

BOARD OF DIRECTORS

Mr. Mahesh B. Parikh	Chairman
Mr. Digant M. Parikh	Managing Director & Chief Executive Officer
Mrs. Sudha P. Kapadia	Director
Mr. Govind Rathi (FCA)	Director
Mr. Lalit Dalal (FCA)	Director
Mr. Jitendra Sharma (FCA)	Director

LEADERSHIP TEAM

Mr. Santosh Patole	Chief Financial Officer
Mr. Imtiyazul Hasan	Chief Operating Officer & Compliance 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
Website: www.mbpfin.com

CORPORATE OFFICE

209/10, Heena Arcade
S.V. Road, Jogeshwari (W),
Mumbai – 400 102.
Tel. : 2679 0434
Fax : 2679 0463
Website: www.mbpfin.com
Email : mbpfin@bom5.vsnl.net.in

N O T I C E

Notice is hereby given that the **Seventeenth Annual General Meeting** of the Shareholders of **M.B. PARIKH FINSTOCKS LIMITED** will be held on Saturday, 20th August 2011 at the registered office of the Company situated at 705, Galav Chambers, Sayajigunj, Vadodara, 390 005 at 12.00 p.m. to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider, and adopt the Audited Balance Sheet as at 31st March, 2011 and the Audited Profit and Loss Account for the year ended 31st March, 2011 and the Report of the Directors and the Auditors thereon.
- 2) To appoint a Director in place of Mr. Jitendra Sharma, who retires by rotation and being eligible offers himself for reappointment.
- 3) To appoint Auditors of the Company and to fix their remuneration.

Dated : 29th June, 2011
Place : Mumbai

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

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

DIGANT M. PARIKH
MANAGING DIRECTOR.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Register of the Company will remain closed from **12th August 2011 to 20th August 2011** (both the days inclusive).
4. The members are requested to :
 - a) Intimate changes, if any, in their Registered address to the Company's Share Transfer Agent M/s. 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 Seventeenth Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2011.

1. FINANCIAL RESULTS

(Rs. in Lacs)

	Year Ended 31/03/2011	Year Ended 31/03/2010
Profit before Tax	(13.80)	9.81
Less : Provision for Taxation	0.05	1.33
Add : Prior period adjustment/(deferred tax liability)	(0.22)	(0.10)
Profit after Tax		8.38
Balance b/f	(13.63)	70.34
Balance carried to balance sheet	65.09	78.72

2. OPERATIONS / DIVIDEND

The year witnessed recession and downturn in capital market the Company suffered a loss of Rs. 14.23 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 31.03.2011. We hope to reverse these adverse features in current year.

3. DIRECTORS

Mr. Jitendra Sharma 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 2010 – 2011.

8. INSURANCE

All the assets of the Company are insured.

9. HUMAN RESOURCES

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

10. CODE OF CONDUCT

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

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

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

12. DIRECTORS RESPONSIBILITY STATEMENT

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

- i) That in the preparation of the Annual Accounts for the financial year 31st March, 2011, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- iv) That the Directors have prepared the Accounts for the financial year ended 31st March, 2011 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.

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

Dated : 29th June, 2011

Place : Mumbai

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

MAHESH B. PARIKH
CHAIRMAN

FORM
[SEE RULE 3]
COMPLIANCE CERTIFICATE

To
The Members,
M. B. PARIKH FINSTOCKS LIMITED

We have examined the registers, records, books and papers of M. B. PARIKH FINSTOCKS LIMITED, (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The company is a public limited company and the restrictions mentioned in section 3(1)(iii) of the Act is not applicable to public limited companies.
4. The Board of Directors duly met 5 times on 30th April, 2010, 10th June, 2010, 31st July, 2010, 30th October, 2010 and 31st January, 2011 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 7th August, 2010 to 14th August, 2010 (both days inclusive) during the financial year after complying with the provisions of Section 154 of the Companies Act, 1956.
6. The annual general meeting for the financial year ended on 31st March, 2010 was held on 14th August, 2010 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. However the Company's Registrar and Transfer Agent has effected the transfer of Equity Shares in physical mode after complying the provisions of the Act and in respect of transfer in Demat mode the same was done by the Depositories 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. There were no changes among Directors during the financial year.
15. No Whole Time Director /Manager were appointed during the financial year. The Company has appointed Mr. Digant Parikh as Managing Director of the Company w e f 1st July, 2008 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

Place : Mumbai
Date : 29th June, 2011

(SANJAY R. DHOLAKIA)
Practising Company Secretary
Proprietor
FCS2655 CP 1798

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 : 29th June, 2011

(SANJAY R. DHOLAKIA)
Practising Company Secretary
Proprietor
FCS2655 CP 1798

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 31st March, 2011.

1. Form 23AC for Balance Sheet as at 31st March, 2010 and Form 23ACA for Profit & Loss Account for the year ended 31st March, 2010 filed with the Registrar of Companies, Gujarat on 16th August, 2010.
2. Form 20B for Annual Return made up to 14th August, 2010 filed with the Registrar of Companies, Gujarat on 13th September, 2010.
3. Form 66 for Compliance Certificate as per the provisions of Section 383A of the Companies Act, 1956 for the financial year ended 31st March, 2010 was filed with the Registrar of Companies, Gujarat on 16th August, 2010.
4. Form 61 in respect of Calendar of Events for passing the resolution thru Postal ballot was filed with the Registrar of Companies, Gujarat on 15th July, 2010.
5. Form 23 in respect of Special resolution passed through Postal ballot was filed with the Registrar of Companies, Gujarat on 1st September, 2010.
6. Form 20A in respect of Special resolution passed through Postal ballot for Commencement of new business was filed with the Registrar of Companies, Gujarat on 1st September, 2010.

For Sanjay Dholakia & Associates

Place : Mumbai
Date : 29th June, 2011

(SANJAY R. DHOLAKIA)
Practising Company Secretary
Proprietor
FCS2655 CP 1798

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 6 Directors as on 31st March, 2011. The composition and category of Directors on the Board of the Company are:

Managing Director

Mr. Digant M. Parikh

Non-executive Director

Mr. Mahesh B. Parikh

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, 2010 to March, 2011 i.e. 30.04.2010, 10.06.2010, 31.07.2010, 30.10.2010 & 31.01.2011.

iv) Attendance of Directors:

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

v) 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	Marksans Pharma Ltd. Career Launchers Education Infrastructure and Services Ltd.
Mr. Digant Parikh	Akansha Consultancy Services Ltd.
Mr. Jitendra M. Sharma	Relonchem Ltd Novapharmaceuticals Australasia Pty Ltd.

vi) 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 2010 – 2011 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)
30.04.10	Yes	Yes	Yes
10.06.10 *	Yes	Yes	Yes
31.07.10	Yes	Yes	Yes
30.10.10	Yes	Yes	Yes
31.01.11	Yes	Yes	Yes

* 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.

The Remuneration Committee held two meetings as under –

Member	31.7.10	31.01.11
Mr. Mahesh Parikh	Yes	Yes
Mr. Lalit Dalal	Yes	Yes
Mr. Govind Rathi	Yes	Yes

The details of remuneration paid to the Managing Director during the year ended 31st March, 2011 is given as follows

Director	Position	Remuneration	Service Contract
Mr. Digant M. Parikh *	Managing Director	Rs.24,00,000 p.a. **	5 Years

* Appointed w. e .f. 1st July, 2008.

** Actually Paid Rs.6,00,000 p.a.

NOTES:

1. The Company has paid compensation by way of sitting fees to the Directors of the Company except Mr. Mahesh Parikh –Chairman & Mr. Digant Parikh – Managing Director.
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.
3. In view of lack luster capital market and its adverse impact on operations of the company, Mr. Digant M Parikh – Managing Director continued to draw only Rs. 50,000 p.m. as against Rs. 2,00,000 p.m. as approved by members of the company at the AGM convened on 26.7.08.

4. Equity shares of the Company held by non-executive Directors are as follows:

Directors	No. of shares held as on 31st March, 2011	No. of shares held as on 31st March, 2010
Mrs. Sudha Kapadia	600	600
Mr. Lalit Dalal	-	-
Mr. Mahesh Parikh	3,02,100	3,02,100
Mr. Govind Rathi	-	-
Mr. Jitendra Sharma	-	-

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, 2011.

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 2010 – 2011 the Shareholders / Investors' Grievances Committee has met 4 times and all the members of the Shareholders / Investors' Grievances Committee remained present.

VI. GENERAL BODY MEETINGS

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

Financial Year	Date	Location	Time
31 st March, 2008	26 th July, 2008	Registered Office	12.30 p.m.
31 st March, 2009	14 th August, 2009	Registered Office	1.00 p.m.
31 st March, 2010	14 th August, 2010	Registered Office	1.00 p.m.

Notes:

The Company passed Special resolution for Alteration of Object Clause and Commencement of New Business by Postal Ballot along with the Annual General Meeting held on 14th August, 2010.

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 2010 – 2011.
- 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

20th August, 2011

Financial Year

1st April 2010, to 31st March 2011

Book Closure

12th August 2011 to 20th August 2011 (both days inclusive)

Dividend

No dividend was declared for last financial year.

Dividend declared in earlier years; year ending

31 st March, 2006	-	Nil
31 st March 2007	-	Nil
31 st March 2008	-	Nil

31st March 2009 - Nil

31st March, 2011 - 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

Registrar & Transfer Agents

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 2010	10.24	10.90	8.81	10.47	8396
May 2010	10.49	11.35	10.41	10.75	361
June 2010	10.55	11.31	9.06	11.20	6711
July 2010	11.20	11.35	9.75	10.00	6633
August 2010	9.51	11.49	9.50	11.49	6671
September 2010	11.94	11.96	10.38	10.99	7283
October 2010	10.45	12.44	10.45	11.97	2212
November 2010	12.38	12.95	11.12	11.12	8639
December 2010	11.60	13.00	10.39	11.75	1292
January 2011	12.30	13.70	12.17	13.70	176
February 2011	13.35	13.35	12.36	12.36	247
March 2011	11.75	11.75	11.75	11.75	500
Total					49121

Shareholding Pattern

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

No. of Equity shares held	No. of shareholders	% of shareholders	Share amount (Rs. in lacs)	% of shareholding
Upto 5000	2631	87.0900	4064360	13.5480
5001 – 10000	199	6.5870	1657590	5.5250
10001 – 20000	106	3.5090	1542910	5.1430
20001 – 30001	26	0.8610	635490	2.1180
30001 – 40000	17	0.5630	594810	1.9830
40001 – 50000	8	0.2650	374110	1.2470
50001 – 100000	12	0.3970	898210	2.9940
100001 & above	22	0.7280	20232520	67.4420
Total	3021	100.0000	30000000	100.0000

Pattern of shareholding by ownership as on 31st March, 2011.

Category	No. of Shares Held	% of Shareholding
A. Promoter's Holding		
1 Promoters		
-Indian Promoters	13,70,135	45.67
-Foreign Promoters		
2 Person Acting In Concert	2,80,500	9.35
Sub – Total	16,50,635	55.02
B. Non – Promoter's Holding		
3 Institutional Investors		
a Mutual Funds & UTI	-	-
b Banks, FIs, Insurance Cos., (Central/ State Govt. Inst., Non-Govt. Inst.)	-	-
c FIIS	-	-
Sub – Total	-	-
4 Others		
a Private Corporate Bodies	46,960	1.57
b Indian Public	12,89,536	42.98
c NRIs/OCBs FIIS	400	0.01
d NRN	200	0.01
e Any other (please specify) (Clearing Member)	12,269	0.41
Sub – Total	-	-
Grand – Total	30,00,000	100.00

Dematerialization of shares and liquidity

The Company's shares are dematerialized.

70.30% of the Share Capital is dematerialized as on 31st March, 2011.

Registered Office

705, Galav Chambers, Sayajigunj,
Vadodara, 390 005.
Telfax No. (0265) 23 62 909
Website: www.mbpfin.com
Email : mbfin@bom5.vsnl.net.in

Corporate Office:

Heena Shopping Arcade, 2nd Floor,
Office No. 9 & 10, S. V. Road,
Jogeshwari (West), Mumbai – 400 102.
Tel. No. (022) 2679 0434 / 2103 / 2105
Fax No. (022) 2679 0463
Website: www.mbpfin.com
Email : mbfin@bom5.vsnl.net.in

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 2010-11.

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

Place : Mumbai
Date : 29th June, 2011

DIGANT M. 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 31st March, 2011.

**DIGANT PARIKH
MANAGING DIRECTOR**

**Place : Mumbai
Date : 29th June, 2011**

AUDITORS COMPLIANCE CERTIFICATE

TO THE MEMBERS OF M.B. PARIKH FINSTOCKS LIMITED :

We have read the Report of Board of Directors on Corporate Governance and have examined the compliance of conditions of Corporate Governance by M.B. Parikh Finstocks Limited for the year ended 31st March, 2011 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. Our examination, conducted in the manner described in the 'Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India, was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. Our examination is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance(s) were pending again the Company record maintained by the Shareholders/ Investors Grievance Committee.

We further state that such compliance is neither an assurance 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 ACCOUNTANTS**

**Place : Mumbai
Date : 29th June, 2011**

**CA B.R. PANCHOLI
PROPRIETOR
Membership No.41254**

AUDITORS' REPORT

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

1. We have audited the attached Balance Sheet of M. B. Parikh Finstocks Ltd., (“*The Company*”) as at 31st March, 2011, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company’s Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we 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. We believe that our 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, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Considering the nature of the business of the Company, the net gain or loss is considered as turnover of the Company for the year as it is not possible for us to come to verify the turnover from delivery based transactions and transactions which are squared up the same day they are entered into, in view of non-availability of information at hand.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply 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, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 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 our opinion, and to the best of our information and according to the explanations given to us, the said accounts 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, 2011;
- (b) in the case of the Profit & Loss Account, 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 of the Company for the year ended on that date.

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

**Place: Mumbai
Date : 29th June, 2011**

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

ANNEXURE TO THE AUDITORS' REPORT

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

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All the assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company has not disposed of a substantial part of fixed assets during the year and such disposal has, in our opinion, not affected the Going Concern status of the Company.

(ii) The Company is a member of National Stock Exchange, a Deposit based trading member of BSE and a Depository Participant of CDSL. All the inventories are held under DEMAT form and are verified by the management time-to-time. No major discrepancy is noticed on verification. In our opinion, the frequency of verification is appropriate in view of the size and nature of operation of the Company.

(iii) According to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and therefore, the provisions of Clause (iii) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, 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, fixed assets and rendering of broking services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.

(v) (a) According to the information and explanations given to us, we are 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 our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements referred to under section 301 of the Companies Act, 1956.

(vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business. The major source of income is brokerage from NSE Cash and Futures & Options segments. Internal audit of the said segment activities

is performed by “Mehta Sanghvi & Associates, Chartered Accountants, Mumbai in view of prescription of SEBI vide Circulars dated 22nd August, 2008 and 21st October, 2008.

(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) (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including service tax, stamp duty and other material statutory dues.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

(b) According to the information and explanations given to us, no undisputed amounts payables in respect of service tax, stamp duty and other material statutory dues were in arrears, as at 31.03.2011 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of service tax, stamp duty and other material statutory dues which have not been deposited on account of any dispute.

(x) In our opinion, there are no accumulated losses. Further, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debentures holders.

(xii) We are of the opinion that the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor’s Report) Order, 2003 are not applicable to the Company.

(xiv) In our opinion, the Company has maintained proper records of the transactions and contracts and timely entries of the same have been made in the books of accounts. Also the shares, securities, debentures and other investments are held by the Company in its own name.

(xv) In our opinion, the Company has not given guarantees for any loans taken by others from banks or financial institutions.

(xvi) The Company has not taken any term loans 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, we report that the no funds were raised on short-term basis during the year.
- (xviii) According to the information and explanations given to us, 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 us during the period covered by our audit report, the Company has not issued any debentures.
- (xx) No money has been raised through public issues during the year.
- (xxi) According to the information and explanations given to us, no 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 : 29th June, 2011**

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

M B PARIKH FINSTOCKS LTD.

BALANCE SHEET AS AT 31ST MARCH, 2011

(Amount in Rs.)

	Schedule	As At 31.03.2011	As At 31.03.2010
SOURCES OF FUNDS:			
Shareholders Funds:			
a) Capital	1	30000000	30000000
b) Reserves & Surplus	2	6509329	7872053
Loan Funds:			
Secured Loans	3	1129644	2159817
Deferred Tax Liability		170331	192775
TOTAL		37809304	40224645
APPLICATION OF FUNDS:			
Fixed Assets:			
a) Gross Block	4	7101572	7383542
b) Less: Depreciation		5732541	5556301
c) Net Block		1369031	1827241
Investments	5	11244730	8173000
Stock Exchange Card	6	6500000	6500000
Current Assets, Loans and Advances:			
a) Sundry Debtors	7	2011294	2504735
b) Stock In Trade / Investment in Securities		2653647	4372750
c) Cash & Bank Balance	8	26119185	20752986
d) Loan, Advances and Deposits	9	4057168	1074308
		34841294	28704779
Less:			
Current Liabilities and Provisions:			
a) Liabilities	10	16090751	4733125
b) Provisions		55000	247250
		16145751	4980375
NET CURRENT ASSETS		18695543	23724404
TOTAL		37809304	40224645
Statement of Significant Accounting Policies and Notes on Accounts	11		

The schedules referred to above are an integral part of the Balance Sheet.

As per our report of even date
For **B.R. PANCHOLI & CO.,**
CHARTERED ACCOUNTANTS
FRN:107285W

CA. B R PANCHOLI
PROPRIETOR
Membership No.041254

Place : Mumbai
Date :

For and on behalf of the Board

Mahesh Parikh – Chairman

Digant Parikh - Managing Director

Govind Rathi - Director

Lalit Dalal - Director

M B PARIKH FINSTOCKS LTD.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011 (Amount in Rs.)

	Schedule	As At 31.03.2011	As At 31.03.2010
INCOME :			
Income from Operations	12	3337443	6961656
EXPENDITURE :			
Operating Expenses	13	1950563	1871543
Interest and Financial Charges	14	128940	147828
Staff Cost	15	1745440	1589743
Valuation Allowance		621447	1989606
Depreciation	16	270594	381491
		4716984	5980211
PROFIT BEFORE TAX		-1379541	981445
Less:			
Provision for Tax (Net)		5627	133602
Deferred Tax (Current)		-22444	9785
PROFIT AFTER TAX		-1362724	838058
BALANCE CARRIED FORWARD		-1362724	838058
Earnings Per Share			0.28
Statement of Significant Accounting Policies and Notes on Accounts	11		

The schedules referred to above are an integral part of the Balance Sheet.

For and on behalf of the Board

**As per our report of even date
For B.R. PANCHOLI & CO.,
CHARTERED ACCOUNTANTS
FRN:107285W**

Mahesh Parikh - Chairman

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

Digant Parikh - Managing Director

Place : Mumbai
Date :

Govind Rathi - Director

Lalit Dalal - Director

Schedules to the Balance Sheet

(Amount in Rs.)

	AS AT 31.03.2011	AS AT 31.03.2010
SCHEDULE - 1 - SHARE CAPITAL		
a) Authorised : 7,500,000 Equity shares of Rs. 10/- each (Previous Year: 7,500,000)	75,000,000	75,000,000
b) Issued, Subscribed and Fully Paid-up 3,000,000 Equity shares of Rs. 10/- each (Previous Year: 3,000,000)	30,000,000	30,000,000
	30,000,000	30,000,000
SCHEDULE - 2 - RESERVES & SURPLUS		
a) General Reserve Balance as per last Balance Sheet	668,409	668,409
b) Profit and Loss Account Balance as per last Balance Sheet	7,203,644	6,365,586
Credit Balance in Profit & Loss Account	-1,362,724	838,058
	5,840,920	7,203,644
	6,509,329	7,872,053
SCHEDULE - 3 - SECURED LOANS :		
Overdrafts from Banks (Secured by Term Deposits)	1,129,644	2,159,817
	1,129,644	2,159,817
SCHEDULE - 5 - INVESTMENTS		
Long Term Investments (At Cost)		
a) Quoted NCDs	1,071,730	0
b) Unquoted, fully paid-Up Akansha Consultancy Services Ltd. 53,300 Equity Shares of Rs. 10/- each (Prevoius Year: 3,300 Equity Shares of Rs. 10/- each)	533,000	33,000
Carrier Launcher Education & Infrastructure Services Ltd. 4,000 Equity Shares of Rs. 160/- each	640,000	640,000
c) Fund Investment India Business Excellence Fund	9,000,000	7,500,000
	11,244,730	8,173,000

(figures in Rs.)

	AS AT 31.03.2011	AS AT 31.03.2010
SCHEDULE - 6 - STOCK EXCHANGE DEPOSITS		
NSE Cash Segment	5,000,000	5,000,000
Future & Option Segment	900,000	900,000
Central Depository Services Ltd.	500,000	500,000
NSE Vsat Deposit	100,000	100,000
	6,500,000	6,500,000
SCHEDULE - 7 - SUNDRY DEBTORS		
Unsecured and Considered Good		
1) Debts outstanding for a period exceeding six months	125,000	125,000
2) Other Debts - Clients	98,082	250,810
3) Stock Exchange F&O Segment	1,788,212	2,128,925
	2,011,294	2,504,735
SCHEDULE - 8 - CASH & BANK BALANCES		
1) Cash on hand	244	595
2) With Scheduled Banks		
a) In Current Accounts	146,808	1,393,481
b) In fixed Deposit Account	25,972,133	19,358,910
	26,119,185	20,752,986
SCHEDULE - 9 - LOANS AND ADVANCES		
Corporate Tax Refund Due	672,600	681,960
Other Advances (Staff) / Deposit	16,628	26,783
Prepaid Expenses	63,872	59,298
Tax Deducted at Source	204,068	206,267
Advance for Purchase of Fixed Assets	3,000,000	0
Share Application Money Prathmesh Edu-Infra Pvt. Ltd.	100,000	100,000
	4,057,168	1,074,308
SCHEDULE - 10 - CURRENT LIABILITIES & PROVISIONS		
a) Current Liabilities		
Sundry Creditors-Clients	9,245,783	2,419,718
Sundry Creditors-Stock Exchange	4,835,059	902,136
Creditors for Expenses	16,283	117,536
Balance with Banks (Cr.)	1,022,626	0
TDS Payable	6,000	0
Security Deposit from Client	965,000	1,293,735
	16,090,751	4,733,125
b) Provisions		
Provisions for Expenses	55,000	47,250
Provisions for Corporate Tax	0	200,000
	55,000	247,250
	16,145,751	4,980,375

Schedules to the Profit & Loss Account

(figures in Rs.)

	AS AT 31.03.2011	AS AT 31.03.2010
SCHEDULE - 12 - INCOME		
Brokerage	1,977,071	1,856,010
Depository Service	74,275	29,024
Income from Business Activities - Securities/Commodity	-1,423,176	1,809,796
Other Income	192,622	817,752
Interest Income (includes TDS Rs. 204,068/- Prev. Year Rs. 206,267/-)	1,892,921	1,721,556
Profit on Sale of Capital Asset	587,384	692,116
Dividend Income	36,346	35,402
	3,337,443	6,961,656
SCHEDULE - 13 - OPERATING EXPENSES		
Audit Fees	55,000	54,000
Stock Exchange Related Expenses	452,072	435,572
Establishment Expenses	1,443,491	1,381,971
	1,950,563	1,871,543
SCHEDULE - 14 - FINANCIAL OVERHEADS		
Bank Charges	3,674	5,077
Interest on Bank Overdraft	125,266	142,751
	128,940	147,828
SCHEDULE - 15 - PAYMENT TO EMPLOYEES		
Managing Director Remuneration	600,000	600,000
Salaries, Allowances & Bonus	1,145,440	989,743
	1,745,440	1,589,743
SCHEDULE - 16 - Depreciation as per Sch. XIV of the Companies Act, 1956	270,594	381,491
	270,594	381,491

M. B. Parikh Finstocks Ltd.

Particulars of Depreciation Allowable under Income Tax

Statement No. : 3 :

FORMING PART OF FORM 3CD ITEM NO:14

Depreciation allowable as per I.T. Act, 1961 on Block of Fixed Assets

For the Financial year 2010-11

Particulars	W.D.V. as on 01.04.2010	Additions (Deletions) Before 30.09.2010	Additions (Deletions) After 01.10.2010	Total Amount	Rate of Dep. (%)	Dep. Amt.	W.D.V. as on 31.03.2011
Immovable Properties							
Office Premises	-	-	-	-	5	-	-
Other Premises	-	-	-	-	5	-	-
Total	-	-	-	-		-	-
Office Equipment							
Computer	177,396	-	-	177,396	60	106,438	70,958

Office Equipment	8,205			8,205	15	1,231	6,974
Total	185,601	-	-	185,601		107,668	77,933
Furniture & Fixtures	142,539		-	142,539	10	14,254	128,285
Vechile	506,926	-		506,926	15	76,039	430,887
Total	835,066	-	-	835,066		197,961	637,105

Schedule 4

Depreciation on Fixed Assets in accordance with Sch. XIV of the Companies Act, 1956

FY 2010-11

Particulars	Gross Block			Depreciation			
	As at 01.04.2010	Addition/ Deletion	As at 31.03.2011	As at 01.04.2010	Addition/ Deletion	For the Year	As at 31.03.2011
Immovable Properties	1,574,770	(281,970)	1,292,800	563,074	(94,354)	50,037	518,757
EDP Machine & Computers	3,004,820	-	3,004,820	2,748,606	-	102,485	2,851,091
Vehicles	1,394,993	-	1,394,993	1,102,671	-	75,684	1,178,355
Office Equipment	292,256	-	292,256	150,476	-	19,720	170,196
Furniture & Fixture	1,116,703	-	1,116,703	991,474	-	22,668	1,014,142
Total	7,383,542	(281,970)	7,101,572	5,556,301	(94,354)	270,594	5,732,541
Previous Year	8,164,070	(780,528)	7,383,542	5,424,657	(249,847)	381,491	5,556,301

Depreciation on Fixed Assets as per Sch. XIV of the Companies Act,1956

Particulars	WDV as on 01.04.2010	Addition / Deletion	Total Amount	Rate of Dep. (%)	Dep. Amt.	WDV as on 31.03.2011
Office Premises(Heena)	814,783	0	814,783	5.00	40,740	774,043
Office Premises(Rajkot)	196,913	-187,616	9,297	5.00	9,297	0
Computer	256,214	0	256,214	40.00	102,485	153,729
Office Equipment	141,780	0	141,780	13.91	19,720	122,060
Furniture & Fixtures	125,229	0	125,229	18.10	22,668	102,561
Motor Car	292,322	0	292,322	25.89	75,684	216,638
Total	1,827,241	-187,616	1,639,625		270,594	1,369,031

SCHEDULE “11”:

Significant Accounting Policies and Notes on Accounts

A. SIGNIFICANT ACCOUNTING POLICIES

1. Preparation of Financial Statements:

The Financial statements are prepared under the historical cost convention on the accrual basis and in accordance with Generally Accepted Accounting Principles (GAAP). GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI), the provisions of the Companies Act, 1956 and guidelines issued by SEBI.

2. Use of Estimates:

The preparation of financial statements in conformity with the accounting standards requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

3. Revenue Recognition:

Brokerage income is recognized on the trade date of transaction upon confirmation of the transactions by stock exchanges and clients. Interest income is recognized on time proportion basis.

Profit on sale of securities held as stock-in-trade is recorded on transfer of title as per guidelines of SEBI.

Dividend is recognized on receipt basis.

4. Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. Costs attributable to the asset till the date asset is ready to be put to use are added to the cost of asset.

5. Depreciation:

Depreciation on Fixed Assets is provided on “Written Down Value Method” on a pro-rata basis at the rates and in the manner specified in Schedule XIV of the companies Act, 1956.

6. Investments:

Investments are classified as long term or Current based on their nature and intended holding period. Long term Investments are stated at fair value cost less provision for diminution other than temporary in value.

7. Financial Instruments (i.e. Stock-in-Trade of) Quoted Equity Shares:-

The financial instruments being quoted equity shares, acquired with the intention of short term holding and trading position are considered as Stock-in-Trade, and shown under current assets, are reported at Fair Value Through Profit or Loss (FVTPL) as per provisions of AS 30 – “Financial Instruments: Recognition and Measurement”.

During the year, the company has adopted AS -30 “Financial Instruments: Recognition and Measurement” issued by the Institute of Chartered Accountants of India, which is made recommendatory w.e.f. 01.04.2009.

8. Taxes on Income:

Current Tax is determined on the taxable income for the year as per the provisions of the Income Tax Act, 1961.

Deferred tax expenses or benefit is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax liabilities are measured using the tax rate and tax law that have been enacted or subsequently enacted.

9. Provisions:

A provision is recognized when there is a present obligation as a result of past event i.e. it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provision is not discounted to its present value and is 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 best current estimate.

B. NOTES TO THE ACCOUNTS:

1. In the opinion of the Board and to the best of their knowledge and belief the value of realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

2. **Auditors Fees:** Rs. 47,250/- (Previous Years Rs. 47,250/-)

3. Retirement Benefits:

It is informed to us that the company is not required to be registered under Provident Fund Act. Further the provisions for gratuity, superannuation funds and other funds, E.S.I. of Employees State Insurance Act are not applicable.

4. Notes on Cash Flow Statement:

The Cash Flow Statement has been prepared using the indirect method specified in Accounting Standard – 3 “Cash Flow Statements” issued by the Institute of Chartered Accountants of India.

5. Remuneration to Managing Director:

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
Salaries & Allowances	600,000	600,000

6. Payments to other Directors:

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
Sitting Fees	35,000	7,000

7. Taxation:

A provision for income tax based on tax liability is computed after considering tax allowance, exemptions and rebate, if any. Current tax is net of the effect of written back of provisions and refunds received.

	Current year	Previous year
Deferred Tax (Current)	9,785	(1,770)
Provision for Income Tax	2,00,000	3,00,000
Provision for Fringe Benefit Tax	N A	30,000

8. Contingent Liabilities

Claim against the company amounting to Rs.90.85 Lacs that may arise in respect of matters in appeal/challenged by the company in Writ-not acknowledged as debt. The company does not expect any payment in respect of the above contingent liability.

9. Earning Per Share (Rs.) - 0.28

10. Related Party Transaction:

(i) Key Management Personnel:

Mr. Mahesh Parikh	Non-Executive Chairman
Mr. Digant Parikh	Managing Director
Mr. Santosh Patole	Vice President and CFO
Mr. Imtiaz-ul Hasan	Chief Dealer and COO
Mr. Laxman Dait	Compliance Officer (CDSL)

(ii) Transactions during the year with related party:

Sr. No.	Nature of Transactions	Amount Rs.
1	Sale of Fixed Assets to Relative of Key Managerial Personnel	1,300,000
2	Payment of Salary to Key Managerial Personnel – Mr. Digant Parikh, Managing Director	600,000

Other Transactions:

According to information and explanation given to us there are no transactions except stock broking transactions entered into amongst related parties during the year at prevailing market price at the time of transaction. The company has acted in its capacity of stock Broker only.

11. Segment Reporting:

The company does not have more than one reportable segment in terms of AS 17 – “Segment Reporting” issued by the Institute of Chartered Accountants of India.

12. Foreign Currency Transaction:

No Foreign Currency transactions entered into during the reporting period.

13. Previous year figures have been recast / regrouped / restated wherever necessary.

**FOR B.R. PANCHOLI & CO.,
CHARTERED ACCOUNTANTS
FRN: 107285W**

For and on behalf of the Board

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

Mahesh Parikh – Chairman

**Digant Parikh – Managing
Director**

**Place: Mumbai
Date: 29th June, 2011**

Govind Rathi – Director

Lalit Dalal – Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**(Amount in Rs.)**

		AS AT 31.03.2011	AS AT 31.03.2010
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net profit before tax and Extraordinary items	(1,379,541)	981,445
	Adjustment for:		
	Depreciation	270,594	381,491
	Deletion in Depreciation	(94,354)	(249,847)
	Income Tax	(5,627)	(133,602)
	Deferred Tax	22,444	(9,785)
	Adjustment for:		
	Loans & Advances	(2,982,860)	438,415
	Sundry Debtors	493,441	(2,219,621)
	Stock	1,719,103	5,117,082
	Deferred Tax	(22,444)	9,785
	Current Liabilities	11,357,626	2,462,365
	Provisions	(192,250)	(130,000)
	Net Cash flow from Operation Activities [A]	9,186,132	6,647,728
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase / Sale of fixed Assets	281,970	780,528
	Stock Exchange Card Deposit	-	100,000
	Purchase of Investments	(3,071,730)	(2,460,000)
	Net cash used in Investing Activities [B]	(2,789,760)	(1,579,472)
C	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from Bank borrowings	(1,030,173)	195,432
	Net cash used in financing Activities [C]	(1,030,173)	195,432
Net increase in cash & cash equivalents [A] + [B] + [C]		5,366,199	5,263,688
CASH AND CASH EQUIVALENTS AS AT 31.03.2010 [OPENING BALANCE]		20,752,986	15,489,298
CASH AND CASH EQUIVALENTS AS AT 31.03.2011 [CLOSING BALANCE]		26,119,185	20,752,986

AUDITOR'S CERTIFICATE

To,
The Board of Directors,
M.B. Parikh Finstocks Ltd.

We have examined the attached **CASH FLOW STATEMENT OF M.B. PARIKH FINSTOCKS LTD.** for the year ended 31st March, 2011. This statement has been prepared by company in accordance with the requirements of listing agreement clause 32 with Stock Exchange.

FOR B.R. PANCHOLI & CO.,
CHARTERED ACCOUNTANTS
FRN: 107285W

CA. B R PANCHOLI
PROPRIETOR
Membership No. 041254

Place: Mumbai
Dated : 29.06.2011

✓ **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 : 31.03.2011

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
37809	37809
Paid up Capital	Reserves & Surplus
30000	6509
Secured Loans	Unsecured Loans
1129	0.00
	Deferred Tax Liabilities

APPLICATION OF FUNDS

Investments	Net Fixed Assets
11244	1369
Net Current Assets	Stock Exchange Card
18695	6500

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

Total Income	Total Expenditure
3337	4717
Profit Before Tax	Profit After Tax
(1379)	(1362)
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@bom5.vsnl.net.in Website: www.mbpfin.com

Corp. Office: 209/10, Heena Arcade, S.V. Road, Jogeshwari (W), Mumbai–400102

Tel.: 2679 0434/ 2103/ 2105/0459, Fax : 2679 0463 / 8055

Email : mbpfin@bom5.vsnl.net.in Website: 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

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, 20th August, 2011 at the Registered Office: 705, Galav Chambers, Sayajigunj, Vadodara, 390 005 at 12.00 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, 20th August 2011 at the
Registered Office at 705, Galav Chambers, Sayajigunj, Vadodara 390 005, at 12.00
p.m. and at any adjournment thereof.

AS WITNESS my hand/our hands this _____ day of _____ 2011.

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): _____

BOOK-POST

TO,

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
EMAIL : mbpfin@bom5.vsnl.net.in