



Parag Parikh Financial Advisory Services Limited
Annual Report 2013-2014

Corporate Information

Board of Directors

Parag Parikh
Rajeev Thakkar
Ashish Shah
Neil Parikh
Sahil Parikh
Sunil Gautam

Auditors

CVK & Associates
Chartered Accountants

Company Secretary

Anindita Sengupta

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 Limited

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

CIN: U67190MH1992PLC06897

Notice

NOTICE IS HEREBY GIVEN THAT the Twenty Second Annual General Meeting of Parag Parikh Financial Advisory Services Limited will be held on Tuesday, 30th September, 2014 at 4.00 pm at Great Western Building, 130/132, 1st Floor, Shahid Bhagat Singh Marg, Opp. Lion Gate, Fort, Mumbai 400 001 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31st, 2014, the Statement of Profit and Loss for the year ended on that date, and the Report of the Directors' and Auditor's Report thereon.
2. To appoint CVK and Associates, Chartered Accountants (Firm's Registration no.-101745W) as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting, to fix their remuneration and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT M/s. CVK and Associates, Chartered Accountants, be and are hereby reappointed as Statutory Auditors of the Company to hold the office till the conclusion of next Annual General Meeting at the remuneration to be fixed by the Board of Directors."
3. To appoint a director in place of Mr. Rajeev Thakkar (DIN No: 00227548), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mr. Sunil Gautam (DIN No: 00227484), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

5. To consider and if deemed fit to pass with or without modification(s) the following Resolution as Special Resolution:

"RESOLVED THAT in pursuance of the provisions of Sections 196,197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Neil Parikh (DIN No: 00080269), as a Whole-time Director of the Company for a period of 3 (Three) years with effect from March 22, 2014, on the terms & conditions of remuneration as below, with liberty to the Board of Directors to alter and vary the terms & conditions of the said appointment and / or the remuneration, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto:

1. **Salary:** Rs. 60,000/- (Rupees Sixty Thousand only) on a monthly basis with an authority to Board of Directors to revise the salary within the limits prescribed under Schedule V to the Act.
2. **Perquisites:** In addition to basic remuneration stated above; Mr. Neil Parikh will be entitled to the reimbursement of the medical bills.

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

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

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

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

Performance Linked Incentive: Such amounts as may be decided by the Board of Directors or any committee of the Board from time to time. Any expenses incurred which in connection with discharging the duties as a Whole Time Director of the Company will not be considered as Perquisites. Provided that the total remuneration paid to the Whole Time Director shall at all the time be within the limits stipulated by the Companies Act, 2013.

"RESOLVED FURTHER THAT in pursuance of the provisions of Section 197(3) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder Mr. Neil Parikh, Whole time Director, may be paid the above mentioned remuneration as minimum remuneration in the event of absence or inadequacy of profits in any financial year during his term of office as Wholetime Director, in accordance with the provisions of Schedule V to the Companies Act, 2013".

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above stated resolutions".

6. Enhancement of Authorised Share Capital:

To consider and, if thought fit to pass with or without modification the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the Authorized Share Capital of the Company be and is hereby authorized to be increased from Rs. 20,00,00,000 (Rupees Twenty crores only) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10/- each to Rs. 30,00,00,000 (Rupees Thirty Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/- each by creation of additional 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- each ranking pari passu in all respect with the existing Equity Shares.

7. Alteration of Capital Clause contained in the Memorandum of Association:

To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 13 and 61 and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed thereunder the consent of the Members be and is hereby accorded for substituting Clause V of the Memorandum of Association of the Company with the following clause:

"The Authorised Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty crores only) divided into 3,00,00,000 (Three crores) Equity Shares of Rs. 10/- (Rupees Ten) each."

8. Alteration of Capital Clause contained in the Articles of Association:

To consider and, if thought fit, to pass with or without modification the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under the consent of the Members be and is hereby accorded for substituting Clause 3 of the Articles of Association of the Company with the following clause.

"The Authorised Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty crores only) divided into 3,00,00,000 (Three crores) Equity Shares of Rs. 10/- (Rupees Ten) each."

**For and on behalf of Board of Directors of
Parag Parikh Financial Advisory Services
Limited**

Place: Mumbai

Date : August 14, 2014

Registered Office: 103, Veena Chambers, 21,
Dalal Street, Fort, Mumbai - 400001

Ashish Shah
Director
(DIN No: 02887514)

Neil Parikh
Director
(DIN No: 00080269)

Notes

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect to the business stated above is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED, STAMPED, AND MUST BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME FOR COMMENCEMENT OF THE MEETING.
3. Members/Proxy Holders are requested to produce at the entrance, the attached Admission Slip for admission to the meeting hall. Duplicate attendance slips will not be provided at the hall.
4. In case of Joint Holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Pursuant to the provisions of Section 205A of the Companies Act, 1956, the dividends for the financial year 2012-13 which remain unclaimed for a period of 7 years will be transferred by the Company to the „Investor Education and Protection Fund“ established by the Central Government. Shareholders who have not encashed their dividend cheques so far for the dividends mentioned aforesaid are requested to make their claim to the Company Secretary at Great Western Building, 1st Floor, 130/132, Shahid Bhagat Singh Road, Lion Gate, Mumbai - 400 001. Shareholders are requested to ensure that they claim dividend from the Company before transfer of the said amount to the IEPF.
6. Pursuant to Rule 18(3) of the Companies (Management and Administration) Rules, 2014, you are requested to provide your email - id to facilitate easy and faster dispatch of Notices of the general meetings and other communications by electronic mode from time to time.
7. Members are requested to send their queries on the Annual Report to the Company, if any, at least 10 (ten) days before the Annual General Meeting, so as to enable the Board to keep the information ready. 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.
8. The Annual Report of the Company circulated to the members of the Company, will be made available on the Company's website at www.ppfas.com.

Annexure to Notice

Explanatory Statement:

(Pursuant to Section 102 (1) of the Companies Act, 2013)

ITEM 5 :

The present terms of appointment of Mr. Neil Parikh (DIN No: 00080269), Whole Time Director of the Company has expired on 21st March, 2014, subject to shareholder's approval, the Board of Directors at their meeting held on 28th February, 2014 have re-appointed him for a further period of three years effective from 22nd March, 2014. It is proposed to re-appoint and revise the terms and conditions of Remuneration payable to Mr. Neil Parikh, the Whole Time Director of the Company. Mr. Neil Parikh is the Associate Vice President, Marketing of the Company. He has been associated with the company since June 2004. Although he was initially involved in the Research Department, he quickly moved on to the more action-oriented field of Institutional Equity Dealing. His designation was Dealer-Institutional Equities and he liaised with many Mutual Funds and FIs on a daily basis. He took a break in 2008 in order to pursue his MBA from the prestigious IESE Business School in Barcelona, Spain. During this period, he was associated as a Non-Executive Director of the company. Earlier in 2004, he received his Bachelors degree in Economics from the University of North Carolina at Chapel Hill. He rejoined the company on full time basis since July 2010 after completing his MBA. He has over ten years of experience in the Capital Market. He has contributed in the overall growth of the Company. Also his knowledge and expertise has immensely benefitted the company.

Considering the educational qualification, experience and the industry standards, The Board wishes to appreciate the efforts put in by Mr. Neil Parikh by adequately compensating him. The Board proposes to pay him remuneration as set out in Item no.5 of the notice.

Bio Data and a brief profile of Mr. Neil Parikh is stated below:

Name	Address	Date of Birth	Age	Educational qualification	Experience
Neil Parikh	Flat No 6, 3 rd Floor, Sai Krupa, 247, Walkeshwar Mumbai - 400 006.	06/04/1982	30	MBA from IESE Business School, Barcelona, Spain B.A. in Economics (North Carolina University, USA)	10 Years

I. General Information

Nature of Industry	Company operates in Portfolio Management and Financial Advisory Industry.
Financial Performance	Net Profit for the Company before tax for the year is Rs. 154.57 Lacs and profit after tax is Rs. 110.30 Lacs.

II. Information about Mr. Neil Parikh

Background details	Advising clients for investment in stocks, Mutual funds, Debt instruments etc. Marketing of various products like PMS, Mutual Fund Distribution, etc.
Past Remuneration	He has been paid remuneration of Rs. 840,000/- in his capacity as a Whole Time Director for the financial year 2013-2014.
Job Profile and Suitability	Mr. Neil Parikh is discharging his duties as the Whole-time Director of the Company. He is devoting his full attention to the Wealth Management Department. Revenue from Wealth Management and Mutual Fund Distribution forms considerable part of the total revenue of the Company.
Remuneration Proposed	Currently, he is paid a basic salary of Rs. 60,000/- per month. The aforesaid remuneration be paid as minimum remuneration in the event of absence or inadequacy of profits. During the currency of his remaining tenure he shall be paid salary, allowance and perquisites not exceeding limits as set out in Schedule V to the Companies Act, 2013 or any modification thereof
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	In finance industry, professionals are remunerated based on the returns achieved & the asset under management which helps the company to earn fixed fees; we are adopting the same approach.
Pecuniary relationship directly or indirectly with the Company	Mr. Neil Parikh owns 40,235 shares of the Company.
Relationship with other managerial personnel, if any	Mr. Neil Parikh is the son of Mr. Parag Parikh, Chairman of the Company and the brother of Mr. Sahil Parikh, Director of the Company.

III. Other Information

Reasons for inadequate profits	The Company has closed down the stock broking division since it desires to focus on asset management and thereby reduce risks of increasing costs and high diversification.
Steps proposed to be taken for improvement	Reduction of cost by transferring employees to subsidiary company, PPFAS Asset Management Private Limited.

None of the Directors except Mr. Neil Parikh himself, Mr. Parag Parikh as a father and Mr. Sahil Parikh as a brother are interested in the resolution.

ITEM 6, 7 & 8

Presently, the existing Authorised Share Capital of the company as reflected in the Memorandum and Articles of Association as on date is Rs. 20,00,00,000/- (Rupees Twenty crores only) divided into 2,00,00,000 (Two crores) equity shares of Rs. 10/- (Rupees Ten) each. In order to augment further capital raise, it is necessary to increase the Authorised Share Capital to Rs. 30,00,00,000/- (Rupees Thirty crores only) divided into 3,00,00,000 (Three crores) Equity Shares of Rs. 10/- (Rupees Ten) each.

To meet issue of shares at any future date, the Authorised Share Capital of the Company needs to be increased from Rs. 20,00,00,000/- (Rupees Twenty crores) to Rs. 30,00,00,000/- (Rupees Thirty crores only) by addition of 10,00,00,000 (Ten crores) equity shares of the face value of Rs. 10/- (Rupees Ten). Consequent to the increase of Authorised Share Capital, the Authorised Share Capital Clause contained in Clause V of the Memorandum of Association and Clause 3 of the Articles of Association of the Company need to be altered as indicated in Resolution No.7&8 respectively contained in the Notice convening the AGM. Your Directors recommend the Resolutions set out at Sl.Nos.6 to 8 for the approval of the shareholders of the Company. The Directors and Relatives of the Directors of the Company are interested in the proposed Resolutions as shareholders of the Company. A copy of the Memorandum and Articles of Association together with the proposed alterations is available for inspection by the Members at the Corporate Office of the Company between 11:00 a.m to 1:00 p.m on all working days from the date hereof upto the date of the Meeting.

**For and on behalf of Board of Directors of
Parag Parikh Financial Advisory Services
Limited**

Place: Mumbai

Date : August 14, 2014

Registered Office: 103, Veena Chambers, 21,
Dalal Street, Fort, Mumbai - 400001

Ashish Shah
Director
(DIN No: 02887514)

Neil Parikh
Director
(DIN No: 00080269)

Directors' Report

To the Shareholders

We are pleased to present our report on the business operations of the Company and the audited financial statements for the year ended March 31, 2014.

Financial Results

Highlights of the Financial Results for the years 2013-14 and 2012-13 are given below:

Particulars	For the year ended March 31, 2014 (Rs. in Lacs)	For the year ended March 31, 2013 (Rs. in Lacs)
Operating Income	753.50	750.76
Other Income	237.95	226.96
Total Income	991.45	977.72
Profit before depreciation and tax	394.77	395.17
Depreciation	22.44	27.24
Profit before tax	372.33	367.93
Current Tax	94.74	92.35
Deferred Tax Income	-1.71	-0.07
Profit after tax	279.30	275.65
Share Capital	651.48	651.48
Reserves and Surplus	2970.87	2691.57

Dividend

With a view to conserve resources and increase net worth of the Company, no dividend is proposed for the year.

As per SEBI (Mutual Funds) Regulations Amendment Act, 2014 dated May 6, 2014, the net worth requirement of asset management companies has been increased from Rs. 10 crores to Rs. 50 crores. Thus, there has been a requirement to augment the net worth of PPFAS Asset Management Private Limited, the subsidiary company to Rs. 50 crores by acquiring shares of the same. Hence, no dividend is proposed for the year with a view to conserve resources and invest the same in the subsidiary company.

Deposits

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

Management Discussion and Analysis and Results of operations

Environment in the Capital Markets

The year 2013-14 saw some major upheaval in the market. From a position of pessimism mid last year we have moved to a state of raging optimism. Although the performance of the businesses underlying this pessimism and optimism have not changed so dramatically but the sentiment did affect the value of these business and created some interesting opportunities for long term investors. We closed the financial year hoping for a change in Government that was duly delivered and it reinforced the positive sentiment.

If Demat Account additions is any indicator, then retail investor participation this year was the slowest over the past 3 years. A lot of retail investors jumped out of the market for good. Also, Foreign Institutional Investors continued investing like never before despite the Federal Reserve announcing to taper the supply of money. We witnessed MNC promoters of various top companies in India increase their stakes in their Indian subsidiaries showing a healthy confidence about their expectations from the Indian market.

Our stance

Invested amount in listed equities as on date is about Rs. 2.24 crores. Apart from this we have invested Rs. 15 crores in PPFAS Asset Management Private Ltd. We are happy to inform the scheme "PPFAS Long Term Value Fund" has successfully completed a year since its launch on May 13, 2013.

We have made an application for surrender of our membership as a Stock Broker of the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) in March 2014 and thereby cease to offer broking services. This decision was taken as a means of corporate restructuring to reduce sky rocketing expenses and risks of high diversification. The resultant meagre income compared to increasing operating, technological and compliance costs was also an important factor in shutting down the broking division.

PPFAS will continue to act as a financial advisor and distributor as well as offer non-discretionary portfolio management services and other portfolio management services as may be decided from time to time.

Our revenue and profitability was strong in the financial year ended March 31, 2014. The net worth of PPFAS at the end of March 31, 2014 has crossed Rs. 34 crores and profit for the just ended financial year was at Rs. 1.10 crores.

Operations of PPFAS

Portfolio Management Services

Cognito (Value investment oriented PMS)

Based on the range bound equity markets, Cognito gave moderate absolute investment returns in the last year. Relative returns as compared to the indices over the last one year were good. The long term track record remains excellent.

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

Performance of Cognito Portfolio Management Scheme:

Particulars	PMS Returns	Sensex Returns	Nifty Returns
November 1996 (Inception) to March 31, 2014 (Annualised)	15.19%	13.28%	13.03%
Last 1 Year	1.26%	16.29%	14.76%
Last 3 Years	3.44%	0.90%	0.97%
Last 5 Years	15.32%	11.38%	10.91%

Asset Management Company

The AMC has successfully completed the first year of the launch of its first scheme, PPFAS Long Term Value Fund. The New Fund Offer (NFO) commenced from May 13, 2013.

We are delighted to have graduated from a portfolio manager to a mutual fund manager and are sure that it will prove to be hugely beneficial to our clients as well as to us in the coming future.

Brokerage business

We have discontinued the brokerage business since March 2014 as a result of increasing expenditure in operations, technology and compliance. The low margins were unsustainable in the wake of rising costs.

Financial Planning and distribution of financial products

Sluggish equity markets and measures like removal of entry load has resulted in many financial distributors to abandon the space. Resistance to pay advisory fees has resulted in a slow growth in the distribution of financial products. We are very positive on the need for quality distributors and will enhance focus in this area. Financial advisory services offered by PPFAS both online as well as offline continue to notch up client satisfaction and word of mouth referrals. For many clients, financial advisory services is the beginning of long term association with PPFAS.

Client acquisition efforts

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.

Finances

A lot of the surplus funds of the company are invested in money market mutual funds and bank deposits. A portion of the investments of the company was invested in the Asset Management Company in financial year 2013-14. The debt free status of the Company continues.

Human Resources

The camaraderie and commitment of the team at PPFAS remains outstanding. The financial year 2013-14 witnessed PPFAS Asset Management Private Limited experiencing its first year of operations as an investment manager and a consequent change in the roles of some of the team members at PPFAS. All the team members have been working with dedication in setting up of the new venture.

Future Outlook

The coming couple of years are expected to be exciting as well as challenging on account of the change in business model and changing environment in capital markets. Since, the first scheme of the new mutual fund was launched in May 2013, the focus would be to generate considerable returns and help investors achieve their long-term financial goals.

Directors

In accordance with the requirements of the Companies Act, 2013, Mr. Rajeev Thakkar and Mr. Sunil Gautam, will retire by rotation at the Twenty Second Annual General Meeting and being eligible, offer themselves for reappointment. The Board recommends their reappointment.

The existing tenure of Mr. Neil Parikh, Whole Time Director, has expired on March 21, 2014, the Board of the Company in its meeting held on February 28, 2014 has reappointed him as Whole-time Director of the Company for a period of three years w.e.f. March 22, 2014 on the remuneration, terms and conditions as decided by them.

Board Meetings

The meetings of the Board of Directors are held at the Company's registered office in Mumbai. 5 Board meetings were held during the financial year under review - on May 16, 2013, August 27, 2013, November 6, 2013, December 27, 2013 and February 28, 2013.

Directors' Responsibility Statement

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

- a) that in the preparation of the accounts for the financial year ended 31st March, 2014 the applicable accounting standards have been followed;
- b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the Directors have prepared the accounts for the financial year ended 31st March, 2014 on a 'going concern' basis.

Particulars of employees

Particulars of employees within the meaning of Section 217 (2A) of the Companies Act, 1956 read with The Companies (Particulars of Employees) Rules, 1975 as amended have not been furnished as there was no employee in the aforesaid category.

Audit Committee

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

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

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

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

a) Energy consumption

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

b) Technology absorption, adoption and innovation

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

c) Foreign exchange earnings and outgo

Foreign exchange outgo during the year was Nil.
Foreign exchange earnings during the year was Nil.

Consolidated Financial Statement of PPFAS with its subsidiary

The statement pursuant to section 212 of the Companies Act, 1956 also forms part of this report. This annual report also includes consolidated financial statements for the financial year 2013-14.

Statutory Auditors

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

Acknowledgment

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

**For and on behalf of Board of Directors of
Parag Parikh Financial Advisory Services
Limited**

Place: Mumbai

Date : August 14, 2014

*Registered Office: 103, Veena Chambers, 21,
Dalal Street, Fort, Mumbai - 400001*

Ashish Shah

Director

(DIN No: 02887514)

Neil Parikh

Director

(DIN No: 00080269)

Independent Auditors' Report

CVK & Associates
Chartered Accountants

2, Samarth Apartments
D. S. Babrekar Road,
Gokhale Road,(North)
Dadar ,Mumbai - 400 028
Phone : 2446871, 24451488
Fax No: 2446 6139

To the Members of Parag Parikh Financial Advisory Services Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Parag Parikh Financial Advisory Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"), read with general Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. 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 financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014; and
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date;

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003, as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together 'the Order'), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

8. As required by section 227(3) of the Act, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet and Statement of Profit and Loss, comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For CVK & Associates

Chartered Accountants

(Firm's Registration no.-101745W)

Place: Mumbai

Date: August 14th, 2014

K.P. Chaudhari,

Partner

Membership No. 31661

Annexure to Auditors' Report

Annexure referred to in paragraph 7 of our report of even date.

The Annexure referred to in the Auditors' report to the Members of Parag Parikh Financial Advisory Services Limited (the Company) for the year ended 31st March, 2014. We report that:

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

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

(c) There was no disposal of any substantial part of the company's Fixed Assets during the year.
- (ii) The Company did not have any inventory during the year.
- (iii) The Company has neither granted, nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) There is adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of shares, plant & machinery, equipment and other assets and for the sale of securities. No major weakness has been noticed in the internal controls during the course of our audit.
- (v) There are no transactions during the year that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956.
- (vi) The Company has not accepted any deposits from the public, so as to attract the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Companies Act, 1956, and the rules framed there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business
- (viii) Maintenance of cost records has not been prescribed for the company by the Central Government, under section 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) As per the records of the Company, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Income-tax, Service-tax, Wealth Tax, Cess and any other statutory dues 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 dues outstanding of Income Tax, Service Tax and Wealth Tax on account of any dispute except as follows:

Nature of Statute	Nature of Dues	Amount Disputed (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Finance Act 1994	Service Tax	2.37	F Y 2001-02	Appellate tribunal (CESTAT)
The Income Tax Act 1961	Income Tax	3.60	A Y 2007-08	Commissioner of Income Tax (Appeal)
The Income Tax Act 1961	Income Tax	1.60	A Y 2009-10	Commissioner of Income Tax (Appeal)
The Income Tax Act 1961	Income Tax	2.75	A Y 2008-09	H'ble High Court of Bombay
The Income Tax Act 1961	Income Tax	3.59	A Y 2010-11	Commissioner of Income Tax (Appeal)

- (x) The Company does not have accumulated losses and has not incurred cash loss during the current financial year;
- (xi) As per the documents and records produced before us, the Company has not defaulted in repayment of dues to institutions, banks or debenture holders.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to the chit fund, nidhi, mutual benefit fund or society do not apply to the company.
- (xiv) In respect of dealing in Shares, Securities, Debentures and Other Investments, proper records have been maintained by the Company of the transactions and contracts and timely entries have been made therein and the Securities are held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not obtained any term loans.
- (xvii) The funds raised on short-term basis have not been used by the Company for long-term investment or vice versa.

- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures.
- (xx) The Company has not raised any money by public issue.
- (xxi) Any fraud on or by the Company has not been noticed or reported during the year.

For CVK & Associates
Chartered Accountants
(Firm's Registration no.-101745W)

Place: Mumbai
Date: August 14th, 2014

K.P. Chaudhari,
Partner
Membership No. 31661

Balance Sheet as at 31st March 2014

Particulars	Note No	As at 31st March, 2014 (Rs.)	As at 31st March, 2013 (Rs.)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	6,51,48,050	6,51,48,050
Reserves And Surplus	4	28,51,40,740	27,41,10,311
	(a)	35,02,88,790	33,92,58,361
Current Liabilities			
Trade Payables	5	-	49,96,644
Other Current Liabilities	6	5,20,094	1,78,372
Short Term Provisions	7	10,95,288	89,64,966
	(b)	16,15,382	1,41,39,982
Total Equity and Liabilities	(a+b)	35,19,04,172	35,33,98,343
ASSETS			
Non-Current Assets			
Fixed Assets			
(i)Tangible Assets	8A	44,44,615	56,81,102
(ii)Intangible Assets	8B	2,06,125	2,89,271
	(c)	46,50,740	59,70,373
Non-Current Investments	9	24,04,39,195	20,41,57,500
Long-Term Loans & Advances	10	78,12,744	74,71,281
Deferred Tax Assets	11	15,81,267	14,67,506
	(d)	24,98,33,206	21,30,96,287
Current Assets			
Current Investments	12	6,34,97,954	6,59,29,683
Trade Receivables	13	20,61,371	2,33,44,748
Cash & Cash Equivalents	14	54,14,248	80,75,049
Short-Term Loans & Advances	15	2,07,21,680	3,16,68,684
Other Current Assets	16	57,24,973	53,13,519
	(e)	9,74,20,226	13,43,31,683
Total Assets	(c+d+e)	35,19,04,172	35,33,98,343

As per our Report of even date
For CVK & Associates
Chartered Accountants
(Firm's Registration no.-101745W)

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

K.P.Chaudhari,
Partner
Membership .No. 31661

Ashish Shah
Director
DIN : 02887514

Neil Parikh
Director
DIN : 00080269

Place: Mumbai
Date: August 14th, 2014

Anindita Sengupta
Company Secretary

Statement of Profit & Loss for the year ended 31st March 2014

Particulars	Note No	For the year ended 31st March 2014 (Rs.)	For the year ended 31st March 2013 (Rs.)
Income			
Revenue From Operations	17	3,03,11,463	7,50,75,623
Other Income	18	1,19,65,589	94,63,167
Total Revenue		4,22,77,052	8,45,38,790
Expenses			
Employee Benefits Expenses	19	1,23,70,182	2,43,46,704
Finance Costs	20	12,975	10,275
Depreciation & Amortization Expenses	21	14,61,722	15,88,174
Other Expenses	22	1,29,14,615	1,44,85,917
Total Expenses		2,67,59,494	4,04,31,070
Profit Before Tax & Exceptional Items		1,55,17,558	4,41,07,720
Exceptional Items			
Prior period expenses		60,890	4,36,280
Profit Before Tax		1,54,56,668	4,36,71,440
Extra Ordinary Items		-	-
Profit Before Tax (VII-VIII)		1,54,56,668	4,36,71,440
Tax Expense			
Current Tax		45,40,000	92,35,000
Deferred Tax Income		(1,13,761)	-97,867
Total Tax Expense		44,26,239	91,37,133
Profit(Loss) for the Period		1,10,30,429	3,45,34,307
Earning Per Equity Share			
Basic		1.69	5.30
Diluted		1.69	5.30
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our Report of even date
For CVK & Associates
Chartered Accountants
(Firm's Registration no.-101745W)

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

K.P.Chaudhari,
Partner
Membership .No. 31661

Ashish Shah
Director
DIN : 02887514

Neil Parikh
Director
DIN : 00080269

Place: Mumbai
Date: August 14th, 2014

Anindita Sengupta
Company Secretary

Notes to Accounts

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

NOTE 1: CORPORATE INFORMATION

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. Equity Research, 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, 1956 read with the General Circular 08/2014 dated 04 April 2014 issued by the Ministry of Corporate Affairs. 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) 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.

d) 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.

e) Depreciation

Depreciation on the fixed assets is provided on Written Down Value Method applying the rates specified in Schedule XIV to the Companies Act, 1956 or rates based on estimated useful life, whichever is higher.

f) Investments

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

g) Employee Benefits

- i. 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.
- ii. 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.
- iii. 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.

h) Revenue Recognition

Revenue from Brokerage, Interest and other business is generally recognized on accrual basis. Dividend on shares is accounted on cash basis for the sake of convenience, and for want of information.

i) 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.

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.

j) 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.

k) 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.

l) Impairment

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

m) 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.

n) 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.

o) 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.

p) 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

Particulars	As at 31st March, 2014	As at 31st March, 2013
AUTHORISED		
20,000,000 Equity Shares of Rs.10/- each	20,00,00,000	20,00,00,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
6,514,805 Equity Shares of Rs.10/- each fully paid	6,51,48,050	6,51,48,050
(Inclusive of 2,646,805 shares issued to shareholders of Parag Parikh Securities Ltd at par on Amalgamation)		
	6,51,48,050	6,51,48,050

a. Reconciliation of Shares outstanding as at the beginning and at the end of the reporting period.

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Number	Rs.	Number	Rs.
At the beginning of the period	65,14,805	6,51,48,050	65,14,805	6,51,48,050
Issued during the period	NIL	NIL	NIL	NIL
Outstanding at the end of the period	65,14,805	6,51,48,050	65,14,805	6,51,48,050

b. Details of Shareholders holding more than 5 % of Ordinary Shares

Name of the Shareholders	Number	% of Holding	Number	% of Holding
Parag S Parikh	5,04,91,95	77.50	50,48,695	77.49
Empegee Portfolio Management Services Private Limited	3,50,000	5.37	3,50,000	5.37

NOTE 4: RESERVES AND SURPLUS

Particulars	As at 31st March, 2014	As at 31st March, 2013
General Reserve (a)	3,85,000	3,85,000
Capital Redemption Reserves (b)	1,01,00,000	1,01,00,000
Surplus/(deficit) in the statement of Profit and Loss		
At the Beginning of the Accounting period	26,36,25,311	23,67,13,000
Additions During the year	1,10,30,429	3,45,34,307
Amount available for Appropriation	27,46,55,740	27,12,47,307
Appropriations		
Final Dividend	-	65,14,805

Tax on Dividend	-	11,07,191
Closing Balance of Surplus in the Statement of Profit & Loss(c)	27,46,55,740	26,36,25,311
TOTAL (a+b+c)	28,51,40,740	27,41,10,311

NOTE 5: TRADE PAYABLES

Particulars	As at 31st March, 2014	As at 31st March, 2013
Sundry Creditors	-	49,96,644
	-	49,96,644

NOTE 6 : CURRENT LIABILITIES

Particulars	As at 31st March, 2014	As at 31st March, 2013
TDS - Professional Fees	1,41,515	1,77,978
TDS - Salaries	3,77,512	-
TDS - Contractor	1,067	394
	5,20,094	1,78,372

NOTE 7 : SHORT TERM PROVISIONS

Particulars	As at 31st March, 2014	As at 31st March, 2013
Profession Charges Payable	5,53,045	5,35,034
Provisions For Audit Fees	3,15,000	3,15,000
Provision for Expenses	1,12,504	1,47,995
Unpaid Dividend	99,935	-
Stamp Duty Payable	8,737	79,070
ESIC Payable	6,067	6,120
Provident Fund Payable	-	1,10,691
Provision for Bad Debts	-	62,058
PMS-Service Tax Payable Banking	-	19,910
Profession Tax Payable	-	5,800
Service Tax payable Financial Planner	-	1,100
Security Transaction Tax Payable	-	60,192
Other Provisions		
Proposed Dividend	-	65,14,805
Provision for Tax on Proposed Dividend	-	11,07,191
	10,95,288	89,64,966

NOTE 8 : FIXED ASSETS												
Sr. No	Asset	Rate of Dep	Gross Block as at 01/04/2013	Additions during the year	Deductions during the year	Gross Block as at 31/03/14	Provision for Dep upto 31/03/13	Depreciation for the year 13-14	Accu. Depr on Sold Assets	Total dep upto 31/03/14	Net Block as at 31/03/14	Net Block as at 31/03/13
A. <u>Tangible Assets</u>												
1	Computer	40.00%	94,60,789	15,404	-	94,76,193	88,76,213	2,39,097	-	91,15,310	3,60,883	5,84,576
2	Electrical Equipment	13.91%	45,55,956	79,257	-	46,35,213	36,15,746	1,36,092	-	37,51,838	8,83,375	9,40,210
3	Electrical Installation	13.91%	3,76,290	-	-	3,76,290	2,90,589	11,921	-	3,02,510	73,780	85,701
4	Motor Car*	25.91%	37,68,320	-	-	37,68,320	11,07,767	6,88,817	-	17,96,584	19,71,736	26,60,553
5	Office Furniture	18.10%	47,57,641	-	-	47,57,641	33,47,579	2,55,221	-	36,02,800	11,54,841	14,10,062
	TOTAL		2,29,18,996	94,661	0	2,30,13,657	1,72,37,894	13,31,148	0	1,85,69,042	44,44,615	56,81,102
B. <u>Intangible Assets</u>												
1	Computer Software	40.00%	51,76,768	47,428	-	52,24,196	48,87,497	1,30,574	-	50,18,071	2,06,125	2,89,271
	TOTAL		51,76,768	47,428	0	52,24,196	48,87,497	1,30,574	0	50,18,071	2,06,125	2,89,271
	TOTAL (A+B)		2,80,95,764	1,42,089	0	2,82,37,853	2,21,25,391	14,61,722	0	2,35,87,113	46,50,740	59,70,373
	Previous Year		2,97,82,070	13,75,658	30,61,964	2,80,95,764	2,21,11,500	15,88,174	15,74,283	2,21,25,391	59,70,373	

* Assets Registered in the personal name of Directors.

NOTE 9: NON CURRENT INVESTMENTS

	No of	Cost for	MKT. Rate	MKT. Value on	No of	Cost for
	shares	31/03/2014	31/03/2014	31/03/2014	shares	31/03/2013
INVESTMENTS IN EQUITY						
Quoted Investment: Equity Shares fully paid						
Apollo Tyres Limited	48	4,940	157.15	7,543	-	-
Aditya Birla Nuvo Limited	-	-	-	-	25	18,896
Arvind Limited	-	-	-	-	200	13,830
Axis Bank Limited	6,079	49,98,091	1,461.15	88,82,331	6,046	49,65,979
Bajaj Corporation Limited	245	38,646	216.85	53,128	145	14,995
Balmer Lawrie Van & Co Limited	89	28,478	308.10	27,421	51	28,478
Bharat Electricals Limited	-	-	-	-	14	17,519
Bliss GVS Pharma Limited	-	-	-	-	75	1,981
Blue Star Limited	72	12,154	157.80	11,362	72	12,154
Camlin Limited	444	14,955	33.00	14,652	444	14,955
Commercial Engineers & Body Builders Co	-	-	-	-	152	4,849
Cravatex Limited	21	8,730	251.00	5,271	21	8,730
Crompton Greaves Limited	-	-	-	-	621	83,166
Elantas Beck India Limited	37	15,041	576.65	21,336	-	-
Engineers India Limited	33	4,873	215.95	7,126	-	-
FIEM Industries Limited	41	7,553	417.05	17,099	25	4,625
Fortis Malar Hospitals Limited	330	9,984	23.00	7,590	330	9,984
Foseco India Limited	125	58,002	538.15	67,269	120	55,840
G M Breweries Limited	166	12,508	132.05	21,920	125	10,024
Geogit BNP Paribus Financial Services Limited	1,800	34,783	21.80	39,240	786	17,018
Great Eastern Shipping Company Limited	10	2,470	335.60	3,356	-	-
Greaves Cotton Limited	678	47,583	78.55	53,257	619	48,710
Gujarat Mineral Development Corporation Limited	94	10,350	127.10	11,947	-	-
Gujarat Gas Company Limited	50	9,990	253.60	12,680	-	-
Gujarat State Fertilisers & Chemicals Limited	-	-	-	-	35	2,037
Hexaware Technologies Limited	-	-	-	-	488	39,016
Hindalco Industries Limited	100	9,155	130.35	13,035	100	9,155

Hindustan Media Ventures Limited	455	51,228	134.20	61,061	-	-
ICICI Bank Limited	-	-	-	-	15	9,784
ICRA Limited	-	-	-	-	16	14,720
ILFS & Investment Managers Limited	3,56,716	1,01,28,495	12.25	43,69,771	2,36,926	1,01,22,761
Indraprasth Gas Limited	161	42,017	289.05	46,537	100	27,325
Infra Development Finance Co Limited	123	10,362	125.55	15,443	16	1,478
Jammu & Kashmir Bank Limited	37	26,732	1,513.05	55,983	37	26,732
JK Lakshmi Cement Limited	400	14,800	113.75	45,500	400	14,800
Maharashtra Scooters Limited	9,177	27,60,497	463.75	42,55,834	9,132	27,43,660
Mazda Limited	-	-	-	-	170	14,428
Mphasis Limited	241	76,602	405.45	97,713	306	98,463
MT Educare Limited	231	20,664	85.10	19,658	-	-
Multi Commodity Exchange of India Limited	5	2,282	485.60	2,428	-	-
NESCO Limited	13	7,150	802.75	10,436	13	7,150
NMDC Limited	374	51,440	138.35	51,743	251	36,494
NOIDA Toll Bridge Limited	3,41,339	1,01,70,258	24.00	81,92,136	3,41,188	1,01,67,221
Novartis India	15	7,335	439.75	6,596	-	-
Oil India Limited	6	2,785	478.50	2,871	-	-
Petronet LNG Limited	490	70,732	136.05	66,665	490	70,732
Piramal Enterprises Limited	7,582	30,72,703	537.45	40,74,946	7,607	30,81,527
Piramal Glass Limited	-	-	-	-	150	13,765
Polaris Financial Technology Limited	1,082	1,25,018	193.05	2,08,880	982	1,14,752
Selan Exploration Technology Limited	164	43,054	527.30	86,477	114	31,216
The Shipping Corporation of India Limited	1,344	67,874	41.35	55,574	1,055	56,522
Sriram Transport Finance Company Limited	60	30,687	695.80	41,748	27	17,570
South Indian Bank Limited	478	9,966	21.30	10,181	-	-
Standard Chartered PLC (IDR)	792	60,375	112.95	89,456	792	60,375
Swaraj Engineering Limited	70	30,131	696.35	48,745	70	30,131
Talwalkars better Value Fitness Limited	201	27,700	167.95	33,758	-	-
Tata Motors NPP_DVR	264	22,355	196.20	51,797	264	22,356
Thomas Cook India Limited	153	9,917	89.00	13,617	-	-
Thermax Limited	-	-	-	-	20	9,769

Titagarh Wagons Limited	79	10,016	109.30	8,635	-	-
VIP Industries Limited	404	23,881	99.20	40,077	198	11,965
VST Tillers Tractors Limited	49	23,921	928.95	45,519	49	23,921
Yes Bank Limited	74	20,967	404.90	29,963	-	-
Zyduz Wellness Limited	79	38,187	495.90	39,176	-	-
Total- (i)		3,23,88,417		2,24,16,924		3,22,11,558
<u>Unquoted Investments:</u>						
Karrox Technologies Limited	25,000	10,00,000	-	-	25,000	10,00,000
Mumbai stock Exchange	11,401	11,40,977	-	-	11,401	11,40,977
Total- (ii)		21,40,977	-	-	-	21,40,977
INVESTMENT IN MUTUAL FUNDS						
Birla SunLife Cash Manager	1,857	5,07,560	-	-	4,204	11,04,965
Birla SunLife Dynamic Bond	-	-	-	-	3,33,158	66,00,000
Franklin Templeton India Short term	-	-	-	-	2,806	66,00,000
HDFC High Interest Fund	17,338	4,02,241	-	-	1,27,485	50,00,000
PPFAS Long Term Value Fund	4,50,000	45,00,000	-	-	-	-
Total- (iii)		54,09,801				1,93,04,965
INVESTMENT IN BONDS						
Indian Railway Fin. Corporation Limited	25,000	2,50,00,000	-	-	-	-
National Highways Authority of India	25,000	2,50,00,000	-	-	-	-
Total- (iv)		5,00,00,000	-	-	-	-
INVESTMENT IN SUBSIDIARY COMPANY						
PPFAS Asset Management Private Limited	1,50,00,000	15,00,00,000		-	1,50,00,000	15,00,00,000
PPFAS Trustee Co. Private Limited	50,000	5,00,000		-	50,000	5,00,000
Total- (v)		15,05,00,000		-	-	15,05,00,000
Grand Total (i+ii+iii+iv+v)		24,04,39,195				20,41,57,500

NOTE 10 : LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2014	As at 31st March, 2013
Advances recoverable in cash or kind		
a) Previous year Taxes Receivable	83,75,907	78,23,901
b) Advance Tax(Net of Provision for Tax)	(5,63,163)	(3,52,620)
	78,12,744	74,71,281

NOTE 11 : DEFERRED TAX ASSET

Particulars	As at 31st March, 2014	As at 31st March, 2013
Opening Balance	14,67,506	13,69,639
Fixed Assets:Impact of difference between Depreciation charged as per Company Law & Depreciation charged as per Taxation Law	1,13,761	97,867
Net Deferred Tax Asset	15,81,267	14,67,506

NOTE 12 : CURRENT INVESTMENTS

Particulars	As at 31st March, 2014	As at 31st March, 2013
Fixed Deposits with maturity less than 12 months	6,34,97,954	6,59,29,683
	6,34,97,954	6,59,29,683

NOTE 13: TRADE RECEIVABLES

Particulars	As at 31st March, 2014	As at 31st March, 2013
(1) Debts outstanding for a period exceeding six months from the date they are due	Nil	Nil
(2) Other Debts (Unsecured considered good)	20,61,371	2,33,44,748
	20,61,371	2,33,44,748

NOTE 14: CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2014	As at 31st March, 2013
(i) On Current Accounts	53,21,493	80,24,362
(ii) Cash in hand and as Imprest	92,755	50,687
	54,14,248	80,75,049

NOTE 15: SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2014	As at 31st March, 2013
(i) Deposits with Stock Exchange	37,75,000	1,27,50,000
(ii) Other Deposits	1,67,32,252	1,78,12,867
(iii) Advances	2,14,428	11,05,817
	2,07,21,680	3,16,68,684

NOTE 16: OTHER CURRENT ASSETS

Particulars	As at 31st March, 2014	As at 31st March, 2013
Interest accrued on Fixed Deposits	48,68,232	45,87,503
Prepaid Expenses	8,56,741	7,26,016
	57,24,973	53,13,519

NOTE 17 : REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Portfolio Management Fees	2,02,25,018	6,08,57,925
Brokerage	67,84,332	1,08,37,029
Placement Charges - MF	32,75,821	31,14,149
Advisory Fees	26,292	2,64,896
DP Fees	-	1,624
	3,03,11,463	7,50,75,623

NOTE 18: OTHER INCOME

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
<u>Net Gain/Loss on Sale of Investment</u>		
Short Term Capital Gain on Mutual Fund	27,38,127	67,425
Long Term Capital Gain Equity	67,216	5,47,252
Short Term Capital Gain on Equity	22,484	86,751
Total (a)	28,27,827	7,01,428
<u>Other Non-Operating Income</u>		
Interest on Fixed Deposit	66,03,359	62,82,756
Dividend on Shares	17,20,441	8,63,314
Interest on Debentures	3,49,042	-
Dividend on Mutual Fund	2,29,229	14,87,857
Interest on Tax free Bonds	2,21,233	-
Other Income	14,458	31,852
Interest on ILFS Margin	-	54,868
Profit on Sale of Car	-	41,092
Total (b)	91,37,762	87,61,739
Total (a + b)	1,19,65,589	94,63,167

NOTE 19: EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Salary and Wages		
Office Staff Salary	1,11,80,255	2,32,52,034
Contribution to Provident Fund and other funds		
Contribution to Provident Fund	6,72,150	7,94,296
Other expenses		
Staff Welfare	5,17,777	3,00,374
	1,23,70,182	2,43,46,704

NOTE 20: FINANCE COST

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Interest expense		
Interest on Overdraft	12,975	10,275
	12,975	10,275

NOTE 21: DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Depreciation of Tangible Assets	13,31,148	13,95,326
Amortization of Intangible Assets	1,30,574	1,92,848
	14,61,722	15,88,174

NOTE 22: OTHER EXPENSES

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Professional Charges	32,70,945	67,72,989
Electricity expenses	12,91,715	12,08,622
Entertainment & Business Promotion Expenses	8,41,485	5,41,339
Membership & subscription	6,81,800	5,22,864
Advertising expenses	6,69,597	28,299
Computer Maintenance	5,71,102	4,18,179
Rent Expenses	5,53,483	5,53,483
Telephone/communication	5,39,375	5,43,408
Repairs & maintenance	5,26,887	5,36,595
Stamp duty	4,69,217	4,59,731
Motor car expenses	3,93,647	3,49,931
Travelling expenses	3,84,152	79,776
Conveyance Charges	3,53,777	3,90,297
Printing & stationery	3,50,914	2,93,044
Audit fees	3,50,000	3,50,000
Transaction charges	2,54,072	2,35,271
Postage & Courier Charges	2,36,260	1,73,837
Lease line charges	1,85,983	91,403
Security service charges	1,77,525	1,44,000
Miscellaneous expenses	1,64,145	1,28,298
General charges NSDL/NSE/STP	1,47,124	21,785
Demat charges	1,41,622	90,248
Insurance Charges	1,30,592	1,45,340
Filing fees	93,774	26,403
BSE rent and maintenance charges	35,289	53,180
Books & periodicals	27,351	30,756
Penalties levied by stock exchange	26,275	3,526
Vsat charges	14,765	1,00,000
Bank Charges	7,168	19,370
Franking charges	7,098	7,977
Internet charges	6,960	6,242
Seminar fees	4,038	77,023
Turnover(SEBI)	2,645	8,755
Professional tax - company.	2,000	2,000
STT,Service Tax & other charges on Share Investment	1,149	1,705
Maharashtra Labour welfare Fund	684	1,548
Interest and fine for Taxes	-	43,693

Donations	-	25,000
	1,29,14,615	1,44,85,917

NOTE 23: SUPPLEMENTARY INFORMATION**a. Particulars of Auditors Remuneration**

Particulars	F.Y.2013-14	F.Y.2012-13
As Auditors	2,00,000/-	1,95,000/-
For other Services	1,50,000/-	1,50,000/-
TOTAL	3,50,000/-	3,45,000/-

b. Value of Imports

Particulars	F.Y.2013-14	F.Y.2012-13
Value of Imports	NIL	NIL

c. Expenditure in Foreign Exchange

Particulars	F.Y.2013-14	F.Y.2012-13
Professional Charges	NIL	NIL
Travelling Charges	NIL	NIL

d. Foreign Exchange Earnings

Particulars	F.Y.2013-14	F.Y.2012-13
Earnings in Foreign Exchange (USD)-Advisory services	NIL	2383.28

e. Funds received from various investors and invested on their behalf & in their respective names under the Portfolio Management Scheme, as at 31st March, 2014 are Rs. 126.60 Lakhs.

NOTE 24: 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	540,000/-
Parag Parikh	Director who is able to exercise significant influence	Rent	13,483/-
Neil Parikh	Director who is able to exercise significant influence	Salary	8,40,000/-
Ashish Shah	Key Managerial Personnel	Salary	20,27,000/-

NOTE 25: CONTINGENT LIABILITIES

Contingent Liabilities	F.Y.2013-14 Amount in Rs. Lacs	F.Y.2012-13 Amount in Rs. Lacs
Income Tax (A.Y.-2007-08)*	3.60	3.60
Income Tax (A.Y.-2008-09)	2.75	-
Income Tax (A.Y.-2009-10)	1.60	-
Income Tax (A Y - 2010-11)	3.59	3.59
Service Tax	2.37	2.37

*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.

NOTE 26: EARNINGS PER SHARE

Particulars	FY 2013-14	FY 2012-13
Profit attributable to equity shareholders	Rs. 1,10,30,429/-	Rs. 345,34,307/-
Weighted Average number of Equity Share Outstanding during the year	65,14,805	65,14,805
Basic & Diluted EPS	Rs.1.69/-	Rs. 5.30/-
Nominal value per share	10/-	10/-

NOTE 27: MAJOR COMPONENTS OF DEFERRED TAX

Deferred Tax Assets	(Amount in Rs.)		
I. Opening Balance			14,67,506
II Changes during the Year			
a. Timing Difference in Depreciation			
As per Accounts	14,61,722		
As per Income tax Act	11,11,041		
Under charged for tax purpose	3,50,681		
Deferred Tax @ 32.44%		1,13,761	
III. Deferred Tax Income charged to Statement of Profit & Loss			1,13,761
IV. Net Deferred tax Assets as per Balance Sheet.			15,81,267

NOTE 28: INVESTMENT IN SUBSIDIARIES

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

NOTE 29:

The amount payable to the Small Scale Undertaking is NIL.

NOTE 30: PREVIOUS YEAR FIGURES

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

Signatures to notes 1 to 30

As per our Report of even date
For CVK & Associates
 Chartered Accountants
 (Firm's Registration no.-101745W)

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

K.P.Chaudhari,
 Partner
 Membership .No. 31661

Ashish Shah
 Director
 DIN : 02887514

Neil Parikh
 Director
 DIN : 00080269

Place: Mumbai
 Date: August 14th, 2014

Anindita Sengupta
 Company Secretary

Summary of Results of PPFAS Asset Management Private Limited

Registration Details	
Registration No.	U65100MH2011PTC220623 - 2011-12
Balance Sheet Date	March 31, 2014.
Capital Raised during the Year	
Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
Position of Mobilisation and Development of Funds: (Rs. In'000)	
Total liabilities	1,66,356
Total Assets	1,66,356
Sources of Funds:	
Paid-up Capital	1,50,000
Reserves and Surplus	12,139
Non Current Liabilities	77
Current Liabilities	4,140
Application of Funds:	
Net Non current Assets	1,675
Non Current Investments	1,35,736
Current Assets	28,945
Net Deferred Tax Assets	-
Miscellaneous Expenditures	NIL
Accumulated losses	NIL
Performance of the Company: (Rs. In'000)	
Turnover	56,596
Total Expenditure (Including Depreciation)	34,945
Profit/(Loss) Before Tax	21,651
Profit /(Loss) After Tax	16,798
Earnings Per Share (EPS) (in Rs.)	1.12
Dividend Declared	NIL

Summary of Results of PPFAS Trustee Company Private Limited

Registration Details	
Registration No.	U65100MH2011PTC221203 - 2011-12
Balance Sheet Date	March 31, 2014.
Capital Raised during the Year	
Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
Position of Mobilisation and Development of Funds: (Rs. In'000)	
Total liabilities	343
Total Assets	343
Sources of Funds:	
Paid-up Capital	500
Reserves and Surplus	-193
Non Current Liabilities	-
Current Liabilities	36
Application of Funds:	
Net Non current Assets	-
Non Current Investments	-
Current Assets	343
Net Deferred Tax Assets	-
Miscellaneous Expenditures	-
Accumulated losses	-
Performance of the Company: (Rs. In'000)	
Turnover	271
Total Expenditure (Including Depreciation)	146
Profit/(Loss) Before Tax	125
Profit /(Loss) After Tax	101
Earnings Per Share (EPS) (in Rs.)	2.02
Dividend Declared	NIL

Statement Pursuant to Section 212 of the Companies Act, 1956 of PPFAS Limited

Sr. No.	Particulars	PPFAS Asset Management Private Limited	PPFAS Trustee Company Private Limited
1	Financial years of the Subsidiary Company ended on	31st March, 2014	31st March, 2014
2	Date from which it became subsidiary	8th August 2011	24th August 2011
3	Number of share hold by the holding company in the subsidiary company at the end of the financial year of the subsidiary company		
	a) Equity Shares	1,49,99,999	49,999
	b) Extent of Holding	100%	100%
4	The net aggregate amount of the Subsidiaries profit/(loss) so far as it is concerned with the members of the holding company		
	i) Not dealt within the holding company's accounts		
	a) For the financial year ended on 31st March 2014	Profit of Rs. 16,798,261	Profit of Rs. 101,117
	b) For the previous financial years of the Subsidiary/since it became the Holding company's subsidiary	Loss of Rs. 4,659,371	Loss of Rs.293,962
	ii) Dealt within the holding company's accounts		
	a) For the financial year of the Subsidiary	Nil	Nil
	b) For the previous financial years of the Subsidiary/since it became the Holding company's subsidiary	Nil	Nil
5	Material changes, if any between the end of the financial year of the subsidiary company and that of the Holding Company	NA	NA

Independent Auditors' Report

CVK & Associates
Chartered Accountants

2, Samarth Apartments
D. S. Babrekar Road,
Gokhale Road,(North)
Dadar ,Mumbai - 400 028
Phone : 2446871, 24451488
Fax No: 2446 6139

To the Members of Parag Parikh Financial Advisory Services Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Parag Parikh Financial Advisory Services Limited ("the Company") and its subsidiaries PPFAS Asset Management Private Limited and PPFAS Trustee Company Private Limited, which comprise the Consolidated Balance Sheet as at March 31, 2014, and the Consolidated Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"), read with general Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.

4. 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 misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. 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.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014; and
- b) in the case of the Consolidated Statement of Profit and Loss, of the Profit for the year ended on that date;

For CVK & Associates

Chartered Accountants
(Firm's Registration no.-101745W)

Place: Mumbai
Date: August 14th, 2014

K.P. Chaudhari,
Partner
Membership No. 31661

Consolidated Balance Sheet as at 31st March, 2014

Particulars	Note No	As at 31st March, 2014 (Rs.)	As at 31st March, 2013 (Rs.)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	6,51,48,050	6,51,48,050
Reserves And Surplus	4	29,70,86,783	26,91,56,976
	(a)	36,22,34,833	33,43,05,026
Current Liabilities			
Trade Payables	5	-	49,96,644
Other Current Liabilities	6	37,40,439	1,78,372
Short Term Provisions	7	20,34,995	91,41,679
	(b)	57,75,434	1,43,16,695
Total Equity and Liabilities	(a+b)	36,80,10,267	34,86,21,721
ASSETS			
Non-Current Assets			
Fixed Assets			
(i)Tangible Assets	8A	54,90,137	69,92,166
(ii)Intangible Assets	8B	8,35,256	12,93,850
	(c)	63,25,393	82,86,016
Non-Current Investments	9	22,19,57,938	5,40,27,874
Long-Term Loans & Advances	10	1,15,37,137	87,02,760
Deferred Tax Assets	11	15,03,784	12,22,504
	(d)	23,49,98,859	6,39,53,138
Current Assets			
Current Investments	12	8,35,72,954	20,58,69,683
Trade Receivables	13	20,61,371	2,33,44,748
Cash & Cash Equivalents	14	69,09,720	87,04,889
Short-Term Loans & Advances	15	2,09,63,250	3,17,78,684
Other Current Assets	16	1,31,78,720	66,84,563
	(e)	12,66,86,015	27,63,82,567
Total Assets	(c+d+e)	36,80,10,267	34,86,21,721
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our Report of even date
For CVK & Associates
Chartered Accountants
(Firm's Registration no.-101745W)

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

K.P.Chaudhari,
Partner
Membership .No. 31661

Ashish Shah
Director
DIN : 02887514

Neil Parikh
Director
DIN : 00080269

Place: Mumbai
Date: August 14th, 2014

Anindita Sengupta
Company Secretary

Consolidated Statement of Profit & Loss for the year ended 31st March 2014

Particulars	Note No	For the year ended 31st March 2014 (Rs.)	For the year ended 31st March 2013 (Rs.)
Income			
Revenue From Operations	17	7,53,50,194	7,50,75,623
Other Income	18	2,37,94,495	2,26,95,813
Total Revenue		9,91,44,689	9,77,71,436
Expenses			
Employee Benefits Expenses	19	3,69,51,323	3,70,33,742
Finance Costs	20	12,975	10,275
Depreciation & Amortization Expenses	21	22,44,318	27,24,340
Other Expenses	22	2,27,57,797	2,07,68,933
Total Expenses		6,19,66,413	6,05,37,290
Profit Before Tax & Exceptional Items		3,71,78,276	3,72,34,146
Exceptional Items			
Prior Period Expenses/(Income)		(54,513)	4,41,224
Profit Before Tax		3,72,32,789	3,67,92,922
Tax Expense			
Current Tax		94,73,803	92,35,000
Deferred Tax Income		(1,70,821)	-7,252
Total Tax Expense		93,02,982	92,27,748
Profit/(Loss) for the Period		2,79,29,807	2,75,65,174
Earning Per Equity Share			
Basic		4.29	4.23
Diluted		4.29	4.23
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our Report of even date
For CVK & Associates
Chartered Accountants
(Firm's Registration no.-101745W)

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

K.P.Chaudhari,
Partner
Membership .No. 31661

Ashish Shah
Director
DIN : 02887514

Neil Parikh
Director
DIN : 00080269

Place: Mumbai
Date: August 14th, 2014

Anindita Sengupta
Company Secretary

Consolidated Notes to Accounts

Notes Forming Part of Consolidated Financial Statements for the year ended 31st March 2014

NOTE 1: PRINCIPLES OF CONSOLIDATION

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

The financial statements of the company and its subsidiary are combined on line by line basis by adding together the book values of the like items of assets, liabilities, income & expenses in accordance with the Accounting Standard (AS) 21- "Consolidated Financial Statements" issued by 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 Company'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
	2013-14	2012-13	
PPFAS Asset Management Private Limited	100.00	100.00	India
PPFAS Trustee Company Private Limited	100.00	100.00	India

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

a) Basis Of Preparation

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these consolidated 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, 1956 read with the General Circular 08/2014 dated 04 April 2014 issued by the Ministry of Corporate Affairs. The consolidated 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 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) 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.

d) 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 consolidated statement of profit and loss when the asset is derecognized.

e) Depreciation

Depreciation on the fixed assets is provided on Written Down Value Method applying the rates specified in Schedule XIV to the Companies Act, 1956 or rates based on estimated useful life, whichever is higher.

f) Investments

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

g) Employee Benefits

i. Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contribution is charged to the Consolidated 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.

ii. 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.

iii. 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.

h) Revenue Recognition

Revenue from Brokerage, Interest and other business is generally recognized on accrual basis. Dividend on shares is accounted on cash basis for the sake of convenience, and for want of information.

i) 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.

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.

j) 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.

k) 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.

l) Impairment

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

m) 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 Consolidated Statement of Profit and Loss.

n) Earnings per share

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

o) 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 Consolidated Financial Statements of the Company.

p) 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

Particulars	As at 31st March, 2014 (Rs.)	As at 31st March, 2013 (Rs.)
AUTHORISED		
20,000,000 Equity Shares of Rs.10/- each	20,00,00,000	20,00,00,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
6,514,805 Equity Shares of Rs.10/- each fully paid	6,51,48,050	6,51,48,050
(Inclusive of 2,646,805 shares issued to shareholders of Parag Parikh Securities Ltd at par on Amalgamation)		
	6,51,48,050	6,51,48,050

a. Reconciliation of Shares outstanding as at the beginning and at the end of the reporting period.

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Number	Rs.	Number	Rs.
At the beginning of the period	65,14,805	6,51,48,050	65,14,805	6,51,48,050
Issued during the period	NIL	NIL	NIL	NIL
Outstanding at the end of the period	65,14,805	6,51,48,050	65,14,805	6,51,48,050

b. Details of Shareholders holding more than 5 % of Ordinary Shares

Name of the Shareholders	Number	% of Holding	Number	% of Holding
Parag S Parikh	50,49,195	77.50	50,48,695	77.49
Empegee Portfolio Management Services Private Limited	3,50,000	5.37	3,50,000	5.37

NOTE 4: RESERVES & SURPLUS

Particulars	As at 31st March, 2014	As at 31st March, 2013
General Reserve (a)	3,85,000	3,85,000
Capital Redemption Reserves (b)	1,01,00,000	1,01,00,000
Surplus/(deficit) in the statement of Profit and Loss		
At the Beginning of the Accounting period	25,86,71,976	23,87,28,798
Additions During the year	2,79,29,807	2,75,65,174
Amount available for Appropriation	28,66,01,783	26,62,93,972
Appropriations		
Final Dividend	-	65,14,805
Tax on Dividend	-	11,07,191
Closing Balance of Surplus in the Statement of Profit & Loss(c)	28,66,01,783	25,86,71,976
Total (a+b+c)	29,70,86,783	26,91,56,976

NOTE 5: TRADE PAYABLES

Particulars	As at 31st March, 2014	As at 31st March, 2013
Sundry Creditors	-	49,96,644
	-	49,96,644

NOTE 6: OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2014	As at 31st March, 2013
TDS - Salaries	34,41,512	-
TDS - Professional Fees	2,94,017	1,77,978
TDS - Contractor	4,910	394
	37,40,439	1,78,372

NOTE 7: SHORT TERM PROVISIONS

Particulars	As at 31st March, 2014	As at 31st March, 2013
Provision for Expenses	7,14,370	1,75,659
Profession Charges Payable	5,53,045	5,35,034
Provisions For Audit Fees	5,35,000	3,59,944
Provident Fund Payable	1,13,841	2,11,596
Unpaid Dividend	99,935	-
Stamp Duty Payable	8,737	79,070
ESIC Payable	6,067	6,120
Profession Tax Payable	4,000	9,000
Provision for Bad Debts	-	62,058
PMS-Service Tax Payable Banking	-	19,910
Service Tax payable Financial Planner	-	1,100
Security Transaction Tax Payable	-	60,192
Other Provisions		
Proposed Dividend	-	65,14,805
Provision for Tax on Proposed Dividend	-	11,07,191
	20,34,995	91,41,679

NOTE 8 : FIXED ASSET												
Sr. No	Asset	Rate of Dep.	Gross Block as at 01/04/2013	Additions during the year	Deductions during the year	Gross Block as at 31/03/14	Provision for Depreciation upto 31/03/13	Depreciation for the year 13-14	Accumulated Depreciation on Sold Assets	Total depreciation upto 31/03/14	Net Block as at 31/03/14	Net Block as at 31/03/13
A. Tangible Assets												
1	Computer	40.00%	97,25,992	1,06,429	-	98,32,421	89,86,913	3,21,338	-	93,08,251	5,24,170	7,39,079
2	Electrical Equipment	13.91%	45,90,086	89,137	-	46,79,223	36,21,089	1,41,011	-	37,62,100	9,17,123	10,46,175
3	Electrical Installation	13.91%	5,00,606	-	-	5,00,606	3,08,941	26,661	-	3,35,602	1,65,004	1,14,488
4	Motor Car*	25.91%	51,47,093	-	-	51,47,093	14,64,731	9,53,363	-	24,18,094	27,28,999	36,82,362
5	Office Furniture	18.10%	47,57,641	-	-	47,57,641	33,47,579	2,55,221	-	36,02,800	11,54,841	14,10,062
	TOTAL		2,47,21,418	1,95,566	-	2,49,16,984	1,77,29,253	16,97,594	-	1,94,26,847	54,90,137	69,92,166
B. Intangible Assets												
1	Computer Software	40.00%	69,30,268	88,130	-	70,18,398	56,36,418	5,46,724	-	61,83,142	8,35,256	12,93,850
	TOTAL		69,30,268	88,130	-	70,18,398	56,36,418	5,46,724	-	61,83,142	8,35,256	12,93,850
	TOTAL (A+B)		3,16,51,686	2,83,696	-	3,19,35,382	2,33,65,671	22,44,318	-	2,56,09,989	63,25,393	82,86,016
	Total Of Previous Year		3,18,91,094	28,22,556	30,61,964	3,16,51,686	2,22,15,614	27,24,340	15,74,283	2,33,65,671	82,86,016	

* Assets Registered in the personal name of Directors.

NOTE 9: NON CURRENT INVESTMENTS

Particulars	No of shares/ units	Cost for 31/03/2014	MKT. Rate 31/03/2014	MKT. Value on 31/03/2014	No of shares/ units	Cost for 31/03/2013
INVESTMENTS IN EQUITY: Quoted Investment:						
Equity Shares fully paid						
Apollo Tyres Limited	48	4,940	157.15	7,543	-	-
Aditya Birla Nuvo Limited	-	-	-	-	25	18,896
Arvind Limited	-	-	-	-	200	13,830
Axis Bank Limited	6,079	49,98,091	1,461.15	88,82,331	6,046	49,65,979
Bajaj Corporation Limited	245	38,646	216.85	53,128	145	14,995
Balmer Lawrie Van & Co Limited	89	28,478	308.10	27,421	51	28,478
Bharat Electricals Limited	-	-	-	-	14	17,519
Bliss GVS Pharma Limited	-	-	-	-	75	1,981
Blue Star Limited	72	12,154	157.80	11,362	72	12,154
Camlin Limited	444	14,955	33.00	14,652	444	14,955
Commercial Engineers & Body Builders Co	-	-	-	-	152	4,849
Cravatex Limited	21	8,730	251.00	5,271	21	8,730
Crompton Greaves Limited	-	-	-	-	621	83,166
Elantas Beck India Limited	37	15,041	576.65	21,336	-	-
Engineers India Limited	33	4,873	215.95	7,126	-	-
FIEM Industries Limited	41	7,553	417.05	17,099	25	4,625
Fortis Malar Hospitals Limited	330	9,984	23.00	7,590	330	9,984
Foseco India Limited	125	58,002	538.15	67,269	120	55,840
G M Breweries Limited	166	12,508	132.05	21,920	125	10,024
Geogit BNP Paribus Financial Services Limited	1,800	34,783	21.80	39,240	786	17,018
Great Eastern Shipping Company Limited	10	2,470	335.60	3,356	-	-
Greaves Cotton Limited	678	47,583	78.55	53,257	619	48,710
Gujarat Mineral Development Corporation Limited	94	10,350	127.10	11,947	-	-
Gujarat Gas Company Limited	50	9,990	253.60	12,680	-	-
Gujarat State Fertilizers & Chemicals Limited	-	-	-	-	35	2,037
Hexaware Technologies Limited	-	-	-	-	488	39,016
Hindalco Industries Limited	100	9,155	130.35	13,035	100	9,155
Hindustan Media Ventures Limited	455	51,228	134.20	61,061	-	-
ICICI Bank Limited	-	-	-	-	15	9,784
ICRA Limited	-	-	-	-	16	14,720

ILFS & Investment Managers Limited	3,56,716	1,01,28,495	12.25	43,69,771	2,36,926	1,01,22,761
Indraprasth Gas Limited	161	42,017	289.05	46,537	100	27,325
Infra Development Finance Co Limited	123	10,362	125.55	15,443	16	1,478
Jammu & Kashmir Bank Limited	37	26,732	1,513.05	55,983	37	26,732
JK Lakshmi Cement Limited	400	14,800	113.75	45,500	400	14,800
Maharashtra Scooters Limited	9,177	27,60,497	463.75	42,55,834	9,132	27,43,660
Mazda Limited	-	-	-	-	170	14,428
Mphasis Limited	241	76,602	405.45	97,713	306	98,463
MT Educare Limited	231	20,664	85.10	19,658	-	-
Multi Commodity Exchange of India Limited	5	2,282	485.60	2,428	-	-
NESCO Limited	13	7,150	802.75	10,436	13	7,150
NMDC Limited	374	51,440	138.35	51,743	251	36,494
NOIDA Toll Bridge Limited	3,41,339	1,01,70,258	24.00	81,92,136	3,41,188	1,01,67,221
Novartis India Limited	15	7,335	439.75	6,596	-	-
Oil India Limited	6	2,785	478.50	2,871	-	-
Petronet LNG Limited	490	70,732	136.05	66,665	490	70,732
Piramal Enterprises Limited	7,582	30,72,703	537.45	40,74,946	7,607	30,81,527
Piramal Glass Limited	-	-	-	-	150	13,765
Polaris Financial Technology Limited	1,082	1,25,018	193.05	2,08,880	982	1,14,752
Selan Exploration Technology Limited	164	43,054	527.30	86,477	114	31,216
The Shipping Corporation of India Limited	1,344	67,874	41.35	55,574	1,055	56,522
Sriram Transport Finance Company Limited	60	30,687	695.80	41,748	27	17,570
South Indian Bank Limited	478	9,966	21.30	10,181	-	-
Standard Chartered PLC (IDR)	792	60,375	112.95	89,456	792	60,375
Swaraj Engineering Limited	70	30,131	696.35	48,745	70	30,131
Talwalkars better Value Fitness Limited	201	27,700	167.95	33,758	-	-
Tata Motors NPP_DVR	264	22,355	196.20	51,797	264	22,356
Thomas Cook India Limited	153	9,917	89.00	13,617	-	-
Thermax Limited	-	-	-	-	20	9,769
Titagarh Wagons Limited	79	10,016	109.30	8,635	-	-
VIP Industries Limited	404	23,881	99.20	40,077	198	11,965
VST Tillers Tractors Limited	49	23,921	928.95	45,519	49	23,921
Yes Bank Limited	74	20,967	404.90	29,963	-	-
Zydus Wellness Limited	79	38,187	495.90	39,176	-	-
Total- (i)		3,23,88,416		2,24,16,924		3,22,11,557

<u>Unquoted Investments:</u>						
Karrox Technologies Limited	25,000	10,00,000	-	-	25,000	10,00,000
Mumbai stock Exchange	11,401	11,40,977	-	-	11,401	11,40,977
MF Utilities India Private Limited	50,000	5,00,000	-	-	-	-
Total- (ii)		26,40,977	-	-	-	21,40,977
INVESTMENT IN MUTUAL FUNDS						
Birla SunLife Cash Manager Fund	1,60,784	4,84,73,304	-	-	5,575	14,75,340
Birla SunLife Dynamic Bond	-	-	-	-	3,33,158	66,00,000
Franklin Templeton India Short term Fund	-	-	-	-	2,806	66,00,000
HDFC High Interest Fund	17,338	4,02,241	-	-	1,27,485	50,00,000
PPFAS Long Term Value Fund	4,50,000	45,00,000	-	-	-	-
Total- (iii)		5,33,75,545				1,96,75,340
INVESTMENT IN BONDS						
Indian Infrastructure Finance Company Limited	20,000	2,00,00,000	-	-	-	-
National Highway Authority of India	50,000	5,00,00,000	-	-	-	-
National Housing Bank	1,444	72,20,000	-	-	-	-
Indian Railway Finance Corporation Limited	50,000	5,00,00,000	-	-	-	-
NTPC Limited	6,333	63,33,000	-	-	-	-
Total- (iv)		13,35,53,000	-	-	-	-
Grand Total (i+ii+iii+iv)		22,19,57,938				5,40,27,874

NOTE 10: LONG TERM LOANS & ADVANCES

Particulars	As at 31st March, 2014	As at 31st March, 2013
Advances recoverable in cash or kind		
a) Previous year Taxes Receivable	95,83,096	78,48,191
b) Advance Tax(Net of Provision for Tax)	19,54,041	8,54,569
	1,15,37,137	87,02,760

NOTE 11: DEFERRED TAX ASSETS

Particulars	As at 31st March, 2014	As at 31st March, 2013
Opening Balance	12,22,504	12,15,252
Fixed Assets:Impact of difference between Depreciation charged as per Company Law & Depreciation charged as per Taxation Law	1,70,821	7,252
Fixed Assets:Impact of difference between Depreciation charged as per Company Law & Depreciation charged as per Taxation Law in previous year	1,10,459	-
Net Deferred Tax Asset	15,03,784	12,22,504

NOTE 12: CURRENT INVESTMENTS

Particulars	As at 31st March, 2014	As at 31st March, 2013
Fixed Deposits with maturity less than 12 months	8,35,72,954	20,58,69,683
	8,35,72,954	20,58,69,683

NOTE 13: TRADE RECEIVABLES

Particulars	As at 31st March, 2014	As at 31st March, 2013
(1) Debts outstanding for a period exceeding six months from the date they are due	Nil	Nil
(2) Other Debts (Unsecured considered good)	20,61,371	2,33,44,748
	20,61,371	2,33,44,748

NOTE 14: CASH & CASH EQUIVALENTS

Particulars	As at 31st March, 2014	As at 31st March, 2013
(i) On Current Accounts	68,08,034	86,47,124
(ii) Cash in hand and as Imprest	1,01,686	57,765
	69,09,720	87,04,889

NOTE 15: SHORT TERM LOANS & ADVANCES

Particulars	As at 31st March, 2014	As at 31st March, 2013
(i) Deposits with Stock Exchange	37,75,000	1,27,50,000
(ii) Other Deposits	1,68,42,252	1,79,22,867
(iii) Advances	3,45,998	11,05,817
	2,09,63,250	3,17,78,684

NOTE 16: OTHER CURRENT ASSETS

Particulars	As at 31st March, 2014	As at 31st March, 2013
Interest accrued on Fixed Deposits	59,35,596	55,18,308
Management Fees Receivable	57,75,552	-
Prepaid Expenses	14,67,572	11,66,255
	1,31,78,720	66,84,563

NOTE 17: REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Management Fees	6,49,97,570	6,08,57,925
Brokerage	67,84,332	1,08,37,029
Placement Charges - MF	32,75,821	31,14,149
Trustee fees	2,66,179	-
Advisory Fees	26,292	2,64,896
Dp Fees	-	1,624
	7,53,50,194	7,50,75,623

NOTE 18: OTHER INCOME

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Net Gain/Loss on Sale of Investment		
Short Term Capital Gain on Mutual Fund	39,09,559	3,11,904
Long Term Capital Gain on Equity	67,216	5,47,252
Short Term Capital Gain on Equity	22,484	86,751
Total (a)	39,99,259	9,45,907

Other Non-Operating Income		
Interest on Fixed Deposit	1,60,96,690	1,92,70,923
Dividend on Shares	17,20,441	8,63,314
Interest on Debentures	3,49,042	-
Dividend on Mutual Fund	2,29,229	14,87,857
Interest on Tax free Bonds	13,85,376	-
Other Income	14,458	31,852
Interest on ILFS Margin	-	54,868
Profit on Sale of Car	-	41,092
Total (b)	1,97,95,236	2,17,49,906
Total (a + b)	2,37,94,495	2,26,95,813

NOTE 19: EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Salary and Wages		
Office Staff Salary	3,49,81,690	3,52,87,386
Contribution to Provident Fund and other funds		
Contribution to Provident Fund	13,99,280	14,44,396
Other expenses		
Staff Welfare	5,70,353	3,01,960
	3,69,51,323	3,70,33,742

NOTE 20: FINANCE COST

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Interest expense		
Interest on Overdraft	12,975	10,275
	12,975	10,275

NOTE 21: DEPRECIATION & AMORTIZATION EXPENSES

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Depreciation of Tangible Assets	16,97,594	18,61,773
Amortization of Intangible Assets	5,46,724	8,62,567
	22,44,318	27,24,340

NOTE 22: OTHER EXPENSES

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Professional Charges	80,52,189	74,51,924
Repairs & maintenance	14,07,840	12,64,236
Advertising expenses	13,15,942	28,299
Electricity expenses	12,91,715	12,08,622
Rent Expenses	12,35,205	13,04,299
Business Promotion Expenses	12,11,400	7,15,094
Membership & subscription	10,38,815	5,91,816
Motor car expenses	8,23,915	6,63,164
Telephone/communication	6,98,199	7,19,676
Computer Maintenance	5,71,102	4,18,179
Insurance Charges	5,63,945	1,45,340
Printing & stationery	5,28,073	3,06,427
Stamp duty	4,69,217	4,59,731
Miscellaneous expenses	4,52,106	1,49,094
Travelling expenses	4,02,592	97,022
Audit fees	5,70,000	3,94,944
Conveyance Charges	3,80,040	4,01,767
Transaction charges	2,54,072	2,35,271

Postage & Courier Charges	2,44,713	1,74,076
Lease line charges	1,85,983	91,403
Security service charges	1,77,525	1,44,000
General charges NSDL/NSE/STP	1,47,124	21,785
Demat charges	1,41,622	90,248
Director/Employee Education Charges	1,24,897	-
Filing fees	1,21,371	1,33,196
Director's Fees	1,05,000	1,15,000
Internet charges	39,647	38,378
Investor Education Expenses	39,414	-
Books & periodicals	37,649	32,551
BSE rent and maintenance charges	35,289	53,180
Penalties levied by stock exchange	26,275	3,526
Seminar fees	22,606	77,023
Vsat charges	14,765	1,00,000
Bank Charges	7,168	19,595
Franking charges	7,098	8,287
Professional tax - company	6,000	6,000
Turnover(SEBI)	2,645	8,755
Interest and fine for Taxes	2,086	68,771
Maharashtra Labour welfare Fund	1,404	1,548
STT,Service Tax & other charges on Share Investment	1,149	1,706
Registration Fees	-	30,00,000
Donations	-	25,000
	2,27,57,797	2,07,68,933

NOTE 23: SUPPLEMENTARY INFORMATION**a. Particulars of Auditors Remuneration**

Particulars	F.Y.2013-14	F.Y.2012-13
As Auditors	4,20,000/-	2,39,944/-
For other Services	1,50,000/-	1,50,000/-
TOTAL	5,70,000/-	3,89,944/-

b. Value of Imports

Particulars	F.Y.2013-14	F.Y.2012-13
Value of Imports	NIL	NIL

c. Expenditure in Foreign Exchange

Particulars	F.Y.2013-14	F.Y.2012-13
Professional Charges	NIL	NIL
Travelling Charges	NIL	NIL

d. Foreign Exchange Earnings

Particulars	F.Y.2013-14	F.Y.2012-13
Earnings in Foreign Exchange (USD)-Advisory services	NIL	2383.28

e. Funds received from various investors and invested on their behalf & in their respective names under the Portfolio Management Scheme, as at 31st March, 2014 are Rs. 126.60 Lakhs.

NOTE 24: 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	12,05,562/-
Parag Parikh	Director who is able to exercise significant influence	Rent	13,483/-
Parag Parikh	Director who is able to exercise significant influence	Salary	32,60,000/-
Rajeev Thakkar	Director who is able to exercise significant influence	Salary	68,64,067/-
Neil Parikh	Director who is able to exercise significant influence	Salary	8,40,000/-
Ashish Shah	Key Managerial Personnel	Salary	20,27,000/-

NOTE 25: CONTINGENT LIABILITIES

Contingent Liabilities	F.Y.2013-14 Amount in Rs. Lacs	F.Y.2012-13 Amount in Rs. Lacs
Income Tax (A.Y.-2007-08)*	3.60	3.60
Income Tax (A.Y.-2008-09)	2.75	-
Income Tax (A.Y.-2009-10)	1.60	-
Income Tax (A Y - 2010-11)	3.59	3.59
Service Tax	2.37	2.37

*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.

NOTE 26: EARNINGS PER SHARE

Particulars	FY 2013-14	FY 2012-13
Profit attributable to equity shareholders	Rs. 2,79,29,807/-	Rs. 2,75,65,174/-
Weighted Average number of Equity Share Outstanding during the year	65,14,805	65,14,805
Basic & Diluted EPS	Rs.4.29/-	Rs. 4.23/-
Nominal value per share	10/-	10/-

NOTE 27: MAJOR COMPONENTS OF DEFERRED TAX

Deferred Tax Assets	(Amount in Rs.)		
I. Opening Balance			12,22,504
II Changes during the Year			
a. Timing Difference in Depreciation			
As per Accounts	20,68,478		
As per Income tax Act	18,93,637		
Under charged for tax purpose	5,26,521		
Deferred Tax @ 32.44%		1,70,821	
b. Adjustment for Previous year difference (F.Y. 2012-13)			1,10,459
III. Deferred Tax Income charged to Statement of Profit & Loss			1,70,821
IV. Net Deferred tax Assets as per Balance Sheet.			15,03,784

NOTE 28:

The amount payable to the Small Scale Undertaking is NIL.

NOTE 29: PREVIOUS YEAR FIGURES

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

Signatures to notes 1 to 29

As per our Report of even date

For CVK & Associates

Chartered Accountants

(Firm's Registration no.-101745W)

**For and on behalf of the Board of Directors of
Parag Parikh Financial Advisory Services Limited****K.P.Chaudhari,**

Partner

Membership .No. 31661

Ashish Shah

Director

DIN : 02887514

Neil Parikh

Director

DIN : 00080269

Place: Mumbai

Date: August 14th, 2014

Anindita Sengupta

Company Secretary

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U67190MH1992PLC06897
Name of the company: Parag Parikh Financial Advisory Services Limited
Registered office: 103, Veena Chambers, 21 Dalal Street, Mumbai 400 001.

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:			
	Email Id:		
Signature:	or failing him		
2. Name			
Address:			
	Email Id:		
Signature:	or failing him		
3. Name			
Address:			
	Email Id:		
Signature:	or failing him		

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual general meeting of the company, to be held on the 30th day of September at 4:00 p.m. at Great Western Building, 130/132, 1st Floor, Shahid Bhagat Singh Marg, Opp. Lion Gate, Fort, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
Ordinary Business	
1	Adoption of Financial Statements for the year ended 31st March, 2014
2	Appointment of M/s. CVK & Associates, Chartered Accountants as Auditors and fixing their remuneration.
3	Re-appointment of Director, Mr. Rajeev Thakkar, who retires by rotation
4	Re-appointment of Director, Mr. Sunil Gautam, who retires by rotation
Special Business	
5	Re-appointment of Mr. Neil Parikh, Whole Time Director for a period of three years and fixing his remuneration.
6	Enhancement of Authorised Share Capital
7	Alteration of Capital Clause contained in the Memorandum of Association
8	Alteration of Capital Clause contained in the Articles of Association

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 : U67190MH1992PLC06897
Name of the company : Parag Parikh Financial Advisory Services Limited
Registered office : 103, Veena Chambers, 21 Dalal Street, 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 22nd 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 30th day of September at 4:00 p.m.

Signature of the Member(s)/Proxy

Notes:

1. Members are requested to bring their copies of Annual Report at the AGM.
2. Please strike off whichever is not applicable.



There's only one right way®

Parag Parikh Financial Advisory Services Limited

Great Western Building, 130/132, S B S Marg, Opp Lion Gate,
Fort, Mumbai - 400 001

Tel: 91 22 6140 6555 Fax: 91 22 2284 6555

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