



Parag Parikh Financial Advisory Services Private Limited
Annual Report 2016-2017

Corporate Information

Board of Directors:

Rajeev Thakkar
Neil Parikh
Sahil Parikh
Suneel Gautam

Auditors:

CVK & Associates;
Chartered Accountants

Company Secretary:

Nikhil Hule

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, S B S Marg,
Near Lion Gate,
Mumbai - 400 001

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Parag Parikh Financial Advisory Services Private Limited

CIN: U67190MH1992PTC068970

Regd. Off.: 103, Veena Chambers, 21 Dalal Street, Fort, Mumbai 400 001.

Corp. Off.: Great Western Building, 130/132, S.B.S. Marg, Opp. Lion Gate, Fort, Mumbai 40001

Tel: 91 22 6140 6555 Fax: 91 22 2284 5555 Website: www.ppfas.com

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the members of Parag Parikh Financial Advisory Services Private Limited will be held on Monday, 28th August, 2017 at 12.00 noon at Great Western Building, 130/132, S.B.S. Marg, Opp. Lion Gate, Fort, Mumbai – 400001 to transact the following businesses:

ORDINARY BUSINESS:**1. ADOPTION OF FINANCIAL STATEMENTS:**

To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended 31st March, 2017 and the Report of the Directors and Auditors thereon.

2. RE-APPOINTMENT OF AUDITORS:

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

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s. CVK & Associates, Chartered Accountants (having Firm’s Registration Number: 101745W) be and are hereby appointed as the Auditors of the Company, to hold office for a term of 5 years from the conclusion of this 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting (subject to ratification of the appointment by the members at every intervening Annual General Meeting held after this Annual General Meeting) in respect of the financial years beginning 01st April, 2017 and ending 31st March, 2022, and that the Board of Directors of the Company be and are hereby authorised to fix such remuneration as may be determined in consultation with the auditors.”

By order of the Board of Directors
Parag Parikh Financial Advisory Services Private Limited

Sd/-
Sahil Parikh
Director
(DIN: 00079898)

Sd/-
Neil Parikh
Director
(DIN: 00080269)

Place: Mumbai
Date : 07th July, 2017

- 1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the meeting instead of himself/ herself, and the proxy need not be a member of the Company.**

A person can act as proxy on behalf of a maximum of 50 members and holding in aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided that the person does not act as proxy for any other person or shareholder.

2. The instrument appointing the Proxy, duly completed, must be deposited at the Company's Registered / Corporate Office not less than 48 hours before the commencement of the meeting (on or before 12:00 noon on 26th August, 2017). A Proxy Form (viz. Form MGT-11) for the AGM is enclosed. Proxies submitted on behalf of the Companies, Societies, Institutions etc., must be supported by an appropriate resolution/ authority, as applicable.
3. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signature(s) duly attested and authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than 3 days of notice in writing is given to the Company.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names shall be entitled to vote.
6. Members/ proxies / authorised representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
7. The Register of Directors and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements, in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 shall be available for inspection by the Members at the AGM.
8. Members may also note that the Notice of the 25th Annual General Meeting and the Company's Annual Report 2016-17 will be available on the Company's website, www.ppfas.com. All the relevant documents referred to in this AGM Notice shall remain open for inspection purpose at the Registered / Corporate Office of the Company during its business hours on all working days up to the date of AGM.
9. Pursuant to the Section 72 of Companies Act, 2013, every holder of shares of the Company, may at any time nominate in the prescribed manner, a person to whom his / her shares in the Company shall vest, in the event of his / her death. Members are advised to avail this facility and fill the prescribed Nomination Form and forward the same to the Company.
10. Members wishing to claim dividends that remained unclaimed are requested to correspond with Company Secretary, at the Company's Registered / Corporate Office. Members are requested to note that dividends that are not claimed within 7 years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for 7 consecutive years will be transferred to IEPF as per Section 124 of the Act, and applicable rules.

11. Members desirous of obtaining any information concerning the accounts and operations of the Company, are requested to send their written queries to the Company, so as to reach its Registered / Corporate Office at least 10 working days before the date of the meeting, to enable the Company officials to prepare and make available the required information at the meeting, to the extent practicable.
12. Members are also requested to bring their copies of the Annual Report and Notice to the Meeting, as the same shall not be distributed at the Meeting.
13. Pursuant to Rule 18(3) of the Companies (Management and Administration) Rules, 2014 of the Companies Act, 2013, those Members who are desirous to receive Annual Report, Notice and service of other documents through electronic mode are requested to register their e-mail address with the Company.
14. The Annual Accounts of the subsidiary companies and the related detailed information shall be made available to shareholders at any point of time. The Annual Accounts of the subsidiary companies shall also be kept for inspection in the Registered / Corporate Office of the Company. A hard copy of details of accounts of subsidiaries shall be furnished on demand to any shareholder.

By order of the Board of Directors
Parag Parikh Financial Advisory Services Private Limited

Sd/-
Sahil Parikh
Director
(DIN: 00079898)

Sd/-
Neil Parikh
Director
(DIN: 00080269)

Place: Mumbai
Date : 07th July, 2017

Parag Parikh Financial Advisory Services Private Limited**CIN: U67190MH1992PTC068970****Regd. Off.:** 103, Veena Chambers, 21 Dalal Street, Fort, Mumbai 400 001.**Corp. Off.:** Great Western Building, 130/132, S.B.S. Marg, Opp. Lion Gate, Fort, Mumbai 40001**Tel:** 91 22 6140 6555 **Fax:** 91 22 2284 5555 **Website:** www.ppfas.com**BOARD'S REPORT****Dear Member(s),**

We are pleased to present the 25th Annual Report on the business operations of the Company together with its Audited Financial Statements for the year ended 31st March, 2017.

FINANCIAL AND OPERATIONAL RESULTS:***Financial Results (Standalone):***

Financial and Operational Results of the Company for the financial year ended 31st March, 2017, as compared to the previous financial year, is summarised below:

(Rs. In Lakhs)

Particulars	Current financial year ended on 31st March, 2017	Previous financial year ended on 31st March, 2016
Operating Income	52.79	67.28
Other Income	37.08	108.08
Total Income	89.87	175.36
Profit before Depreciation and Tax	11.84	81.32
Depreciation	3.07	5.58
Profit before Tax	8.77	75.74
Current Tax	1.35	10.50
Short Tax Provision for P. Y.	0.44	-
MAT Credit	(1.72)	(9.83)
Deferred Tax	1.54	1.36
Profit after Tax	7.16	73.71
Share Capital	717.41	651.48
Reserves and Surplus	3535.25	3127.12

Financial Results (Consolidated):

The Consolidated Financial and Operational Results of the Company for the year ended 31st March, 2017 as compared to the previous financial year, is summarized below:

(Rs. In Lakhs)

Particulars	Current financial year ended on 31 st March, 2017	Previous financial year ended on 31 st March, 2016
Operating Income	1318.57	1249.27
Other Income	515.77	307.12
Total Income	1834.34	1556.39
Profit before Depreciation and Tax	778.41	647.15
Depreciation	36.60	48.51
Profit before Tax	741.81	598.64
Current Tax	134.83	144.63
Short Tax Provision for P. Y.	0.52	-
MAT Credit	(9.11)	(9.83)
Deferred Tax	(0.19)	(2.36)
Profit after Tax	615.77	466.20
Share Capital	717.41	651.48
Reserves and Surplus	4979.13	3962.40

OPERATIONS AND PERFORMANCE OF COMPANY:

The Consolidated Revenue from Operations of Company increased to Rs. 1318.57 Lakhs as against Rs. 1249.27 Lakhs during last fiscal which is an increase of around 5.55%. Further due to increase in Revenue from Operations and other income, the Consolidated Profit After Tax (PAT) increased to Rs. 615.77 Lakhs during F.Y. 2016-17 as against Rs. 466.20 Lakhs during last fiscal witnessing a growth of around 32.08%.

DIVIDEND:

Your Directors have not recommended any dividend for the year under review with a view to conserve the resources of Company.

RESERVES:

The amount to be transferred to Profit & Loss Account is 7.17 Lakhs for the year.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company continues to have two subsidiaries and there were no change during the year. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared Consolidated Financial Statements of the Company, which forms part of this Annual Report.

Further Statement containing the salient features of the Financial Statement of subsidiaries in the prescribed format AOC – 1 is appended as “**Annexure – I**” to the Board's Report. The statement also provides the details of performance and financial positions of each of the subsidiaries.

In accordance with Section 136 of Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the Company and audited accounts of each of its subsidiaries, are available at company's website (www.ppfas.com).

DEPOSITS:

The Company has not accepted any deposits pursuant to the provisions of Chapter V of the Companies Act, 2013 during the year under review.

CHANGES IN SHARE CAPITAL:

During the year under review, your Company issued and allotted 6,59,269 Equity Shares of Rs. 10/- each, fully paid-up, pursuant to the further issue of shares of the Company on right basis. Consequent to the above, the issued, subscribed and paid-up Equity Share Capital of your Company as on 31st March, 2017 stood at Rs. 7,17,40,740/- comprising of 71,74,074 Equity Shares of Rs. 10/- each.

THE STATE OF THE COMPANY'S AFFAIRS:***Management Discussion and Analysis and Results of operations:***

The Company is functioning as the Sponsor to PPFAS Mutual Fund. The Company is generating revenue through management fees (PMS fees) and distribution fees received from mutual fund products. Agencies which review performance of mutual fund schemes have started reviewing **Parag Parikh Long Term Value Fund** (Scheme name has been changed from 'PPFAS Long Term Value Fund' to 'Parag Parikh Long Term Value Fund' w.e.f. 16th September, 2016). This has helped us in gaining wider visibility. This has resulted in more number of investors investing in Parag Parikh Long Term Value Fund. Operations of the Company are in compliance with the applicable statutes. The Company has implemented required risk control procedures. Board members are of the view that functioning of the Company is satisfactory.

Indian economy overview and Environment in the Capital Markets:

The macro factors relating to the Indian economy have broadly been favourable. With the easing of oil prices, Government subsidies have been reigned in and it has helped on the trade deficit front. Inflation has been under control giving RBI the flexibility to consider cutting interest rates. However export oriented sectors like IT services and Pharmaceuticals have been under pressure.

Overall while macro indicators have been favourable, corporate earnings have been somewhat subdued. Rising stock prices at a time where corporate earnings are muted have increased the valuation metrics for companies.

As always PPFAS is focussing on individual companies on a bottom up stock selection process. We continue to be guided by valuation parameters and will not chase momentum.

Our stance:

We are happy to inform that the flagship Scheme of PPFAS Mutual Fund, “Parag Parikh Long Term Value Fund” has successfully completed 4 years since its launch on 13th May, 2013.

Operations of PPFAS:

The Company continues to act as a Portfolio Manager and distributor to third party mutual fund products.

The performance of the Scheme (Parag Parikh Long Term Value Fund) as on 31st March, 2017 is provided below:

Date	Scheme		Benchmark
	Direct	Regular	Nifty 500
Since Inception (May 27, 2013)	19.65%	19.04%	14.45%
Mar 31, 2016 to Mar 31, 2017(Last 1 Yr)	16.83%	16.17%	23.91%
Mar 31, 2014 to Mar 31, 2017(Last 3 Yrs)	19.04%	18.42%	15.22%

Note-

- 1. Past Performance may or may not be sustained in the future.*
- 2. Above returns are compounded annualized (CAGR)*

Client acquisition efforts:

PPFAS continues to engage with distributors for increasing its reach and availability to potential clients.

PPFAS continues to communicate and engage with its existing and potential clients through low cost mediums like the internet. We now have a thriving online and offline community which interacts in seminars, on blogs, Youtube, social media like Facebook and Twitter.

The Assets Under Management of PPFAS Mutual Fund have increased from 650 Crore as on 31st March, 2016 to 726.14 Crore as on 31st March, 2017 and the number of folios have increased from 6983 to 11297.

Finances:

Surplus funds of the Company are invested primarily in money market, mutual funds and bank deposits. During the year, the Company has invested Rs. 4,66,40,000/- in the Equity Share Capital of its wholly owned subsidiary, PPFAS Asset Management Private Limited. The debt free status of the Company continues.

Human Resources:

There is no change in the operations of the Company. Operations of the Company are stable. There is no major change in the work force of the Company. To ensure employees possess, up to date knowledge of the industry and profession, Company encourages its employees to undergo continued professional development programmes.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of business of Company during F.Y. 2016-17.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL:

Based on the disclosure provided by the Directors, none of them are disqualified from being appointed as Directors under Section 164 of the Companies Act, 2013. However during the year following changes took place:

Induction:

During the financial year 2016-17, the Board appointed Mr. Nikhil Hule as Company Secretary of the Company pursuant to the provisions of the Rule 8A of Companies (Appointment and Remuneration) Rules, 2014 read with Section 2(51) and Section 203 of the Companies Act, 2013, w.e.f. 20th January, 2017.

Retirements and resignations:

Ms. Anindita Sengupta resigned as Company Secretary w.e.f. 14th June, 2016. The Board places on record its appreciation for the services rendered by her during her tenure with the Company.

Ms. Priya Hariani who has been appointed as the Company Secretary w.e.f. 15th June, 2016 pursuant to the provisions of the Rule 8A of Companies (Appointment and Remuneration) Rules, 2014 read with Section 2(51) and Section 203 of the Companies Act, 2013, has resigned from the post w.e.f. 08th December, 2016.

Mr. Ashish Shah resigned as Whole Time Director w.e.f. 03rd August, 2016. The Board places on record its appreciation for the services rendered by him during his tenure with the Company.

THE 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:

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There has not been any material change and commitment affecting the Financial Position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report.

NUMBER OF MEETINGS OF THE BOARD:

The Board met 6 times during the financial year 2016-17. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY:

The Company is functioning as a Portfolio Manager (PMS). Custody and Fund Accounting are critical functions for a PMS. The Company has appointed IL&FS Securities Services Limited (ISSL) as its Custodian. For critical functions of the Company "maker-checker" concept is implemented and required supervisory checks are built in place. In addition to these checks all critical activities are vouched for correctness by the PPFAS employees and are subject to Audit Process by Independent Auditors.

For Income earned through Mutual fund distribution commission is credited directly in the company's bank account by fund houses and the same is checked with subsequent statement received from various fund houses for the purpose of confirming veracity of calculation of commission.

For each critical activity the Company has documented areas of risks and required checks for these activities and functions. This list is reviewed and updated on annual basis to ensure the risk profiling of all the activities are upto date and in line with the actual / updated process flow.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, and in relation to the Audited Annual Financial Statement of the Company for year ended 31st March, 2017, the Board of Directors hereby confirms that:

- a. in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of Company as at 31st March, 2017 and of the profit of Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of laws applicable to the company and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE:

The disclosure required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel), Rule 2014 is not applicable to Company.

Company does not have any employee who falls in the said category.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**a. Conservation of Energy:**

As the Company is engaged in rendering professional services, electricity cost is not a major component of total cost. The Company recognizes the need and importance of conservation of energy. The Company uses energy efficient electrical and electronic equipment.

b. Technology absorption, adoption and innovation:

As the Company is not engaged in any manufacturing activities. Company ensures technology up-gradation is implemented in accordance with the requirements of the Company and industry.

c. Foreign exchange earnings and outgo:

Foreign exchange outgo during the year was Nil.

Foreign exchange earnings during the year were Nil.

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY:

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatments plans in its strategy, business and operational plans.

PARTICULARS OF LOANS, ADVANCES & GUARANTEES GIVEN OR INVESTMENT MADE OR SECURITIES PROVIDED:

Particulars of loans, advances and investments made by Company during the financial year 2016-17 are stated in Note to Standalone Audited Financial Statements of Company as annexed to this Annual Report. Company has neither given any guarantee nor provided any security during the reporting period.

EXTRACT OF ANNUAL RETURN:

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as “Annexure - II” to the Board's Report.

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place, Policy on Prevention of Sexual Harassment at Workplace in accordance with requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case pertaining to sexual harassment at workplace has been reported to Company during F.Y. 2016-17.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

In accordance with Section 135 of the Companies Act, 2013 CSR is applicable if the Company is having net worth of rupees Five Hundred crore or more, or turnover of rupees One Thousand crore or more or a net profit of rupees Five crore or more during Three preceding financial years. None of these conditions as stated in Section 135 of the Companies Act, 2013 are met by the Company and accordingly CSR provisions do not apply to the Company.

STATUTORY AUDITORS:

In accordance with the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder from time to time, the Board decided to appoint M/s. CVK & Associates, Chartered Accountants (having Firm's Registration Number: 101745W) as the auditors of the Company, to hold office for a term of 5 years from the conclusion of this 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting (subject to ratification of the appointment by the members at every intervening Annual General Meeting held after this Annual General Meeting) in respect of the financial years beginning 1st April, 2017 and ending 31st March, 2022.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN THEIR REPORT:

The observations made by the Statutory Auditors in their Audit Report read with the relevant notes thereof as stated in the Notes to the Audited Financial Statements of Company for the financial year ended 31st March, 2017 are self explanatory and being devoid of any reservation(s), qualification(s) or adverse remark(s) etc does not call for any further explanation(s)/ information(s) or comment(s) from the Board under Section 134(3)(f)(i) of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS:

All the Related Party Transactions (RPTs) entered into by the Company were in ordinary course of business and were on arm's length basis, Hence Form AOC -2 is not applicable. However the details of RPTs, as required pursuant to respective Accounting Standards, are stated at Note No. 21 of the Standalone Audited Financial Statements of Company forming part and parcel of this Annual Report.

ACKNOWLEDGMENT:

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

By order of the Board of Directors
Parag Parikh Financial Advisory Services Private Limited

Sd/-
Sahil Parikh
Director
(DIN: 00079898)

Sd/-
Neil Parikh
Director
(DIN: 00080269)

Place: Mumbai
Date: 7th July 2017.

AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

Sr. No	1	2
Name of the Subsidiary Company	PPFAS Asset Management Private Limited	PPFAS Trustee Company Private Limited
Reporting Period	31/03/2017	31/03/2017
Share Capital	35,73,00,090	5,00,000
Reserves & Surplus	17,66,14,644	7,14,363
Total Assets	54,71,88,393	12,35,963
Total Liabilities	132,73,659	21600
Investments	3,13,672,514	-
Turnover	1,26,578,016	6,75,460
Profit before Taxation	7,28,12,374	4,92,123
Provision for Taxation	1,22,88,140	1,55,607
Profit after Taxation	6,05,24,234	3,36,516
Proposed Dividend	-	-
% of shareholding	100.00%	100.00%

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: None

Part B: Associates and Joint Ventures
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
Not Applicable

Form No. MGT-9**EXTRACT OF ANNUAL RETURN**as on the financial year ended on 31st March, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN:- U67190MH1992PTC068970

ii) Registration Date:- October 12, 1992

iii) Name of the Company:- Parag Parikh Financial Advisory Services Private Limited

iv) Category / Sub-Category of the Company:- Company Limited by shares / Indian Non-Government Company

v) Address of the Registered office and contact details:- 103, Veena Chambers, 21, Dalal Street, Fort, Mumbai – 400 001.

Telephone:- 91 22 6140 6555

Fax Number:- 91 22 2284 5555

vi) Whether listed company : No

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:- Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to Total Turnover of the Company
1	Portfolio Management Services	6619	40.63%
2	Placement Charges of Mutual Fund	6619	59.37%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	PPFAS Asset Management Private Limited Registered Address:- 103, Veena Chambers, 21, Dalal Street, Fort, Mumbai – 400 001.	U65100MH2011P TC220623	Subsidiary	100	Sec. 2(87) (ii)
2	PPFAS Trustee Company Private Limited Registered Address:- 103, Veena Chambers, 21, Dalal Street, Fort, Mumbai – 400 001.	U65100MH2011P TC221203	Subsidiary	100	Sec. 2(87) (ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	53,90,570	53,90,570	82.74	-	58,98,093	58,98,093	82.21	9.42
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	3,50,000	3,50,000	5.37	-	3,50,000	3,50,000	4.88	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	57,40,570	57,40,570	88.12	-	62,48,093	62,48,093	87.09	8.84
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	57,40,570	57,40,570	88.12	-	62,48,093	62,48,093	87.09	8.84
Total shareholding of Promoter (A)	-	57,40,570	57,40,570	88.12	-	62,48,093	62,48,093	87.09	8.84

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian		14000	14000	0.21	-	14000	14000	0.20	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	2,75,435	2,75,435	4.22	-	2,84,455	2,84,455	3.97	3.27
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	4,84,800	4,84,800	7.44		6,27,526	6,27,526	8.75	29.44
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	7,74,235	7,74,235	11.88	-	9,25,981	9,25,981	12.91	19.6
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	7,74,235	7,74,235	11.88		9,25,981	9,25,981	12.91	19.6
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		65,14,805	65,14,805	100		71,74,074	71,74,074	100	10.12

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	
1	GEETA P. PARIKH	52,83,100	81.09	Nil	57,77,790	80.54	Nil	9.36
2	SAHIL P. PARIKH	50,235	0.77	Nil	55,611	0.78	Nil	10.7
3	NEIL P. PARIKH	57,235	0.88	Nil	64,692	0.90	Nil	13.03
4	EMPEEGEE PORTFOLIO MANAGEMENT SERVICES PVT. LTD	3,50,000	5.37	Nil	3,50,000	4.88	Nil	-
	Total	57,40,570	88.12	Nil	62,48,093	87.10	Nil	8.84

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	57,40,570	88.12	57,40,570	88.12
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	Refer NOTE 1			
At the End of the year	-	-	62,48,093	87.10

NOTE 1:**Change in shareholding of Mrs. Geeta P. Parikh as on 31st March, 2017**

Date of Transaction	Reason	No of shares	Cumulative Shareholding during the year	% of shares of Company
No of shares at the beginning of the year (01.04.2016)			52,83,100	81.09
25.10.2016	Allotment - Rights Issue	4,94,690	57,77,790	80.54
No of shares at the end of the year (31.03.2017)			57,77,790	80.54

Change in shareholding of Mr. Sahil P. Parikh as on 31st March, 2017

Date of Transaction	Reason	No of shares	Cumulative Shareholding during the year	% of shares of Company
No of shares at the beginning of the year (01.04.2016)			50,235	0.77
25.10.2016	Allotment - Rights Issue	5,376	55,611	0.78
No of shares at the end of the year (31.03.2017)			55,611	0.78

Change in shareholding of Mr. Neil P. Parikh as on 31st March, 2017

Date of Transaction	Reason	No of shares	Cumulative Shareholding during the year	% of shares of Company
No of shares at the beginning of the year (01.04.2016)			57,235	0.88
25.10.2016	Allotment - Rights Issue	38,810	96,045	1.33
20.01.2017	Sale	(12,700)	83,345	1.16
20.01.2017	Sale	(10,000)	73,345	1.02
20.01.2017	Sale	(4,943)	68,402	0.95
20.01.2017	Sale	(2500)	65,902	0.92
20.01.2017	Sale	(1,000)	64,902	0.90
20.01.2017	Sale	(210)	64,692	0.90
No of shares at the end of the year (31.03.2017)			64,692	0.90

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	4,12,800	6.34	4,12,800	6.34
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Refer NOTE 2			
At the End of the year	-	-	3,26,500	4.55

NOTE 2 :**SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (other than directors or promoters)**

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Vimal Shah	2,00,000	3.07	90,000	1.25
2	Suresh Gordhandas Makhija	50,000	0.77	50,000	0.70
3	Kaushalya Gordhandas Makhija	50,000	0.77	50,000	0.70
4	Bimla Suresh Makhija	32,500	0.50	32,500	0.45
5	Hitesh Gajaria	100	0	30,100	0.42
6	Yeshwant Manibhai Desai	20,000	0.31	20,000	0.28
7	Porinju V Veliyath	15,000	0.23	15,000	0.21
8	Mukul Kumar Gupta	15,000	0.23	15,000	0.21
9	Vaibhav Sunil Kapur	Nil	0	13,700	0.19
10	Dipti H Mehta	10,200	0.16	10,200	0.14

Change in shareholding of Mr. Vimal Shah as on 31st March, 2017

Date of Transaction	Reason	No of shares	Cumulative Shareholding during the year	% of shares of Company
No of shares at the beginning of the year (01.04.2016)			2,00,000	3.07
20.01.2017	Sale	(70,000)	1,30,000	1.81
20.01.2017	Sale	(30,000)	1,00,000	1.39
20.01.2017	Sale	(10,000)	90,000	1.25
No of shares at the end of the year (31.03.2017)			90,000	1.25

Change in shareholding of Mr. Hitesh Gajaria as on 31st March, 2017

Date of Transaction	Reason	No of shares	Cumulative Shareholding during the year	% of shares of Company
No of shares at the beginning of the year (01.04.2016)			100	0
20.01.2017	Purchase	30,000	30,100	0.42
No of shares at the end of the year (31.03.2017)			30,100	0.42

Change in shareholding of Mr. Vaibhav Sunil Kapur as on 31st March, 2017

Date of Transaction	Reason	No of shares	Cumulative Shareholding during the year	% of shares of Company
No of shares at the beginning of the year (01.04.2016)			Nil	Nil
20.01.2017	Purchase	12,700	12,700	0.18
20.01.2017	Purchase	1,000	13,700	0.19
No of shares at the end of the year (31.03.2017)			13,700	0.19

(v) Shareholding of Directors and Key Managerial Personnel:

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1,89,470	2.90	1,89,470	2.90
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	Refer NOTE 3			
At the End of the year	-	-	3,91,229	5.45

NOTE 3:**a) Shareholding of Mr. Sahil P. Parikh as on 31st March, 2017**

Particulars	Date of Transaction	Reason	Shareholding at the beginning of the year			Cumulative Shareholding during the year
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year			50,235	0.77	50,235	0.77
Changes during the year	25.10.16	Allotment – Rights Issue	5,376	--	55,611	0.78
At the End of the year					55,611	0.78

b) Shareholding of Mr. Neil P. Parikh as on 31st March, 2017

Particulars	Date of Transaction	Reason	Shareholding at the beginning of the year			Cumulative Shareholding during the year
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year			57,235	0.88	57,235	0.88
Changes during the year	25.10.16	Allotment – Rights Issue	38,810	--	96,045	1.33
	20.01.17	Sale	(12,700)	--	83,345	1.16
	20.01.17	Sale	(10,000)	--	73,345	1.02
	20.01.17	Sale	(4,943)	--	68,402	0.95
	20.01.17	Sale	(2,500)	--	65,902	0.92
	20.01.17	Sale	(1,000)	--	64,902	0.90
	20.01.17	Sale	(210)	--	64,692	0.90
At the End of the year					64,692	0.90

c) Shareholding of Mr. Suneel Gautam as on 31st March, 2017

Particulars	Date of Transaction	Reason	Shareholding at the beginning of the year			Cumulative Shareholding during the year
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year			22,000	0.34	22,000	0.34
Changes during the year	25.10.16	Allotment – Rights Issue	2,354	--	24,354	0.34
At the End of the year					24,354	0.34

d) Shareholding of Mr. Rajeev Thakkar as on 31st March, 2017

Particulars	Date of Transaction	Reason	Shareholding at the beginning of the year			Cumulative Shareholding during the year
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year			60,000	0.92	60,000	0.92
Changes during the year	25.10.16	Allotment – Rights Issue	1,14,472	--	1,74,472	2.43
	25.10.16	Purchase	2,100		1,76,572	2.46
	20.01.17	Purchase	70,000		2,46,572	3.44
At the End of the year					2,46,572	3.44

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
i) Addition	Nil	Nil	Nil	Nil
ii) Reduction				
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	NA	NA
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)			
	Ceiling as per the Act	Not applicable		

B. Remuneration to other directors:

Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	Nil	Nil
Total (1)	Nil	Nil
	Nil	Nil
2. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	Nil	Nil
Total (2)	Nil	Nil
Total (B)=(1+2)	Nil	Nil
Total Managerial Remuneration	Nil	Nil
Overall Ceiling as per the Act	Nil	Nil

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	NA	NA	NA
2	Stock Option	NA	NA	NA	NA
3	Sweat Equity	NA	NA	NA	NA
4	Commission - as % of profit - others, specify...	NA	NA	NA	NA
5	Others, please specify	NA	NA	NA	NA
	Total (A)	NA		NA	
	Ceiling as per the Act	Not applicable			

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of
Parag Parikh Financial Advisory Services Private Limited

Sd/-
Sahil Parikh
 Director
 (DIN: 00079898)

Sd/-
Neil Parikh
 Director
 (DIN: 00080269)



2, Samarth Apartments, D. S. Babrekar Road, Dadar (W), Mumbai – 400 028. India. Tel.: 2446 8717, 2445 1488. Fax: 91-022 2446 6139. website: www.cvk-ca.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Parag Parikh Financial Advisory Services Private Limited
(Formerly known as Parag Parikh Financial Advisory Services Limited)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Parag Parikh Financial Advisory Services Private Limited (“the Company”), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the period then ended, a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting

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records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes

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evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

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(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The matters specified in Section 143(3)(i) have not been commented upon, as they are not applicable; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note **22** to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the

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CVK & Associates

CHARTERED ACCOUNTANTS

period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure I a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

For CVK & Associates

Chartered Accountants

Firm Regn No.: 101745W

Sd/-

K.P. Chaudhari

Partner

Membership No: 031661

Place: Mumbai

Date: 7th July 2017

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Annexure I to the Independent Auditor's Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2017, 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) The company does not hold any immovable properties. Thus, paragraph 3(i)(c) of the Order is not applicable.
- (ii) The Company is a service company, primarily rendering Portfolio Management Services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register required to be maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- (iv) The company has not given any loans nor made any investments covered by the provisions of sections 185 and 186 of the Companies Act. Thus, paragraph 3(iv) of the Order is not applicable.

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- (v) 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 73 to 76 or any other provisions of The Companies Act, 2013 and the rules framed there under. Thus, paragraph 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii)
- a) As per the records of the Company, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-Tax, Service-tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. 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, there are no outstanding dues of sales tax, income tax, custom duty, wealth tax, excise duty, service tax, value added tax, or cess; on account of any dispute other than the following:

Mahim:
18, Udyog Mandir No. 1,
Bhagoji Keer Marg,
Mahim (W),
Mumbai – 400 016.

Tel/Fax:
91-22-2446 2273
91-22-2446 2274
www.cvk-ca.com

Mulund:
A-103, Varadlaxmi,
Gokhale Road,
Mulund (E),
Mumbai – 400 081.

Tel/Fax:
91-22-2163 5822
91-22-2163 5890
www.cvk-ca.com

Nashik:
Shantimangalya
154, D'souza Shivgiri Colony,
Off College Road,
Nashik – 422 005.

Tel/Fax:
91-253-2580 331/32
91-253-2573 663
91-253-2582 176
www.cvk-ca.com

Assessment Year	Pending with (concerned Authority)	Amount (Rs.)	Issue Involved	Remarks / Status
I. Income Tax Act, 1961				
2007-08	CIT Appeals	3,60,000	Unforeseen expenses disallowed	The company has applied for relief as this relates to the case of Parag Parikh Securities Ltd which has merged with the company effective 1st October 2006.
2008-09	High Court	2,75,000	Transaction Charges	Case is pending to be heard in High Court
2009-10	High Court	1,60,000	Transaction Charges	Case is pending to be heard in High Court
2010-11	ITAT	3,59,000	Sec 14A disallowance & Wrong Calculation of MAT	The company had given the explanation to ITO regarding wrong calculation of MAT but ITO didn't oblige
2012-13	CIT Appeals	1,46,730	Section 14 A disallowance & Depreciation on Motor car disallowed	Case is pending to be heard in CIT Appeals
2014-15	CIT Appeals	26,16,240	Section 14 A Disallowance & Rule 8 d	Case is pending to be heard in CIT Appeals

(viii) The company did not have any loans or borrowings from any financial institution, bank, government or debenture holders during the year. Thus, paragraph 3(viii) of the Order is not applicable.

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- (ix) In our opinion and according to the information and the explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Thus, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the company by officers or employees has been noticed or reported during the course of our audit.
- (xi) The company is a private company and section 197 of the Companies Act is not applicable to it. Thus, paragraph 3(xi) of the Order is not applicable.
- (xii) The company is not a Nidhi Company. Thus paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, all the transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year. Thus, Paragraph 3(xiv) of the Order is not applicable.

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- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with the directors or persons connected with them.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **CVK & Associates**

Chartered Accountants

Firm Registration No.: 101745W

Sd/-

K.P. Chaudhari

Partner

M. No. 031661

Place: Mumbai

Date: 7th July 2017

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PARAG PARIKH FINANCIAL ADVISORY SERVICES PRIVATE LIMITED			
Balance Sheet as at 31st March 2017			
Particulars	Note No	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	71,740,740	65,148,050
Reserves And Surplus	4	353,524,838	312,712,070
	(a)	425,265,578	377,860,120
Current Liabilities			
Other Current Liabilities	5	316,390	574,788
Short Term Provisions	6	95,613	115,208
	(b)	412,003	689,996
Total Equity and Liabilities	(a+b)	425,677,581	378,550,116
ASSETS			
Non-Current Assets			
Fixed Assets			
(i)Tangible Assets	7A	420,869	693,616
(ii)Intangible Assets	7B	15,653	50,121
	(c)	436,522	743,737
Non-Current Investments	8	405,567,006	358,585,003
Long Term Loans & Advances	9	10,301,207	9,145,538
Deferred Tax Assets	10	2,380,034	2,533,945
	(d)	418,248,247	370,264,486
Current Assets			
Trade Receivables	11	893,723	1,316,940
Cash and Bank Balances	12	4,031,144	4,879,896
Short-Term Loans & Advances	13	911,736	591,421
Other Current Assets	14	1,156,209	753,636
	(e)	6,992,812	7,541,893
Total Assets	(c+d+e)	425,677,581	378,550,116
Summary of significant accounting policies		2	
The accompanying notes are an integral part of the financial statements			
As per Our Audit Report of even date For CVK & Associates <i>Chartered Accountants</i> <i>Firm Registration No:101745W</i>		For and on behalf of the Board of Directors of Parag Parikh Financial Advisory Services Pvt Ltd	
Sd/- K P Chaudhari <i>Partner</i> <i>Membership No:31661</i>	Sd/- Sahil Parikh <i>Director</i> <i>DIN : 00079898</i>	Sd/- Neil Parikh <i>Director</i> <i>DIN : 00080269</i>	
		Sd/- Nikhil Hule <i>Company Secretary</i>	
Place: Mumbai Date: 7th July, 2017			

PARAG PARIKH FINANCIAL ADVISORY SERVICES PRIVATE LIMITED			
Statement of Profit & Loss for the year ended 31st March 2017			
Particulars	Note No	For the period ended 31st March 2017	For the Year ended 31st March 2016
		Rs.	Rs.
Income			
Revenue From Operations	15	5,278,948	6,728,209
Other Income	16	3,708,174	10,808,153
Total Revenue		8,987,122	17,536,362
Expenses			
Employee Benefits Expenses	17	6,420,802	6,724,418
Depreciation & Amortization Expenses	18	307,215	558,001
Other Expenses	19	1,382,382	2,679,511
Total Expenses		8,110,399	9,961,930
Profit Before Tax		876,723	7,574,432
Tax Expense			
Current Tax		135,000	1,050,000
Short Tax Provision for Previous year		44,117	-
Less: MAT Credit Income		(133,987)	(983,374)
Less: MAT Credit Income relating to P.Y.		(38,347)	-
Deferred Tax		153,912	135,655
Total Tax Expense		160,695	202,281
Profit After Tax		7,16,028	7,372,151
Earning Per Equity Share			
Basic		0.11	1.13
Diluted		0.11	1.13
Summary of significant accounting polices	2		
The accompanying notes are an integral part of the financial statements			
As per Our Audit Report of even date For CVK & Associates <i>Chartered Accountants</i> <i>Firm Registration No:101745W</i>		For and on behalf of the Board of Directors of Parag Parikh Financial Advisory Services Pvt Ltd	
Sd/- K P Chaudhari <i>Partner</i> <i>Membership No:31661</i>	Sd/- Sahil Parikh <i>Director</i> <i>DIN : 00079898</i>	Sd/- Neil Parikh <i>Director</i> <i>DIN : 00080269</i>	
		Sd/- Nikhil Hule <i>Company Secretary</i>	
Place: Mumbai Date: 7th July, 2017			

PARAG PARIKH FINANCIAL ADVISORY SERVICES PRIVATE LIMITED				
Cash Flow Statement for the year ended 31.03.2017				
Particulars	2016-17		2015-16	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a. Cash flow from Operating Activities				
Profit Before tax expenses		876,723		7,574,432
Adjustments :				
Add : Non Operating Expenses/Items				
Depreciation on Fixed Assets	272,747		467,985	
Amortization of Fixed Assets	34,468	307,215	90,016	558,001
Less : Non - Operating Income/Items				
Long Term Capital Gain Equity	23,082		(4,917,222)	
Short Term Capital Gain on bonds	-		-	
Long Term Profit on Sale of Rights	-		-	
Short Term Capital Gain on Mutual Fund	(27,721)		(93,496)	
Short Term Capital Gain on Equity	(7,876)		(84,636)	
Long Term Capital Gain on Mutual Fund	(13,043)		(31,892)	
Interest on Fixed Deposit	(690,954)		(693,174)	
Dividend on Shares	(54,348)		(1,215,192)	
Dividend on Mutual Fund	(137,314)		(1,045,684)	
Long Term Profit on BSE Shares	-		(1,526,857)	
Other Income	-	(908,174)	-	(9,608,153)
Operating Profit before Working Capital Changes		275,764		(1,475,720)
Adjustment for Movement in working capital				
Decrease in Other Current Liabilities	(258,398)		(88,220)	
Increase in Short Term Provisions	(19,595)		(144,290)	
Increase/Decrease in Deferred Tax Assets	153,911		135,655	
Increase in Long Term Loans & Advances	(629,048)		(1,024,354)	
Decrease in Short-Term Loans & Advances	(320,315)		14,242,408	
(Increase)/Decrease in Receivables	423,218		1,006,970	
(Increase)/Decrease in other Current Assets	(402,573)	(1,052,800)	(148,184)	13,979,985
Cash Generated from operations		(777,037)		12,504,265
Less : Taxes Paid		(687,316)		113,250
Net Cash from operating activities		(1,464,353)		12,617,515
b. Cash flow from Investing Activities				
Purchase of Fixed Assets	-		(35,910)	
Purchase of Investments - Non Current	(46,982,003)		(26,537,143)	
Long Term Capital Gain Equity	(23,082)		4,917,222	
Short Term Capital Gain on Mutual Fund	27,721		93,496	
Short Term Capital Gain on Equity	7,876		84,636	
Long Term Capital Gain on Mutual Fund	13,043		31,892	
Interest on Fixed Deposit	690,954		623,856	
Dividend on Shares	54,348		1,215,192	
Dividend on Mutual Fund	137,314		1,045,684	
Long Term Profit on BSE Shares	-		1,526,857	
Net Cash from investing activities		(46,073,829)		(17,034,218)

c	Cash Flow from Financing Activities		NIL		NIL
	Issue of shares	46,689,430		-	
	Net Cash from financing activities		46,689,430		-
	Net increase/decrease in cash & cash equivalents		(848,752)		(4,416,703)
	Add: Cash & Cash Equivalents at the start of the year				
	Cash in Hand	29,384		63,508	
	Bank Accounts	2,350,512		3,233,091	
	Fixed Deposits with maturity less than 12 months	2,500,000	4,879,896	6,000,000	9,296,599
	Less: Cash & Cash Equivalents at the end of the year				
	Cash in Hand	15,051		29,384	
	Bank Accounts	1,325,844		2,350,512	
	Fixed Deposits with maturity less than 12 months	2,690,249	4,031,144	2,500,000	4,879,896

As per Our Audit Report of even date

For CVK & Associates

Chartered Accountants

Firm Registration No:101745W

**For and on behalf of the Board of Directors of Parag Parikh
Financial Advisory Services Pvt Ltd**

Sd/-

K P Chaudhari

Partner

Membership No:31661

Sd/-

Sahil Parikh

Director

DIN : 00079898

Sd/-

Neil Parikh

Director

DIN : 00080269

Sd/-

Nikhil Hule

Company Secretary

Place: Mumbai

Date: 7th July, 2017

PARAG PARIKH FINANCIAL ADVISORY SERVICES PRIVATE LIMITED**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED
31st MARCH, 2017****NOTE 1: CORPORATE INFORMATION**

Parag Parikh Financial Advisory Services Private Limited (formerly known as Parag Parikh Financial Advisory Services Limited) was incorporated on 12th October, 1992. The Company's corporate office is located in Mumbai. The company currently offers services like Portfolio Management and distribution of financial products. Investment based analysis and application of Behavioral Finance concepts forms the core of the business model of the company.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES**a. Basis of Preparation**

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b. Use of Estimates

The preparation of financial statements, in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Current/ Non-current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. it is expected to be realized or settled or is intended for sale or consumption in the Company's normal operating cycle;
- ii. it is expected to be realized or settled within twelve months from the reporting date;
- iii. in the case of an asset:
 - it is held primarily for the purpose of providing services; or
 - it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- iv. in the case of a liability, the company does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other assets and liabilities are classified as non-current.

Since the Company is a provider of services, for the purpose of current/ non-current classification of assets and liabilities, it has classified all those items which are expected to be realized or settled within twelve months from the reporting date as current items and others as non-current.

d. Tangible fixed assets

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains or losses arising from de-recognition of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e. Intangible fixed assets

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment loss, if any.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

f. Depreciation

Depreciation on the fixed assets is provided on Written Down Value Method applying rates/ useful lives as prescribed in The Companies Act.

The Companies Act, 2013 prescribes a different method for calculation of Depreciation based on the useful life of an Asset as opposed to prescribed rates of depreciation in The Companies Act, 1956.

g. Impairment

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

h. Investments

Investments are classified into current and non-current investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments.

Current investments are stated at the lower of cost and fair value. Non-current investments are stated at cost.

A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is recognized in the Statement of Profit and Loss.

i. Employee Benefits**A) Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service.

B) Post-employment benefits:**a) Provident Fund scheme**

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contribution is charged to the Statement of Profit and Loss 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) Gratuity scheme

i) 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.

ii) 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.

iii) The company appointed an Actuary to prepare the Actuarial Report for Gratuity as per Accounting Standard -15 (AS 15) as at 31st March 2017. As per the Report, the Plan Assets exceed the Present Value of Obligation.

However, the Company has forgone its right to such surplus in favour of the employees. Hence the excess is not recognised as income.

j. Revenue Recognition

Revenue from Portfolio Management fees and other business is recognized on accrual basis. The amount recognized therein is exclusive of service tax.

Dividend on shares is accounted on cash basis for the sake of convenience, and for want of information.

Interest income is recognised on time proportion basis.

k. Taxes on Income

Tax expense for the year comprises current tax and deferred tax.

Current Tax is determined as the amount of tax payable in respect of the taxable income for the period in accordance with the Income Tax Act, 1961.

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.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date to reassess realisation.

l. Provision

Provision involving substantial degree of reliable 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.

m. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

n. Foreign currency transaction

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

o. Earnings per share

Basic earnings per share is calculated by dividing the profits after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

p. 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. AUM under PMS as on 31.03.17 is as follows,

Particulars	Amount (Rs.)
Non discretionary	13,44,19,202
Cognito	7,53,73,781
Total	20,97,92,983

q. Share transactions

Gain or loss on sale of shares, Derivatives, Mutual Fund units etc. held as investments, is shown at net values.

NOTE 3 : SHARE CAPITAL				
	As at 31st March 2017		As at 31st March 2016	
AUTHORISED 30,000,000 Equity Shares of Rs.10/- each	300,000,000		300,000,000	
ISSUED, SUBSCRIBED AND PAID UP CAPITAL 71,74,074 Equity Shares of Rs.10/- each fully paid (Inclusive of 26,46,805 shares issued to shareholders of Parag Parikh Securities Ltd at par on Amalgamation issued for consideration other than cash)	71,740,740		65,148,050	
	71,740,740		65,148,050	
a. Reconciliation of Shares outstanding as at the beginning and at the end of the reporting period.				
	As at 31st March 2017		As at 31st March 2016	
	Number	Rs.	Number	Rs.
At the beginning of the period	6,514,805	65,148,050	6,514,805	65,148,050
Issued during the period	659,269	6,592,690	NIL	NIL
Outstanding at the end of the period	7,174,074	71,740,740	6,514,805	65,148,050
b. Details of Shareholders holding more than 5 % of Ordinary Shares				
Name of the Shareholders	Number	% of Holding	Number	% of Holding
Geeta P Parikh	5,777,790	80.54	5,283,100	81.09
Empegge Portfolio Management Services Private Limited	350,000	4.88	350,000	5.37
NOTE 4: RESERVES AND SURPLUS				
	As at 31st March 2017		As at 31st March 2016	
General Reserve(a)	385,000		385,000	
Capital Redemption Reserves(b)	10,100,000		10,100,000	
Share Premium(c)	40,096,740			
Surplus/(deficit) in the statement of Profit and Loss				
At the Beginning of the Accounting period	302,227,070		294,854,919	
Additions During the year	716,028		7,372,151	
Closing Balance of Surplus in the Statement of Profit & Loss(d)	302,943,098		302,227,070	
TOTAL (a+b+c+d)	353,524,838		312,712,070	
NOTE 5 : OTHER CURRENT LIABILITIES				
	As at 31st March 2017		As at 31st March 2016	
TDS - Salaries	173,050		449,340	
TDS - Professional Fees	6,570		10,500	
TDS - Rent	2,000		6,000	
ESIC Payable	1,300		-	
Profession Tax Payable	1,400		1,400	
Provident Fund Payable	41,788		45,713	
Service Tax Payable	28,447		-	
Unpaid Dividend	61,835		61,835	
	316,390		574,788	
NOTE 6 : SHORT TERM PROVISIONS				
	As at 31st March 2017		As at 31st March 2016	
Provision for Expenses	52,380		62,041	
Provision for Leave Encashment	16,233		26,167	
Provision For Audit Fees	27,000		27,000	
	95,613		115,208	

PARAG PARIKH FINANCIAL ADVISORY SERVICES PRIVATE LIMITED

NOTE 7 : FIXED ASSETS

Sr. No	Asset	Gross Block as at 01/04/2016	Deductions during the year	Gross Block as at 31/03/2017	Provision for Depreciation upto 01/04/2016	Depreciation for the period	Amount w/off implications of Companies Act 2013	Accumulated Depreciation on Sold Assets	Total depreciation upto 31/03/17	Net Block as at 31/03/2017	Net Block as at 31/03/16
a	Office Equipments										
A.	Tangible Assets										
1	Computer	9,476,193	-	9,476,193	9,466,101	20	-	-	9,466,121	10,072	10,327
2	Office Equipments	4,635,213	-	4,635,213	4,524,657	37,718	-	-	4,562,375	72,838	172,137
3	Electrical Installation	376,290	-	376,290	365,075	4,194	-	-	369,269	7,021	18,375
4	Motor Car	3,768,320	-	3,768,320	3,424,804	148,871	-	-	3,573,675	194,645	607,726
5	Office Furniture	4,757,641	-	4,757,641	4,539,404	81,944	-	-	4,621,348	136,293	353,036
	TOTAL	23,013,657	-	23,013,657	22,320,041	272,747	-	-	22,592,788	420,869	1,161,601
B.	Intangible Assets										
	Computer Software	5,792,513	-	5,792,513	5,742,392	34,468	-	-	5,776,860	15,653	104,227
	TOTAL	5,792,513	-	5,792,513	5,742,392	34,468	-	-	5,776,860	15,653	104,227
	TOTAL (A+B)	28,806,170	-	28,806,170	28,062,433	307,215	-	-	28,369,648	436,522	1,265,828
	Previous Year	28,770,260	-	28,806,170	27,504,432	558,001	-	-	28,062,433	743,737	1,265,828

NOTE 8: NON CURRENT INVESTMENTS

	No of	Cost for	MKT. Rate	MKT. Value	No of	Cost for
	shares	31.03.17	31.03.17	31.03.17	shares	31.03.16
INVESTMENTS IN EQUITY						
Quoted Investment						
Equity Shares fully paid						
Ador Fontech Limited	445	39,798	84.35	37,536	445	39,798
Amara Raja Batteries Limited	75	29,901	889.00	66,675	75	29,901
Atul Auto Limited	150	27,124	465.30	69,795	150	27,124
Axis Bank Limited	355	96,611	490.80	174,234	255	48,821
Bajaj Corp Limited	193	42,796	394.60	76,158	243	54,621
Bajaj Electricals Limited	180	30,282	312.75	56,295	180	30,282
Balkrishna Industries Limited	98	59,914	1,385.70	135,799	63	38,240
Blue Star Limited	72	12,154	692.80	49,882	72	12,154
Ballarpur Industries Limited	-	-	-	-	3,125	41,234
CCL Products (India) Limited	328	39,688	342.30	112,274	328	39,688
Coal India Limited	170	51,604	292.80	49,776	170	51,604
CG Power and Industrial Solutions Limited	140	17,815	77.60	10,864	140	17,815
Crompton Greaves Consumer Electricals Limited	140	-	217.20	30,408	-	-
Dalmia Bharat Limited	10	19,215	1,967.20	19,672	-	-
DCB Bank Limited	330	33,587	170.65	56,315	-	-
Elantas Beck India Limited	37	15,041	1,930.20	71,417	37	15,041
Engineers India Limited	390	59,065	144.35	56,297	390	59,065
Federal Bank Limited	400	29,883	91.35	36,540	-	-
Foseco India Limited	75	34,195	1,354.00	101,550	75	34,195
G.M. Breweries Limited	67	-	471.40	31,584	107	4,489
Geogit Financial Services Limited	1,800	34,783	59.40	106,920	1,800	34,783
Great Eastern Shipping Company Limited	72	22,892	417.30	30,046	10	2,470
Greaves Cotton Limited	295	23,731	174.65	51,522	205	12,179
HDFC Bank Limited	60	75,108	1,442.30	86,538	-	-
HCL Technologies Limited	-	-	-	-	50	37,546
Hero Motocorp Limited	-	-	-	-	20	47,990
Hindustan Media Ventures Limited	458	52,562	283.25	129,729	458	52,562
IL&FS Investment Managers Limited	6,181	3,000	13.82	85,421	6,181	3,000
ICICI Bank Limited	190	59,207	277.10	52,649	340	99,698
IL&FS Transportation Networks Limited	180	19,800	109.40	19,692	-	-
Indraprastha Gas Limited	161	42,017	1,013.40	163,157	161	42,017
Ipca Laboratories Limited	100	68,457	623.35	62,335	100	68,457
ITC Limited	75	14,595	280.45	21,034	50	14,595
Jagran Prakashan Limited	100	18,236	191.10	19,110	-	-
Just Dial Limited	-	-	-	-	90	82,748
Kajaria Ceramics Limited	100	49,841	584.80	58,480	-	-
Maruti Suzuki India Limited	10	19,559	6,024.30	60,243	10	19,559
Motherson sumi Limited	140	40,390	372.80	52,192	50	12,034
Mphasis Limited	311	115,544	577.85	179,711	241	76,602
MT Educare Limited	715	92,139	84.55	60,453	736	71,105
Narmada Gelatines Limited	135	17,755	131.95	17,813	115	15,018
Nesco Limited	13	7,150	2,351.80	30,573	13	7,150
Balkrishna Paper Mills Ltd	3	-	82.15	246	3	-
Nocil Limited	265	23,576	93.85	24,870	-	-
Noida Toll Bridge Company Limited	-	-	-	-	6,847	159,018
Novartis India Limited	15	7,335	676.25	10,144	15	7,335

	No of	Cost for	MKT.	MKT.	No of	Cost for
	shares	31.03.17	Rate	Value on	shares	31.03.16
			31.03.17	31.03.17		
Persistent System Limited	86	55,745	595.65	51,226	36	23,931
Piramal Enterprises Limited	342	193,853	1,902.20	650,552	382	210,029
Pitti Laminations Limited	500	13,750	61.55	30,775	500	13,750
Ramkrishna Forgings Limited	-	-	-	-	130	45,366
Rain Industries Limited	2,000	99,390	109.15	218,300	-	-
Reliance Industries Limited	30	28,194	1,319.20	39,576	-	-
Selan Exploration Technology Limited	100	28,350	174.10	17,410	251	68,298
Shipping Corporation of India Limited	425	17,049	76.00	32,300	425	17,049
Sagar Cements Limited	50	38,062	795.05	39,753	-	-
Shree Cement Limited	2	31,860	17,020.00	34,040	-	-
Shriram Transport Finance Company Limited	118	85,851	1,077.80	127,180	40	20,239
Standard Chartered PLC	367	30,587	53.55	19,653	367	30,587
Steel Strips Wheels Limited	80	46,711	827.80	66,224	-	-
Sun Pharmaceutical Industries Limited	60	40,268	687.70	41,262	60	40,268
Symphony Limited	40	38,076	1,524.20	60,968	20	38,076
Talwalkars Better Value Fitness Limited	187	28,751	265.90	49,723	187	28,751
Tata Motors Ltd – DVR	150	43,023	465.95	69,893	150	43,023
Technofab Engineering Limited	235	33,893	190.55	44,779	210	30,227
Thangamayil Jewellery Limited	-	-	-	-	51	9,464
The Mandhana Retail Ventures Limited	210	43,407	214.55	45,056	-	-
Thomas Cook (India) Limited	213	15,406	231.10	49,224	213	15,406
Titan Company Limited	120	45,786	461.30	55,356	120	45,787
Titagarh Wagons Limited	395	10,016	116.35	45,958	395	10,016
V-Mart Retail Limited	-	-	-	-	45	23,762
V.I.P. Industries Limited	404	23,881	196.90	79,548	404	23,881
Visaka Industries Limited	425	40,801	270.35	114,899	425	40,802
Yes Bank Limited	39	10,117	1,549.10	60,415	39	10,117
Zuari Agro Chemicals Limited	120	25,430	363.05	43,566	-	-
Zuari Global Limited	200	24,388	126.55	25,310	-	-
Zydus Wellness Limited	79	38,187	869.30	68,675	79	38,187
Total- (i)		2,577,182		4,747,570		2,236,953
Unquoted Investments						
Karrox Technologies Limited	25,000	1,000,000			25,000	1,000,000
Total- (ii)		1,000,000				1,000,000
INVESTMENT IN MUTUAL FUNDS						
Birla SunLife Cash Manager Fund - Dividend Plan	11,937.223	1,198,224	100.6257	1,201,191	11,283.244	1,138,429
Birla SunLife Cash Manager Fund - Growth Plan	1,592.077	551,604	392.1808	624,382	1,836.916	609,625
PPFAS Long Term Value Fund - Direct Plan	488,171.727	5,000,000	19.7209	9,627,186	488,171.727	5,000,000
Total- (iii)		6,749,828		11,452,759		6,748,054
INVESTMENT IN FIXED DEPOSIT						
Axis Bank Limited	-	4,500,000			-	4,500,000
Total- (iv)		4,500,000				4,500,000
INVESTMENT IN SUBSIDIARY COMPANY						
PPFAS Asset Management Private Limited	32,210,009	390,239,996			32,210,009	343,599,996
PPFAS Trustee Company Private Limited	50,000	500,000			50,000	500,000
Total- (v)		390,739,996				344,099,996
Grand Total (i+ii+iii+iv+v)		405,567,006				358,585,003

NOTE 9 : LONG TERM LOANS AND ADVANCES		
	As at 31st March 2017	As at 31st March 2016
Previous year Taxes Receivable	8,416,887	8,417,397
MAT Credit Available	1,155,708	983,374
Advance Tax & TDS(Net of Provision of Taxation)	228,612	(755,233)
Deposits with Stock Exchange	500,000	500,000
	10,301,207	9,145,538
NOTE 10 : DEFERRED TAX ASSET		
	As at 31st March 2017	As at 31st March 2016
Opening Balance	2,533,945	2,669,600
Fixed Assets:Impact of difference between Depreciation charged as per Company Law & Depreciation charged as per Taxation Law	(100,217)	(85,031)
Filing Fees : Impact of difference between charged as per Company Law & claimed as per Taxation Law	(58,710)	(58,710)
Leave Encashment : Impact of Provision for Leave Encashment	5,016	8,086
Net Deferred Tax Asset	2,380,034	2,533,945
NOTE 11: TRADE RECEIVABLES		
	As at 31st March 2017	As at 31st March 2016
(1) Debts outstanding for a period exceeding six months from the date they are due	Nil	Nil
(2) Other Debts (Unsecured considered good)	893,723	1,316,940
	893,723	1,316,940
NOTE 12: CASH AND CASH EQUIVALENT AS PER SCHEDULE III		
	As at 31st March 2017	As at 31st March 2016
(i) On Current Accounts	1,325,844	2,350,512
(ii) Cash in hand and as Imprest	15,051	29,384
(iii)Fixed Deposits with maturity less than 12 months	2,690,249	2,500,000
	4,031,144	4,879,896
NOTE 13: SHORT TERM LOANS AND ADVANCES		
	As at 31st March 2017	As at 31st March 2016
Deposits	72,646	92,646
Advances	100,000	103,250
Advances to Trade Payables	10,263	-
Advance to Employees	181,000	120,000
Prepaid Expense	547,827	275,525
	911,736	591,421
NOTE 14: OTHER CURRENT ASSETS		
	As at 31st March 2017	As at 31st March 2016
Interest accrued on Fixed Deposits & Bonds	1,126,826	695,217
Service Tax Credit	29,383	58,419
	1,156,209	753,636

NOTE 15 : REVENUE FROM OPERATIONS		
	For the period ended 31st March 2017	For the year ended 31st March 2016
Portfolio Management Fees	2,144,990	3,464,043
Placement Charges - MF	3,133,958	3,264,166
	5,278,948	6,728,209
NOTE 16: OTHER INCOME		
	For the period ended 31st March 2017	For the year ended 31st March 2016
<u>Net Gain/Loss on Sale of Investment</u>		
Long Term Capital Gain Equity	(23,082)	4,917,222
Long Term Profit on BSE Shares	-	1,526,857
Short Term Capital Gain on Mutual Fund	27,721	93,496
Short Term Gain/Loss on Sale of Shares	7,876	84,636
Long Term Capital Gain on Mutual Fund	13,043	31,892
Total (a)	25,558	6,654,103
<u>Other Non-Operating Income</u>		
Interest on Fixed Deposit	690,954	693,174
Dividend on Shares	54,348	1,215,192
Dividend on Mutual Fund	137,314	1,045,684
Shared Service Income	2,800,000	1,200,000
Total (b)	3,682,616	4,154,050
Total (a + b)	3,708,174	10,808,153
NOTE 17: EMPLOYEE BENEFIT EXPENSES		
	For the period ended 31st March 2017	For the year ended 31st March 2016
Salary and Wages		
Office Staff Salary	6,015,193	6,417,357
Contribution to Provident Fund and other funds		
Contribution to Provident Fund	276,682	298,116
Other expenses		
Staff Welfare	128,639	8,657
Maharashtra Labour welfare Fund	288	288
	6,420,802	6,724,418
NOTE 18: DEPRECIATION AND AMORTIZATION EXPENSES		
	For the period ended 31st March 2017	For the year ended 31st March 2016
Depreciation of Tangible Assets	272,747	467,985
Amortization of Intangible Assets	34,468	90,016
	307,215	558,001

NOTE 19: OTHER EXPENSES		
	For the period ended 31st March 2017	<i>For the year ended 31st March 2016</i>
Membership & subscription	347,039	246,329
Rent, Rates & Taxes	240,000	390,000
Motor car expenses	230,539	236,712
Computer Maintainence	170,472	114,000
Internal Audit Fees	87,525	131,050
Professional Charges	86,665	756,263
Telephone/communication	82,307	275,126
Filing fees	47,140	2,296
Statutory Audit fees	30,000	30,000
Miscellaneous expenses	29,351	267,314
CENVAT Credit written off	11,875	-
Conveyance Charges	9,172	62,854
Demat charges	2,522	2,634
Professional tax - company	2,000	2,000
STT, Service Tax & other charges on Share Investment	1,863	19,602
Printing & stationery	1,859	33,835
Bank Charges	1,149	340
Repairs & maintenance	904	1,585
Interest on Taxes	-	30,579
Business Promotion Expenses	-	34,255
Turnover(SEBI)	-	25,000
Postage & Courier Charges	-	5,759
Advertising expenses	-	4,999
Seminar fees	-	2,792
Swatch Bharat Cess Paid for Expenses	-	4,188
	1,382,382	2,679,511

NOTE 20: SUPPLEMENTARY INFORMATION**a.Particulars of Auditors Remuneration**

Particulars	F.Y.2016-17	F.Y.2015-16
As Auditors	20,000/-	20,000/-
For other Services	10,000/-	10,000/-
TOTAL	30,000/-	30,000/-

b. Value of Imports

Particulars	F.Y.2016-17	F.Y.2015-16
Value of Imports	NIL	NIL

c.Expenditure in Foreign Exchange

Particulars	F.Y.2016-17	F.Y.2015-16
Professional Charges	NIL	NIL
Travelling Charges	NIL	NIL

d. Foreign Exchange Earnings

Particulars	F.Y.2016-17	F.Y.2015-16
Earnings in Foreign Exchange (USD)-Advisory services	NIL	NIL

e.Funds received from various investors and invested on their behalf & in their respective names under the Portfolio Management Scheme, as at 31st March, 2017 are Rs 20.98 crores.

NOTE 21: RELATED PARTY DISCLOSURES

As per Accounting Standard 18, issued by the Institute of Chartered Accountants 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 (Rs.)
Empeegee Portfolio Management Services Pvt. Ltd.	Enterprise over which Key Managerial Personnel are able to exercise significant influence.	Rent	2,40,000/-
Ashish Shah	Key Managerial Personal	Salary	11,18,830/-
PPFAS Asset Management Private Ltd	Subsidiary Company	Shared Service Cost Received	28,00,000/-
PPFAS Asset Management Private Ltd	Subsidiary Company	Issue of Shares to Holding Company	4,66,40,000/-

NOTE 22: CONTINGENT LIABILITIES

Contingent Liabilities	F.Y.2016-17 (Amount in Rs. Lacs)	F.Y.2015-16 (Amount in Rs. Lacs)
Income Tax (A.Y.-2007-08)*	3.6	3.6
Income Tax (A Y 2008-09)	2.75	2.75
Income Tax (A.Y.-2009-10)	1.6	1.6
Income Tax (A Y - 2010-11)	3.59	3.59
Income Tax (A Y - 2012-13)	1.47	1.47
Income Tax (A Y - 2014-15)	26.16	26.16

*This relates to the case of Parag Parikh Securities Ltd which has merged with the company effective 1st October 2006.

NOTE 23: EARNINGS PER SHARE

Particulars	F.Y.2016-17	F.Y.2015-16
Profit attributable to equity shareholders	Rs. 7,16,028/-	Rs. 73,72,151/-
Weighted Average number of Equity Share Outstanding during the year	67,98,381	65,14,805
Basic & Diluted EPS	Rs.0.11/-	Rs.1.13/-
Nominal value per share	10/-	10/-

NOTE 24: MAJOR COMPONENTS OF DEFFERED TAX

Deferred Tax Assets	(Amount in Rs.)		
I. Opening Balance			25,33,945
II Changes during the Year			
a. Timing Difference in Depreciation			
As per Accounts	3,07,215		
As per Income tax Act	6,31,541		
Over charged for tax purpose	3,24,328		
Deferred Tax @ 30.90%		(1,00,217)	
b. Timing Difference due to Share issue Expenses			
As per Accounts			
As per Income tax Act	1,90,000		
Over charged for tax purpose	1,90,000		
Deferred Tax @ 30.90%		(58,710)	
c. Timing Difference due to Provision for Leave Encashment			
As per Accounts	16,233		
As per Income tax Act			
Under charged for tax purpose	16,233		
Deferred Tax @ 30.90%		5,016	
III. Deferred Tax Expenses charged to Statement of Profit & Loss			1,53,911
IV. Net Deferred tax Assets as per Balance Sheet.			23,80,034

NOTE 25: INVESTMENT IN SUBSIDIARIES

The Company had invested in PPFAS Asset Management Private Limited & PPFAS Trustee Company Private Limited, which are wholly owned subsidiaries of the company.

NOTE 26:

The amount payable to the Small Scale Undertaking is NIL.

NOTE 27: PREVIOUS YEAR FIGURES

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

NOTE 28: DISCLOSURE ON SPECIFIED BANK NOTES

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBN's*	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	20,000	126	20,126
(+) Permitted receipts		20,000	20,000
(-) Permitted payments		790	790
(-) Amount deposited in Banks	20,000		20,000
Closing cash in hand as on 30.12.2016		19,336	19,336

Signatures to notes 1 to 28

As per Our Audit Report of even date

For CVK & Associates
Chartered Accountants
Firm Registration No:101745W

For & on behalf of the Board of Directors of Parag Parikh Financial Advisory Services Private Limited

Sd/-
K P Chaudhari
Partner
Membership No:31661

Sd/-
Sahil Parikh
Director
DIN : 0079898

Sd/-
Neil Parikh
Director
DIN : 00080269

Sd/-
Nikhil Hule
Company Secretary

Place: Mumbai
Date: 07th July 2017



CHARTERED ACCOUNTANTS

2, Samarth Apartments, D. S. Babrekar Road, Dadar (W), Mumbai – 400 028. India. Tel.: 2446 8717, 2445 1488. Fax: 91-022 2446 6139. website: www.cvk-ca.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Parag Parikh Financial Advisory Services Private Limited
(Formerly known as Parag Parikh Financial Advisory Services Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Parag Parikh Financial Advisory Services Private Limited (formerly known as Parag Parikh Financial Advisory Services Limited) (“hereinafter referred to as “the Holding Company”) and its subsidiaries PPFAS Asset Management Private Limited and PPFAS Trustee Company Private Limited (the Holding Company and its subsidiaries together referred to as “the Group”), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”)

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are

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Nashik – 422 005.

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91-253-2573 663
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responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material

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misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2017, and its consolidated profit and its consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

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(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The matters specified in Section 143(3)(i) have not been commented upon, as they are not applicable; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

Mahim:
18, Udyog Mandir No. 1,
Bhagoji Keer Marg,
Mahim (W),
Mumbai – 400 016.

Tel/Fax:
91-22-2446 2273
91-22-2446 2274
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Mulund:
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91-22-2163 5822
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Nashik:
Shantimangalya
154, D'souza Shivgiri Colony,
Off College Road,
Nashik – 422 005.

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91-253-2573 663
91-253-2582 176
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- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Notes ‘2(m)’ and ‘23’ to the Consolidated Financial Statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.
 - iv. The company has provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.
2. The matters specified in paragraphs 3 and 4 of Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, have not been commented upon, as they are not applicable.

For CVK & Associates
Chartered Accountants
Firm Regn No.: 101745W

Sd/-
K.P. Chaudhari
Partner
Membership No: 031661

Place: Mumbai
Date: 7th July 2017

Mahim:
18, Udyog Mandir No. 1,
Bhagoji Keer Marg,
Mahim (W),
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PARAG PARIKH FINANCIAL ADVISORY SERVICES PRIVATE LIMITED			
Consolidated Balance Sheet as at 31st March 2017			
Particulars	Note No	As at 31st March 2017 Rs.	As at 31st March 2016 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	71,740,740	65,148,050
Reserves & Surplus	4	497,913,939	396,240,419
	(a)	569,654,679	461,388,469
Current Liabilities			
Other Current Liabilities	5	7,313,025	7,932,185
Short Term Provisions	6	6,394,237	2,995,527
	(b)	13,707,262	10,927,712
Total Equity and Liabilities	(a+b)	583,361,941	472,316,181
ASSETS			
Non-Current Assets			
Fixed Assets			
(i)Tangible Assets	7A	191,426,169	3,407,977
(ii)Intangible Assets	7B	858,711	1,086,740
(iii)Capital Work-in-Progress	7C	840,000	-
	(c)	193,124,880	4,494,717
Non-Current Investments	8	328,499,524	406,381,279
Long Term Loans & Advances	9	15,898,774	12,115,980
Deferred Tax Assets	10	4,665,491	4,646,321
	(d)	349,063,789	423,143,580
Current Assets			
Trade Receivables	11	12,041,599	12,003,883
Cash & Cash Equivalents	12	10,023,855	10,234,644
Short-Term Loans & Advances	13	16,936,496	16,202,220
Other Current Assets	14	2,171,322	6,237,135
	(e)	41,173,272	44,677,884
Total Assets	(c+d+e)	583,361,941	472,316,181
Summary of significant accounting policies 2			
The accompanying notes are an integral part of the financial statements			
As per Our Audit Report of even date For CVK & Associates <i>Chartered Accountants</i> <i>Firm Registration No:101745W</i>		For and on behalf of the Board of Directors of Parag Parikh Financial Advisory Services Pvt Ltd	
Sd/- K P Chaudhari <i>Partner</i> <i>Membership No:31661</i>	Sd/- Sahil Parikh <i>Director</i> <i>DIN : 00079898</i>	Sd/- Neil Parikh <i>Director</i> <i>DIN : 00080269</i>	
Place: Mumbai Date: 7th July, 2017		Sd/- Nikhil Hule <i>Company Secretary</i>	

PARAG PARIKH FINANCIAL ADVISORY SERVICES PRIVATE LIMITED			
Consolidated Statement of Profit & Loss for the year ended 31st March 2017			
Particulars	Note No	For the year ended 31st March 2017	For the year ended 31st March 2016
		Rs.	Rs.
Income			
Revenue From Operations	15	131,856,964	124,926,641
Other Income	16	51,577,096	30,712,204
Total Revenue		183,434,060	155,638,845
Expenses			
Employee Benefits Expenses	17	57,435,893	54,628,643
Depreciation & Amortization Expenses	18	3,659,826	4,851,092
Other Expenses	19	48,157,120	36,662,348
Total Expenses		109,252,839	96,142,083
Profit Before Tax & Exceptional Items		74,181,221	59,496,762
Exceptional Items			
Prior period expenses/(Income)	20	-	(366,667)
Profit Before Tax		74,181,221	59,863,429
Tax Expense			
Current Tax		13,482,500	14,463,100
Short Tax Provision for Previous year		52,224	-
Less : MAT Credit Income		(872,766)	(983,374)
Less: MAT Credit Income relating to P.Y.		(38,347)	
Deferred Tax		(19,169)	(235,892)
Total Tax Expense		12,604,442	13,243,834
Profit(Loss) for the Period		61,576,779	46,619,595
Earning Per Equity Share			
Basic		9.06	7.16
Diluted		9.06	7.16
Summary of significant accounting polices 2			
The accompanying notes are an integral part of the financial statements			
As per Our Audit Report of even date For CVK & Associates <i>Chartered Accountants</i> <i>Firm Registration No:101745W</i>		For and on behalf of the Board of Directors of Parag Parikh Financial Advisory Services Pvt Ltd	
Sd/- K P Chaudhari <i>Partner</i> <i>Membership No:31661</i>	Sd/- Sahil Parikh <i>Director</i> <i>DIN : 00079898</i>	Sd/- Neil Parikh <i>Director</i> <i>DIN : 00080269</i>	
		Sd/- Nikhil Hule <i>Company Secretary</i>	
Place: Mumbai Date: 7th July, 2017			

PARAG PARIKH FINANCIAL ADVISORY SERVICES PRIVATE LIMITED					
Consolidated Cash Flow Statement for the year ended 31st March 2017					
		2016-17		2015-16	
	Particulars	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a.	Cash flow from Operating Activities				
	Profit Before tax expenses		74,181,221		59,863,429
	Adjustments :				
	Add : Non Operating Expenses/Items				
	Depreciation on Fixed Assets	2,470,851		3,542,657	
	Amortization of Fixed Assets	1,188,975	3,659,826	1,308,435	4,851,092
	Less : Non - Operating Income/Items				
	Long Term Capital (Gain)/Loss on Equity	23,082		(4,917,222)	
	Short Term Capital (Gain)/Loss on Mutual Fund	(7,403,998)		(6,879,034)	
	Short Term Capital (Gain)/Loss on Equity	-		(84,636)	
	Long Term Capital (Gain)/Loss on Mutual fund	(14,029,673)		(31,892)	
	Long Term Capital (Gain)/Loss on Bonds	(20,919,772)		-	
	Long Term Profit on BSE Shares	-		(1,526,857)	
	Short Term Capital (Gain)/Loss on Equity	3,743,292		-	
	Interest on Tax free Bonds	(7,393,860)		(11,753,868)	
	Interest on Fixed Deposit	(741,997)		(1,931,099)	
	Dividend on Shares	(973,564)		(1,990,917)	
	Dividend on Mutual Fund	(137,314)		(1,045,684)	
	Profit on Sale of Car	-		(333,706)	
	Other Income	-	(47,833,804)	(217,289)	(30,712,204)
	Operating Profit before Working Capital Changes		30,007,243		34,002,317
	Adjustment for Movement in working capital				
	Increase/(Decrease) in Other Current Liabilities	(619,160)		1,891,945	
	Increase/(Decrease) in Short Term Provisions	3,398,710		(1,875,316)	
	(Increase)/Decrease in Deferred Tax Assets	(19,170)		(235,892)	
	(Increase)/Decrease in Long Term Loans & Advances	(2,292,230)		1,439,007	
	(Increase)/Decrease in Short-Term Loans & Advances	(734,277)		874,035	
	(Increase)/Decrease in Trade Receivables	(37,716)		286,370	
	(Increase)/Decrease in Other Current Assets	4,065,813	3,761,970	(583,295)	1,796,855
	Cash Generated from operations		33,769,213		35,799,172
	Less : Taxes Paid		(14,095,006)		(15,492,785)
	Net Cash from operating activities		19,674,207		20,306,387
b.	Cash flow from Investing Activities				
	Purchase of Fixed Assets	(192,289,989)		(5,977,735)	
	Sale of Fixed Assets	-		385,000	
	Sale of Investments - Non Current	77,881,758		(72,707,582)	
	Long Term Capital Gain Equity	(23,082)		4,917,222	
	Short Term Capital Gain on Mutual Fund	7,403,998		6,879,034	
	Short Term Capital Gain on Equity	-		84,636	
	Long Term Capital Gain on Mutual /fund	14,029,673		31,892	
	Long Term Capital Gains on Bonds	20,919,772		-	
	Long Term Profit on BSE Shares	-		1,526,857	
	Short Term Capital (Gain)/Loss on Equity	(3,743,292)		-	
	Interest on Tax free Bonds	7,393,860		11,753,868	
	Interest on Fixed Deposit	741,997		1,736,360	
	Dividend on Shares	973,564		1,990,917	
	Dividend on Mutual Fund	137,314		1,045,684	
	Other Income	-		217,289	
	Net Cash from investing activities		(66,574,427)		(48,116,558)

c.	Cash Flow from Financing Activities				
	Issue of shares	46,689,431			NIL
	Net Cash from financing activities		46,689,431		
	Net increase/decrease in cash & cash equivalents		(210,789)		(27,810,171)
	Cash & Cash Equivalents at the beginning of the year				
	Cash in Hand	75,772		77,269	
	Bank Accounts	7,383,834		11,892,546	
	Fixed Deposits with maturity less than 12 months	2,775,038	10,234,644	26,075,000	38,044,815
	Cash & Cash Equivalents at the end of the year				
	Cash in Hand	128,292		75,772	
	Bank Accounts	6,605,314		7,383,834	
	Fixed Deposits with maturity less than 12 months	3,290,249	10,023,855	2,775,038	10,234,644

As per Our Audit Report of even date
For CVK & Associates
Chartered Accountants
Firm Registration No:101745W

Sd/-
K P Chaudhari
Partner
Membership No:31661

Place: Mumbai
Date: 7th July, 2017

**For and on behalf of the Board of Directors of Parag
Parikh Financial Advisory Services Pvt Ltd**

Sd/-
Sahil Parikh
Director
DIN : 00079898

Sd/-
Neil Parikh
Director
DIN : 00080269

Sd/-
Nikhil Hule
Company Secretary

PARAG PARIKH FINANCIAL ADVISORY SERVICES PRIVATE LIMITED**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST MARCH, 2017****NOTE 1: PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements are related to Parag Parikh Financial Advisory Services Private Limited and its subsidiaries PPFAS Asset Management Private Limited and PPFAS Trustee Company Private Limited.

The financial statements of the Group and its subsidiaries 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 Institute of Chartered Accountants of India.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible unless otherwise stated, are made in the consolidated financial statements and are presented in the same manner as the Group’s standalone financial statements.

The list of subsidiary companies which are included in the consolidation are as under:

Name of the Subsidiary Company	Ownership in percentage		Country of Incorporation
	2016-17	2015-16	
PPFAS Asset Management Private Limited	100	100	India
PPFAS Trustee Company Private Limited	100	100	India

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES**a. Basis Of Preparation**

The financial statements of the Group have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The Group has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and which continue to apply under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

b. Use of Estimates

The preparation of consolidated financial statements, in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Current/ Non-current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i . it is expected to be realized or settled or is intended for sale or consumption in the Group's normal operating cycle;
- ii. it is expected to be realized or settled within twelve months from the reporting date;
- iii. in the case of an asset:
 - it is held primarily for the purpose of providing services; or
 - it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- iv. In the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date.

All other assets and liabilities are classified as non-current.

Since the Group is a provider of services, for the purpose of current/ non-current classification of assets and liabilities, it has classified all those items which are expected to be realized or settled within twelve months from the reporting date as current items and others as non-current.

d. Tangible fixed assets

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains or losses arising from derecognition of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e. Intangible fixed assets

Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment loss, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

f. Depreciation

Depreciation on the fixed assets is provided on Written Down Value Method applying rates/ useful lives as prescribed in The Companies Act.

g. Impairment

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount.

h. Investments

Investments are classified into current and non-current investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments.

Current investments are stated at the lower of cost and fair value. Non-current investments are stated at cost.

A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is recognized in the Statement of Profit and Loss.

i. Employee Benefits**A) Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service.

B) Post-employment benefits:**a) Provident Fund scheme**

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contribution is charged to the Statement of Profit and Loss 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) Gratuity scheme

i. The Group's gratuity scheme is a defined benefit plan. The Group'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.

ii. 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.

iii. The Holding company appointed an Actuary to prepare the Actuarial Report for Gratuity as per Accounting Standard – 15 (AS 15) as at 31st March 2017. As per the Report, the Plan Assets exceed the Present Value of Obligation.

However, the Holding Company has forgone its right to such surplus in favour of the employees. Hence the excess is not recognised as income.

j. Revenue Recognition

Revenue from Portfolio Management fees and other business is recognized on accrual basis. The amount recognized therein is exclusive of service tax.

Dividend on shares is accounted on cash basis for the sake of convenience, and for want of information.

Interest income is recognised on time proportion basis.

In case of Subsidiary Company PPFAS Asset Management Private Limited, Management fees is recognized on accrual basis at specific rates, applied on the average daily net assets of the scheme. The fees charged are in accordance with the terms of Scheme Information Document of scheme and is in line with the provisions of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time. The amount recognized is exclusive of Service Tax.

In case of Subsidiary Company PPFAS Trustee Company Private Limited, revenue from Trusteeship Fees is recognized on accrual basis. The amount recognised therein is exclusive of Service Tax.

k. Taxes on Income

Tax expense for the year comprises current tax and deferred tax.

Current Tax is determined as the amount of tax payable in respect of the taxable income for the period in accordance with the Income Tax Act, 1961.

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.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date to reassess realisation.

l. Provision

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.

m. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

n. Foreign currency transaction

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

o. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

p. 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 Group.

q. Share transactions

Gain or loss on sale of shares, Derivatives, Mutual Fund units etc. held as investments, is shown at net values.

NOTE 3 : SHARE CAPITAL				
	As at 31st March 2017		As at 31st March, 2016	
AUTHORISED CAPITAL				
30,000,000 Equity Shares of Rs.10/- each	300,000,000		300,000,000	
ISSUED, SUBSCRIBED AND PAID UP CAPITAL				
71,74,074 Equity Shares of Rs.10/- each fully paid	71,740,740		65,148,050	
<i>(Inclusive of 2,646,805 shares issued to shareholders of Parag Parikh Securities Ltd at par on Amalgamation)</i>				
	71,740,740		65,148,050	
a. Reconciliation of Shares outstanding as at the beginning and at the end of the reporting period.				
	As at 31st March 2017		As at 31st March, 2016	
	Number	Rs.	Number	Rs.
At the beginning of the period	6,514,805	65,148,050	6,514,805	65,148,050
Issued during the period	659,269	6,592,690	NIL	NIL
Outstanding at the end of the period	7,174,074	71,740,740	6,514,805	65,148,050
b. Details of Shareholders holding more than 5 % of Ordinary Shares				
Name of the Shareholders	Number	% of Holding	Number	% of Holding
Geeta P Parikh	5,777,790	80.54	5,283,100	81.09
Empegee Portfolio Management Services Private Limited	350,000	4.88	350,000	5.37
NOTE 4: RESERVES AND SURPLUS				
	As at 31st March 2017		As at 31st March, 2016	
General Reserve(a)	385,000		385,000	
Capital Redemption Reserves(b)	10,100,000		10,100,000	
Share Premium (c)	40,096,741		-	
Surplus/(deficit) in the statement of Profit and Loss				
At the Beginning of the Accounting period	385,755,419		339,135,825	
Additions During the year	61,576,779		46,619,595	
Closing Balance of Surplus in the Statement of Profit & Loss(d)	447,332,198		385,755,420	
TOTAL (a+b+c+d)	497,913,939		396,240,420	

NOTE 5 : OTHER CURRENT LIABILITIES		
	As at 31st March 2017	As at 31st March, 2016
TDS - Professional Fees	511,514	398,563
TDS - Salaries	6,369,055	7,074,940
TDS - Rent	10,800	30,000
TDS - Contractor	25,486	47,752
Service Tax Payable	28,447	-
Provident Fund Payable	294,988	309,620
Unpaid Dividend	61,835	61,835
ESIC Payable	1,300	-
Profession Tax Payable	9,600	9,475
	7,313,025	7,932,185
NOTE 6 : SHORT TERM PROVISIONS		
	As at 31st March 2017	As at 31st March, 2016
Provision For Audit Fees	542,000	542,000
Provision for Expenses	4,139,823	1,088,477
Sundry Creditors	924,923	1,054,100
Provision for Employee Benefits		
Gratuity	542,962	
Leave Encashment	244,529	310,950
	6,394,237	2,995,527

PARAG PARIKH FINANCIAL ADVISORY SERVICES PRIVATE LIMITED											
NOTE 7 : FIXED ASSETS											
Sr. No	Asset	Gross Block as at 01/04/2016	Additions during the year	Deductions during the year	Gross Block as at 31/3/17	Depreciation upto 31/3/16	Depreciation for the period	Accumulated Depreciation on Sold Assets	Total depreciation upto 31/3/17	Net Block as at 31/3/17	Net Block as at 31/03/16
A. Tangible Assets											
1	Computer	10,959,560	548,059	-	11,507,619	10,511,541	662,836	-	11,174,377	333,242	448,019
2	Office Equipments	4,933,571	656,749	-	5,590,320	4,788,678	296,186	-	5,084,864	505,456	144,893
3	Electrical Installation	449,050	-	-	449,050	420,351	13,279	-	433,630	15,420	28,699
4	Motor Car	10,729,390	-	-	10,729,390	8,489,742	1,251,896	-	9,741,638	987,752	2,239,648
5	Office Furniture	5,164,200	-	-	5,164,200	4,617,482	246,654	-	4,864,136	300,064	546,718
6	Office Premises	-	189,284,235	-	189,284,235	-	-	-	-	189,284,235	-
	TOTAL	32,235,771	190,489,043	-	222,724,814	28,827,794	2,470,851	-	31,298,645	191,426,169	3,407,977
B. Intangible Assets											
1	Computer Software	9,840,454	960,946	-	10,801,400	8,753,714	1,188,975	-	9,942,689	858,711	1,086,740
	TOTAL	9,840,454	960,946	-	10,801,400	8,753,714	1,188,975	-	9,942,689	858,711	1,086,740
C. Capital Work-in-Progress											
1	Office Furniture W.I.P.	-	840,000	-	840,000	-	-	-	-	840,000	-
	TOTAL	-	840,000	-	840,000	-	-	-	-	840,000	-
	TOTAL (A+B+C)	42,076,225	192,289,989	-	234,366,214	37,581,508	3,659,826	-	41,241,334	193,124,880	4,494,717
	Previous Year	36,730,511	5,977,735	632,021	42,076,225	33,311,143	4,851,092	580,727	37,581,508	4,494,717	3,534,404

NOTE 8: NON CURRENT INVESTMENTS

	No of shares	Cost for 31/03/2017'	MKT. Rate 31/03/2017'	Market Value on 31/03/2017'	No of shares	Cost for 31/03/2016'
Quoted Investment						
PPFAS						
Ador Fontech Limited	445	39,798	84.35	37,536	445	39,798
Amara Raja Batteries Limited	75	29,901	889.00	66,675	75	29,901
Atul Auto Limited	150	27,124	465.30	69,795	150	27,124
Axis Bank Limited	355	96,611	490.80	174,234	255	48,821
Bajaj Corp Limited	193	42,796	394.60	76,158	243	54,621
Bajaj Electricals Limited	180	30,282	312.75	56,295	180	30,282
Balkrishna Industries Limited	98	59,914	1,385.70	135,799	63	38,240
Blue Star Limited	72	12,154	692.80	49,882	72	12,154
Ballarpur Industries Limited	-	-	-	-	3,125	41,234
CCL Products (India) Limited	328	39,688	342.30	112,274	328	39,688
Coal India Limited	170	51,604	292.80	49,776	170	51,604
CG Power and Industrial Solutions Limited	140	17,815	77.60	10,864	140	17,815
Crompton Greaves Consumer Electricals Limited	140	-	217.20	30,408	-	-
Dalmia Bharat Limited	10	19,215	1,967.20	19,672	-	-
DCB Bank Limited	330	33,587	170.65	56,315	-	-
Elantas Beck India Limited	37	15,041	1,930.20	71,417	37	15,041
Engineers India Limited	390	59,065	144.35	56,297	390	59,065
Federal Bank Limited	400	29,883	91.35	36,540	-	-
Foseco India Limited	75	34,195	1,354.00	101,550	75	34,195
G.M. Breweries Limited	67	-	471	31,584	107	4,489
Geogit Financial Services Limited	1,800	34,783	59.40	106,920	1,800	34,783
Great Eastern Shipping Company Limited	72	22,892	417.30	30,046	10	2,470
Greaves Cotton Limited	295	23,731	174.65	51,522	205	12,179
HDFC Bank Limited	60	75,108	1,442.30	86,538	-	-
HCL Technologies Limited	-	-	-	-	50	37,546
Hero Motocorp Limited	-	-	-	-	20	47,990
Hindustan Media Ventures Limited	458	52,562	283.25	129,729	458	52,562
IL&FS Investment Managers Limited	6,181	3,000	13.82	85,421	6,181	3,000
ITC Limited	75	14,595	280.45	21,034	50	14,595
Jagran Prakashan Limited	100	18,236	191.10	19,110	-	-
ICICI Bank Limited	190	59,207	277.10	52,649	340	99,698
IL&FS Transportation Networks Limited	180	19,800	109.40	19,692	-	-
Indraprastha Gas Limited	161	42,017	1,013.40	163,157	161	42,017
Ipeca Laboratories Limited	100	68,457	623.35	62,335	100	68,457
Just Dial Limited	-	-	-	-	90	82,748
Kajaria Ceramics Limited	100	49,841	584.80	58,480	-	-
Maruti Suzuki India Limited	10	19,559	6,024.30	60,243	10	19,559
Motherson sumi Limited	140	40,390	372.80	52,192	50	12,034
Mphasis Limited	311	115,544	577.85	179,711	241	76,602

	No of shares	Cost for 31/03/2017'	MKT. Rate 31/03/2017'	Market Value on 31/03/2017'	No of shares	Cost for 31/03/2016'
MT Educare Limited	715	92,139	84.55	60,453	736	71,105
Narmada Gelatines Limited	135	17,755	131.95	17,813	115	15,018
Nesco Limited	13	7,150	2,351.80	30,573	13	7,150
Balkrishna Paper Mills Ltd	3	-	82.15	246	3	-
Nocil Limited	265	23,576	93.85	24,870	-	-
Noida Toll Bridge Company Limited	-	-	-	-	6,847	159,018
Novartis India Limited	15	7,335	676.25	10,144	15	7,335
Persistent System Limited	86	55,745	595.65	51,226	36	23,931
Piramal Enterprises Limited	342	193,853	1,902.20	650,552	382	210,029
Pitti Laminations Limited	500	13,750	61.55	30,775	500	13,750
Ramkrishna Forgings Limited	-	-	-	-	130	45,366
Rain Industries Limited	2,000	99,390	109.15	218,300	-	-
Reliance Industries Limited	30	28,194	1,319.20	39,576	-	-
Selan Exploration Technology Limited	100	28,350	174.10	17,410	251	68,298
Shipping Corporation of India Limited	425	17,049	76.00	32,300	425	17,049
Sagar Cements Limited	50	38,062	795.05	39,753	-	-
Shree Cement Limited	2	31,860	17,020.00	34,040	-	-
Shriram Transport Finance Company Limited	118	85,851	1,077.80	127,180	40	20,239
Standard Chartered PLC	367	30,587	53.55	19,653	367	30,587
Steel Strips Wheels Limited	80	46,711	827.80	66,224	-	-
Sun Pharmaceutical Industries Limited	60	40,268	687.70	41,262	60	40,268
Symphony Limited	40	38,076	1,524.20	60,968	20	38,076
Talwalkars Better Value Fitness Limited	187	28,751	265.90	49,723	187	28,751
Tata Motors Ltd – DVR	150	43,023	465.95	69,893	150	43,023
Technofab Engineering Limited	235	33,893	190.55	44,779	210	30,227
Thangamayil Jewellery Limited	-	-	-	-	51	9,464
The Mandhana Retail Ventures Limited	210	43,407	214.55	45,056	-	-
Thomas Cook (India) Limited	213	15,406	231.10	49,224	213	15,406
Titan Company Limited	120	45,786	461.30	55,356	120	45,787
Titagarh Wagons Limited	395	10,016	116.35	45,958	395	10,016
V-Mart Retail Limited	-	-	-	-	45	23,762
V.I.P. Industries Limited	404	23,881	196.90	79,548	404	23,881
Visaka Industries Limited	425	40,801	270.35	114,899	425	40,802
Yes Bank Limited	39	10,117	1,549.10	60,415	39	10,117
Zuari Agro Chemicals Limited	120	25,430	363.05	43,566	-	-
Zuari Global Limited	200	24,388	126.55	25,310	-	-
Zydus Wellness Limited	79	38,187	869.30	68,675	79	38,187
Total- (i)		2,577,182		4,747,570		2,236,954

	No of shares	Cost for 31/03/2017'	MKT. Rate 31/03/2017'	Market Value on 31/03/2017'	No of shares	Cost for 31/03/2016'
PPFAS AMC						
Maharashtra Scooters Limited	9,170	12,350,448	1,876.95	17,211,632	9,170	12,350,448
Noida Toll Bridge Company Limited	-	-	-	-	333,750	8,496,462
IL&FS Investment Managers Limited	348,826	6,557,986	13.81	4,817,287	348,826	6,557,986
Total- (ii)		18,908,434		22,028,919		27,404,896
Unquoted Investments						
PPFAS						
Karrox Technologies Limited	25,000	1,000,000	-	-	25,000	1,000,000
PPFAS AMC						
MF Utilities India Private Limited	5,000	500,000			5,000	500,000
Total- (iii)	-	1,500,000	-	-	-	1,500,000
INVESTMENT IN MUTUAL FUNDS						
Birla SunLife Cash Manager Fund (Growth)	172,930.38	67,185,684	392.18	67,819,976	139,532	50,127,428
Birla SunLife Cash Manager (Dividend)	11,937.223	1,198,224	100.6257	12,01,191	11,283	1,138,429
PPFAS Long Term Value Fund	11,695,511.86	203,950,000	19.94	233,180,437	9,545,712	151,920,000
Total- (iv)		272,333,908		30,22,01,605		203,185,857
INVESTMENT IN BONDS						
Indian Railway Finance Corporation Limited		-	-	-	50,000	52,505,075
National Highway Authority of India		-	-	-	50,000	52,815,500
Indian Infrastructure Finance Company Limited		-	-	-	20,000	20,000,000
National Housing Bank		-	-	-	1,444	7,220,000
NTPC Limited		-	-	-	6,333	6,333,000
PFC Limited	2,054	2,054,000	1,080.01	2,218,341	2,054	2,054,000
Indian Railway Finance Corporation Limited II	6,040	6,040,000	1,071.01	6,468,900	6,040	6,040,000
IREDA Bonds	10,218	10,218,000	1,102.60	11,266,367	10,218	10,218,000
HUDCO Taxfee Bonds	2,803	2,803,000	1,091.00	3,058,073	2,803	2,803,000
NHAI Bonds 2015	4,626	4,626,000	1,294.00	5,986,044	4,626	4,626,000
IRFC Tax Free Bonds 2015	2,939	2,939,000	1,073.50	3,155,017	2,939	2,939,000
Total- (v)		28,680,000	-	32,152,741		167,553,575
INVESTMENT IN FD						
Axis Bank Fixed Deposit		4,500,000				4,500,000
Total- (vi)		4,500,000				4,500,000
Grand Total (i+ii+iii+iv+v+vi)		328,499,524		36,11,30,833		406,381,279

NOTE 9 : LONG TERM LOANS AND ADVANCES		
	As at 31st March 2017	As at 31st March, 2016
Previous year Taxes Receivable	12,013,723	10,703,610
MAT Credit Available	1,894,487	983,374
Advance Tax & TDS (Net of Provision of Taxation)	1,490,564	(71,004)
Deposits with Stock Exchange	500,000	500,000
	15,898,774	12,115,980

NOTE 10 : DEFERRED TAX ASSET		
	As at 31st March 2017	As at 31st March, 2016
Opening Balance	4,646,321	4,410,429
Fixed Assets: Impact of difference between Depreciation charged as per Company Law & Depreciation charged as per Taxation Law	217,238	412,216
Filing Fees : Impact of difference between filling fees charged as per Company Law & claimed as per Taxation Law	(278,559)	(278,559)
Leave Encashment : Impact of Provision for Leave Encashment	80,491	1,02,235
		-
Net Deferred Tax Asset	4,665,491	4,646,321

NOTE 11: TRADE RECEIVABLES		
	As at 31st March 2017	As at 31st March, 2016
(1) Debts outstanding for a period exceeding six months from the date they are due	Nil	Nil
(2) Other Debts (Unsecured considered good)	12,041,599	12,003,883
	12,041,599	12,003,883

NOTE 12: CASH AND CASH EQUIVALENTS		
	As at 31st March 2017	As at 31st March, 2016
(i) On Current Accounts	6,605,314	7,383,834
(ii) Cash in hand and as Imprest	128,292	75,772
(iii) Fixed Deposits with maturity less than 12 months	3,290,249	2,775,038
	10,023,855	10,234,644

NOTE 13: SHORT TERM LOANS AND ADVANCES		
	As at 31st March 2017	As at 31st March, 2016
Deposits	14,408,896	14,205,145
Prepaid Expense	2,236,337	1,773,825
Advances	100,000	103,250
Advances to Trade Payables	10,263	-
Advance to Employees	181,000	120,000
	16,936,496	16,202,220

NOTE 14: OTHER CURRENT ASSETS		
	As at 31st March 2017	As at 31st March, 2016
Interest accrued on Fixed Deposits & Bonds	1,826,803	5,930,325
Service Tax Credit	344,519	306,810
	2,171,322	6,237,135

NOTE 15 : REVENUE FROM OPERATIONS		
	For the year ended 31st March 2017	For the year ended 31st March 2016
Management Fees	126,578,016	118,498,432
Portfolio Management Fees	2,144,990	3,164,043
Placement Charges - MF	3,133,958	3,264,166
	131,856,964	124,926,641

NOTE 16: OTHER INCOME		
	For the year ended 31st March 2017	For the year ended 31st March 2016
<u>Net Gain/Loss on Sale of Investment</u>		
Long Term Capital Gains on Bonds	20,919,772	-
Long Term Capital Gain on Mutual Fund	14,029,673	31,892
Short Term Capital Gain on Mutual Fund	7,403,998	6,879,034
Long Term Capital Loss on Equity	(23,082)	4,917,222
Short Term Capital Gain on Equity	-	84,636
Long Term Profit on BSE Shares	-	1,526,857
Total (a)	42,330,361	13,439,641
<u>Other Non-Operating Income</u>		
Interest on Tax free Bonds	7,393,860	11,753,868
Dividend on Shares	973,564	1,990,917
Interest on Fixed Deposit	741,997	1,931,099
Dividend on Mutual Fund	137,314	1,045,684
Other Income	-	217,289
Profit on Sale of Car	-	333,706
Total (b)	9,246,735	17,272,563
Total (a + b)	51,577,096	30,712,204

NOTE 17: EMPLOYEE BENEFIT EXPENSES		
	For the year ended 31st March 2017	<i>For the year ended 31st March 2016</i>
Salary and Wages		
Office Staff Salary	53,511,091	51,857,787
Contribution to Provident Fund and other funds		
Provident Fund	1,921,528	1,818,552
Gratuity Fund	542,962	-
Maharashtra Labour welfare Fund	1,872	1,548
Employees State Insurance Fund	50,306	-
Other expenses		
Staff Welfare	1,408,134	950,756
	57,435,893	54,628,643

NOTE 18: DEPRECIATION AND AMORTIZATION EXPENSES		
	For the year ended 31st March 2017	<i>For the year ended 31st March 2016</i>
Depreciation of Tangible Assets	2,470,851	3,542,657
Amortization of Intangible Assets	1,188,975	1,308,435
	3,659,826	4,851,092

NOTE 19: OTHER EXPENSES		
	For the year ended 31st March 2017	For the year ended 31st March 2016
Professional Charges	14,548,813	12,288,885
Advertising expenses	7,007,974	3,990,536
Distributor Commission	4,490,093	927,497
Short Term Capital Loss on Sale of Shares	3,743,292	-
Printing & stationery	2,413,530	2,117,742
Business Promotion Expenses	2,365,365	4,236,213
Computer Maintainence	1,611,291	1,110,010
Rents, Rates & Taxes	1,396,159	1,206,588
Insurance Charges	1,272,737	1,302,210
Electricity expenses	1,233,658	1,399,670
Conveyance Charges	929,343	1,065,770
Postage & Courier Charges	925,871	1,198,217
Contributions Towards CSR	785,450	-
Membership & subscription	747,041	623,988
Motor car expenses	719,734	544,045
Statutory Audit fees	600,000	600,000
Communication charges	498,599	573,997
Bank Charges	467,845	450,001
Travelling expenses	427,901	361,286
Internet charges	425,803	148,111
Director's Fees (Sitting Fees)	360,000	340,000
Repairs & maintenance	253,428	445,057
Annual Fees to SEBI	250,000	250,000
Miscellaneous expenses	310,075	1,262,843
Director/employee Education	152,017	48,544
Filing fees	131,185	30,753
Interest on Taxes	34,844	36,614
Books & periodicals	22,008	52,292
CENVAT Credit written off	11,875	-
STT, Service Tax & other charges on Investment	6,667	19,602
Seminar fees	6,000	17,245
Profession Tax - company	6,000	6,000
Demat charges	2,522	2,634
Investor Education Expenses	-	2,000
Donations	-	4,000
	48,157,120	36,662,348
NOTE 20: PRIOR PERIOD EXPENSES/ (INCOME)		
	For the year ended 31st March 2017	For the year ended 31st March 2016
Excess Provision for Professional Fees in FY 2014-15	-	(366,667)
	-	(366,667)

NOTE 21: SUPPLEMENTARY INFORMATION**a. Particulars of Directors' Remuneration**

Director's Name	Amount in Rs.	Head of Expenses
Arindham Ghosh	50,000	Sitting Fees
Kamlesh Somani	60,000	Sitting Fees
Rajesh Bhojani	50,000	Sitting Fees
P. A. Balasubramanian	40,000	Sitting Fees
Rajan Mehta	60,000	Sitting Fees
Dhaval Desai	50,000	Sitting Fees
Sunil Gautam	50,000	Sitting Fees

b. Particulars of Auditors Remuneration

Particulars	F.Y.2016-17	F.Y.2015-16
As Statutory Auditors	3,90,000/-	3,90,000/-
For Other Services	2,10,000/-	2,10,000/-
TOTAL	6,00,000/-	6,00,000/-

c. Value of Imports

Particulars	F.Y.2016-17	F.Y.2015-16
Value of Imports	NIL	NIL

d. Expenditure in Foreign Exchange

Particulars	F.Y.2016-17	F.Y.2015-16
Travelling Charges	NIL	Rs. 5,49,787(USD 8,600)

e.Foreign Exchange Earnings

Particulars	F.Y.2016-17	F.Y. 2015-16
Earnings in Foreign Exchange (USD)- Advisory services	NIL	NIL

f. Funds received from various investors and invested on their behalf & in their respective names under the Portfolio Management Scheme, as at 31st March, 2017 are Rs 20.97 crores.

NOTE 22: RELATED PARTY DISCLOSURES

As per Accounting Standard 18, issued by the Institute of Chartered Accountants 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 (Rs.)
Empeegee Portfolio Management Services Pvt. Ltd.	Enterprise over which Key Managerial Personnel are able to exercise significant influence.	Rent	12,32,000/-
Rajeev Thakkar	Director who is able to exercise significant influence	Salary	1,17,25,585/-
Neil Parikh	Director who is able to exercise significant influence	Salary	37,08,400/-
Ashish Shah	Key Managerial Personnel	Salary	11,18,830/-

NOTE 23: CONTINGENT LIABILITIES

Contingent Liabilities	F.Y.2016-17 Amount in Rs. Lacs	F.Y.2015-16 Amount in Rs. Lacs
Income Tax (A.Y.-2007-08)*	3.6	3.6
Income Tax (A.Y.-2008-09)	2.75	2.75
Income Tax (A.Y.-2009-10)	1.6	1.6
Income Tax (A Y - 2010-11)	3.59	3.59
Income Tax (A Y - 2012-13)	1.47	-
Income Tax (A.Y.-2013-14)	41.73	-
Income Tax (A Y - 2014-15)	26.16	-
MF Utilities India Pvt. Ltd.**	22.8	-

*Income Tax case (AY-2007-08)

This relates to the case of Parag Parikh Securities Ltd which has merged with the company effective 1st October 2006.

** The monthly bill of MF Utilities is much more than agreed upon. Hence, the company is in the process of negotiating the revised bill amount, a reliable estimate of which cannot be made.

NOTE 24: EARNINGS PER SHARE

Particulars	FY 2016-17	FY 2015-16
Profit attributable to equity shareholders	Rs. 6,15,76,779/-	Rs. 4,66,19,595/-
Weighted Average number of Equity Share Outstanding during the year	67,98,381	65,14,805
Basic & Diluted EPS	Rs.9.06	Rs.7.16
Nominal value per share	10/-	10/-

NOTE 25: MAJOR COMPONENTS OF DEFFERED TAX

Deferred Tax Assets	(Amount in Rs.)		
I. Opening Balance			46,46,321
II Changes during the Year			
a. Timing Difference in Depreciation			
As per Accounts	36,59,826		
As per Income tax Act	30,23,916		
Overcharged for tax purpose	6,35,910		
Deferred Tax		2,17,238	
b. Timing Difference due to share issue Expenses			
As per Accounts			
As per Income tax Act	8,55,000		
Undercharged for tax purpose	8,55,000		
Deferred Tax		(2,78,559)	
c. Timing Difference due to Provision for Leave Encashment			
As per Accounts	2,44,529		
As per Income tax Act	-		
Over charged for tax purpose	2,44,529		
Deferred Tax		80,491	
III. Deferred Tax Income recognized in Statement of Profit & Loss			19,170
IV. Net Deferred tax Assets as per Balance Sheet.			46,65,491

NOTE 26:

The amount payable to the Small Scale Undertaking is NIL.

NOTE 27: DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE PARENT COMPANY AND ITS SUBSIDIARIES.

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit or Loss	Profit/(Loss)
Parag Parikh Financial Advisory Services Limited (Parent Company)	74.65%	42,52,65,578	1.16%	7,16,028
PPFAS Asset Management Private Limited (Subsidiary Company)	25.22%	14,36,74,738	98.29%	6,05,24,235
PPFAS Trustee Company Private Limited (Subsidiary Company)	0.13%	7,14,363	0.55%	3,36,516

NOTE 28: PREVIOUS YEAR FIGURES

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

Signatures to notes 1 to 28

As per Our Audit Report of even date

For CVK & Associates
Chartered Accountants
Firm Registration No: 101745W

For & on behalf of the Board of Directors of
Parag Parikh Financial Advisory Services Pvt Ltd

Sd/-
K P Chaudhari
Partner
Membership No: 31661

Sd/-
Sahil Parikh
Director
DIN: 0079898

Sd/-
Neil Parikh
Director
DIN: 00080269

Sd/-
Nikhil Hule
Company Secretary

Place: Mumbai
Date: 7th July, 2017

Parag Parikh Financial Advisory Services Private Limited

CIN: U67190MH1992PTC068970

Regd. Off.: 103, Veena Chambers, 21 Dalal Street, Fort, Mumbai 400 001.

Corp. Off.: Great Western Building, 130/132, S.B.S. Marg, Opp. Lion Gate, Fort, Mumbai 40001

Tel: 91 22 6140 6555 **Fax:** 91 22 2284 5555 **Website:** www.ppfas.com

[Form No. MGT-11]

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the

Companies (Management and Administration) Rules, 2014]

Name of the member (s) :

Registered address :

E-mail Id:

Folio No :

I/We, being the member (s) of _____ shares of the above named company, hereby appoint:

1. Name : _____ Address : _____

_____ E-mail Id : _____

Signature : _____, or failing him/her

2. Name : _____ Address : _____

_____ E-mail Id : _____

Signature : _____, or failing him/her

3. Name : _____ Address : _____

_____ E-mail Id : _____

Signature : _____, or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on Monday, 28th August, 2017 At 12:00 noon at Great Western Building, 130/132, 1st Floor, Shahid Bhagat Singh Marg, Opp. Lion Gate, Fort, Mumbai - 400001 and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below:

Resolution No.	Particular of Resolution(s)	For	Against
1	To Consider, approve and adopt Standalone and Consolidated Audited Financial Statement, Reports of the Board of Directors and Auditors pertaining to F. Y. 2016-17.		
2	Re-Appointment of Auditor CVK & Associates., Chartered Accountants, Mumbai for the period of 5 years.		

Signed this..... day of..... 20....

Signature of shareholder

Please affix
Re.1 Revenue
Stamp

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

CIN : U67190MH1992PTC068970

Name of the company : Parag Parikh Financial Advisory Services Private Limited

Registered office : 103, Veena Chambers, 21 Dalal Street, Mumbai 400 001.

Corporate Office: Great Western Building, 130/132, 1st Floor, Shahid Bhagat Singh Marg, Opp. Lion Gate, Fort, Mumbai 400 001

Name of the Member(s)/ Proxy (In Block Letters)	
Folio No.	
No. of Shares Held	

I hereby record my presence at the 25th Annual General Meeting of the Company at Great Western Building, 130/132, 1st Floor, Shahid Bhagat Singh Marg, Opp. Lion Gate, Fort, Mumbai 400 001 on Monday, 28th August, 2017 at 12:00 noon.

Signature of the Member(s)/Proxy

Notes:

1. Members are requested to bring their copies of Annual Report at the AGM.

Road map to AGM Venue

Venue: 1st Floor, Great Western Building, Shahid Bhagat Singh Road, Opposite Lion Gate, Fort, Mumbai- 400001. Telephone: 022 6140 6555.

Distance from Churchgate Railway Station: around 2 Km.

Distance from Chhatrapati Shivaji Terminus: around 2 Km.





There's only one right way®

Parag Parikh Financial Advisory Services Private Limited

Great Western Building, 130/132, S B S Marg, Opp Lion Gate,
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