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PARAG PARIKH FINANCIAL ADVISORY
SERVICES LIMITED

Eighteenth Annual Report
2009-2010



Corporate Information

Board of Directors

Parag Parikh, Chairman

Rajeev Thakkar, Chief Executive Officer

Sunil Gautam

Sahil Parikh

Neil Parikh

Ashish Shah

Company Secretary

Trupti Shah

Auditors

CVK & ASSOCIATES,

Chartered Accountants

Bankers

Axis Bank Limited

HDFC Bank Limited

Registered Office

103, Veena Chambers

21, Dalal Street, Fort

Mumbai - 400 001.

Corporate Office

Great Western Building,

1st Floor, 130/132, Shahid Bhagat Singh Marg

Near Lion Gate, Fort

Mumbai - 400 001.

Website: www.ppfas.com

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Notice

NOTICE IS HEREBY GIVEN THAT the Eighteenth Annual General Meeting of the members of Parag Parikh Financial Advisory Services Limited will be held on Monday, May 17th 2010 at 4.00 pm at Great Western Building, 130/132, Shahid Bhagat Singh Marg, Opp. Lion Gate, Fort, Mumbai 400 001 to transact the following businesses:

ORDINARY BUSINESSES:

1 To receive, consider and adopt the audited Balance Sheet as at March 31st, 2010 , the Profit and Loss Account for the year ended on that date, and the Report of the Directors' and Auditor's Report thereon.

2 To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. CVK and Associates, Chartered Accountants, be and are hereby reappointed as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of next Annual general Meeting on such remuneration as may be determined by the Board of Directors in consultation with the Auditors."

3 To appoint a director in place of Mr. Rajeev Thakkar, who retires by rotation and being eligible offers himself for re-appointment.

4 To appoint a director in place of Mr. Sahil Parikh, who retires by rotation and being eligible offers himself for re-appointment.

5 To appoint a director in place of Mr. Neil Parikh, who retires by rotation and being eligible offers himself for re-appointment.

6 To consider and, if thought fit, to pass with or without modification(s), as an Ordinary Resolution, the following:

"RESOLVED THAT Mr. Ashish Shah who was appointed as an Additional Director and holds office up to the date this Annual General Meeting of the Company, and is eligible for re- appointment, and in respect of whom the Company has received a notice in writing from a member under the provisions of Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as Director of the Company."

"RESOLVED FURTHER THAT Mr. Rajeev Thakkar, Director of the company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution."

SPECIAL BUSINESS:

7 To consider and, if thought fit, to pass with or without modification(s), as Special Resolution, the following:

"RESOLVED THAT, pursuant to the provisions of sections 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956 and subject to the approval of members in the General Meeting, Mr. Ashish Shah be and is hereby appointed as a Whole-time Director of the Company for a period of three years with effect from 15th January 2010 on the terms and conditions including remuneration as approved by remuneration committee and set out herein below:

1. Salary: Rs. 70,000/- (Rupees Seventy Thousand only) on a monthly basis with an authority to Board of Directors to revise the salary as may be approved by the remuneration committee within the limits prescribed under Schedule XIII to the Act.

2. Perquisites: In addition to basic remuneration stated above; Mr. Ashish Shah will be entitled to the reimbursement of the medical bills.

Club fees will be paid by the company, provided these facilities are necessary for the business purpose.

Expenditure with regard to entertainment and traveling expenses incurred in the Course of the Company's business will be reimbursed by the Company.

Contribution to Provident Fund: Contribution to provident Fund to the extent, this is not taxable under the Income Tax Act, 1961.

Gratuity: Gratuity shall not exceed half months salary for each completed year of service and shall be subject to the maximum amount as may be permitted under the Gratuity Act.

Performance Linked Incentive: Such amounts as may be decided by the board of Directors or any committee of the Board from time to time. Any expenses incurred which in connection with discharging the duties as a Whole-Time Director of the Company will not be considered as Perquisites. Provided that the total remuneration paid to the Whole Time Director shall at all the time be within the limits stipulated by the Companies act, 1956.

RESOLVED FURTHER THAT In the absence or inadequacy of profits in any year, the remuneration by way of salary, perquisites / allowances and other entitlements will be in accordance with and shall not exceed the limits prescribed under Schedule XIII, Part II, Section I and other applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT In the event of any statutory amendment(s) or modification(S) or relaxation(s) by the Central Government to Schedule XIII of the Companies Act, 1956, the Board of Directors are authorized to vary or increase the remuneration including salary, commission, perquisites, allowance, etc. within such prescribed limit of ceiling in order to give effect to such modification(s), relaxation(s), or variation(s) without further reference to the Company in General Meeting. Provided that at all the time care should be taken that the total remuneration that will be paid to whole time director will be within the limits set forth by Schedule XIII of the Companies Act, 1956 and

Company is complying with the Provisions of Section 198, 309, 310 and section 269 of the Companies Act, 1956
"RESOLVED FURTHER THAT Mr. Rajeev Thakkar, Director of the company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution."

- 8 To consider and, if thought fit, to pass with or without modification(s), as Special Resolution, the following:

"RESOLVED THAT the objects incidental or ancillary to the attainment of the main objects clause of Memorandum of Association of the company of be altered by insertion of under mentioned clause as clause 46(a)"

"To carry on the business of an Investment Company and to acquire by purchase or otherwise Shares, Stocks, debenture-stock, bonds, obligations or any other securities, including derivatives on any underlying whatsoever, of any Company or corporation or otherwise, whether traded on exchanges or otherwise, whether in India or overseas, and to deal in the same as brokers, sub-brokers, dealing in Internet Banking, Mutual fund, IPO Managers, Mutual Fund distributors, depository participants by undertaking Depository Participant activities, functions and other responsibilities and such other activities which are incidental or ancillary to the same, underwriters, sub-underwriters or in any other capacity whatsoever and providing Investments and Brokerage services, carrying on proprietary trading, dealing in existing and future financial products and for this purpose, either for itself or on behalf of any person, body corporate, company, firm or association of persons, whether incorporated or not, to subscribe or acquire, buy, hold, sell or otherwise trade and deal for commission or other wise in all kinds of money market or capital market, debt or commercial, negotiable or transferable instruments of any Government or Government body, whether incorporated or not, or issued by any body corporate, commission, public body or authority, local or municipal, or by any firm, person or association and subject to permission of the Reserve Bank of India, to trade or deal or act as brokers in all kinds of foreign currencies, foreign currency options, forward covers, swaps of all kinds and other derivative products."

- 9 To consider and, if thought fit, to pass with or without modification(s), as Special Resolution, the following:

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, Articles of Association of the Company be amended by substituting following new clause in place of existing clause 50 of Articles of Association:

Existing Clause

"50. The seal of the Company shall remain in the custody of Mr. Parag Parikh. It shall be affixed on any instrument in his presence and he shall sign every instrument to which the seal of the company is so affixed."

New Clause

"50. The Board of Directors shall provide for the safe custody of the common seal. The common seal shall only be used by the authority of the Directors or of a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument to which the common seal is affixed and unless otherwise so determined it shall be signed by a Director in the presence of such person as may be authorized by the Board."

- 10 To consider and, if thought fit, to pass with or without modification(s), as Special Resolution, the following:

"RESOLVED THAT the total remuneration of Rs. 78,96,833/- be paid during the year 2009-2010 to Mr. Rajeev Thakkar for his professional services be and is hereby approved."

11 To consider and, if thought fit, to pass with or without modification(s), as Special Resolution, the following:

"RESOLVED THAT the total remuneration of Rs. 31,70,000/- be paid during the year 2009-2010 to Mr. Parag Parikh for his professional services be and is hereby approved."

For and on behalf of the board of directors

Place: Mumbai

Date: April 12, 2010

Registered Office:

103, Veena Chambers, 21, Dalal Street, Fort,
Mumbai – 400 001

Rajeev Thakkar
Director

Sahil Parikh
Director

Notes:

- 1 A member entitled to attend and vote at meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member.

Proxies in order to be effective must be deposited at the corporate office of the company not less than 48 hours before the commencement of the meeting.

- 2 The Company has fixed 26th April 2010 as the record date.
- 3 Members are requested to bring their copies of the Annual Report while attending the Annual General Meeting.
- 4 Members desirous to obtain any information concerning the Accounts and Operations of the Company are requested to send their queries to the Company at least seven days prior to the date of the meeting, so that the information required by the members may be made available at the meeting.
- 5 Corporate members are requested to bring a certified true copy of a resolution pursuant to Section 187 giving authorisation for attending the meeting.
- 6 An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under item no. 6, 7, 8, 9, 10 and 11 is annexed hereto and forms part of this Notice.
- 7 Members are requested to notify immediately any change in address to the company.

Annexure to Notice

Explanatory Statement:

(Pursuant to Section 173 of the Companies Act, 1956)

ITEM 6 & 7:

Mr. Ashish Shah is the Sr. Vice President, Wealth Management Group of the Company since last four years. Since his appointment, he is carrying out the work of the company with due authority and expertise. His contribution has played an important role in the growth of the company.

Professionally qualified from the Institute of Cost & Works Accountants of India, Mr. Ashish Shah has over 20 years of varied experience in capital markets. His knowledge and experience will benefit the Company.

Mr. Ashish Shah was appointed as an Additional Director of the Company on 15th January, 2010, pursuant to Section 260 of the Companies Act, 1956. He holds the office as Director upto the date of the ensuing Annual General Meeting. The Company has received a Notice in writing (together with a deposit of Rs.500) from a member under the provisions of Section 257 of the Companies Act 1956, proposing candidature of Mr. Ashish Shah, for the office of a Director of the Company.

The Board of Directors in their meeting held on 15th January, 2010 appointed Mr. Ashish Shah as Whole time Director of the company for a period of Three(3) years with effect from 15th January, 2010 on the terms and conditions including remuneration as specified in the resolution recommended for your approval.

The remuneration, benefits, perquisites and amenities payable to Mr. Ashish Shah which are set out herein may be treated as an abstract under Sec 302 of the Companies Act, 1956.

As per the provisions of Section 198, 269 and 309 of the Companies Act, 1956, the appointment of Whole time Director and terms and conditions thereof require the approval of the shareholders in a General Meeting.

The Board of Directors recommends the Resolution at Item No. 6 & 7 for your approval.

None of the Directors except Mr. Ashish Shah, is in any way concerned or interested in the Resolution.

ITEM 8:

At present, the Company is a member of Bombay Stock Exchange Limited and National Stock Exchange of India Limited and is engaged in the stock broking business. In light of the present business environment of the Stock broking, which is most growing and developing field, the company intends to enter in the new lines of Stock broking and this requires altering the object clause of the company. Thus the Board of Directors of the company is interested to alter its object clause by addition to new lines of Stock broking which is most advantageous to the company to bring more clarity to the existing Memorandum of Association of the company.

Hence it is proposed to be inserted as one of the object in the objects incidental or ancillary to the attainment of the main objects clause of the Memorandum of Association

The Board recommends the said resolution for approval of the members.

None of the Directors of the Company shall be deemed to be interested or concerned in the above resolution.

ITEM 9:

The Board of Directors with a view to empower every Director of the Company to sign the instrument on which common seal is affixed has decided to substitute and replace existing clause 50 of the Articles of Association with the above stated new clause.

Member's approval by way of special resolution is required for the proposed amendment in Articles of Association. The Board recommends this resolution for your approval.

No director is concerned or interested in the passing of this resolution.

ITEM 10:

Mr. Rajeev Thakkar is a Chartered Accountant by profession and is associated with the company for more than 9 years. He is heading 'Portfolio Management Scheme' of the Company. His efforts and expertise helped the 'Portfolio Management Scheme' of the Company' to earn handsome profits during the said Financial Year. The Board wishes to compensate for his splendid performance and professional expertise by adequately compensating him with the professional fees in line with the industrial standards. The aggregate amount of Rs. 78,96,833/- paid to Mr. Rajeev Thakkar for the Financial Year 2009-2010 is reasonable and the Board recommends this payment. This compensation is paid to Mr. Rajeev Thakkar for the Professional Services rendered to the Company during the said financial year.

Considering the educational qualification, experience and the industry standards, The Board wishes to appreciate the efforts put in by Mr. Rajeev Thakkar by adequately compensating him. The Board proposes to pay him remuneration as set out in Item no.10 of the notice.

Bio Data and a brief profile of Mr. Rajeev Thakkar is stated below:

Name	Address	Date of Birth	Age	Educational qualification	Experience
Rajeev Thakkar	705, Himachal, Juhu Lane, Vile Parle (W) Mumbai - 400 056	19/07/1972	37	CA, Grad. ICWA, CFA charterholder, Certified Financial Planner, B.Com	15

General Information	
Nature of Industry	Company operates in Broking and Financial Advisory Industry.
Financial Performance	Net Profit for the Company before tax for the year is Rs. 719.62 Lacs and profit after tax is Rs. 600.03 Lacs.
Foreign Collaboration	Company has a wholly owned subsidiary in USA, engaged in website development and related consultancy services.

Information about Mr. Rajeev Thakkar	
Background details	Mr. Rajeev Thakkar, is Chartered Accountant by profession. He started his career as analyst in Fixed income securities and gradually moved as a Portfolio Manager of Fixed Income securities, presently he is a Fund manager of Company's Portfolio Manager Scheme. He has more than fifteen (15) years experience in this field.
	His efforts helped the PMS to earn handsome returns for the Financial year 2009-2010 of Rs. 554.24 lacs.
	During his tenure; PMS has garnered a total corpus of more than 236 Crores.
	Higher Corpus helps the Company to earn fixed management fees in addition to share in profits of the PMS.
Past Remuneration	He has been paid remuneration of Rs.78,96,833/- in his capacity as a fund manager for the financial year 2009-2010.
Job Profile and Suitability	Mr. Rajeev Thakkar is the CEO of the Company. He is devoting his full attention to the Portfolio Management Scheme (PMS).
	Presently he is working as a Fund Manager of the Company's PMS.
	Revenue from PMS forms considerable part of the total revenue of the Company.
Remuneration Proposed	Currently, he is paid a basic salary of Rs. 1,15,000/- per month. The aforesaid remuneration be paid as minimum remuneration in the event of absence or inadequacy of profits. During the currency of his remaining tenure he shall be paid salary, allowance and perquisites not exceeding limits as set out in Schedule XIII to the Companies Act, 1956 or any modification thereof
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	In finance industry, professionals are remunerated based on the returns achieved & the asset under management which helps the company to earn fixed fees; we are adopting the same approach.
Pecuniary relationship directly or indirectly with the Company	Mr. Rajeev Thakkar does not have any pecuniary relationship directly or indirectly with the Company.
Relationship with other managerial personnel, if any	Mr. Rajeev Thakkar is not in any way related to other managerial personnel.

ITEM 11

Mr. Parag Parikh has completed his M. Com (Ind & Fin) and is a fellow of the prestigious 'Owner President Management' (OPM) program at the Harvard Business School and has also completed special Certification

Programme on Behavioural Finance. He is a pioneer in introducing the concept of 'Behavioural Finance' in India. He is associated with Capital Markets for more than 28 years. His association and professional expertise helped the Company to achieve splendid returns during the current Financial Year. The Board wishes to compensate Mr. Parag Parikh by remunerating him adequately considering the industry standards and the efforts put in by Mr. Parag Parikh. Company has paid him Rs. 31,70,000/- for this financial year towards his professional Services. Company seeks the approval from the member for the same.

Place: Mumbai

Date: April 12, 2010

Registered Office:

103, Veena Chambers, 21, Dalal Street, Fort,
Mumbai – 400 001

For and on behalf of the board of directors

Rajeev Thakkar
Director

Sahil Parikh
Director

To the Shareholders

We are pleased to present our report on the business operations of the Company and the audited financial statements for the year ended March 31, 2010.

Financial Results

Highlights of the Financial Results for the years 2009-10 and 2008-09 are given below:

Particulars	For the year ended	For the year ended
	31-Mar-10	31-Mar-09
	(Rs. in Lacs)	(Rs. in Lacs)
Operating Income	1,214.96	255.93
Other Income	56.28	103.49
Total Income	1,271.24	359.42
Profit / (Loss) before depreciation and tax	745.33	(20.30)
Depreciation	25.71	36.40
Profit / (Loss) before tax	719.62	(56.70)
Provision for taxation	112.70	Nil
Fringe benefit tax	Nil	3.75
Profit / (Loss) after tax	600.03	(60.45)
Share Capital	651.48	651.48
Reserves and Surplus	1,722.90	1,122.87

Dividend

With a view to conserve resources and increase net worth of the Company, no dividend is proposed for the year. Capital adequacy is a key factor in the financial markets. Retention of earnings over the years has helped our network cross Rs. 23 crores. This will enable us set up our proposed Asset Management Company.

Deposits

The Company has not accepted any deposits pursuant to the provisions of section 58A of the Companies Act, 1956.

Management Discussion and Analysis and Results of operations

Environment in the Capital Markets

The Financial Year ended March 31, 2010 saw a steep rebound in equity indices. This continued the roller coaster trend that was seen in the previous financial year. The BSE Sensex which had touched an all time high of 21,206 in early 2008 dipped to as low as 8,047 in March 2009 rebounded to 17,711 in the current financial year. While overall there has been a growth in market volumes, the retail participation is low.

Our stance

At the time of maximum pessimism in the markets, we were aggressively seeking investments from clients. On a bottom up basis, stock prices had fallen to ridiculous levels. While the pace of the rebound was a surprise to us, the rebound or the extent of the rebound was not. We were well positioned to benefit from the rebound. The surplus cash on our balance sheet was deployed in equity investments over the last financial year near the lows of the market. We were fully invested in equities for our Portfolio Management clients even ahead of the general elections in 2009. This was not out of foresight of the election results but on account of compelling stock valuations.

Our revenue and profitability rebounded strongly in the financial year ended March 31, 2010. The networth of PPFAS at the end of March 31, 2010 has crossed Rs. 23 crores and profit for the just ended financial year was at Rs 6 crores. The profits can be attributed to the strong performance of the Portfolio Management division and to the rebound in brokerage volumes. A part of the profit is on account of the investment gains that were booked during the year.

Operations of PPFAS

Portfolio Management Services

The following schemes were operational during the year:

- I) Cognito (Value investment oriented PMS scheme)
- II) Progeny (Management of client investments in mutual funds)
- III) Non-discretionary scheme (management of bank and demat accounts of the client, accounting and audit for the clients investments combined with advice of the portfolio holdings)
- IV) Structured Products PMS (a new scheme launched under Cognito where investments are oriented towards capital protection and giving all the upside of equity markets represented by NIFTY returns)

Cognito did well in terms of absolute investment returns as well relative returns compared to the indices. We are positioned very well to grow Assets Under Management (AUM) in the coming years.

The weighted average performance of the Portfolio Management Scheme across all clients is given below.

Performance of the Cognito Portfolio Management Scheme:

Particulars (%)	PMS Returns	Sensex Returns	Nifty Returns
Last 1 Year	101.51	67.53	62.49
Last 3 Years	25.36	16.06	16.84
Last 5 Years	29.94	26.26	25.07
November 1996 (Inception) to March 2010 (Annualised)	24.16	21.65	21.22

We have started Systematic Investment Plans for client investments in Cognito in the financial year 2009-10 and the client response has been encouraging.

Progeny scheme managing mutual funds continued to help clients with their mutual fund investments. In the new environment where entry loads and distributor upfront commissions have been eliminated, we see good potential for increasing assets under management for Progeny. This is because we have never focussed on churn in client portfolios as a means of generating revenue.

Alpha Arbitrage ceased operations during the financial year. This is because the availability of arbitrage spreads has reduced significantly. This could be revived if the spreads increase again.

Non-discretionary PMS continued to add clients in 2009-10.

Structured investments under Cognito were a great success. Clients saw their capital protected in savage markets and were able to take advantage of cheap valuations in an opportunistic manner.

Most of the past structured investments have been converted to long term equity investments under Cognito. In the current environment however new investment opportunities are not available and only the existing investments are being serviced.

New initiative

The portfolio management activities are restricted to clients with investible surplus of Rs. 5 lacs and more. Further a lot of clients like trusts and charitable institutions are not permitted direct equity investments and hence cannot be serviced by our PMS division.

PPFAS is also not able to offer investment opportunities in debt securities as the ticket size for investments is very large. PPFAS is planning to apply for an Asset Management Company licence to SEBI in this financial year. This will enable PPFAS (through a subsidiary) to offer mutual fund services across equity and debt instruments.

Brokerage business

The retail and institutional brokerage business saw a rebound in volumes and income on account as compared to 2008-09. Volumes and income however are lower than in 2007-08. Retail participation still has not picked up significantly. A lot of volumes are seen in the index options segment where PPFAS is not active.

Internet Based trade execution and bank payment gateway

Despite having a fully featured internet based trade execution platform which is very attractively priced, client additions have been below expectations so far. We are working on measures to increase the client base for internet brokerage business.

Financial Planning

Financial planning has been seeing a lot of new client additions and the revenues from this activity have been picking up. A lot of financial planning clients are also showing interest in other services of PPFAS. We now have a payment gateway for Financial Planning services which will enable clients to make payment to PPFAS and enter their details on the PPFAS website. The financial plan will be delivered to the clients over the internet after consultation / counselling with the clients.

Marketing efforts

We are in talks with marketing agencies to ramp up our client servicing and acquisition efforts significantly. These will be implemented in 2010-2011.

Finances

The investments made by the company have generated handsome returns. PPFAS continues to remain invested. A portion of the investments of the company will be invested in the Asset Management Company upon receiving SEBI approval. The debt free status of the Company continues.

The company continues to focus on long term investments both for its own surplus funds as well as in advising clients on their investments.

Human Resources

PPFAS is adding people in its wealth management and financial planning division. This in conjunction with increased marketing effort is expected to increase the client base for portfolio management, financial planning and brokerage division significantly.

Outlook for the current year

2009-10 has been a record year of sorts. Financial year 2010-11 will probably not see such a big percentage rise in equity prices. Obviously then, the investment gains and the profit sharing fees in portfolio management seen in 2009-10 are not expected to repeat to that extent in 2010-11. We are expected to be in the investment phase as far as the marketing efforts go. In the initial year the additional revenue will go towards the costs of acquiring additional clients. It is only in subsequent years that the profitability will improve on account of stickiness of clients.

Directors

In accordance with the requirements of the Companies Act, 1956, Mr. Rajeev Thakkar, Mr. Sahil Parikh and Mr. Neil Parikh will retire by rotation at the Eighteenth Annual General Meeting and being eligible offer themselves for reappointment. The Board recommends their reappointment.

Directors' Responsibility Statement

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

- a. that in the preparation of the accounts for the financial year ended 31st March, 2010 the applicable accounting standards have been followed;
- b. that the Directors have selected such accounting policies and applied them consistently and made judgments 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 of the Company for the year under review;
- c. 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;
- d. that the Directors have prepared the accounts for the financial year ended 31st March, 2010 on a 'going concern' basis.

Particulars of employees

Information as required under section 217(2A) of the Companies Act is given as under:

Mr. Rajeev Thakkar	CEO & Director	Rs. 78,96,833/-
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Audit Committee

The Composition of audit committee constituted under the provisions of Section 292A of the Companies Act, 1956 is as under:

Mr. Rajeev Thakkar	Chairman of the Committee
Mr. Sunil Gautam	Member of the Committee
Mr. Sahil Parikh	Member of the Committee

Matters required to be reported upon as per the Companies (Disclosure of the particulars in the report of the Board of Directors) Rules, 1988

In pursuance of the above requirements, we report as follows:

a) Energy consumption

As the Company is engaged in rendering professional services, electricity cost is not a major component of total cost. The Company recognises the need and importance of conservation of energy. The electrical and electronic equipments used by the Company are switched off while not in use to conserve energy.

b) Technology absorption, adoption and innovation

As the Company is not engaged in any manufacturing activities, this section does not apply to the Company. The Company's employees keep upgrading their professional skills and are aware of the latest developments in the financial markets.

c) Foreign exchange earnings and outgo

Foreign exchange outgo during the year was 12,339. USD

Foreign exchange earnings during the year was 6893 USD

Consolidated Financial Statement of PPFAS with its subsidiary

In accordance with section 212 of the Companies Act, 1956 the audited accounts together with Directors' Report and Auditors' Report of the subsidiary Company is appended and forms part of the Annual Report. The statement pursuant to section 212 of the Companies Act, 1956 also forms part of this report. This annual report also includes consolidated financial statements for the financial year 2009-10.

Statutory Auditors

M/s. CVK & Associates, Chartered Accountants the auditors of the company retire at the conclusion of ensuing annual general meeting and have expressed their willingness to continue as Auditors, if reappointed.

Acknowledgment

The directors wish to place on record their appreciation for the co-operation given to the Company by its employees, clients, bankers and shareholders.

Place: Mumbai

Date: April 12, 2010

Registered Office:

103, Veena Chambers, 21, Dalal Street, Fort,
Mumbai – 400 001

For and on behalf of the board of directors

Rajeev Thakkar
Director

Sahil Parikh
Director

Auditor's Report

CVK & Associates
Chartered Accountants

2, Samarth Apartments
D. S. Barbrekar Road, Gokhale Road,(North)
Dadar ,Mumbai – 400 028
Phone : 24468717,24451488
Fax No: 2446 6139

TO THE MEMBERS OF PARAG PARIKH FINANCIAL ADVISORY SERVICES LIMITED

- 1 We have audited the attached Balance Sheet of Parag Parikh Financial Advisory Services Limited as at 31st March, 2010, and also the Profit & Loss Account 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 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 mis-statement. 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 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together 'the Order'), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 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 and the Profit & Loss Account dealt with by this report, are in agreement with the books of accounts.
 - iv) In our opinion, the Balance Sheet and Profit & Loss Account 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, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2010 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, read with the 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, 2010 and
- (b) in the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.

For CVK & Associates
Chartered Accountants

Place: Mumbai
Date: April 12, 2010

(K.P. CHAUDHARI), Partner
M.No.31661

Annexure referred to in paragraph 3 of our report of even date

The Annexure referred to in the Auditors' report to the Members of Parag Parikh Financial Advisory Services Limited (the Company) for the year ended 31st March, 2010. We report that:

- i (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of Fixed Assets.

(b) The Fixed Assets of the Company have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

(c) There was no disposal of any substantial part of the company's Fixed Assets during the year.
- ii The company did not have any inventory during the year.
- iii 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.
- iv There is adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of securities and fixed assets and other assets and for the sale of securities. No major weakness has been noticed in the internal controls during the course of our audit.
- v There are no transactions during the year that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956.
- vi The Company has not accepted any deposits from the public, so as to attract the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Companies Act, 1956, and the rules framed there under.
- vii In our opinion, the Company has an internal audit system commensurate with the size and nature of its business
- viii Maintenance of cost records has not been prescribed for the company by the Central Government, under section 209 (1) (d) of the Companies Act, 1956.
- ix (a) As per the records of the Company, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Service-tax, Wealth Tax, Cess and any other statutory dues applicable to it. As per the records of the Company, there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the disputed statutory are as under:

Nature of Statute	Nature of Dues	Amount Disputed (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Finance Act 1994	Service Tax	2.37	F. Y 2001-02	Appellate Tribunal (CESTAT)
The Income Tax Act 1961	Income Tax	5.6	A Y 2007-08	Commissioner of Income Tax (Appeal)

- The Company does not have accumulated losses and has not incurred any cash losses during the current financial year.
- As per the documents and records produced before us, the Company has not defaulted in repayment of dues to institutions or banks or debenture holders.
- The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- The provisions of any special statute applicable to the chit fund, nidhi, mutual benefit fund or society do not apply to the company.
- In respect of dealing in Shares, Securities, Debentures and Other Investments, proper records have been maintained by the Company of the transactions and contracts and timely entries have been made therein and the Securities are held by the Company in its own name.
- According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- The Company has not obtained any term loans.
- The funds raised on short-term basis have not been used by the Company for long-term investment or vice versa.
- The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- The Company has not issued any debentures.
- The Company has not raised any money by public issue.
- During the course of our examination of the books of account and records of the company, carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For CVK & Associates, Chartered Accountants

Place: Mumbai
Date: April 12, 2010

(K.P. CHAUDHARI), Partner
M.No.31661

Balance Sheet as at 31st March 2010

Particulars	Schedule	Current Year	Previous Year
SOURCES OF FUNDS:			
Shareholders' Funds:			
Share Capital	A	65,148,050	65,148,050
Reserves & Surplus	B	172,290,573	112,287,420
Secured Loan			
Bank Overdraft (against fixed deposits)		-	5,410,279
		237,438,623	182,845,749
APPLICATION OF FUNDS:			
Fixed Assets:			
Gross Block	C	26,915,218	25,742,441
Less: Accumulated Depreciation		20,758,829	18,231,262
Net Block		6,156,389	7,511,179
Investments	D	128,416,214	36,915,364
Deferred Tax Assets		1,046,399	1,602,640
(Refer Note No 5 in schedule "Q")			
Current Assets, Loans & Advances:			
Sundry Debtors	E	44,143,804	6,256,761
Cash & Bank Balances	F	50,420,703	103,056,721
Loans & Advances	G	23,166,337	6,132,799
Deposits	H	48,585,816	33,258,816
		166,316,660	148,705,096
Less: Current Liabilities & Provisions			
Current Liabilities	I	52,957,039	9,258,893
Provisions	J	11,540,000	2,629,637
		64,497,039	11,888,530
Net Current Assets		101,819,621	136,816,566
		237,438,623	182,845,749

Notes to Accounts

Q

As per our Report of even date
For CVK & ASSOCIATES,
Chartered Accountants

For and on behalf of the Board of Directors of PPFAS Ltd

K P Chaudhari,
Partner
M.NO. 31661

Rajeev Thakkar
CEO & Director

Sahil Parikh
Director

Place: Mumbai
Date: April 12, 2010

Trupti Shah
Company Secretary

Profit & Loss Account for the year ended 31st March 2010

Particulars	Schedule	Current Year	Previous Year
INCOME:			
Brokerage	K	20,383,650	12,033,585
Advisory Services	L	58,324,837	13,123,022
Capital Gains on Investments	M	42,787,919	436,232
Other Income	N	5,627,885	9,951,470
Deferred Tax Income		-	397,400
		127,124,291	35,941,709
EXPENDITURE:			
Employees' Remuneration & Benefits	O	32,543,228	21,891,969
Administration & Other Expenses	P	20,047,815	16,079,372
Depreciation	C	2,571,200	3,640,809
		55,162,243	41,612,150
Profit/(Loss) for the year		71,962,048	(5,670,439)
Less : Prior period expense		132,654	-
Profit / (Loss) After Depreciation and Before Tax		71,829,394	(5,670,439)
Less :Corporate Taxes			
Provision for Current Year Taxes		11,270,000	-
Provision for Fringe Benefit Tax		-	375,121
Provision for Deferred Tax		556,241	
Profit /(Loss) after Depreciation & Tax		60,003,153	(6,045,560)
Profit/(Loss) c/f to the Balance Sheet		60,003,153	(6,045,560)
E.P.S.		9.21	(0.93)

Notes to Accounts

Q

As per our Report of even date
For CVK & ASSOCIATES ,
Chartered Accountants

For and on behalf of the Board of Directors of PPFAS Ltd

K P Chaudhari,
Partner
M.NO. 31661

Rajeev Thakkar
CEO & Director

Sahil Parikh
Director

Place: Mumbai
Date: April 12, 2010

Trupti Shah
Company Secretary

Schedules Forming Part of Balance Sheet as at March 31st, 2010

Schedule - A	Current Year	Previous Year
Authorized Capital:		
20,000,000 Equity Shares of Rs.10/- each	200,000,000	200,000,000
Total Rs.	200,000,000	200,000,000
Issued, Subscribed & Paid-up Capital:		
6514805 Equity Shares of Rs.10/- each fully paid	65,148,050	65,148,050
(inclusive of 2646805 shares issued to Shareholders of Parag Parikh Securities Ltd. at Par on Amalgamation.)	65,148,050	65,148,050

Schedule - B	Current Year	Previous Year
Reserves & Surplus		
General Reserve:	385,000	385,000
Capital Redemption Reserves	10,100,000	10,100,000
<u>Profit & Loss Account</u>		
Opening Balance	101,802,420	107,847,980
Add: Profit/(loss) for the year	60,003,153	(6,045,560)
Balance Carried Forward	161,805,573	101,802,420
Total Rs.	172,290,573	112,287,420

SCHEDULE - C												
Particulars	Rate of Dep.	Gross Block		Addition during the year	Sold during the year	Closing Balance as on 31.03.10	Depreciation		Addition during the year	Deletion on Asset sold during the year	Closing Balance as on 31.03.10	Net Block Closing Bal. as on 31.03.09
		Opening Balance as On 01.04.09	Closing Balance as on 31.03.10				Opening Balance as On 01.04.09	Closing Balance as on 31.03.10				
Air-conditioners	20.00%	1,420,524	281,941	-	-	1,702,465	1,053,723	128,526	-	-	1,182,248	366,801
Computer	40.00%	8,670,183	177,700	-	-	8,847,883	7,214,943	605,773	-	-	7,820,716	1,455,240
Electrical Fittings	20.00%	324,815	-	-	-	324,815	231,903	18,582	-	-	250,485	92,912
Motor Car *	25.89%	5,605,638	-	-	43,633	5,562,005	2,605,084	777,261	43,633	-	3,338,712	3,000,554
Office Furniture	20.00%	3,256,996	406,524	-	-	3,663,520	2,404,613	191,192	-	-	2,595,805	852,383
Telephone Systems	20.00%	1,830,956	114,020	-	-	1,944,976	1,457,776	89,281	-	-	1,547,057	373,180
Electrical Equipment	20.00%	566,194	29,000	-	-	595,194	309,470	53,188	-	-	362,658	256,724
Software Packages	60.00%	4,067,135	207,225	-	-	4,274,360	2,953,750	707,397	-	-	3,661,147	1,113,385
Total Rs.		25,742,441	1,216,410	1,216,410	43,633	26,915,218	18,231,262	2,571,200	43,633	-	20,758,829	7,511,179
Total Of Previous Year		23,630,758	3,161,683	1,050,000	1,050,000	25,742,441	15,412,942	3,640,809	822,489	-	18,231,262	7,511,179
* Assets Registered in the personal name of Directors.												

Schedule - D : LONG TERM INVESTMENT	No of shares	Cost for 31/03/10	MKT. Rate 31/03/10	MKT. Value on 31/03/10	No of shares	Cost for 31/03/09
(i) Quoted Investment:						
"EQUITY SHARES FULLY PAID"						
Aventis Pharma Ltd.	4,135	5,272,120	1,819	7,523,012	1,635	757,332
Axis bank Ltd	1,850	1,826,468	1,174	2,171,345	1,850	989,750
Bharat Electronics Ltd.	1,150	2,231,517	2,194	2,522,928	1,150	1,043,740
Castrol India Ltd.	5,000	3,035,100	699	3,494,250	5,000	815,960
Container Corporation of India Ltd.	2,310	3,022,270	1,339	3,093,783	2,310	422,464
Crisil	1,210	4,758,541	5,287	6,397,028	5,55	1,412,904
Fulford India	2,000	885,000	977	1,954,700		
Glaxo Smithkline Pharmaceuticals Ltd.	140	229,898	1,764	246,911	140	75,375
Gujarat Gas Company Ltd.	41,640	5,344,561	284	11,811,186	10,320	2,609,282
ICRA Ltd	12,070	8,456,647	887	10,702,469	3,792	1,513,129
IGL	57,000	10,458,315	217	12,346,200	25,000	2,786,000
IL & FS Investment	120,000	5,005,800	41	4,890,000	0	-
Maharashtra Scooters Ltd.	9,189	2,285,366	371	3,405,903	9,130	1,632,567
Monsanto Industries	3,845	6,358,513	1,700	6,534,962	1,395	1,678,088
Mphasis Ltd.	36,100	21,221,070	641	23,127,465	25,600	4,123,481
NIIT Technologies Ltd.	0	-	0	-	17,868	1,197,241
Novartis India	3,000	1,362,120	582	1,744,500		
Oracle Financial Services Software Ltd	3,650	8,460,810	2,309	8,427,668	3,650	1,656,658
Petronet LNG	135,001	9,892,675	79	10,678,579		
Pidilite Industries Ltd.	0	-	0	-	27,950	791,272
Prajay Eng.	0	-	0	-	25,000	605,500
Proctor & Gamble	3,652	2,975,658	2,315	8,455,476		
Sonata Software Ltd.	205,859	6,337,626	59	12,207,439	90,859	2,874,964
SSI Ltd (PVP Ventures Ltd)	1,528	281,152	18	27,428	1,528	281,152
VST Industries Ltd.	13,001	5,432,574	535	6,955,535	7,000	3,591,007
Wyeth Ltd.	3,885	2,814,166	820	3,183,952	3,885	1,657,925
Zicom Electronic Sytem Ltd	39,000	5,050,110	99	3,843,450		
Total- (i)		122,998,077		155,746,167		32,515,791
(ii) Unquoted Investments:						
Karrox Technologies Ltd.	50,000	2,000,000	0	-	50,000	2,000,000
Mumbai stock Exchange	11,401	1,140,977	0	-	11,401	1,140,977
PAL Peugeot Ltd.	17,200	318,200	0	-	17,200	318,200
Trent Ncd	400	200,000	0	-	400	200,000
Total- (ii)		3,659,177		-		3,659,177
(iii) Investment in mutual Fund						
HDFC Mutual Fund	101,619	1,018,564		1,018,716		
(iv) Subsidiary Company						
Dimension Venture INC USA	15,000	740,396		-	15,000	740,396
					-	740,396
Total- (I)+(ii)+(iii)+(iv)		128,416,214		156,764,883		36,915,364

Schedule - E	Current Year	Previous Year
Sundry Debtors		
1.Outstanding for more than 6 months	Nil	Nil
2.Other-debts considered good		
Secured	Nil	Nil
Unsecured	44,143,804	6,256,761
	44,143,804	6,256,761
<u>Less:</u> Provision for Doubtful Debts	Nil	Nil
Total Rs.	44,143,804	6,256,761
Out of the above:		
II a. Debts due by-		
I) Directors or other officers of the Company	Nil	Nil
II) Concerns in which Directors are interested		
b. The maximum amount due by Directors or other officers of the company at any time during the year	Nil	Nil

Schedule - F	Current Year	Previous Year
Cash & Bank Balances		
I) Cash in Hand	61,176	65,075
II) Balances with Scheduled Banks		
in current account		
AXIS Bank	32,942,634	9,620,596
Bank of India	-	29,600
HDFC Bank	7,107,847	1,549,202
Standard Chartered Grindlays Bank	9,161	11,751
Vijaya Bank	5,000	5,000
ICICI	8,713	-
In Fixed Deposit account		
HDFC Bank Ltd	-	5,000,000
AXIS Bank	7,767,920	30,000,000
AxIS Bank Against Guarantee/FD OD Limit	1,347,797	51,100,000
Interest accrued	1,170,455	5,675,497
Total Rs.	50,420,703	103,056,721

Schedule - G Loans & Advances	Current Year	Previous Year
(Unsecured & Considered good)		
I) Advances recoverable in cash or in kind or for value to be received		
Advance Tax	10,140,990	400,000
Tax deduction at source	634,044	1,499,097
Income Tax Refund Due	4,224,888	2,426,366
Pre-paid Expenses	880,514	677,958
Miscellaneous Loans & Advances/Margin	7,285,901	1,129,378
	23,166,337	6,132,799
Out of the above:		
II) a. Debts due by-		
I) Directors or other officers of the Company	Nil	Nil
II) Concerns in which Directors are interested	Nil	Nil
b. The maximum amount due by Directors or other officers of the company at any time during the year	Nil	Nil

Schedule - H: Deposits	Current Year	Previous Year
i) Deposit with Stock Exchange		
NSE Deposit for Capital Market	4,100,000	4,100,000
NSE Deposit with Clearing Corporation	900,000	900,000
NSE Deposit for Futures & Options	800,000	800,000
NSE Deposit for VSAT-interest free	100,000	-
Deposit for Car Parking in BSE Towers	150,000	150,000
NSE Base Capital Adequacy Deposit	4,000,000	-
BSE Base Capital Adequacy Deposit	2,000,000	1,000,000
BSE Membership Deposit	10,000,000	10,000,000
	(i)	22,050,000
ii) Other Deposits:		
NSDL DP Deposit	1,000,000	1,000,000
HCL-Lease line Deposit	200,000	310,000
Electricity Deposit	228,571	228,571
R S Vatcha & Co	30,700	30,700
Office Deposit	14,000,000	14,000,000
Telephone Deposit	95,999	95,999
U.S.Club Deposit	20,000	20,000
ILFS initial Deposit	10,926,000	599,000
NSDL STP Advance	20,000	20,000
Vichare Courier Deposit	630	630
Veena Chambers Condominium	3,416	3,416
Municipal Deposit	500	500
Tech Process Solution	10,000	-
	(ii)	26,535,816
Total Rs.(i)+(ii)	48,585,816	33,258,816

Schedule - I	Current Year	Previous Year
Current Liabilities		
Trade Creditors	30,604,418	5,160,764
other liabilities	22,352,621	4,098,129
Total Rs.	52,957,039	9,258,893

Schedule - J	Current Year	Previous Year
Provisions:		
Provision for Gratuity	0	2,452,297
Provision for Taxation	11,270,000	-
Auditor's Remuneration	270,000	177,340
Total Rs.	11,540,000	2,629,637

Schedules Forming Part Of Profit & Loss A/c For Year Ended March 31st 2010

Schedule - K	Current Year	Previous Year
Brokerage:		
Capital Market - Brokerage	20,383,650	12,033,585
Total Rs.	20,383,650	12,033,585

Schedule - L	Current Year	Previous Year
Advisory Services:		
Portfolio Management Fees	55,424,502	9,419,094
Placement Charges-MF	2,268,191	2,870,589
DP fees	140,700	83,340
Investment Advisory Fees Others	491,444	749,999
Total Rs.	58,324,837	13,123,022

Schedule - M	Current Year	Previous Year
Capital Gains		
Short Term capital Gain/(Loss)	290,951	(124,583)
Long Term Capital Gains/(Loss)	42,496,968	560,815
Total Rs.	42,787,919	436,232

Schedule - N	Current Year	Previous Year
A. Interest		
Interest on FD with Banks (Tds Rs 634044.)	3,466,573	8,709,001
Total Rs.	3,466,573	8,709,001
B. Dividend on Shares & MF	2,161,312	1,062,908
C. Other Income	0	179,561
Total A+B+C	5627885	9,951,470

Schedule - O	Current Year	Previous Year
Employees' Remuneration & Benefits:		
Salaries	30,086,842	19471732
Gratuity & Ex Gratia Payments	666,762	400,000
Employer's Contribution to PF	1,088,241	1,309,846
PF Administration Charges	122482	144963
Employer's Contribution to ESIC	32,096	33,659
Staff Welfare & Training	546,805	531,769
Total Rs.	32,543,228	21,891,969

Schedule - P: Administrative Expenses	Current Year	Previous Year
Advertisement	25,000	92,742
Audit Fees	300,000	200,000
Bank Guarantee Charges	53,482	940,758
Bank Charges	7,448	86,697
Bank Interest on O/D	148,091	356,809
Books & Periodicals	77,530	58,504
Communication Expenses	676,718	806,914
Conveyance	338,115	523,993
DMAT Charges/STP Charges	274,506	132,037
Donation	29,500	200,000
Electricity Charges	1,351,269	1,419,069
Entertainment & Business Promotion	962,344	672,491
Franking Charges/Filing Fees	164,189	282,121
General Expenses -BSE/NSE/NSDL	37,533	114,673
Insurance Premiums	185,961	277,871
Internet Charges	211,964	229,605
ILFS Charges	40,020	42,123
Lease Line Charges	243,423	451,234
Membership & Subscriptions	1,762,700	1,868,577
Maharashtra Labour Welfare Fund	3,108	25,560
Miscellaneous Expenditure	121,721	104,045
Penalty Levied of Exchanges	20,350	19,192
Postage & Courier Charges	155,763	155,223
Printing & Stationery	384,954	564,241
Professional Charges	5,504,149	2,321,982
Professional Tax	2,000	2,000
(Profit)/Loss on Errors	1,005,593	(65,597)
Rent, Rates & Taxes	732,000	979,500
Repairs & Maintenance	643,926	506,416
Seminar Education Expenses	1,246,124	204,219
Security Service Charges	143,753	192,091
Software Systems, Trainings & Services	540,145	302,774
Service tax, STT & other charges on Share investment	276,409	24,669
Stamp Duty for Capital Market	727,818	836,104
Sub-brokerage-MF	7,500	0
Sundry Balance W/Off	139,603	0
Traveling Expenses	661,480	89,961
Transaction Charges	318,719	479,986
Turnover Charges-SEBI	11,786	22,573
Vehicle Maintenance Expenses	396,782	440,545
VSAT Charges	114,339	117,670
Total Rs.	20,047,815	16,079,372

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

Schedule Q - Notes To Accounts

1 Significant Accounting Policies

a) Accounting Convention

The financial statements are prepared under the historical cost convention and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India.

b) Revenue Recognition

Revenue from Brokerage, Interest and other business is generally recognized on accrual basis. Dividend is accounted on Cash basis for the sake of convenience, considering its materiality.

c) Fixed Assets

Fixed Assets are valued at cost less accumulated depreciation. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the asset to its present condition for intended use.

d) Investments

Investments are valued at their acquisition costs.

e) Depreciation

Depreciation on Fixed Assets is provided on Written Down Value method (WDV) in the manner prescribed under the Companies Act, 1956 read with Schedule XIV thereto.

f) Portfolio Management Scheme (PMS)

The Investments under the PMS are made on behalf of and in the respective names of the Investors. Therefore, the amounts received under PMS and the corresponding Investments made do not get reflected in the Financial Statements of the Company.

g) Share Transactions

Gain or loss on sale of shares, Derivatives, Mutual Fund units etc. which are held as investments.

h) Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Investments in foreign subsidiaries are recorded in rupees by applying the exchange rate prevailing at the time of making investment.

i) Employee Benefits

(a) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contribution is charged to the Profit and Loss Account of the year when the contribution to the fund is due. There are no other obligations other than the contribution payable to the fund.

(b) The company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods.

The present value of the obligation is determined based on the actuarial valuation. This amount is funded through an employee gratuity trust managed by HDFC Standard Life Insurance.

j) Provisions and Contingent Liabilities

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities if any are not recognized but are disclosed in the notes to accounts.

k) Taxes on Income

Current Tax is determined as the amount of tax payable in respect of the taxable income for the period.

Deferred Tax is recognized, subject to the 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.

- 2 The amount payable to the Small Scale Undertaking is NIL. (Previous year Nil).
- 3 Funds received from various investors and invested on their behalf & in their respective names under the Portfolio Management Scheme, as at 31st March, 2010 are Rs. 226.37 crores under 'Cognito Scheme and Rs. 10.06 crores under 'Progeny Scheme'.
- 4 Provision, Contingent Liabilities and Assets.

Contingent Liabilities	FY 2009-10	FY 2008-09
* Income Tax	5.60	0.00
Service Tax	2.37	0.00
Axis Bank Guarantee (BSE)	NIL	125.0
Axis Bank Guarantee (NSE)	25.00	25.00

*Income Tax case: This relate to the case of Parag Parikh Securities Ltd which has merged with the company effective 1st October 2006

5 Major Components of Deferred Tax Assets

DEFERRED TAX Assets/ Liabilities		Amount in Rs.
1	Opening Balance	1,602,640
II	Changes During the year	
1	Timing Difference in Depreciation	
	as per Accounts	2,571,200
	as per Income tax Act	1,755,386
	Total under charge for tax purpose	815,814
	Deferred tax asset 33.99%	277,295
2	Timing Difference in Gratuity	
	Gratuity as per P&L a/c	666,762
	as per Income Tax	3,119,059
	Total Over charged for tax purpose	(2,452,297)
	Deferred tax Liability 33.99%	(833,536)
III	Net Deferred Tax Asset as per Balance Sheet	1,046,399
IV	Deferred Tax Expenses in Profit & Loss Account	556,241

6 Disclosures as required by Schedule VI of the Companies Act, 1956

a) Particulars of Directors Remuneration

Name	Amount in Rs.	Head of Expenses
* Parag S. Parikh	31,70,000/-	Consultancy Fees
* Rajeev Thakkar	78,96,833/-	Salary
Neil Parikh	75,000/-	Salary
Ashish Shah	14,31,000/-	Salary

* The remuneration of Rs. 31,70,000/- paid to Mr. Parag Parikh is towards his professional services and the remuneration of Rs. 78,96,833/- paid to Mr. Rajeev Thakkar has been paid for his services as a fund manager. The remuneration paid to the directors is in line with the industry standards and has been put up for the members' approval. The Company will ensure that applicable statutory provisions are complied with.

b) Particulars of Auditor's Remuneration

Particulars	FY 2009-10	FY 2008-09
a) As Auditors	1,50,000/-	1,00,000/-
b) For other Services	1,50,000/-	1,00,000/-
TOTAL	3,00,000/-	2,00,000/-

c) Value of Imports

Particulars	FY 2009-10	FY 2008-09
Value of Imports	NIL	NIL

d) Expenditure in Foreign Exchange

Particulars	FY 2009-10	FY 2008-09
Expenditure in Foreign Exchange (US \$)	12,339/-	NIL

e) Foreign Exchange Earnings

Particulars	FY 2009-10	FY 2008-09
Earnings in Foreign Exchange (US \$)	6,893/-	8,273/-

7 Previous year's figures have been regrouped and rearranged wherever necessary.

8 Disclosure as required by Accounting Standard and other announcements issued by ICAI.

As per Accounting Standard 18, issued by the Institute of Chartered Accounts of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

Name of the Related Party.	Relationship	Nature of Payment	Amount
Empeegee Portfolio Management Services Pvt. Ltd.	Enterprise over which Key Managerial Personnel are able to exercise significant influence.	Rent	7,20,000/-
Parag Parikh	Director who is able to exercise significant influence	Rent	12,000/-
Parag Parikh	Director who is able to exercise significant influence	Consultancy fees	31,70,000/-
Rajeev Thakkar	Key Management Personnel	Salaries	78,96,833/-
Neil Parikh	Key management Personnel	Salaries	75,000/-
Ashish Shah	Key management Personnel	Salaries	14,31,000/-

As per our Report of even date

For and on behalf of the Board of
Directors of PPFAS Limited

For CVK & Associates
Chartered Accountants

Rajeev Thakkar
CEO & Director

Sahil Parikh
Director

(K.P. CHAUDHARI), Partner
M.No.31661

Trupti Shah
Company Secretary

Place: Mumbai
Date: April 12, 2010

Place: Mumbai
Date: April 12, 2010

General Profile

Registration Details

Registration No.	11-68970 of 1992
State Code	11.00
Balance Sheet Date	March 31, 2010

Capital Raised During The Year

Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement	NIL

Position of Mobilisation and Development of Funds: (Rs. In'000)

Total liabilities	237,439
Total Assets	237,439

Sources of Funds

Paid-up Capital	65,148
Reserves and Surplus	172,290
Secured Loans	Nil
Unsecured Loans	NIL

Application of Funds

Net Fixed Assets	6,156
Investments	128,416
Net Current Assets	101,820
Net Deferred Tax Assets	1,046
Miscellaneous Expenditures	NIL
Accumulated losses	NIL

Performance of the Company: (Rs. In'000)

Turnover	127,124
Total Expenditure (Including Depreciation.)	55,162
Profit/(Loss) Before Tax	71,962
Profit /(Loss) After Tax	60,003
Earnings Per Share (EPS) (in Rs.)	9.21
Dividend Declared	NIL

Principle Services rendered by the Company:

- Equity Broking
- Futures & Options Broking
- Portfolio Management Schemes
- Mutual Fund Distribution
- Financial Planning
- Depository Participant Services

As per our Report of even date

For and on behalf of the Board of
Directors of PPFAS LimitedFor CVK & Associates
Chartered AccountantsRajeev Thakkar
CEO & DirectorSahil Parikh
Director(K.P. CHAUDHARI), Partner
M.No.31661Trupti Shah
Company SecretaryPlace: Mumbai
Date: April 12, 2010Place: Mumbai
Date: April 12, 2010

Statement pursuant to Section 212 of the Companies Act, 1956.

Statement pursuant to Section 212 of the Companies Act, 1956 relating to company's interest in subsidiary company:

1	Name of the Subsidiary Company	Dimension Venture Inc.
2	The Financial Year of the subsidiary company ended on	31st March 2010
3	Date from which it became subsidiary	1st October 2006
4	Number of shares hold by the holding company in the subsidiary company at the end of the financial year of the subsidiary company.	15000 shares of the face value US\$ 1 fully paid.
5	The net aggregate amount of the subsidiary company's profit/(loss) so far as it concerns the member of the holding company	
	a. Not dealt with in the holding company's accounts	
	i. for the financial year ended on 31st March 2010	Loss of 84,306 INR, USD 1,737.19
	ii. for the previous financial year of the subsidiary company.	Loss of 74,964 INR, USD 1,625.60
	b. Dealt with in Holding Company's accounts	
	i. for the financial year ended on 31st March 2010	NIL
	ii. for the previous financial year of the subsidiary company	NIL

Board of Directors' Report

To,
The Shareholders of Dimension Venture Inc.

Your Directors have pleasure in presenting the Eighteenth Annual Report together with accounts of the Company for the year ended March 31st, 2010.

1. Activities:

The Company is mainly providing consultancy, advisory, web designing and internet technology services.

2. Financial Performance:

During the year the Company has made a net loss of 84,306 INR (USD 1,737.19) as compared to previous year net Loss of 74,964 INR (USD 1,625.60)

3. Dividend:

Your Directors do not recommend any dividend for the year.

4. Deposits:

The Company has not accepted any deposits from the public.

5. Directors' Responsibilities Statement:

The Directors state as an averment of their responsibility:

a) that in the preparation of the accounts for the financial year ended 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to the material departure, if any as far as possible.

b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the company for the year 31st March, 2010.

c) that the Directors have taken proper and sufficient care for the maintenance of the 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.

d) that the Directors have prepared the accounts for the financial year ended 31st March 2010 on a 'going concern' basis.

6. Currency:

All figures appearing in the accounts are in the US Dollars and has been denoted as USD or US\$.

7. Acknowledgment:

The Directors wish to place on record their appreciation for the co-operation given to the Company by its employees at all levels, its Bankers, Clients and all other who have directly and / or indirectly contributed to the Company's progress.

For and on behalf of the board
For Dimension Venture, Inc.

Sahil Parikh
Director

Auditor's Report

FRANK A. ELMORE, CPA, P.A.
CERTIFIED PUBLIC ACCOUNTANT

Member:
American Institute of CPA's
N.C. Association Of CPA's
Carolina 27514

123,kingstone Drive,
Suite 105 Chapel Hill
North
Tel: (919) 967-5733
Fax: (919) 967-1905

To
The Board of Directors and Shareholders of:
Dimension Venture Inc.
7200 Stonehenge Drive, Suite 311
Raleigh, NC 27613

We have compiled the accompanying balance sheet of Dimension Ventures Inc. as of March 31, 2010 and the related statements of income for the 12 months then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the management of Dimension Ventures Inc. We have not audited or reviewed the accompanying financial statements and accordingly do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Sd/-
Frank A. Elmore, CPA, P. A
April 12, 2010

Balance Sheet as at 31st March 2010

AVERAGE RATE 1 US \$ = 48.53

CLOSING RATE 1 US \$ = 44.89

Particulars	31-03-2010	
	Amount in US \$	Amount in US \$
CURRENT ASSETS		
Checking/Savings		
Wachovia Checking	5,169.74	
Wachovia Money Market Account	23,543.74	
Pay Pal Account	134.23	
Total Checking /Savings		28,847.71
Refundable N.C.Corporate Taxes		529.00
TOTAL CURRENT ASSETS		29,376.71
FIXED ASSETS		
Office Equipment	1,920.53	
Computer Equipment	5,335.84	
Furniture & Fixtures	180.82	
Software	1,270.93	
Accumulated Depreciation	(8,549.14)	
Total Fixed Assets		158.98
OTHER ASSETS		
Organisation Cost	625.00	
Allowance or Amortisation	(625.00)	
TOTAL OTHER CURRENT ASSETS		0.00
TOTAL ASSETS		29,535.69
Equity		
Capital Stock	15,000.00	
Retained Earnings	16,272.88	
Net Income/(Loss)	(1,737.19)	
TOTAL LIABILITY & EQUITY		29,535.69

Profit & Loss Account as at 31st March 2010

AVERAGE RATE 1 US \$ = 48.53

CLOSING RATE 1 US \$ = 44.89

Particulars	31 March 2010
	Amt. In US \$
Interest Income	33.15
TOTAL INCOME	33.15
Expenses	
Professional Fees	1,513.05
Legal Fees	37.50
Total Professional Fees	1,550.55
Outside Services	29.00
Depreciation	119.79
Taxes	
NC Corporate Franchise Tax	71.00
TOTAL EXPENSES	1,770.34
Net Income/ (Loss)	(1,737.19)

C0072 Dimension Ventures, Inc. 04/08/2010 12:08 PM
 94-3429613 Tax Asset Detail 4/01/09 - 3/31/10 Page 1
 FYE: 3/31/2010

Asset ID	Property Description	Date In Service	Tax Cost	Sec 179 Exp Current = c	Tax Bonus Amt	Tax Prior Depreciation	Tax Current Depreciation	Tax End Depr	Tax Net Book Value	Tax Method	Tax Period
Group: Computer Equipment											
3	Wireless Ethernet Equipment	2/12/03	278.15	0.00	0.00	278.15	0.00	278.15	0.00	200DB	5.0
5	Computer Equipment	3/28/03	1,924.93	0.00	0.00	1,924.93	0.00	1,924.93	0.00	200DB	5.0
11	Computer & Accessories	11/01/04	2,212.76	2,212.76	0.00	2,212.76	0.00	2,212.76	0.00	200DB	5.0
13	Apple computer and accessories	7/05/06	920.00	0.00	0.00	655.04	105.98	761.02	158.98	200DB	5.0
	Computer Equipment		5,335.84	0.00c	0.00	5,070.88	105.98	5,176.86	158.98		
Group: Furniture & Fixtures											
4	Desk, Chair	3/05/03	180.82	0.00	0.00	167.01	13.81	180.82	0.00	200DB	7.0
	Furniture & Fixtures		180.82	0.00c	0.00	167.01	13.81	180.82	0.00		
Group: Office Equipment											
6	Fax Machine	3/05/03	156.19	0.00	0.00	156.19	0.00	156.19	0.00	200DB	5.0
9	Digital Voice Recorder	8/27/03	106.99	106.99	0.00	106.99	0.00	106.99	0.00	200DB	5.0
10	Mobile Phone	3/01/05	787.20	787.20	0.00	787.20	0.00	787.20	0.00	200DB	7.0
12	Mobile Phone	2/28/06	870.15	870.15	0.00	870.15	0.00	870.15	0.00	200DB	7.0
	Office Equipment		1,920.53	0.00c	0.00	1,920.53	0.00	1,920.53	0.00		
Group: Organization Costs											
1	Organization Costs	4/24/02	625.00	0.00	0.00	625.00	0.00	625.00	0.00	Amort	5.0
	Organization Costs		625.00	0.00c	0.00	625.00	0.00	625.00	0.00		
Group: Software											
2	Software- Electric Rain	8/06/02	159.00	0.00	0.00	159.00	0.00	159.00	0.00	Amort	3.0
7	I-mac Computer Software	3/28/03	212.93	0.00	0.00	212.93	0.00	212.93	0.00	Amort	3.0
8	Macromedia/ Shockwave Software	4/28/03	899.00	899.00	0.00	899.00	0.00	899.00	0.00	Amort	3.0
	Software		1,270.93	0.00c	0.00	1,270.93	0.00	1,270.93	0.00		
	Grand Total		9,333.12	0.00c	0.00	9,054.35	119.79	9,174.14	158.98		

Auditor's Report

CVK & Associates
Chartered Accountants

2, Samarth Apartments
D. S. Barbrekar Road, Gokhale Road,(North)
Dadar ,Mumbai – 400 028
Phone : 24468717,24451488
Fax No: 2446 6139

Auditors Report on the Consolidated Financial Statements of Parag Parikh Financial Advisory Services Limited and
Its subsidiary Dimension Venture Inc.

To,
The Board of Directors of the Parag Parikh Financial Advisory Services Limited.

1) We have examined the attached Balance Sheet of Parag Parikh Financial Advisory Services Limited and Its subsidiary Dimension Venture Inc. as at 31st March 2010 and also the consolidated Profit & Loss account for the year ended on that date annexed thereto. These consolidated financial statements are the responsibilities 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 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 prepared in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes examining on 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) We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements issued by the Institute of Chartered Accountants of India('ICAI').

4) We further report that in the case of foreign subsidiary of the company viz. Dimension Venture having total assets of Rs. 1,325,577 (29,536 USD) as at 31st March, 2010 and total revenue of Rs. 1,600 (33 USD) for the year ended on that date, the figures used for consolidation are based on management accounts and are therefore unaudited.

5) On the basis of the information and the explanations given to us and on the consideration of the standalone audit report on the financial statements of Parag Parikh Financial Advisory Services Ltd and the compilation of the qualified accountant of its subsidiary Dimension Venture Inc. we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of consolidated Balance Sheet , of the state of affairs of the company & its subsidiary as at 31st March, 2010 and
- b) in the case of consolidated Profit and loss account, of the profit of the company and its subsidiary for the year ended on that date.

For CVK & Associates, Chartered Accountants

Place: Mumbai
Date: 12th April 2010

(K.P. CHAUDHARI), Partner M.No.31661

Consolidated Balance Sheet as at 31st March 2010

Particulars	Schedule	Current Year	Previous Year
SOURCES OF FUNDS:			
Shareholders' Funds:			
Share Capital	A	65,148,050	65,148,050
Reserves & Surplus	B	172,875,754	113,162,687
Secured Loan:			
Bank Overdraft (Against Fixed Deposits)		-	5,410,279
		238,023,804	183,721,016
APPLICATION OF FUNDS:			
Fixed Assets:			
Gross Block	C	27,296,546	26,123,769
Less: Accumulated Depreciation		21,133,301	18,599,921
Net Block		6,163,245	7,523,848
Investments			
	D	127,675,818	36,174,968
Deferred Tax Assets (Refer Note No 5 in schedule "Q")			
		1,046,399	1,588,671
Current Assets, Loans & Advances:			
Sundry Debtors	E	44,143,804	6,256,761
Cash & Bank Balances	F	51,715,677	104,624,800
Loans & Advances	G	23,190,084	6,181,682
Deposits	H	48,585,816	33,258,816
		167,635,381	150,322,059
Less: Current Liabilities & Provisions			
Current Liabilities	I	52,957,039	9,258,893
Provisions	J	11,540,000	2,629,637
		64,497,039	11,888,530
Net Current Assets		103,138,342	138,433,529
		238,023,804	183,721,016

Notes to Accounts

Q

As per our Report of even date
For CVK & Associates
Chartered Accountants

For and on behalf of the Board of Directors of PPFAS Ltd

K P Chaudhari, Partner
M.No:31661

Rajeev Thakkar
CEO & Director

Sahil Parikh
Director

Place: Mumbai
Date: April 12, 2010

Trupti Shah
Company Secretary

Consolidated Profit and Loss Account as at 31st March 2010

Particulars	Schedule	Current Year	Previous Year
INCOME:			
Brokerage	K	20,383,650	12,033,585
Advisory Services	L	58,324,837	13,123,022
Capital Gains on Investments	M	42,787,919	436,232
Other Income	N	5,629,494	10,233,399
Deferred Tax Income		-	383,431
		127,125,900	36,209,669
EXPENDITURE:			
Employees' Remuneration & Benefits	O	32,543,228	21,891,969
Administration & Other Expenses	P	20,127,917	16,427,337
Depreciation	C	2,577,013	3,649,734
		55,248,158	41,969,040
Profit/(Loss) for the year		71,877,742	5,759,371
Less: Difference in Foreign Exchange Rate		205,780	334,252
Less : Prior period expenses		132,654	-
Profit/(Loss) After Depreciation and Before Tax		71,539,308	(5,425,119)
Less :Corporate Taxes			
Provision for Current Year Taxes		11,270,000	-
Provision for Fringe Benefit Tax		-	375,121
Provision for Deferred Tax		556,241	
Profit/(Loss) after Depreciation & Tax		59,713,067	(5,800,240)
Profit/(Loss) c/f to the Balance Sheet		59,713,067	(5,800,240)

Notes to Accounts

Q

As per our Report of even date
For CVK & ASSOCIATES
Chartered Accountants

For and on behalf of the Board of Directors of PPFAS Ltd.

K P Chaudhari, Partner
M.No:31661

Rajeev Thakkar
CEO & Director

Sahil Parikh
Director

Place: Mumbai
Date: April 12, 2010

Trupti Shah
Company Secretary

Schedules Forming Part of Consolidated Balance Sheet as at March 31st, 2010

Schedule - A	Current Year	Previous Year
Authorized Capital:		
20,000,000 Equity Shares of Rs.10/- each	200,000,000	200,000,000
Total Rs.	200,000,000	200,000,000
Issued, subscribed & Paid-up Capital:		
6514805 Equity Shares of Rs.10/- each fully paid	65,148,050	65,148,050
(Inclusive of 2646805 shares issued to the shareholders of Parag Parikh Securities Ltd at par on Amalgamation)		
	65,148,050	65,148,050

Schedule - B	Current Year	Previous Year
Reserves & Surplus:		
General Reserve:	385,000	385,000
Capital Redemption Reserves	10,100,000	10,100,000
Profit & Loss Account:		
Opening Balance	102,677,687	108,477,927
Add: Profit for the year	59,713,067	(5,800,240)
Balance Carried Forward	162,390,754	102,677,687
Total Rs.	172,875,754	113,162,687

SCHEDULE - C												
Particulars	Rate of Dep.	Gross Block		Addition during the year	Sold during the year	Closing Balance as on 31.03.10	Depreciation		Addition during the year	Deletion on Asset sold during the year	Closing Balance as on 31.03.10	Net Block Closing Balance as on 31.03.09
		Opening Balance as On 01.04.09	Closing Balance as on 31.03.10				Opening Balance as On 01.04.09	Closing Balance as on 31.03.10				
Air-conditioners	20.00%	1,420,524	1,702,465	281,941	-	1,702,465	1,053,723	128,526	-	1,182,249	520,216	366,801
Computer	40.00%	8,883,936	9,061,636	177,700	-	9,061,636	7,416,656	610,916	-	8,027,572	1,034,064	1,467,280
Electrical Fittings	20.00%	324,815	324,815	-	-	324,815	231,903	18,582	-	250,485	74,330	92,912
Motor Car	25.89%	5,605,638	5,562,005	-	43,633	5,562,005	2,605,084	777,261	43,633	3,338,712	2,223,293	3,000,554
Office Furniture	20.00%	3,264,239	3,670,763	406,524	-	3,670,763	2,411,227	191,862	-	2,603,089	1,067,674	853,012
Telephone Systems	20.00%	1,830,956	1,944,976	114,020	-	1,944,976	1,457,776	89,281	-	1,547,057	397,919	373,180
Electrical Equipment	20.00%	643,130	672,130	29,000	-	672,130	386,406	53,188	-	439,594	232,536	256,724
Software Packages	60.00%	4,150,531	4,357,756	207,225	-	4,357,756	3,037,146	707,397	-	3,744,543	613,213	1,113,385
Total Rs.		26,123,769	27,296,546	1,216,410	43,633	27,296,546	18,599,921	2,577,013	43,633	21,133,301	6,163,245	7,523,848
Total Of Previous Year		24,012,086	26,123,769	3,161,683	1,050,000	26,123,769	15,772,676	3,649,734	822,489	18,599,921	7,523,848	

Schedule - D: LONG TERM INVESTMENT	No of shares	Cost for 31/03/10	MKT. Rate 31/03/10	MKT. Value on 31/03/10	No of shares	Cost for 31/03/09
(i) Quoted Investment:						
"Equity Shares Fully Paid"						
Aventis Pharma Ltd.	4,135	5,272,120	1,819	7,523,012	1,635	757,332
Axis bank Ltd	1,850	1,826,468	1,174	2,171,345	1,850	989,750
Bharat Electronics Ltd.	1,150	2,231,517	2,194	2,522,928	1,150	1,043,740
Castrol India Ltd.	5,000	3,035,100	699	3,494,250	5,000	815,960
Container Corporation of India Ltd.	2,310	3,022,270	1,339	3,093,783	2,310	422,464
Crisil	1,210	4,758,541	5,287	6,397,028	555	1,412,904
Fulford India	2,000	885,000	977	1,954,700		
Glaxo Smithkline Pharmaceuticals Ltd.	140	229,898	1,764	246,911	140	75,375
Gujarat Gas Company Ltd.	41,640	5,344,561	284	11,811,186	10,320	2,609,282
ICRA Ltd	12,070	8,456,647	887	10,702,469	3,792	1,513,129
IGL	57,000	10,458,315	217	12,346,200	25,000	2,786,000
IL & FS Investment	120,000	5,005,800	41	4,890,000	0	-
Maharashtra Scooters Ltd.	9,189	2,285,366	371	3,405,903	9,130	1,632,567
Monsanto Industries	3,845	6,358,513	1,700	6,534,962	1,395	1,678,088
Mphasis Ltd.	36,100	21,221,070	641	23,127,465	25,600	4,123,481
NIIT Technologies Ltd.	0	-	0	-	17,868	1,197,241
Novartis India	3,000	1,362,120	582	1,744,500		
Oracle Financial Services Software Ltd	3,650	8,460,810	2,309	8,427,668	3,650	1,656,658
Petronet LNG	135,001	9,892,675	79	10,678,579		
Pidilite Industries Ltd.	0	-	0	-	27,950	791,272
Prajay Eng.	0	-	0	-	25,000	605,500
Proctor & Gamble	3,652	2,975,658	2,315	8,455,476		
Sonata Software Ltd.	205,859	6,337,626	59	12,207,439	90,859	2,874,964
SSI Ltd (PVP Ventures Ltd)	1,528	281,152	18	27,428	1,528	281,152
VST Industries Ltd.	13,001	5,432,574	535	6,955,535	7,000	3,591,007
Wyeth Ltd.	3,885	2,814,166	820	3,183,952	3,885	1,657,925
Zicom Electronic Sytem Ltd	39,000	5,050,110	99	3,843,450		
Total- (i)		122,998,077		155,746,167		33,033,991
(ii) Unquoted Investments:						
Karrox Technologies Ltd.	50,000	2,000,000	0	-	50,000	2,000,000
Mumbai stock Exchange	11,401	1,140,977	0	-	11,401	1,140,977
PAL Peugeot Ltd.	17,200	318,200	0	-	17,200	318,200
Trent Ncd	400	200,000	0	-	400	200,000
Total- (ii)		3,659,177	0	-		3,140,977
(iii) Investment in mutual Fund						
HDFC Mutual Fund	101,619	1,018,564		1,018,716		
Total- (i)+ (ii)+(iii)		127,675,818		156,764,883		36,174,968

Schedule - E	Current Year	Previous Year
Sundry Debtors		
1.Outstanding for more than 6 months	Nil	Nil
2. Other-debts considered good		
Secured	Nil	Nil
Unsecured	44,143,804	6,256,761
	44,143,804	6,256,761
<u>Less</u> Provision for Doubtful Debts	Nil	Nil
Total Rs.	44,143,804	6,256,761
Out of the above:		
II a. Debts due by-		
I) Directors or other officers of the Company	Nil	Nil
II) Concerns in which Directors are interested	Nil	Nil
b. The maximum amount due by Directors or other officers of the company at any time during the year	Nil	Nil

Schedule - F	Current Year	Previous Year
Cash & Bank Balances:		
I) Cash in Hand	61,176	65,075
II) Balances with Scheduled Banks	0	0
in current account	0	0
AXIS Bank	32,942,634	9,620,596
Bank of India	0	29,600
HDFC Bank	7,107,847	1,549,202
Standard Chartered Grindlays Bank	9,161	11,751.00
Vijaya Bank	5,000	5,000
ICICI BANK	8,713	0
Foreign Banks Accounts	1,294,974	1,568,079
In Fixed Deposit account	0	0
HDFC Bank Ltd	0	5,000,000
HDFC Bank Against Guarantee	0	0
AXIS Bank	7,767,920	30,000,000
AXIS Bank Against Guarantee	1,347,797	51,100,000
Interest accrued	1,170,455	5,675,497
Total Rs.	51,715,677	104,624,800

Schedule - G: Loans & Advances	Current Year	Previous Year
(UnSecured & Considered good)		
I) Advances recoverable in cash or in kind or for value to be received		
Income tax for the Year	6,653,065	400,000
Income Tax Refund Due for the year	4,121,969	1,499,097
Income Tax Refund Due(Prior Period)	4,224,888	2,426,366
Federal Taxes	23,747	48,883
Pre-paid Expenses	880,514	677,958
Miscellaneous Loans & Advances	7,285,901	1,129,378
	23,190,084	6,181,682
Out of the above:		
II) a. Debts due by-		
I) Directors or other officers of the Company	Nil	Nil
II) Concerns in which Directors are interested	Nil	Nil
b. The maximum amount due by Directors or other officers of the company at any time during the year	Nil	Nil

Schedule - H	Current Year	Previous Year
Deposits		
i) Deposit with Stock Exchange		
NSE Deposit for Capital Market	4,100,000	4,100,000
NSE Deposit for Futures & Options	800,000	800,000
NSE Deposit with Clearing Corporation	900,000	900,000
NSE Deposit for VSAT	100,000	0
NSE Base Capital Deposit	4,000,000	0
Deposit for Car Parking in BSE Towers	150,000	150,000
BSE Base Capital Deposit	2,000,000	1,000,000
BSE Membership Deposit	10,000,000	10,000,000
	(i) 22,050,000	16,950,000
ii) Other Deposits:		
NSDL DP Deposit	1,000,000	1,000,000
HCL Deposit for Lease Line	200,000	310,000
Electricity Deposit	228,571	228,571
R S Vatcha & Co	30,700	30,700
Office Deposit	14,000,000	14,000,000
Telephone Deposit	95,999	95,999
U.S.Club Deposit	20,000	20,000
ILFS initial Deposit	10,926,000	599,000
NSDL STP Advance	20,000	20,000
Vichare Courier Deposit	630	630
Veena Chambers Condominium	3,416	3,416
Municipal Deposit	500	500
Tech Process Solution	10,000	-
	(ii) 26,535,816	16,308,816
Total Rs.(i)+(ii)	48,585,816	33,258,816

Schedule - I	Current Year	Previous Year
Current Liabilities		
Trade Creditors -	30,604,418	5,160,764
other liability	22,352,621	4,098,129
Total Rs.	52,957,039	9,258,893

Schedule - J	Current Year	Previous Year
Provisions		
Provision for Gratuity	0	2,452,297
Provision for Taxation	11,270,000	-
Auditor's Remuneration	270,000	177,340
Total Rs.	11,540,000	2,629,637

Schedules Forming Part of Consolidated Profit & Loss A/c for Year Ended March 31st 2010

Schedule - K	Current Year	Previous Year
Brokerage		
Capital Market - Brokerage	20,383,650	12,033,585
Total Rs.	20,383,650	12,033,585

Schedule - L	Current Year	Previous Year
Advisory Services:		
Portfolio Management Fees	55,424,502	9,419,094
Placement Charges-MF	2,268,191	2,870,589
DP fees	140,700	83,340
Investment Advisory Fees	491,444	749,999
Total Rs.	58,324,837	13,123,022

Schedule - M	Current Year	Previous Year
Capital Gains		
Short Term capital Gain/(Loss)	290,951	-124,583
Long Term Capital Gains/(Loss)	42,496,968	560,815
Total Rs.	42,787,919	436,232

Schedule - N	Current Year	Previous Year
Other Income		
A. Interest		
Interest on FD with Banks (TDS.Rs.634,044.0)	3,466,573	8,711,908
Total Rs.	3,466,573	8,711,908
B. Dividend On Shares & MF	2,161,312	1,062,908
C. Other Income	1,609	458,583
Total A+B+C	5,629,494	10,233,399

Schedule - O	Current Year	Previous Year
Employees' Remuneration & Benefits:		
Salaries	30,086,842	19,471,732
Gratuity & Ex Gratia Payments	666,762	400,000
Employer's Contribution to PF	1,088,241	1,309,846
PF Administration Charges	122,482	144,963
Employer's Contribution to ESIC	32,096	33,659
Staff Welfare & Training	546,805	531,769
Total Rs.	32,543,228	21,891,969

Schedule - Q	Current Year	Previous Year
Advertisement	25,000	119,165
Audit Fees	300,000	200,000
Bank Guarantee Charges	53,482	940,758
Bank Charges	7,448	98,026
Bank Interest on O/D	148,091	356,809
Books & Periodicals	77,530	58,504
Communication Expenses	676,718	808,779
Conveyance	338,115	523,993
DMAT Charges/STP Charges	274,506	132,037
Donation	29,500	200,000
Electricity Charges	1,351,269	1,419,069
Entertainment & Business Promotion	962,344	672,491
Franking Charges/Filing Fees	164,189	259,021
General Expenses -BSE/NSE/NSDL	37,533	114,673
Insurance Premiums	185,961	277,871
Internet Charges	211,964	229,605
ILFS Charges	40,020	42,123
Lease Line Charges	243,423	451,234
Membership & Subscriptions	1,762,700	1,868,577
Maharashtra Labour Welfare Fund	3,108	25,560
Miscellaneous Expenditure	123,129	104,045
Penalty Levied of Exchanges	20,350	19,192
Postage & Courier Charges	155,763	155,223
Printing & Stationery	384,954	564,241
Professional Charges	5,579,397	2,626,919
Professional Tax	2,000	2,000
(Profit)/Loss on errors	1,005,593	(65,597)
Rent,Rates & Taxes	732,000	1,002,600
Repairs & Maintenance	643,926	506,416
State Fedral Taxes	3446	3,413
Seminar Education Expenses	1246124	204,219
Security Service Charges	143753	192,091
Software Systems, Trainings & Services	540,145	302,774
Service Tax ,STT & other charges on share Investment	276,409	24,669
Stamp Duty for Capital Market	727,818	836,104
Sub-brokerag -MF	7,500	0
Sundry Balance W/Off	139,603	0
Traveling Expenses	661,480	89,961
Transaction Charges	318719	479,986
Turnover Charges-SEBI	11,786	22,573
Vehicle Maintenance Expenses	396,782	440,545
VSAT Charges	114,339	117,670
Total Rs.	20,127,917	16,427,337

Schedule Q - Notes To Accounts

Significant Accounting Policies:

a) Accounting Convention:

The financial statements are prepared under the historical cost convention and materially comply with the applicable accounting standards in the country of incorporation.

b) Principles of Consolidation:

The consolidated financial statements are related to Parag Parikh Financial Advisory Services Limited and its subsidiary company Dimension Ventures Inc. The consolidated statements have been prepared on the following basis,

1) the financial statements of the company and its subsidiary are combined on line by line basis by adding together the book values of the like items of assets, liabilities, income & expenses in accordance with the Accounting Standard (AS)21- "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

2) In case of foreign subsidiary, revenue items and fixed assets are consolidated at the average rate prevailing during the year. Other assets & liabilities are valued at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in profit & loss account. This policy is adopted as per Accounting Standard (AS) 21- "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

c) Investments:

Investments other than in subsidiaries have been accounted as per Accounting Standard 13 on Accounting for investments.

d) Other Significant Accounting Standards:

These are set out in notes to accounts under significant accounting policies for financial statements of the respective companies.

Previous year figures have been regrouped wherever necessary.

As per our Report of even date

For and on behalf of the Board of
Director's of PPFAS Limited

For CVK & Associates
Chartered Accountants

Rajeev Thakkar
CEO & Director

Sahil Parikh
Director

(K.P. CHAUDHARI), Partner
M.No.31661

Trupti Shah
Company Secretary

Place: Mumbai
Date: 12th April 2010

Place: Mumbai
Date: 12th April 2010

Parag Parikh Financial Advisory Services Limited
Registered Office: 103, Veena Chambers, Dalal Street, Mumbai - 400 001

Attendance Card

Eighteenth Annual general meeting - May 17, 2010 at. 4.00 pm

Full Name of Member :
Regd. Folio No. :
Full Name of Proxy, if any :

I hereby record my presence at the Eighteenth Annual General Meeting of the Company on May 17, 2010 at. 4.00 pm at Great Western Building, 1st Floor, 130-132, SBS Marg, Near Lion Gate, Fort, Mumbai - 400 001.

Member's/Proxy's Signature

Note: Members are requested to record their attendance by delivering the attendance slip, duly signed at the gate.

Parag Parikh Financial Advisory Services Limited
Registered Office: 103, Veena Chambers, Dalal Street, Mumbai - 400 001

Form of Proxy

I/We _____ of _____ being a Member/Members of Parag Parikh Financial Advisory Services Limited hereby appoint _____ of _____ or failing him _____ of _____ as my/our proxy to vote for me/us and on my/our behalf at the 18th Annual General Meeting of the Company to be held on May 17, 2010 at. 4.00 pm and at any adjournment thereof.

Dated this _____ day of _____ 2010.

For office Use only

Proxy No. :
Reg Folio No. : No of Shares :

Affix one
Rupee
Revenue Stamp

Notes:

1. The form should be signed across the stamp as per specimen signature registered with the Company.
2. The proxy Form must be deposited at the Corporate Office of the company not less than 48 hours before the time fixed for holding the Meetings.
3. A proxy need not be a Member.

- **Stock Broking**
- **Portfolio Management Services**
 - **Arbitrage**
 - **Structured Products**
 - **Financial Planning**
 - **Mutual Funds**
 - **Depository Services**



PARAG PARIKH FINANCIAL ADVISORY SERVICES LIMITED

Great Western Building, 1st Floor, 130/132, Shahid Bhagat Singh Marg, Near Lion Gate, Fort, Mumbai - 400 001. INDIA.
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