30<sup>th</sup> May 2012**



**AUDITORS COMPLIANCE CERTIFICATE**

**To,**

**The Members**

**M.B. Parikh Finstocks Limited**

I have examined the compliance of conditions of Corporate Governance by M.B. Parikh Finstocks Limited for the year ended 31<sup>st</sup> March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination, conducted in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India, has been limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For B.R. PANCHOLI & CO.  
CHARTERED ACCOUNTS**

**Place: Mumbai  
Date : 30<sup>th</sup> May, 2012**

**CA. B R PANCHOLI  
PROPRIETOR  
Membership No. 041254**



**AUDITOR'S REPORT**

To,  
The Members,  
M. B. Parikh Finstocks Ltd.

1. I have audited the attached Balance Sheet of **M. B. Parikh Finstocks Ltd** (*"the Company"*) as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.
2. I conducted my audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, I enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to my comments in the Annexure referred to in paragraph 3 above, I report that:
  - (i) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purposes of our audit;
  - (ii) In my opinion, proper books of account, as required by law, have been kept by the Company so far as appears from my examination of those books;
  - (iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (iv) In my opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the Directors, as on 31st March, 2012 and taken on record by the Board of Directors, I report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (vi) In my opinion, and to the best of my information and according to the explanations given to me, the said accounts read together with the Significant Accounting Policies and notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
    - (b) in the case of the Statement of Profit & Loss, of the loss of the Company for the year ended on that date; and
    - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For B. R. Pancholi & Co.,**  
**Chartered Accountants**  
**FRN No. 107285W**

**CA. B R Pancholi**  
**Proprietor**  
**Membership Number: 041254**

**Place: Mumbai**  
**Date : 30.05.2012**



**ANNEXURE TO AUDITOR'S REPORT**

Referred to in paragraph 3 of my report of even date,

- (I) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to me, all the fixed assets have been physically verified by the management during the year, which in my opinion is reasonable regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) In my opinion, the Company has not disposed of a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
- (ii) The Company is a member of National Stock Exchange, a Deposit based trading member of BSE and a Depository Participant of CDSL. Stock in trade of securities in DMAT Account, held in the name of the Company is treated as current investment is verified by the management during the year. No major discrepancy is noticed on verification. In my opinion, the frequency of verification is reasonable.
- (iii) In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms, other parties covered in the Register under section 301 of the Companies Act, 1956:
- The company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms, other parties covered in the Register under section 301 of the Companies Act, 1956:
- (iv) In my opinion and according to the information and explanations given to me, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of securities and fixed assets and for the sale of Investments and services. During the course of our audit, I have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to me, I am of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In my opinion and according to the information and explanations given to me, there are no transactions made in pursuance of contracts or arrangements referred to under section 301 of the Companies Act, 1956.
- (vi) In my opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- (vii) In my opinion, the company has an internal audit system commensurate with the size and nature of its business.
- Internal Audit of the Company for NSE Cash and Derivative segment prescribed vide Circulars dated 22<sup>nd</sup> August, 2008 and 21<sup>st</sup> October, 2008 issued by SEBI is carried out an independent Chartered Accountants.
- (viii) The Company, being a Stock Broker and Depository Participant is not prescribed by the Central Government under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for maintaining cost records.
- (ix) In respect of statutory dues:
- (a) According to the records of the company, it has generally been regular in depositing with appropriate authorities undisputed statutory dues including service tax, stamp duty and other



statutory dues with the appropriate authorities.

(b) According to the information and explanations given to me, no undisputed amounts payables in respect of service tax, stamp duty and other statutory dues were in arrears, as at 31.03.2012 for a period of more than six months from the date they became payable. (c) According to the information and explanations given to me, there are no dues of service tax, stamp duty and other statutory dues which have not been deposited on account of any dispute.

- (x) According to the records of the Company, there are no accumulated losses. Further, the Company has not incurred cash losses during the financial year covered by my audit.
- (xi) Based on my audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank.
- (xii) In my opinion and according to the information and explanations given to me and based on the information available no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In my opinion, the Company is not a chit fund / nidhi/ mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Order are not applicable to the company.
- (xiv) The Company has maintained proper records of the transactions and contracts in respect of trading in shares, securities and timely entries have been made there in. All shares, securities and other investments are held by the company in its own name.
- (xv) The Company has not given guarantees for any loans taken by others from banks or financial institutions.
- (xvi) The Company has taken term loan for Vehicle from banks or financial institutions.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, I am of the opinion that the Company has not raised funds on short-term basis during the year.
- (xviii) According to the information and explanations given to me, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to me during the period covered by my audit report, the Company has not issued any debentures.
- (xx) The Company has not raised any monies through public issues during the year.
- (xxi) According to the information and explanations given to me, no material fraud on or by the Company has been noticed or reported during the course of our audit.

**For B. R. Pancholi & Co.,  
Chartered Accountants**

**Place: Mumbai  
Date: 30.05.2012**

**CA. B R Pancholi  
Proprietor  
Membership Number: 041254**

**Balance Sheet as at 31 March, 2012**

Sno.	PARTICULARS	Note No.	As at 31.03.2012	As at 31.03.2011
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' funds</b>			
	(a) Share capital	3	30,000,000	30,000,000
	(b) Reserves and surplus	4	6,498,677	6,509,329
	(c) Money received against share warrants		-	-
	<b>TOTAL</b>		<b>36,498,677</b>	<b>36,509,329</b>
2	<b>Share application money pending allotment</b>		-	-
3	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	5	507,587	-
	(b) Deferred tax liabilities (net)	25.1	-	170,331
	(c) Other long-term liabilities		-	-
	(d) Long-term provisions		-	-
			<b>507,587</b>	<b>170,331</b>
4	<b>Current liabilities</b>			
	(a) Short-term borrowings		-	-
	(b) Trade payables	6	2,116,543	14,103,126
	(c) Other current liabilities	7	2,200,821	3,117,270
	(d) Short-term provisions	8	55,000	55,000
			<b>4,372,364</b>	<b>17,275,396</b>
	<b>TOTAL</b>		<b>41,378,628</b>	<b>53,955,056</b>
<b>B</b>	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Fixed assets	9.A	1,859,006	1,369,031
	(i) Tangible assets		-	-
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(v) Fixed assets held for sale		1,859,006	1,369,031
	(b) Non-current investments	10	6,321,279	9,853,465
	(c) Deferred tax assets (net)	25.1	249,367	-
	(d) Long-term loans and advances		-	-
	(e) Other non-current assets	11	12,329	255,070
			<b>8,441,981</b>	<b>11,477,566</b>
2	<b>Current assets</b>			
	(a) Current investments	12	5,179,209	4,144,912
	(b) Inventories		-	-
	(c) Trade receivables	13	93,843	1,811,294
	(d) Bank/ Cash balance & Current Assets	14	8,036,441	18,058,423
	(e) Short-term loans and advances	15	18,765,421	18,157,168
	(f) Other current assets	16	861,733	305,693
			<b>32,936,647</b>	<b>42,477,490</b>
	<b>TOTAL</b>		<b>41,378,628</b>	<b>53,955,056</b>
	See accompanying notes forming part of the financial statements			

In terms of our report attached.

**For B R Pancholi & Co**  
**Chartered Accountants****CA B R Pancholi**  
**Proprietor**  
**Place: Mumbai**  
**Date: 30.05.2012****For and on behalf of the Board of Directors****Managing Director**  
**Place: Mumbai**  
**Date: 30.05.2012****Director**




**Statement of Profit and Loss for the year ended 31 March, 2012**

Sno.	PARTICULARS	Note No.	As at 31.03.2012	As at 31.03.2011
<b>1</b>	<b>CONTINUING OPERATIONS</b>			
	Revenue from operations (gross)	17	1,580,294	2,243,968
	Less: Excise duty		0	0
	Revenue from operations (net)		1,580,294	2,243,968
<b>2</b>	Other income	18	2,737,608	2,516,651
<b>3</b>	<b>Total revenue (1+2)</b>		<b>4,317,902</b>	<b>4,760,619</b>
<b>4</b>	<b>Expenses</b>			
	(a) Cost of materials consumed		0	0
	(b) Purchases of stock-in-trade		0	0
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		0	0
	(d) Employee benefits expense	19	1,382,086	1,745,440
	(e) Finance costs	20	283,811	128,940
	(f) Depreciation and amortisation expense	9.B	312,772	270,594
	(g) Other expenses	21	2,769,583	3,995,186
	<b>Total expenses</b>		<b>4,748,252</b>	<b>6,140,160</b>
<b>5</b>	<b>Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		-430,350	-1,379,541
<b>6</b>	Exceptional items		0	0
<b>7</b>	<b>Profit / (Loss) before extraordinary items and tax (5 ± 6)</b>		-430,350	-1,379,541
<b>8</b>	Extraordinary items		0	0
<b>9</b>	<b>Profit / (Loss) before tax (7 ± 8)</b>		-430,350	-1,379,541
<b>10</b>	<b>Tax expense:</b>			
	(a) Current tax expense for current year		-419,698	16,816
	(b) (Less): MAT credit (where applicable)			
	(c) Current tax expense relating to prior years			
	(d) Net current tax expense			
	(e) Deferred tax		-419,698	16,816
<b>11</b>	<b>Profit / (Loss) from continuing operations (9 ± 10)</b>		-10,652	-1,362,725
<b>B</b>	<b>DISCONTINUING OPERATIONS</b>			
<b>12.i</b>	Profit / (Loss) from discontinuing operations (before tax)		0	0
<b>12.ii</b>	Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		0	0

**Statement of Profit and Loss for the year ended 31 March, 2012**

Sno.	PARTICULARS	Note No.	As at 31.03.2012	As at 31.03.2011
12.ii	Add / (Less): Tax expense of discontinuing operations		0	0
	(a) on ordinary activities attributable to the discontinuing operations		0	0
	(b) on gain / (loss) on disposal of assets / settlement of liabilities		0	0
13	<b>Profit / (Loss) from discontinuing operations (12.i+12.ii+12.iii)</b>		0	0
C	<b>TOTAL OPERATIONS</b>			
14	<b>Profit/(Loss) for the year (11+13)</b>		<b>-10,652</b>	<b>-1,362,725</b>
15.i	<b>Earnings per share (of ` 10/- each):</b>			
	(a) Basic			
	(i) Continuing operations	24 a	0	0
	(ii) Total operations	24 b	0	0
	(b) Diluted			
	(i) Continuing operations	24 e	0	0
	(ii) Total operations	24 f	0	0
15.ii	<b>Earnings per share (excluding extraordinary items) (of 10/- each):</b>			
	(a) Basic			
	(i) Continuing operations	24 c	0	0
	(ii) Total operations	24 d	0	0
	(b) Diluted			
	(i) Continuing operations	24 g	0	0
	(ii) Total operations	24 h	0	0
	<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached.

**For B R Pancholi & Co**  
**Chartered Accountants****CA B R Pancholi**  
**Proprietor**  
**Place: Mumbai**  
**Date: 30.05.2012****For and on behalf of the Board of Directors****Managing Director**  
**Place: Mumbai**  
**Date: 30.05.2012****Director**

**Notes forming part of the financial statements**

Note	Particulars
1	<b>Corporate information</b> The company is a member of National Stock Exchange and deals in trading in shares, securities and commodities through recognised stock Exchanges in India.
2	<b>Significant accounting policies</b>
2.01	<b>Basis of accounting and preparation of financial statements</b> The financial statements of the Company have been prepared on accrual basis under the historical cost convention and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 and guidelines issued by SEBI. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
2.02	<b>Use of estimates</b> The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
2.03	<b>Inventories</b> As the company is a finance company it does n't carry stock in trade. Securities held for trading is considered as a current Investment.
2.04	<b>Cash and cash equivalents (for purposes of Cash Flow Statement)</b> Cash comprises cash on hand. Cash equivalents are balance in current accounts with bank(s) and demand deposits with banks (with an original maturity of twelve months or less from the reporting date).
2.05	<b>Cash flow statement</b> Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
2.06	<b>Depreciation and amortisation</b> Depreciation has been provided on the Written down Value Method as per the rates and manner prescribed in Schedule XIV to the Companies Act, 1956 . Assets costing less than ` 5,000 each are fully depreciated in the year of capitalisation



Note	Particulars
2.07	<p><b>Revenue recognition</b></p> <p><b>a. Income from services</b></p> <p>Revenues from Brokerage is recognised on the trade date of transaction upon confirmation of the transaction by recognised Stock Exchange and the client. when services are rendered and related costs are incurred.</p> <p>The Company has trading activities in Derivative segment in Shares and Commodities. Derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.</p> <p><b>b. Other income</b></p> <p>Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.</p>
2.08	<p><b>Tangible fixed assets</b></p> <p>Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.</p>
2.09	<p><b>Investments</b></p> <p>Investments are classified as long term and Current based on their nature and intended holding period. Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.</p> <p>Current investments are carried individually, at the lower of cost and fair value.</p>
2.10	<p><b>Employee benefits</b></p> <p>Employee benefits include salary, allowance and bonus.</p>
2.11	<p><b>Segment reporting</b></p> <p>The Company doesn't have more than one reportable segment in terms of AS-17 "Segment Reporting".</p>
2.12	<p><b>Earnings per share</b></p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, by the number of equity shares considered for deriving basic earnings per share.</p>
2.13	<p><b>Taxes on income</b></p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future</p>



Note	Particulars
	<p>economic benefit associated with it will flow to the Company.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p> <p>Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.</p>
<b>2.14</b>	<p><b>Provisions and contingencies</b></p> <p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.</p>
<b>2.15</b>	<p><b>Derivative contracts</b></p> <p>The Company has trading activities in Derivative segment in Shares and Commodities.</p> <p>Derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.</p>


**Note forming part of the financial statements**

PARTICULARS	As at 31 March,2012		As at 31 March,2011	
	Number of shares		Number of shares	
<b>Note 3 Share Capital</b>				
(a) Authorised	7,500,000	75,000,000	7,500,000	75,000,000
Equity shares of ` 10 each with voting rights	3,000,000	30,000,000	3,000,000	30,000,000
(b) Issued #				
Equity shares of ` 10 each with voting rights	3,000,000	30,000,000	3,000,000	30,000,000
(c) Subscribed and fully paid up				
Equity shares of ` 10 each with voting rights	3,000,000	30,000,000	3,000,000	30,000,000
<b>Total</b>	<b>3,000,000</b>	<b>30,000,000</b>	<b>3,000,000</b>	<b>30,000,000</b>
<b>Note 4 Reserves and surplus</b>				
(a) General reserve				
Opening balance				
Add: Transferred from surplus in Statement of Profit and Loss		668,409		668,409
Less: Utilised / transferred during the year for:				
Issuing bonus shares				
Others (give details)				
Closing balance		668,409		668,409
(b) Surplus / (Deficit) in Statement of Profit and Loss				
Opening balance		5,840,920		7,203,645
Add: Profit / (Loss) for the year		-10,652		-1,362,725
Closing balance		5,830,268		5,840,920
<b>Total</b>		<b>6,498,677</b>		<b>6,509,329</b>



PARTICULARS		As at 31 March,2012		As at 31 March,2011	
<b>Note 5 Long-term borrowings</b>					
a) Term loans		507,587		0	
From banks					
Vehicle Loan (Secured )					
<b>Total</b>		507,587		0	
<b>Notes:</b>					
(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:					
Particulars	Terms of repayment and security*	As at 31 March,2012		As at 31 March,2011	
		Secured	Unsecured	Secured	Unsecured
<u>Term loans from banks:</u>	60 EMI-Vehicle				
ICICI BANK		507,587	0	0	0
Total - Term loans from banks		507,587	0	0	0
Particulars		As at 31 March,2012		As at 31 March,2011	
<b>Note 6 Trade payables *</b>					
Trade payables:		2,116,543		14,103,126	
Acceptances					
Other than Acceptances					
<b>Total</b>		2,116,543		14,103,126	
<b>Note 7 Other current liabilities</b>					
(a) Current maturities of long-term debt		57,279		-	
(b) Other payables		970,000		965,000	
Trade / security deposits received		1,142,897		2,152,270	
Bank Overdraft		30,645		-	
Expenses Payable		2,200,821		3,117,270	
<b>Note 8 Short - term provisions</b>					
(b) Provisions:					
Provision for Expenses		55,000		55,000	
<b>Total</b>		55,000		55,000	



# Notes forming part of the financial statements

## Note 9 Fixed assets

A	Tangible assets	Gross block			
		Balance as at 1 April, 2011	Additions	Disposals	Balance as at 31 March, 2012
	(a) Buildings	1,292,800	0	0	1,292,800
	(b) Plant and Equipment- Computers	3,004,820	65,155	0	3,069,975
	(c) Furniture and Fixtures	1,116,703	0	0	1,116,703
	(d) Vehicles	1,394,993	823,143	1,052,284	1,165,852
	(e) Office equipment	292,256	14,299	0	306,555
	<b>TOTAL</b>	<b>7,101,572</b>	<b>902,597</b>	<b>1,052,284</b>	<b>0</b>
	<b>Previous year</b>	<b>7,383,542</b>	<b>0</b>	<b>281,970</b>	<b>7,101,572</b>





## Notes forming part of the financial statements

### Note 9 Fixed assets

	Tangible assets	Accumulated depreciation and impairment				Net Block	
		Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2012	Balance as at 31 March, 2012	Balance as at 31 March, 2012
	(a) Buildings	518757	38702	0	57459	735341	774043
	(b) Plant and Equipment- Computers	2851091	70179		2921270	148705	153729
	(c) Furniture and Fixtures	1014142	18564	0	1032706	83997	102561
	(d) Vehicles	1178355	167354	952434	393275	772577	216638
	(e) Office equipment	170196	17973	0	188169	118386	122060
	<b>TOTAL</b>	<b>5732541</b>	<b>312772</b>	<b>952434</b>	<b>5092879</b>	<b>1859006</b>	<b>1369031</b>
	<b>Previous year</b>	<b>5556301</b>	<b>270594</b>	<b>94354</b>	<b>5732541</b>	<b>1369031</b>	<b>1827241</b>

B.	Depreciation and amortisation relating to continuing operations: Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Depreciation and amortisation for the year on tangible assets as per Note 12 A Less: Utilised from revaluation reserve Depreciation and amortisation relating to discontinuing operations Depreciation and amortisation relating to continuing operations	312,772 0 312,772	270,594 0 270,594
Details of Assets acquired under Hire Purchase Agreement			
	Particulars	Gross block	Net block
	Motor Car	823,143	689,949
		0	0



Particulars	As at 31 March 2012			As at 31 March 2011		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
<b>Note 10 Non-current investments</b>						
Investments (At cost):						
A. Trade @						
<b>Total - Trade (A)</b>	0	0	0	0	0	0
B. Other investments						
(a) Investment in equity instruments of other entities	0	1,173,000	1,173,000	0	1,173,000	1,173,000
(b) Other non-current investments	0	5,148,279	5,148,279	0	8,680,465	8,680,465
<b>Total - Other Investments (B)</b>	0	6,321,279	6,321,279	0	9,853,465	9,853,465
<b>Total (A+B)</b>	0	6,321,279	6,321,279	0	9,853,465	9,853,465
Less: Provision for diminution in value of investments			0			0
<b>Total</b>			6,321,279			9,853,465
Aggregate amount of quoted investments			0			0
Aggregate market value of listed and quoted investments						
Aggregate value of listed but not quoted investments						
Aggregate amount of unquoted investments						
<b>Note 11 Other non-current assets</b>						
(a) Accruals						
Interest accrued on deposits			12,329			255,070
<b>Total</b>			12,329			255,070



Particulars	As at 31 March 2012			As at 31 March 2011		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
<b>Note 12 Current investments</b>						
A. Current portion of long-term investments (At cost)	0	3,432,186	3,432,186	0	419,535	419,535
(a) Other investments Future & option	119,236	0	119,236	0	0	0
Less: Provision for diminution in value of current portion of long-term investments	119,236	3,432,186	3,551,422	0	419,535	419,535
	0	0	0	0	0	0
<b>Total -Current portion of long-term investments (A)</b>	119,236	3,432,186	3,551,422	0	419,535	419,535
B. Other current investments (At lower of cost and fair value, unless otherwise stated)						
(a) Investment in equity instruments	877,407	0	877,407	2,653,647	0	2,653,647
(v) of other entities Equity shares of Listed Companies	877,407	0	877,407	2,653,647	0	2,653,647
(b) Investment in debentures or bonds	750,380	0	750,380	1,071,730	0	1,071,730
(give details separately for fully / partly paid up debentures / bonds)	750,380	0	750,380	1,071,730	0	1,071,730
(v) of other entities NCD	1,627,787	0	1,627,787	3,725,377	0	3,725,377
<b>Total - Other current investments (B)</b>	1,747,023	3,432,186	5,179,209			
<b>Total - Current investments (A+B)</b>	1,747,023	3,432,186	5,179,209	3,730,000	0	3,730,000
Aggregate market value of listed and quoted investments						

(ii) Current investments includes investments in the nature of "Cash and cash equivalents" (as defined in AS 3 Cash Flow Statements) amounting to 'Nil' (As at 31 March, 2011 'Nil), considered as part of Cash and cash equivalents in the Cash Flow Statement.



<b>PARTICULARS</b>	<b>As at 31 March, 2012</b>	<b>As at 31 March, 2011</b>
<b>Note 13 Trade receivables</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment #		
Secured, considered good		
Unsecured, considered good	0	125,000
Doubtful		
	0	125,000
Less: Provision for doubtful trade receivables	0	0
		125,000
Other Trade receivables		
Secured, considered good		
Unsecured, considered good	93,843	1,686,294
Doubtful		
	93,843	1,686,294
Less: Provision for doubtful trade receivables	0	0
	93,843	1,686,294
<b>TOTAL</b>	<b>93,843</b>	<b>1,811,294</b>
<b>Note 14 Bank/Cash balance &amp; Current Assets</b>		
(a) Cash on hand	29,288	244
(b) Cheques, drafts on hand	0	0
(c) Balances with banks		
(i) In current accounts	1,234,574	146,808
(ii) Balance held in Bank, Margin Money, Security Deposit against borrowing, Guarantee & Commitments, Govt. & Semi-Govt. Authorities, Local Bodies Institutions and other Legal Machineries	6,772,579	17,911,371
<b>TOTAL</b>	<b>8,036,441</b>	<b>18,058,423</b>
<b>Note 15 Short-term loans and advances</b>		
(a) Security deposits		
Unsecured, considered good	6,700,000	6,700,000
(b) Loans and advances to employees		
Unsecured, considered good	30,128	16,628
(c) Prepaid expenses - Unsecured, considered good	31,236	63,872
(d) Balances with government authorities		
Unsecured, considered good		
IT Refund	318,638	672,600
Advance Tax & TDS	185,419	204,068
(e) Inter-corporate deposits		
Unsecured, considered good	7,500,000	7,500,000
(f) Advances		
Unsecured, considered good	4,000,000	3,000,000
<b>TOTAL</b>	<b>18,765,421</b>	<b>18,157,168</b>



<b>PARTICULARS</b>	<b>As at 31 March, 2012</b>	<b>As at 31 March, 2011</b>
<b>Note 16 Other current assets</b>		
Other Current Assets	861,733	305,693
<b>TOTAL</b>	<b>861,733</b>	<b>305,693</b>
<b>Note 17 Revenue from operations</b>		
Sale of services	1,074,465	2,243,968
Other operating revenues	505,289	0
<b>TOTAL</b>	<b>1,579,754</b>	<b>2,243,968</b>
<b>Note 18 Other Income</b>		
Other Income from Sale of Fixed & Current Investments/ Assets, Dividend, Interest & other Govt. / Semi-Govt. refunds and non operating income	2,737,608	2,516,651
<b>TOTAL - OTHER NON-OPERATING INCOME</b>	<b>2,737,608</b>	<b>2,516,651</b>
<b>Note 19 Employee benefits expense</b>		
Salaries and wages	1,363,432	1,736,151
Staff welfare expenses	18,654	9,289
<b>TOTAL</b>	<b>1,382,086</b>	<b>1,745,440</b>
<b>Note 20 Finance costs</b>		
(a) Interest expense on:		
(I) Borrowings	262,554	125,266
(ii) Others		
Interest on delayed / deferred payment of income tax	2,081	0
Bank Charges	19,176	3,674
<b>TOTAL</b>	<b>283,811</b>	<b>128,940</b>
<b>Note 21 Other expenses</b>		
Includes various administrative, Legal, Professional, Office, Information Technology, Statutory-Semi Statutory, Govt. Expenses including Misc. Expenses for running the business	2,769,583	3,995,186
<b>TOTAL</b>	<b>2,769,583</b>	<b>3,995,186</b>
<b>Notes: Additional information to the financial statements</b>		
<b>Note 23 Contingent liabilities and commitments (to the extent not provided for)</b>		
(I) Contingent Liabilities		
(A) Claims against the company / disputed liabilities not acknowledged as debts	9,085,000	9,085,000
<b>Note 24 Employee benefit plans</b>		
As the Number of employees of the Company is below the prescribed limit for registration under the Provident Fund Act and other legislative pertaining to employees. The Company has not made any provision for gratuity and/or retirement funds		
<b>Note 25 Segment information</b>		
The company doesn't have more than one reporting segment in terms of AS-17 "Segment Reporting".		

**Note 26 Details of provisions**

The Company has made provision for expenditure it estimates to incur to meet such obligations, details of which are given below:

Particulars	As at 1 April, 2011	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at 31 March, 2012
Provision for expenses	55,000	55,000	55,000	0	55,000
	(47,250)	(55,000)	(47,250)	0	(55,000)
<b>Total</b>	55,000	55,000	55,000	0	55,000
	(47,250)	(55,000)	(47,250)	0	(55,000)

Of the above, the following amounts are expected to be incurred within a year:

Particulars	As at 31 March, 2012	As at 31 March, 2011
Provision for expenses	55,000	47,250

**Note:** - Figures in brackets relate to the previous year.

**Note 30 Previous year's figures**

The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**CONTINGENT LIABILITIES AND COMMITMENTS**

As at As at 31st March, 2012 31st March, 2011

- (I) Contingent Liabilities
  - (a) Claims against the company / disputed liabilities
  - Not acknowledged as debt
    - (a) In respect of joint ventures – 1
    - (b) In respect of others 1,396 1,666


**Note 23 Disclosures under Accounting Standards**

Note	Particulars									
23.1	<b>Related party transactions</b>					No transactions with related parties except sale and purchase of equity shares in Stock Exchange. The brokerage at the prevailing rate is charged.				
23.1.a	<b>Details of related parties:</b>									
	<b>Description of relationship</b>					<b>Names of related parties</b>				
	Ultimate Holding Company					Not Applicable				
	Holding Company									
	Ultimate Holding Company									
	Subsidiaries									
	Fellow Subsidiaries (to be given only if there are transactions)									
	Associates					Mr. Mahesh Parikh Mrs. Gita Parikh (Wife), Mr. Digant Parikh (Son)				
	Key Management Personnel (KMP)									
	Relatives of KMP									
	Company in which KMP / Relatives of KMP can exercise significant influence					Not Applicable				
	Related parties have been identified by the Management.									
	<b>Details of related party transactions during the year ended 31 March, 2012 and balances outstanding as at 31 March, 2012:</b>									
23.1.b		Ultimate Holding Company	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
	Not Applicable									

**Note 24 Disclosures under Accounting Standards**

Note	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
24	<b>Earnings per share</b>		
24.a	<u>Basic</u>		
	<u>Continuing operations</u>		
	Net profit / (loss) for the year from continuing operations	-10,652	-1,362,725
	Weighted average number of equity shares	3,000,000	3,000,000
	Earnings per share from continuing operations - Basic	0	0
24.b	<u>Total operations</u>		
	Net profit / (loss) for the year	-10,652	-1,362,725
	Weighted average number of equity shares	3,000,000	3,000,000
	Earnings per share - Basic	0	0
24.c	<u>Basic (excluding extraordinary items)</u>		
	<u>Continuing operations</u>		
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items	-10,652	-1,362,725
	Weighted average number of equity shares	3,000,000	3,000,000
	Earnings per share from continuing operations, excluding extraordinary items - Basic	0	0


**Note 24 Disclosures under Accounting Standards**

Note	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
24.d	<u>Total operations</u> Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items Weighted average number of equity shares Earnings per share, excluding extraordinary items - Basic	-10,652 3,000,000 0	-1,362,725 3,000,000 0
24.e	<u>Diluted</u> <u>Continuing operations</u> Profit / (loss) attributable to equity shareholders from continuing operations (on dilution) Weighted average number of equity shares - for diluted EPS Earnings per share, from continuing operations - Diluted	-10,652 3,000,000 0	-1,362,725 3,000,000 0
24.f	<u>Total operations</u> Profit / (loss) attributable to equity shareholders (on dilution) Weighted average number of equity shares for Basic EPS Weighted average number of equity shares - for diluted EPS Earnings per share - Diluted	-10,652 3,000,000 3,000,000 0	-1,362,725 3,000,000 3,000,000 0
24.g	<u>Diluted (excluding extraordinary items)</u> <u>Continuing operations</u> Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items Weighted average number of equity shares for Basic EPS Weighted average number of equity shares - for diluted EPS Earnings per share, from continuing operations, excluding extraordinary items - Diluted	-10,652 3,000,000 3,000,000 0	-1,362,725 3,000,000 3,000,000 0
24.h	<u>Total operations</u> Profit / (loss) attributable to equity shareholders (on dilution) Weighted average number of equity shares for Basic EPS Earnings per share, excluding extraordinary items - Diluted	-10,652 3,000,000 0	-1,362,725 3,000,000 0
	<b>Face value per equity share</b>	<b>10</b>	<b>10</b>




**Note 25 Disclosures under Accounting Standards (contd.)**

Note	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
25.1	<b>Deferred tax (liability) / asset</b>		
	<u>Tax effect of items constituting deferred tax liability</u>		
	On difference between book balance and tax balance of fixed assets	(239,173)	(170,331)
	On expenditure deferred in the books but allowable for tax purposes	0	0
	On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss	0	0
	Others	0	0
	<u>Tax effect of items constituting deferred tax liability</u>	(239,173)	(170,331)
	<u>Tax effect of items constituting deferred tax assets</u>		
	Provision for compensated absences, gratuity and other employee benefits	0	0
	Provision for doubtful debts / advances	0	0
	Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	0	0
	On difference between book balance and tax balance of fixed assets	0	0
	Unabsorbed depreciation carried forward	139,878	0
	Brought forward business losses	348,662	0
	On items included in Reserves and surplus pending amortisation into the Statement of Profit and Loss	0	0
	Others	0	0
	<u>Tax effect of items constituting deferred tax assets</u>	488,540	0
	<b>Net deferred tax (liability) / asset</b>	<b>249,367</b>	<b>(170,331)</b>
	The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Company		


**CASH FLOW STATEMENT**
**M. B Parikh Finstocks Ltd.  
Financial Year Ending on 31.03.2012**

PARTICULARS	For the year ended 31 March, 2012		For the year ended 31 March, 2011	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		-430,350		-1,379,541
<u>Adjustments for:</u>				
Depreciation and amortisation	312,772		176,240	
Operating profit / (loss) before working capital changes		312,772		176,240
<u>Changes in working capital:</u>		(117,578)		(1,203,301)
Adjustments for (increase) / decrease in operating assets:		2691852		-11902808
Current Investment	-1,034,297		-1352627	
Trade receivables	1717451		493441	
Short-term loans and advances	-608253		-11043622	
Non current Investment Long-term loans and advances	3,532,186		0	
Other current assets	-556040		0	
Other non-current assets	-359195		0	
Adjustments for increase / (decrease) in operating liabilities:		-12903032		11165376
Trade payables	-11,986,583		11357626	
Other current liabilities	-916449		0	
Short-term provisions	0		-192250	
Cash flow from extraordinary items		(10,328,758)		(1,940,733)
Cash generated from operations		0		0
Net income tax (Incl.Deferred Tax )		(10,328,758)		(1,940,733)
		0		-5627
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(10,328,758)</b>		<b>(1,946,360)</b>
<b>B. Cash flow from investing activities</b>		-702,597		281970
Capital expenditure on fixed assets, including capital advances	902,597		0	
Proceeds from sale of fixed assets	200,000		281970	
Inter-corporate deposits (net)	0		0	
Cash flow from extraordinary items	0	0	0	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>-702,597</b>		<b>281,970</b>

**CASH FLOW STATEMENT****M. B Parikh Finstocks Ltd.  
Financial Year Ending on 31.03.2012**

<b>PARTICULARS</b>	<b>For the year ended 31 March, 2012</b>		<b>For the year ended 31 March, 2011</b>	
<b>C. Cash flow from financing activities</b>		1,00,9373		-1030173
Proceeds from long-term borrowings	0		0	
Repayment of long-term borrowings	0		0	
Proceeds from other short-term borrowings	0		0	
Repayment of other short-term borrowings	1,009,373		-1030173	
Finance cost	0		0	
	0	0	0	0
Cash flow from extraordinary items				
<b>Net cash flow from / (used in) financing activities (C)</b>		1,009,373		(1,030,173)
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		(10,021,982)		(2,694,563)
Cash and cash equivalents at the beginning of the year		18,058,423		20752986
<b>Cash and cash equivalents at the end of the year</b>		8,036,441		18,058,423
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents as per Balance Sheet (Refer Note 14)		8,036,441		18,058,423
<b>Cash and cash equivalents at the end of the year *</b>		8,03,6441		18058423
* Comprises:				
(a) Cash on hand		29288		244
(b) Cheques, drafts on hand		0		0
(c) Balances with banks				
(i) In current accounts		1234574		146808
(ii) In deposit accounts with original maturity of less than 3 months		2972579		14111371
(iii) In earmarked accounts (Refer Note (ii) below)		3800000		3800000
(d) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 16 Current investments)		0		0
		<b>8036441</b>		<b>18058423</b>
<b>See accompanying notes forming part of the financial statements</b>				
In terms of our report attached.				
<b>For B R Pancholi &amp; Co</b>		<b>For and on behalf of the Board of Directors</b>		
<b>Chartered Accountants</b>				
<b>CA B R Pancholi</b>		<b>Managing Director</b>		<b>Director</b>
<b>Proprietor</b>		<b>Place: Mumbai</b>		
<b>Place: Mumbai</b>		<b>Date: 30.05.2012</b>		
<b>Date: 30.05.2012</b>				

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

(Submitted in items of Part IV of Schedule VI to the Companies Act, 1956)

**I Registration Details**

Registration No. : 21759                      State Code : 04  
 Balance Sheet Date : 31.03.2012

**II Capital Raised During the year (Amt. Rs. '000)**

Public Issue	Rights Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

**III Position of mobilisation and deployment of funds (Amt. Rs. '000)****SOURCES OF FUNDS**

Total Liabilities	Total Assets
41378	41378
Paid up Capital	Reserves & Surplus
30000	6498
Secured Loans	Unsecured Loans
507	0.00
	Deferred Tax Liabilities
	(249)

**APPLICATION OF FUNDS**

Investments	Net Fixed Assets
6321	1859
Net Current Assets	Stock Exchange Card
21618	6700

**IV Performance of the Company (Amt. Rs. '000)**

Total Income	Total Expenditure
4317	4748
Profit Before Tax	Profit After Tax
(419)	(10)
Earning per share (Annualised) in Rs.	Dividend
Nil	Nil

**V Generic Names of three principal services of the Company (As per monetary terms)**

Item Code No. : N.A.  
 Product Description : N.A. (NSE BROKER & CONSULTANCY SERVICES)



## **M. B. Parikh Finstocks Ltd.**

**Regd. Office:** 705, Galav Chambers, Sayajigunj, Vadodara – 390 005. Tel./Fax : (0265) 2362 909  
Email : [mbpfin@vsnl.com](mailto:mbpfin@vsnl.com) Website: [www.mbpfin.com](http://www.mbpfin.com)

**Corp. Office:** 209/10, Heena Arcade, S.V. Road, Jogeshwari (W), Mumbai-400102  
Tel.: 2679 0434, Fax : 2679 0463  
Email : [mbpfin@vsnl.com](mailto:mbpfin@vsnl.com) Website: [www.mbpfin.com](http://www.mbpfin.com)

Dear Shareholder(s),

**Sub: Green Initiative of Ministry of Corporate Affairs - Registration of E-mail address.**

As a responsible corporate citizen, the Company supports the 'Green initiative' taken by the Ministry of Corporate Affairs (MCA) vide its Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011. In terms of the said Circulars, the Company will henceforth effect electronic delivery of documents including annual reports, notice of meetings etc. to the members at the e-mail address registered for this purpose.

**For supporting the above 'Green Initiative' of MCA -**

**If you are holding shares in Electronic Form:**

Please intimate your e-mail address to your Depository Participant (DP). The same will be deemed to be your registered e-mail address for serving notices/documents.

**If you are holding shares in Physical Form:**

Please send a request in enclosed postage stamp paid post card mentioning your e-mail address & Folio Number, duly signed by the sole/first holder as per the specimen signature recorded with us, to M/s M. B. Parikh Finstocks Ltd. Corporate Office address at Mumbai.

Please note that if you do not register your e-mail address as above, a physical copy of the Annual Report and other documents will be sent to you as per the current practice.

**Please also note** that the Annual Report and other documents which are sent electronically to shareholders will also be displayed on the Company's website [www.mbpfin.com](http://www.mbpfin.com)

**For M. B. Parikh Finstocks Ltd.**

**Company Secretary**

**ATTENDANCE SLIP****M.B. PARIKH FINSTOCKS LIMITED**

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

Please complete this attendance slip and hand it over at the entrance of the hall.

I, hereby record my attendance at the Seventeenth Annual General Meeting to be held on Saturday, 11<sup>th</sup> August, 2012 at the Registered Office: 705, Galav Chambers, Sayajigunj, Vadodara, 390 005 at 12.30 p.m.

NAME & ADDRESS OF THE SHAREHOLDER (IN BLOCKS CAPITALS)	FOLIO NO.

SIGNATURE OF THE SHARE HOLDER OR PROXY \_\_\_\_\_

**PROXY****M.B. PARIKH FINSTOCKS LIMITED**

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

DP ID:	CLIENT ID:	FOLIO NO:

I/We \_\_\_\_\_ of \_\_\_\_\_  
Of \_\_\_\_\_ Being a Member /Members of  
M.B.PARIKH FINSTOCKS LIMITED hereby appoint \_\_\_\_\_ of \_\_\_\_\_ (or failing  
him) \_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_  
of \_\_\_\_\_ as my/ our Proxy to attend and vote for me/us and on my/our behalf at the  
Seventeenth Annual General Meeting of the Company to be held on Saturday, 11<sup>th</sup> August 2012 at the  
Registered Office at 705, Galav Chambers, Sayajigunj, Vadodara 390 005, at 12.30 p.m. and at any  
adjournment thereof.

AS WITNESS my hand/our hands this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Signed by the said

NOTE: The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the Meeting. The Proxy need not be a member of the Company.

Name of the Shareholder(s): \_\_\_\_\_

If Undelivered pleas return to :  
**M. B. PARIKH FINSTOCKS LTD.**  
209/10, Heena Arcade  
S.V. Road, Jogeshwari (W),  
Mumbai – 400 102.  
Tel. : 2679 0434/Fax: 2679 0463  
Website : [www.mbpfin.com](http://www.mbpfin.com)  
EMAIL : [mbpfin@vsnl.com](mailto:mbpfin@vsnl.com)