



# M. B. PARIKH FINSTOCKS LIMITED

## DIRECTORS' REPORT

[(Disclosure under Section 134(3) of the Companies Act, 2013)  
{Read With Companies (Accounts) Rules, 2014}]

Dear Shareholders,

Your Directors are presenting the 24<sup>th</sup> Annual Report of your Company and the Audited Financial Statements for the year ended 31st March 2018.

### 1. FINANCIAL RESULTS:

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Revenue from Operations	147.97	97.81
Profit / (Loss) before taxation	68.51	22.84
<b>Profit/ (Loss) for the year carried to Balance Sheet</b>	<b>54.06</b>	<b>20.49</b>

### SHARE CAPITAL

During the year under review:

- a. No Equity shares have been issued with differential voting rights. Hence no disclosure is required in terms of Rule 4 (4) of Companies (Share capital and Debentures) Rules, 2014.
- b. No issue of Sweat Equity Share has been made. Hence no disclosure is required in terms of Rule 8 (13) of Companies (Share capital and Debentures) Rules, 2014.
- c. There was no issue of Employee Stock Option. Hence, no disclosure is required in terms of Rule 12 (9) of Companies (Share capital and Debentures) Rules, 2014.
- d. There was no provision made by the Company for any money for purchase of its own shares by employees or by trustees for the benefit of employees. Hence, no disclosure is required in terms of Rule 16 (4) of Companies (Share capital and Debentures) Rules, 2014.



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- e. The issued, subscribed and paid up share capital of the Company as on 1<sup>st</sup> April 2017 at Rs. 300 Lacs divided into 30,00,000 shares at Rs.10 each remained unchanged as on 31<sup>st</sup> March,2018.

## 2. HIGHLIGHTS OF PERFORMANCE:

During the year under review, the Company revenue stood at Rs.147.97 Lacs as against Rs. 97.81 Lacs in the previous year. The Company has earned a Net profit of Rs.54.06 Lacs as compared to the Profit of Rs. 20.49 Lacs during the previous accounting year.

## 3. DIVIDEND:

With a view to conserve resources of your company Directors do not recommend any dividend on Equity Shares for the year under review.

## 4. RESERVES:

Your Directors proposed to transfer a sum of Rs.54,06,313/- to General Reserve making General Reserves amount to Rs.2,26,78,145/- as at 31.03.2018.

## 5. LOANS, GUARANTEE & INVESTMENTS:

The company has not given any loans and has not made investment except, as disclosed in the financial statements of the Company during the year.

## 6. DEPOSITS:

The Company has never accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, or under Chapter V of the Act.

## 7. RELATED PARTY TRANSACTIONS:

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and listing regulation. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at Large. Hence, no separate annexure in Form No. AOC -2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is given. All related party transactions are presented to the Audit Committee and the Board, if required for approval. Omnibus approval is



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obtained for the transactions which are foreseen and repetitive in nature. Related party transactions policy as approved by the Board is uploaded on the Company's website at the web link: <http://www.mbpfin.com>.

## 8. INTERNAL FINANCIAL CONTROLS:

Your Company has Adequate Internal financial Control System at all levels of Management and they are reviewed from time to time. The Internal Audit is carried out in house as well as by a firm of Chartered Accountants. The Audit Committee of the Board looks into Internal Auditor's review which is deliberated upon and corrective action taken, where ever required.

## 9. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### A) Changes in Directors and Key Managerial Personnel

Subsequent to the financial year, on 7<sup>th</sup> May 2018 there was sad demise of Mr. Mahesh Parikh, Chairman and Managing Director of the Company & Mrs. Monalisa Parikh Director of the Company appointed and redesignated as Managing Director of Company w.e.f. 26<sup>th</sup> May 2018. Further, there were no changes in Directors by way of appointment, disqualification, variation made or withdrawn.

Mrs. Monalisa Digant Parikh (DIN 00294485), who is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, seek reappointment pursuant to Section 152 of the Companies Act, 2013.

### B) Declaration by an Independent Director(s) and re-appointment, if any

All the Independent Directors have provided the declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in sub-section (6).

## 10. RISK MANAGEMENT POLICY:

There is a continuous process for identifying, evaluating and managing significant risks faced through a risk management process designed to identify the key risks facing business. Risks would include significant weakening in demand from core-end markets, inflation uncertainties and any adverse regulatory developments, etc. During the year a risk analysis and assessment was conducted and no major risks were noticed.



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## 11. PERFORMANCE EVALUATION OF BOARD:

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The same is found to be satisfactory.

## 12. BOARD MEETINGS:

During the year under review, the Company has conducted 5 (Five) Board Meetings on 29<sup>th</sup> April 2017, 31<sup>st</sup> May 2017, 12<sup>th</sup> August 2017, 11<sup>th</sup> November 2017 and 10<sup>th</sup> February 2018.

## 13. EXTRACT OF ANNUAL RETURN:

In accordance with Section 134(3)(a) and as provided under sub-section (3) of Section 92 of the Companies Act, 2013 an extract of the annual return in form No MGT – 9 is appended as Annexure 1 of the Board's Report.

## 14. AUDITORS:

M/s. A Yadav & Associates, Chartered Accountants, having ICAI Firm Registration No.129725W being eligible offer themselves for re-appointment till the conclusion of the next AGM. If re-appointed, it will be within the prescribed limits specified in section 139 of the Companies Act, 2013. Members are requested to appoint the auditors and to fix their remuneration. The report of the Statutory Auditors does not contain any qualification, reservation or adverse remark or disclaimer which requires any further comments or explanations in this Report. The Notes to the Financial Statements are also self explanatory and do not call for any further comments.

## 15. SECRETARIAL AUDIT

The Board of Directors have appointed M/s. Sanjay Dholakia & Associates, Practising Company Secretaries to conduct Secretarial Audit for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and the rules framed thereunder. The Secretarial Audit Report for the financial year 2017-18 forms part of the Directors' Report as Annexure 3.

## 16. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in nature of business.



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## 17. MATERIAL CHANGES AND COMMITMENTS:

There are no material changes having taken place affecting the financial position of the Company from the date of closure of financial year till the signing of Accounts.

## 18. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

No material changes have occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.

## 19. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) shall state that—

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis;
- (v) the directors, further state that they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.



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- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC. & FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:

The information as required under Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings is given below:

#### A. Conservation of energy:

- i. The steps taken or impact on conservation of energy:  
Though our operations are not energy-intensive, efforts have been made to conserve energy by utilizing energy-efficient equipments.
- ii. The steps taken by the Company for utilising alternate sources of energy:  
Not applicable
- iii. The capital investment on energy conservation equipments:  
Not applicable  
Your Company firmly believes that our planet is in dire need of energy resources and conservation is the best policy.

#### B. Technology absorption:

- (i) The efforts made towards technology absorption:  
Not applicable
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:  
Not applicable
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):  
No technology has been imported by the Company.
- (iv) The expenditure incurred on Research and Development: Nil

#### C. Foreign exchange earnings and Outgo:

	Current Year	Previous Year
Foreign Exchange Earnings and Outgo	NIL	NIL



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## 21. CORPORATE RESPONSIBILITY STATEMENT (CSR):

The provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not applicable as the Company is not falling under the said parameters.

## 22. RECONSTITUTION OF COMMITTEES:

Due to death of Mr. Mahesh Parikh, the committees of the board reconstituted and the name of Mr. Mahesh Parikh is replaced with the name of Mr. Jitendra Sharma.

## 23. NOMINATION AND REMUNERATION COMMITTEE:

The Company has constituted a Nomination and Remuneration Committee pursuant to Section 178(1) of the Companies Act, 2013 and has defined the policy on Director's appointment and payment of remuneration including criteria for determining qualifications, positive attributes, and independence of a Director.

## 24. AUDIT COMMITTEE:

The Audit Committee comprises of namely Mr. Lalit Dalal (Chairman) and Mr. Govind Rathi and Mr. Jitendra Sharma, Directors as other members. The recommendations of the Audit Committee is always welcomed and accepted by the Board and all the major steps impacting the financials of the Company are undertaken only after the consultation of the Audit Committee.

## 25. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

The Stakeholder's Relationship Committee comprises of Mr. Lalit Dalal, Independent Director acts as the Chairman of the Committee and Mr. Govind Rathi and Mr. Jitendra Sharma, Director as the members of the Committee. The role of the Committee is to approve/ratify transfer of securities and look into share transmission, rematerialization and dematerialization of shares and to consider and resolve securities holders' complaint. The meetings of the Committee are held on periodical basis and the complaints are responded within the time frame provided.

## 26. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee comprises of Mr. Lalit Dalal, Independent Director acts as the Chairman of the Committee and Mr. Govind Rathi and Mr. Jitendra Sharma,





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Director as the members of the Committee.

## **27. VIGIL MECHANISM:**

Pursuant to section 177(9) read with Rule 7 (Meeting of Board and its Power) Rules, 2014, your company has duly established Vigil Mechanism for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of company's code of conducts or ethics policy. Audit Committee of the Board monitors and oversees the vigil mechanism.

The detailed policy related to this Vigil Mechanism is available in the Company's website at [www.mbpfin.com](http://www.mbpfin.com)

## **28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the financial year under review as stipulated in Regulation 34 of Listing Regulations entered into with the Stock Exchanges is set out in a separate section forming part of Director Report as Annexure 2.

## **29. CORPORATE GOVERNANCE:**

In view of the Regulation 15(1) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations 2015, the provisions related to Corporate Governance as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company and hence the same is not given in the Report. However the Company continues to adhere the best practices prevailing in Corporate Governance and follows the same in its true spirit.

## **30. MANAGERIAL REMUNERATION:**

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2018 is given in a separate Annexure to this Report.

The above Annexure is not being sent along with this Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members





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who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office and the Corporate Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company before the 24<sup>th</sup> Annual General Meeting and upto the date of the ensuing Annual General Meeting during the business hours on working days.

None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

### **31. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

The Company does not have Subsidiary/Joint Ventures/Associate Companies.

### **32. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14, the internal committee constituted under the said act has confirmed that no complaint/case has been filed/pending with the Company during the year.

### **33. LISTING OF SHARES:**

The Company's shares are listed at BSE Ltd. Listing fees to BSE is paid.

### **34. INSURANCE:**

All the assets of the Company are insured.

### **35. HUMAN RESOURCE:**

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.

### **36. ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation for the co-operation extended



# M. B. PARIKH FINSTOCKS LIMITED

by all the employees, Bankers, Financial Institutions, various State and Central Government authorities and stakeholders.

For and on Behalf of the Board of Directors

Mrs. Monalisa Parikh  
Chairperson and Managing Director  
(Din 00294485)

Place: Mumbai  
Date: 26<sup>th</sup> May 2018