

Annual Report FY 2022-2023

PPFAS Asset Management Private Limited
(Investment Manager to PPFAS Mutual Fund)



Annual Report FY 2022 - 2023

Board of Directors

Neil Parag Parikh	Chairman and Whole Time Director
Rajeev Thakkar	Whole Time Director
Shashi Kataria	Whole Time Director
Ramesh Venkateswaran	Independent Director
Rajesh Bhojani	Independent Director
Subrata Kumar Atindra Mitra	Independent Director

Key Managerial Personnel

Neil Parag Parikh	Chief Executive Officer & Whole Time Director
Rajeev Thakkar	Chief Investment Officer & Whole Time Director
Shashi Kataria	Chief Financial Officer & Whole Time Director
Priya Hariani	Chief Compliance Officer & Company Secretary

Statutory Auditors

Ms/ Chokshi & Chokshi LLP Chartered Accountants
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Bankers

HDFC Bank Limited

Registered Office:

81/82, 8th Floor, Sakhar Bhavan, Ramnath Goenka Marg,
230 Nariman Point- 400 021

Corporate Office:

305, 3rd Floor, 349 Business Point Commercial Premises
Co-op. Society Ltd., Western Express Highway, Andheri (East),
Mumbai - 400 069.

PPFAS Asset Management Private Limited

CIN: U65100MH2011PTC220623

Regd. Office: - 81/82, 8th Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230 Nariman Point, Mumbai 400 021.

Tel: 91 22 6140 6555 **Fax:** 91 22 6140 6590

Email: compliance_amc@ppfas.com **Website:** www.amc.ppfas.com

NOTICE

NOTICE is hereby given that the Twelfth Annual General Meeting of the members of PPFAS Asset Management Private Limited will be held on **Monday, 31st July, 2023 at 12.00 noon** at 81/82, 8th Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230 Nariman Point, Mumbai 400 021 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial year ended 31st March 2023, together with the Report of the Board of Directors and Auditor's thereon.
2. To confirm the payment of the Interim Dividend of Rs. 1.26 per equity share already paid during the year as the Final Dividend for the Financial Year 2022-23.
3. To appoint director in place of Mr. Neil Parag Parikh (DIN: 00080269), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint director in place of Mr. Rajeev Navinkumar Thakkar (DIN-00227548), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. **To approve re-appointment of Mr. Neil Parag Parikh (DIN-00080269), Whole Time Director & Chief Executive Officer (CEO) of the Company.**

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

“RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Sections 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including rules, notifications, any statutory modification, amendment or re-enactment thereof for the time being in force and as may be enacted from time to time) read with section II, Part II of Schedule V of the said act and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded for the re-appointment of Mr. Neil Parag Parikh (DIN-00080269), Whole Time Director & CEO of the Company on following terms & conditions effective from 1st November 2023 till 31st October 2026:

A. Salary

FIXED

Salary: Rs. 17,06,800 per month with such increments up to a maximum fixed salary of Rs.10,000,000 per month as may be decided by the Board from time to time on recommendation of the Nomination and Remuneration Committee based on merit and taking into account the Company's performance for the year. The said amount will include allowances such as House Rent Allowance, Leave Travel Allowance, Managerial Allowance etc.

VARIABLE

Performance related bonus: As recommended by the Nomination and Remuneration Committee and/or the Board based on merit and taking into account the Company's performance for the year.

B. Perquisites

- i. Mediciclaim Insurance Policy as per the rules of the Company.
- ii. Use of Company's car along with Chauffer for official as well as partially for private purposes.
- iii. Reimbursement of travel, entertainment expenses incurred in the course of business of the Company.
- iv. Telephone and other communication facilities as per rules of the Company.
- v. Re-imbusement of all other actual expenses or charges incurred for and on behalf of Company, in furtherance of its business and objects.

Perquisites mentioned above shall not exceed twice the amount of fixed salary for the year mentioned in point A. Perquisites shall be valued as per Income Tax rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

C. Other Benefits

- i. Company's contribution to provident fund to the extent not taxable under the Income Tax Act.
- ii. Gratuity as per the rules of the Company.
- iii. Leave with full pay as per the rules of the Company, with encashment of unavailed leave being allowed.

D. Other terms and conditions:

The overall remuneration payable to Mr. Neil Parag Parikh shall be such amount as fixed by the Board from time to time on the recommendation of the Nomination & Remuneration Committee but not exceeding Rs. 60 crores for his tenure of appointment ie. 1st November 2023 to 31st October, 2026 and that the terms and conditions of the said Whole Time Director & CEO be varied/altered/revised within the said overall limit in such manner as may be required.

RESOLVED FURTHER THAT in the event of continuation of inadequacy of profit or no profit, the remuneration and perquisites as mentioned above shall be paid as minimum remuneration to Mr. Neil Parag Parikh subject to the limit specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force or any other applicable provisions for the time being in force.

RESOLVED FURTHER THAT any one of Board of Directors of the Company or the Company Secretary be and are hereby authorised to do all such acts, deeds, matters and things, as it may in its discretion deem necessary, expedient or proper to give effect to this resolution.”

6. To approve re-appointment of Rajeev Navinkumar Thakkar (DIN-00227548), Whole Time Director and Chief Investment Officer (CIO) of the Company.

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

“RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including rules, notifications, any statutory modification, amendment or re-enactment thereof for the time being in force and as may be enacted from time to time) read with section II, Part II of Schedule V of the said act and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded for the re-appointment of Rajeev Navinkumar Thakkar (DIN-00227548), Whole Time Director and CIO of the Company on following terms & conditions effective from 1st November 2023 till 31st October 2026:

A. Salary

FIXED

Salary: Rs. 30,52,100 per month with such increments up to a maximum fixed salary of Rs.10,000,000 per month as may be decided by the Board from time to time on recommendation of the Nomination and Remuneration Committee based on merit and taking into account the Company's performance for the year. The said amount will include allowances such as House Rent Allowance, Leave Travel Allowance, Managerial Allowance etc.

VARIABLE

Performance related bonus: As recommended by the Nomination and Remuneration Committee and/or the Board based on merit and taking into account the Company's performance for the year.

B. Perquisites

- i. Mediclaim Insurance Policy as per the rules of the Company.
- ii. Use of Company's car along with Chauffeur for official as well as partially for private purposes.
- iii. Reimbursement of travel, entertainment expenses incurred in the course of business of the Company.
- iv. Telephone and other communication facilities as per rules of the Company.
- v. Re-imburement of all other actual expenses or charges incurred for and on behalf of Company, in furtherance of its business and objects.
- vi. Perquisites in respect to the Employee Stock Option Schemes (ESOPs).

Perquisites mentioned above shall not exceed twice the amount of fixed salary for the year mentioned in point A. Perquisites shall be valued as per Income Tax rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

C. Other Benefits

- i. Company's contribution to provident fund to the extent not taxable under the Income Tax Act.
- ii. Gratuity as per the rules of the Company.
- iii. Leave with full pay as per the rules of the Company, with encashment of unavailed leave being allowed.

D. Other terms and conditions:

The overall remuneration payable to Mr. Rajeev Navinkumar Thakkar shall be such amount as fixed by the Board from time to time on the recommendation of the Nomination & Remuneration Committee but not exceeding Rs. 60 crores for his tenure of appointment ie. 1st November 2023 to 31st October, 2026 and that the terms and conditions of the said Whole Time Director and CIO be varied/altered/revised within the said overall limit in such manner as may be required.

RESOLVED FURTHER THAT in the event of continuation of inadequacy of profit or no profit, the remuneration and perquisites as mentioned above shall be paid as minimum remuneration to Mr. Rajeev Navinkumar Thakkar subject to the limit specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force or any other applicable provisions for the time being in force.

RESOLVED FURTHER THAT any one of Board of Directors of the Company or the Company Secretary be and are hereby authorised to do all such acts, deeds, matters and things, as it may in its discretion deem necessary, expedient or proper to give effect to this resolution.”

7. To approve re-appointment of Mr. Shashi Menghraj Kataria (DIN-07983714), Whole Time Director and Chief Financial Officer (CFO) of the Company.

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

RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including rules, notifications, any statutory modification, amendment or re-enactment thereof for the time being in force and as may be enacted from time to time) read with section II, Part II of Schedule V of the said act and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded for the re-appointment of Shashi Menghraj Kataria (DIN-07983714), Whole Time Director and CFO of the Company on following terms & conditions effective from 1st November 2023 till 31st October 2026:

A. Salary

FIXED

Salary: Rs. 4,18,100 per month with such increments up to a maximum fixed salary of Rs.30,00,000 per month as may be decided by the Board from time to time on recommendation of the Nomination and Remuneration Committee based on merit and taking into account the Company's performance for the year. The said amount will include allowances such as House Rent Allowance, Leave Travel Allowance, Managerial Allowance etc.

VARIABLE

Performance related bonus: As recommended by the Nomination and Remuneration Committee and/or the Board based on merit and taking into account the Company's performance for the year.

B. Perquisites

- i. Reimbursement of travel, entertainment expenses incurred in the course of business of the Company.
- ii. Telephone and other communication facilities as per rules of the Company.
- iii. Re-imburement of all other actual expenses or charges incurred for and on behalf of Company, in furtherance of its business and objects.
- iv. Perquisites in respect to the Employee Stock Option Schemes (ESOPs).

Perquisites mentioned above shall not exceed twice the amount of fixed salary for the year mentioned in point A. Perquisites shall be valued as per Income Tax rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

C. Other Benefits

- i. Company's contribution to provident fund to the extent not taxable under the Income Tax Act.
- ii. Gratuity as per the rules of the Company.
- iii. Leave with full pay as per the rules of the Company, with encashment of unavailed leave being allowed.

D. Other terms and conditions:

The overall managerial remuneration payable to Mr. Shashi Menghraj Kataria shall be such amount as fixed by the Board from time to time on the recommendation of the Nomination & Remuneration Committee but not exceeding Rs. 20 crores for his tenure of appointment ie. 1st November 2023 to 31st October, 2026 and that the terms and conditions of the said Whole Time Director and CFO be varied/alterd/revised within the said overall limit in such manner as may be required.

RESOLVED FURTHER THAT in the event of continuation of inadequacy of profit or no profit, the remuneration and perquisites as mentioned above shall be paid as minimum remuneration to Mr. Shashi Menghraj Kataria subject to the limit specified under Section II of Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force or any other applicable provisions for the time being in force.

RESOLVED FURTHER THAT any one of Board of Directors of the Company or the Company Secretary be and are hereby authorised to do all such acts, deeds, matters and things, as it may in its discretion deem necessary, expedient or proper to give effect to this resolution.”

For and on behalf of the Board of Directors of

PPFAS Asset Management Private Limited

Sd/-

Rajeev Thakkar
Director
(DIN: 00227548)

Sd/-

Shashi Kataria
Director
(DIN: 07983714)

Place: Mumbai.
Date: 27th June, 2023

Notes:

1. **Proxy:** A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A PROXY/ PROXIES SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company carrying Voting Rights. A member holding more than ten percent of the total share capital of the Company carrying Voting Rights may appoint a single person as proxy for his entire shareholding and such person cannot act as a proxy for any other person or shareholder. If a person is appointed as proxy for more than fifty Members, then such proxy should choose any fifty Members out of the total such members who have given him proxy and confirm the same to the company before commencement of the specified period for inspection.

2. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ('the Act') read with Section 110 of the Act and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, setting out the material facts relating to the aforesaid resolutions and the reasons thereof is annexed hereto and forms part of this Notice.
3. **Time for Depositing Proxy:** Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the time of commencement of the Meeting. A Proxy Form (viz. Form MGT-11) is attached to this Annual Report. Proxies submitted on behalf of the Companies, Societies, Body Corporates, Institutions etc., must be supported by an appropriate resolution/authority, as applicable.
4. **Corporate Members:** Corporate Members intending to send their authorized representatives to attend the Annual General Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signature(s) duly attested and authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. **Attendance Slip:** Members/ proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting. Members are also requested to bring their copies of the Annual Report, as the same shall not be distributed at the Meeting.
6. **Voting:** In the case of Joint Holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. **Inspection of Records:** The Register of Directors and their shareholding, maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts and Arrangements, in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 shall be available for inspection by the Members at the Annual General Meeting (AGM).

Further all the relevant documents referred to in the accompanying Notice and Explanatory Statement (including the Articles) are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 3.00 p.m. up to the date of the Annual General Meeting.

8. **Green initiative:** Pursuant to Rule 18(3) of the Companies (Management and Administration) Rules, 2014 of the Companies Act, 2013, those Members who are desirous to receive Annual Report, Notice and service of other documents through electronic mode are requested to register their e-mail address with the Company.

Members may also note that the Notice of the 12th Annual General Meeting and the Company's Annual Report 2022-23 will be available on the Company's website, www.amc.ppfas.com.

9. **Queries from members:** Members desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.
10. **Quorum:** Members attending the AGM physically shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. **Route Map:** The Route map of the company is enclosed with the report.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

Item No. 5

As per the provisions of Sections 196, 197, 198 and 203 and Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014, Considering the skills, expertise and competencies possessed by Mr. Neil Parag Parikh (DIN-00080269), it is felt that the Company would continue to be benefitted by his leadership and guidance if he is re-appointed as Whole Time Director & Chief Executive Officer (CEO) for a period of 3 years. Accordingly, the Nomination and Remuneration Committee at its meeting held on 23rd June, 2023, the Board of Directors at its meeting held on 27th June, 2023 have approved the re-appointment of Mr. Neil Parag Parikh (DIN-00080269) as Whole Time Director & Chief Executive Officer (CEO) w.e.f. 1st November 2023 till 31st October 2026 on the terms and conditions enumerated in the resolution.

In the opinion of the Board, Mr. Neil Parag Parikh fulfills the conditions specified in the Act for re-appointment as Whole Time Director & Chief Executive Officer (CEO) of the Company for a further period of 3 years w.e.f. 1st November, 2023 and is not disqualified from being appointed as a director in terms of Section 164 of the Act.

The company seeks the approval of the shareholders by way of special resolution as per the provisions of sections 196, 197 and schedule V of the Companies Act, 2013 read with the Companies Rules, 2014 (including any statutory modifications or re-enactment thereof) and other applicable provisions if any, for the re-appointment of Mr. Neil Parag Parikh as the Whole Time Director & Chief Executive Officer (CEO) from 1st November 2023 till 31st October, 2026 and the fixation of remuneration.

Except Mr. Neil Parag Parikh, none of the other Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise in the resolution except to the extent to their shareholding in the Company, if any.

Your Directors recommend the resolution set out at Item no. 5 to be passed as a special resolution by the members.

Item No. 6

As per the provisions of Sections 196, 197, 198 and 203 and Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014, Considering the skills, expertise and competencies possessed by Mr. Rajeev Navinkumar Thakkar (DIN-00227548), it is felt that the Company would continue to be benefitted by his leadership and guidance if he is re-appointed as Whole Time Director & Chief Investment Officer (CIO) for a period of 3 years. Accordingly, the Nomination and Remuneration Committee at its meeting held on 23rd June, 2023, the Board of Directors at its meeting held on 27th June, 2023 have approved the re-appointment Mr. Rajeev Navinkumar Thakkar (DIN-00227548) as Whole Time Director & Chief Investment Officer (CIO) w.e.f. 1st November 2023 till 31st October 2026 on the terms and conditions enumerated in the resolution.

In the opinion of the Board, Mr. Rajeev Navinkumar Thakkar fulfills the conditions specified in the Act for re-appointment as Whole Time Director & Chief Investment Officer (CIO) of the Company for a further period of 3 years w.e.f. 1st November, 2023 and is not disqualified from being appointed as a director in terms of Section 164 of the Act.

The company seeks the approval of the shareholders by way of special resolution as per the provisions of sections 196, 197 and schedule V of the Companies Act, 2013 read with the Companies Rules, 2014 (including any statutory modifications or re-enactment thereof) and other applicable provisions if any, for the re-appointment of Mr. Rajeev Navinkumar Thakkar as the Whole Time Director & Chief Investment Officer (CIO) from 1st November, 2023 till 31st October, 2026 and the fixation of remuneration.

Except Mr. Rajeev Navinkumar Thakkar, none of the other Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise in the resolution except to the extent to their shareholding in the Company, if any.

Your Directors recommend the resolution set out at Item no. 6 to be passed as a special resolution by the members.

Item No. 7

As per the provisions of Sections 196, 197, 198 and 203 and Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014, Considering the skills, expertise and competencies possessed by Mr. Shashi Menghraj Kataria (DIN-07983714), it is felt that the Company would continue to be benefitted by his leadership and guidance if he is re-appointed as Whole Time Director & Chief Financial Officer (CFO) for a period of 3 years. Accordingly, the Nomination and Remuneration Committee at its meeting held on 23rd June, 2023, the Board of Directors at its meeting held on 27th June, 2023 have approved the re-appointment of Mr. Shashi Menghraj Kataria (DIN-07983714) as Whole Time Director & Chief Financial Officer (CFO) w.e.f. 1st November 2023 till 31st October 2026 on the terms and conditions enumerated in the resolution.

In the opinion of the Board, Mr. Shashi Menghraj Kataria fulfills the conditions specified in the Act for re-appointment as Whole Time Director & Chief Financial Officer (CFO) of the Company for a further period of 3 years w.e.f. 1st November, 2023 and is not disqualified from being appointed as a director in terms of Section 164 of the Act.

The company seeks the approval of the shareholders by way of special resolution as per the provisions of sections 196, 197 and schedule V of the Companies act, 2013 read with the Companies Rules, 2014 (including any statutory modifications or re-enactment thereof) and other applicable provisions if any, for the re-appointment of Mr. Shashi Menghraj Kataria as the Whole Time Director & Chief Financial Officer (CFO) from 1st November, 2023 till 31st October, 2026 and the fixation of remuneration.

Except Mr. Shashi Menghraj Kataria, none of the other Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise in the resolution except to the extent to their shareholding in the Company, if any.

Your Directors recommend the resolution set out at Item no. 7 to be passed as a special resolution by the members.

For Item no 5 to 7, the following additional information as required under Schedule V of the Companies Act, 2013 is given below:

I. General Information:

1. Nature of Industry: Investment Management (Mutual Funds).

2. Date or expected date of commencement of commercial production: 08th August, 2011 (Date of Incorporation).

3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

4. Financial Performance based on given indicators:

Particulars	For the year ended March 31, 2023 (Rs. in Lakhs)	For the year ended March 31, 2022 (Rs. in Lakhs)
Operating Income	14,400.67	8,812.23
Other Income	119.00	110.59
Total Income	14,519.67	8,922.82
Profit before Depreciation, Tax and Exceptional & Extraordinary items	10,426.75	5,696.74
Exceptional Items: Prior period expenses/(Income)	(0.15)	0.11

Profit Before Depreciation, Extra Ordinary Items and Tax	10,426.90	5,696.63
Extraordinary items	Nil	Nil
Profit before Depreciation and Tax	10,426.90	5,696.63
Depreciation	186.83	175.721
Profit before tax	10,240.07	5,520.91
Current Tax	2,581.86	1,617.38
Deferred Tax Expenses	6.51	2.21
Profit/ (Loss) after tax	7,651.70	3,901.32
Share Capital	3,573.00	3,573.00
Reserves & Surplus	14,881.52	7,680.02

5. Foreign Investments and Collaborations:

The Company has not made any Foreign Investments and neither entered into any collaborations during the last year.

II. Information about the Appointees:

1. Background Details:

a) Mr. Neil Parag Parikh: Neil Parag Parikh is the Chairman, Chief Executive Officer and Whole Time Director of the Company. He has been a part of the Capital Market for over a decade with experience across wealth management, research, Institutional desk, marketing, operations, broking, key client management to name a few. He has been a part of Parag Parikh Financial Advisory Services Limited since July 2004 in various capacities. At PPFAS Mutual Fund, apart from handling key client relationships, he is also entrusted with the fulfillment of strategic responsibilities. He holds a Master's in Business Administration from IESE Business School, Spain and a BA in Economics from University of North Carolina at Chapel Hill.

b) Mr. Rajeev Navinkumar Thakkar: He is designated as the Chief Investment Officer (CIO) and Whole Time Director of the Company. He possesses relevant experience of over two decades in various segments of the Capital Markets such as investment banking, corporate finance, securities broking and managing clients' investments in equities. His tenure at PPFAS Limited (The Sponsor of PPFAS Mutual Fund), began in 2001. He was heading the Research division at PPFAS and was soon appointed as the Fund Manager for the flagship scheme of the Portfolio Management Service, titled "Cognito" in 2003. He holds a B.Com degree along with being a Chartered Accountant, Grad ICWA and CFA Charterholder.

c) Mr. Shashi Menghraj Kataria: He is designated as the Chief Financial Officer (CFO) and Whole Time Director of the Company and is responsible for taking care of day for day accounting & ensuring statutory compliance of various government dues. He was previously associated with DSP Blackrock Investment Managers Private Limited as a Manager-Finance. He had also worked on assignment basis in various companies like Cargotec India Private Limited, Redbull India Private Limited, UTV Software Limited, UCB Pharmaceuticals Limited, Cravatex Limited while he was associated with Ganesh Jagadeesh & Co., Chartered Accountants. He is commerce graduate from Mumbai University & a fellow member of Institute of Chartered Accountants of India (ICAI).

2. Past remuneration:

During the financial year ended March 31, 2023, the remuneration paid to Mr. Neil Parag Parikh was Rs. 3,17,68,885/-, Mr. Rajeev Navinkumar Thakkar was Rs. 5,57,03,441/- and Mr. Shashi Menghraj Kataria was Rs. 76,83,862/-.

3. Recognition and Awards: Mr. Rajeev Navinkumar Thakkar has been ranked as the Best Fund Manager-Flexi Cap Fund category in the year 2022 by The Economic Times Wealth.

4. Job profile Suitability: a) Mr. Neil Parag Parikh possesses rich and varied experience of over a decade in various segments of the Capital Markets such as wealth management, research, operations, broking, key client management etc. He is also currently designated as the Chief Executive Officer (CEO) and Whole Time Director of the Company. He holds a Masters in Business Administration from IESE Business School, Spain and a BA in Economics from University of North Carolina at Chapel Hill.

b) Mr. Rajeev Navinkumar Thakkar possesses extensive experience of over two decades in various segments of the Capital Markets such as investment banking, corporate finance, securities broking and fund management. He was heading the research in Parag Parikh Financial Advisory Services Ltd (Holding Company) and was also appointed as Fund Manager for the flagship scheme of the Portfolio Management Service, titled "Cognito" in 2003. He is designated as the Chief Investment Officer (CIO) and Whole Time Director of the Company currently. He is B.com graduate from the University of Mumbai, a Chartered Accountant, Grad ICWA and CFA Charterholder.

c) Mr. Shashi Menghraj Kataria: He is designated as the Chief Financial Officer (CFO) and Whole Time Director of the Company and is responsible for taking care of day-to-day accounting & ensuring statutory compliance of various government dues. He was previously associated with DSP Blackrock Investment Managers Private Limited as a Manager Finance. He is a commerce graduate from Mumbai University & a fellow member of Institute of Chartered Accountants of India (ICAI).

5. Remuneration proposed: As given in the Resolutions.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Neil Parag Parikh, Mr. Rajeev Navinkumar Thakkar and Mr. Shashi Menghraj Kataria, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel: Mr. Neil Parag Parikh is designated as the Chairman & Chief Executive Officer of the Company w.e.f May, 2015, Mr. Rajeev Navinkumar Thakkar is designated as the Chief Investment Officer (CIO) w.e.f January, 2012 and Mr. Shashi Menghraj Kataria is acting as the Chief Financial Officer (CFO) of the Company from March, 2015.

III. Other Information:

We are seeking approval of appointment and remuneration through special resolution as we expect good growth in the future and thus seeking remuneration approval on a higher side than the current pay scale.

IV. Disclosures:

1. The remuneration package of the managerial persons is given in the respective resolutions.
2. The above explanatory statement (together with Annexure thereto) shall be construed to be a memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013.

Information Pertaining to Director seeking appointment as mentioned under the applicable Secretarial Standards is as follows:

Name of Director	Mr. Neil Parag Parikh (DIN-00080269)	Mr. Rajeev Navinkumar Thakkar (DIN-00227548)	Mr. Shashi Menghraj Kataria (DIN-07983714)
Age	41	50	45
Qualification	MBA from IESE Business School, Spain, BA Economics from University of North	B.com, Chartered Accountant, Grad ICWA and CFA Charterholder	B.com, Chartered Accountant

	Carolina at Chapel Hill		
Experience	As given in the Section II. Information about the Appointees hereinabove.	As given in the Section II. Information about the Appointees hereinabove.	As given in the Section II. Information about the Appointees hereinabove.
Terms and Conditions of Appointment / Reappointment	As per resolution no. 5 of the Notice of this meeting read with explanatory statement thereto, Re-appointment for a further period of 3 years is proposed with effect from 1st November, 2023.	As per resolution no. 6 of the Notice of this meeting read with explanatory statement thereto, Re-appointment for a further period of 3 years is proposed with effect from 1st November, 2023.	As per resolution no. 7 of the Notice of this meeting read with explanatory statement thereto, Re-appointment for a further period of 3 years is proposed with effect from 1st November, 2023.
Remuneration last drawn	Rs. 3,17,68,885/-	Rs. 5,57,03,441/-	Rs. 76,83,862/-
Remuneration proposed to be paid	As given in the resolution.	As given in the resolution.	As given in the resolution.
Date of first Appointment on the Board	05/05/2015	08/08/2011	15/11/2017
No. of Shares Held in the Company	1 share(as a nominee of Parag Parikh Financial Advisory Services Limited)	1 share(as a nominee of Parag Parikh Financial Advisory Services Limited)	Nil
Relationship with other Directors / Key Managerial Personnel	None	None	None
No. of Meetings of Board attended during the year 2022-23	4	3	4
Directorship of Other Companies	1. Parag Parikh Financial Advisory Services Limited (Holding Company) 2. Empeegee Portfolio Management Services Pvt. Ltd.	1. Parag Parikh Financial Advisory Services Limited (Holding Company)	1. Parag Parikh Financial Advisory Services Limited (Holding Company)
Chairmanship / Membership of	Nil	Nil	Nil

Committees of other Companies			
--	--	--	--

For and on behalf of the Board of Directors of

PPFAS Asset Management Private Limited

Sd/-

Rajeev Thakkar
Director
(DIN: 00227548)

Sd/-

Shashi Kataria
Director
(DIN: 07983714)

Place: Mumbai.

Date: 27th June, 2023

PPFAS Asset Management Private Limited

CIN: U65100MH2011PTC220623

Regd. Office: - 81/82, 8th Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230, Nariman Point, Mumbai 400 021.

Tel: 91 22 6140 6555 Fax: 91 22 6140 6590

Email: compliance_amc@ppfas.com Website: www.amc.ppfas.com

DIRECTORS' REPORT

Dear Member(s),

We are pleased to present our Twelfth Annual Report on the business operations of the Company and the Audited Financial Statements for the year ended 31st March, 2023.

FINANCIAL RESULTS AND OVERVIEW OF OPERATIONS

The Financial Results of the Company for the year ended 31st March 2023 is as under:

Particulars	For the year ended March 31, 2023 (Rs. in Lakhs)	For the year ended March 31, 2022 (Rs. in Lakhs)
Operating Income	14,400.67	8,812.23
Other Income	119.00	110.59
Total Income	14,519.67	8,922.82
Profit before Depreciation, Tax and Exceptional & Extraordinary items	10,426.75	5,696.74
Exceptional Items: Prior period expenses/(Income)	(0.15)	0.11
Profit Before Depreciation, Extra Ordinary Items and Tax	10,426.90	5,696.63
Extraordinary items	Nil	Nil
Profit before Depreciation and Tax	10,426.90	5,696.63
Depreciation	186.83	175.72
Profit before tax	10,240.07	5,520.91
Current Tax	2,581.86	1,617.38
Deferred Tax Expenses	6.51	2.21
Profit/ (Loss) after tax	7,651.70	3,901.32
Share Capital	3,573.00	3,573.00
Reserves & Surplus	14,881.52	7,680.02

Annual Return:

Annual Return in Form MGT-7 as referred to in Section 92(3) has been placed on the website of the company i.e., www.amc.ppfas.com.

Dividend

The Interim Dividend declared of Rs. 1.26 per equity share already paid during the year is proposed to be confirmed as the Final Dividend for the Financial Year 2022-23.

Reserves

There was no amount transferred to the General Reserves of your Company for the financial year 2022-23.

Deposits

The Company has neither accepted nor invited any deposits during the financial year pursuant to the provisions of Chapter V of the Companies Act, 2013.

There were no unclaimed or unpaid deposits as on March 31, 2023.

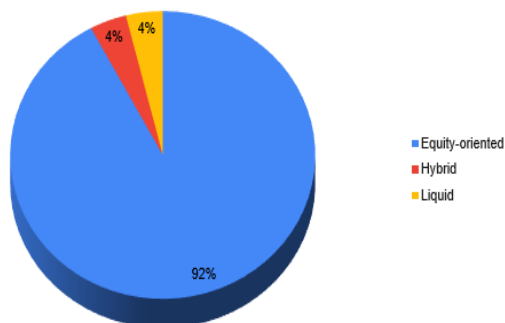
State of the Company's Affairs & Industry Outlook

Mutual Fund Activity:

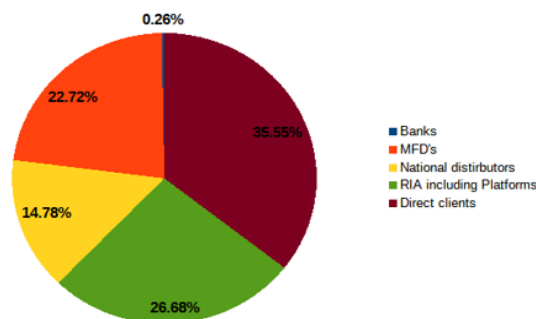
The Company is functioning as an investment manager to PPFAS Mutual Fund. The Company generates its operating income from management fees which it charges on Asset Under Management of the schemes of PPFAS Mutual Fund. Assets Under Management (AUM) of the schemes of PPFAS Mutual Fund has increased from Rs. 24,465.34 crores as on March 31, 2022 to Rs. 35,477.67 crores as on March 31, 2023. Investment in the schemes through Systematic Investment Plan (SIP) registration is also growing at a gradual pace and it's a good sign as it provides a stable and predictable inflow of funds. This increase in AUM is due to incremental inflows into the schemes and capital appreciation of the existing portfolio.

The breakup of the AUM for the Schemes of PPFAS MF as on March 31, 2023 is as follows:

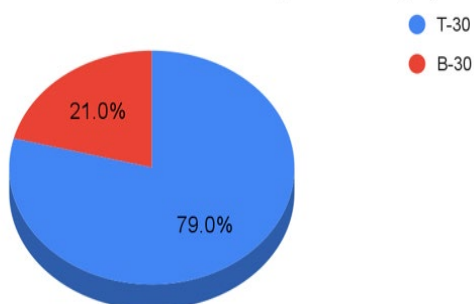
Segment-wise break up of AUM(%)



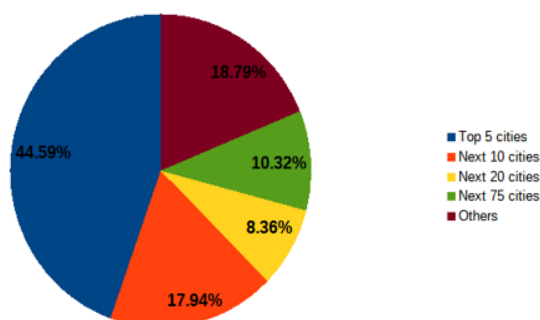
Channel-wise break up of AUM (%)



T-30 and B-30 cities breakup of AUM(%)



Geography-wise break up of AUM(%)



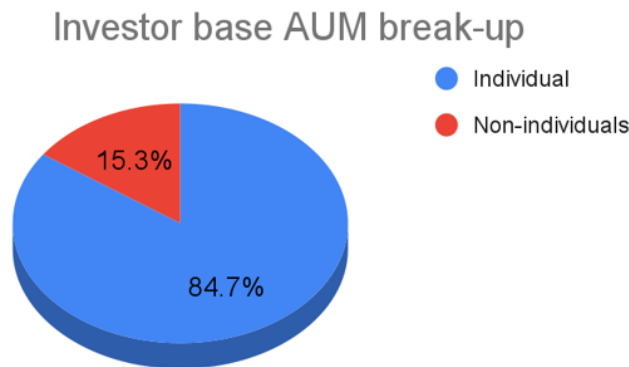
PPFAS Mutual Fund offers the following four schemes as on March 31, 2023:-

- i) Parag Parikh Flexi Cap Fund
- ii) Parag Parikh Tax Saver Fund
- iii) Parag Parikh Liquid Fund
- iv) Parag Parikh Conservative Hybrid Fund

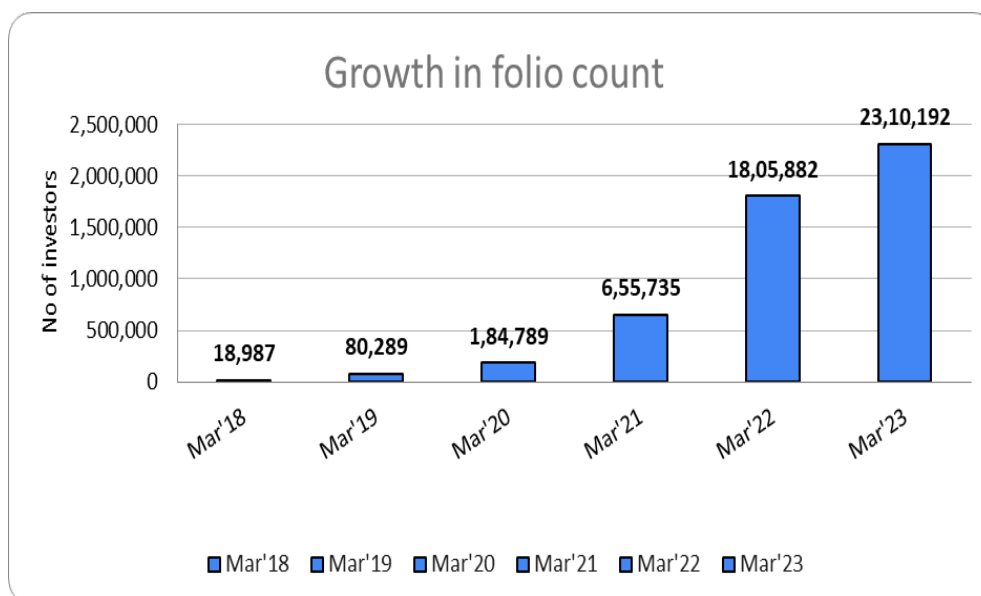
The details of the performance of the Schemes of PPFAS Mutual Fund can be obtained from the website amc.ppfas.com.

The number of folios in the schemes of PPFAS Mutual Fund have increased from 18,05,822 in FY 2021-22 to 23,10,192 in FY 2022-23. A well-defined product portfolio with a differentiated strategy, stability in the organization culture and approach and reasonable investment performance have resulted in rapid growth in client numbers and assets.

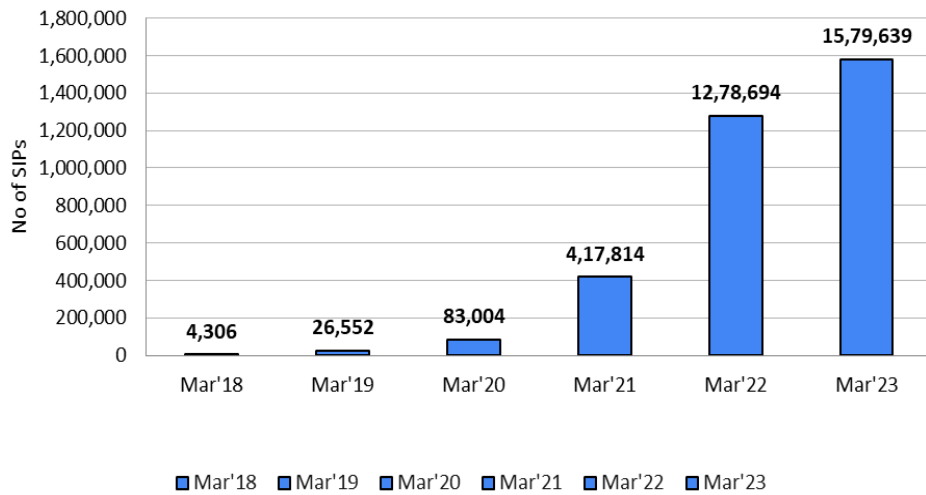
The details of investor base breakup of PPFAS MF are as follows:



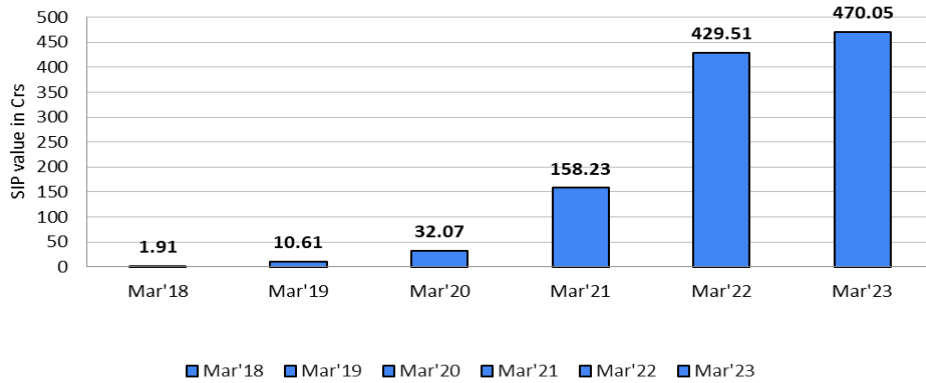
The Year on Year (YOY) progress of PPFAS MF is as follows:



Growth in the number of SIP's registered

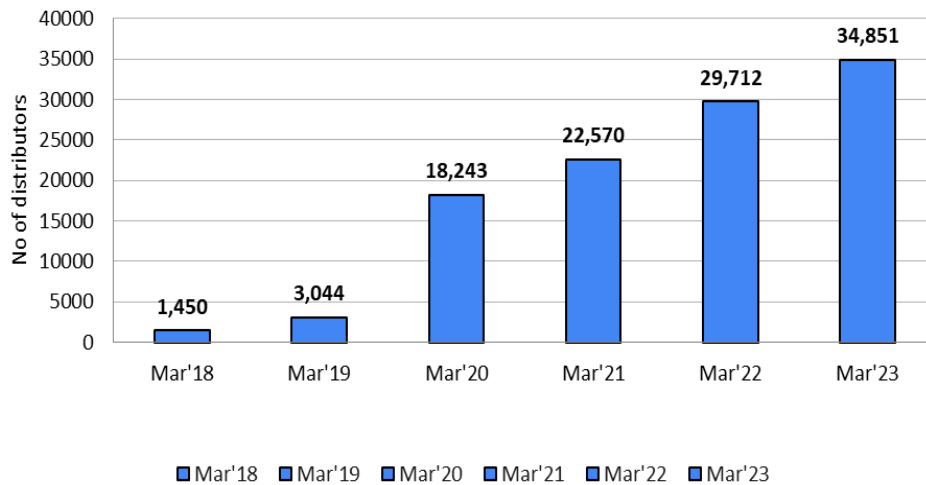


SIP book size (in Crs.)



The details of the Distributors empanelled by PPFAS MF is as follows:

No of distributors empanelled



The operations of the Company are in compliance with the applicable statutes. The Company has implemented the required risk control procedures. The Board members are of the view that functioning of the Company is satisfactory and the Company is in good financial health.

Environment in the capital markets

The world has largely normalised in the post covid period. Supply shocks, supply chain bottlenecks, elevated commodity and energy prices seem to be behind us. The extraordinary monetary stimulus in terms of pumping in liquidity and lowering of interest rates has also started reversing. The reversal in the monetary stance is more visible in the rise in short-term interest rates. Liquidity, however, is still ample in the system.

Headlines focussed on the near term are obsessing over recession / slow growth. We continue to make efforts to identify companies that will do well over the long term and ignore the short-term noise around inflation, economic growth, interest rates, currency rates and so on.

Equity markets are back to near all-time highs in India. We are mindful of the valuation parameters while investing in equity and are comfortable with the equity investments that we have made. We are never in a hurry to deploy funds and wait for the right opportunities and in the meantime, we deploy surplus funds in the money market. As always PPFAS is focusing on individual companies on a bottom-up stock selection process.

Parag Parikh Liquid Fund continues to be very focused on the safety for unit-holders and we have a large allocation to Tri Party Repo and Sovereign Paper which is credit risk free and highly liquid. Even where we have Commercial Paper and Certificate of Deposit investments, we are keeping individual exposures minimal and at the same time doing our own credit analysis and not just relying on the Credit Ratings.

Parag Parikh Conservative Hybrid Fund aims to serve the needs of medium-term debt investors by investing in cash flow generating securities of debt, REITs and equities as per the asset allocation of conservative hybrid schemes prescribed by SEBI. The performance of the scheme so far has been satisfactory. Recent tax law changes have reduced the attractiveness of this scheme somewhat.

Both the approaches in the Equity and Debt markets have helped PPFAS stand out in the marketplace and clients, advisors and distribution partners have appreciated this.

Network expansion

The Company has physical presence via the offices in Mumbai (two locations) and Branches in Ahmedabad, Bengaluru, Chennai, Gurugram, Hyderabad, Kolkata, New Delhi, Pune and Vadodara as on the date of this report. It has also completed recruitment for its Chandigarh, Ernakulam, Nashik, Jaipur and Surat Branches. The set-up of these five Branches may get completed in the coming years.

Expense Ratio Reduction

The Company periodically reduces the expense ratio charged to the Schemes in line with the growth in the Assets Under Management.

Technology infrastructure

A lot of investments have been made in people, hardware and software in the IT department of the Company. This will help us to improve the security and efficiency of our IT resources and at the same time improve customer service and delight.

The Company also runs campaigns to create awareness around phishing scams in order to protect clients.

Investor Relations

The Company has an in-house investor relations department that addresses investor queries. Apart from maintaining a dedicated in-house team, the Company has outsourced the handling of investor queries/services to CAMS' Call Centre which addresses all investor queries and is also supported by CAMS' Investor Service Centers.

PPFAS Mutual Fund has appointed CAMS as its Registrar and Transfer Agent since its inception in 2013.

Finances

The Company has invested its funds in schemes of Mutual Funds and other permissible securities. A certain amount of the surplus funds is also invested in its own and other fund house Schemes. The Company does not charge management fees on the amount invested by it in the schemes of PPFAS Mutual Fund as per the provisions of the SEBI (Mutual Funds) Regulations, 1996. Details of the investments made by the company are provided in the 'Non-current Investments Schedule' which forms part of the financials.

Expenses incurred during the year were primarily in the nature of operational, administrative and capital expenses. Expenses incurred toward the acquisition of assets have been capitalized.

Human Resources

The Company is recruiting employees at a gradual pace. As the mutual fund operations grow, the Company will employ more employees to support them and service unit holders of PPFAS Mutual Fund. In order to ensure that employees possess up-to-date knowledge of the industry and profession, the Company encourages its employees to undergo continued professional development (CPD) programs. The Board is of the opinion that it is a sensible approach to manage and nurture its human resource pool.

Future Outlook

During the financial year 2022-23, we witnessed decent growth in Assets Under Management (AUM) of the schemes of PPFAS Mutual Fund which have increased from Rs. 24,465.34 crores as on March 31, 2022 to Rs. 35,477.67 crores as on March 31, 2023. Parag Parikh Flexi Cap Fund has recently completed 10 years of operations in the month of May 2023. We continue with the same investment focus, to buy meaningful stakes in well-run businesses, for the long term.

Going forward, our focus will be to manage the four schemes of PPFAS Mutual Fund. We may launch a scheme considering the change in the tax laws and the needs of fixed income investors. We are investing in enhancing our research and execution capabilities and to make our operations more robust.

On the client acquisition and servicing side, we are operating from 10 locations in 9 cities. We plan to open 5 more branches and as and when the client base increases, we are open to expanding to more locations for servicing the client and distributor base.

Change in the nature of Business, if any

The Company is incorporated to act as an investment manager to PPFAS Mutual Fund. There has been no change in the nature of business in the financial year 2022-2023.

Details of Directors or Key Managerial Personnel who were appointed or have resigned during the year

The Board consists of Mr. Neil Parag Parikh, Mr. Rajeev Thakkar, Mr. Shashi Kataria, Mr. Subrata Kumar Mitra, Mr. Rajesh Bhojani and Mr. Ramesh Venkateswaran as on 31st March, 2023.

There is no change in the Key Managerial Personnel of the Company.

Statement on declaration given by Independent Directors

The Board has received statements from all the Independent Directors declaring that they are satisfying all the conditions mentioned under sub-section (6) of Section 149 of the Companies Act, 2013. In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Companies Act, 2013, the Rules made thereunder and are independent of the management.

Company's Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, Independence of a Director as per applicable provisions

PPFAS Asset Management Private Limited has formulated a policy for the appointment and remuneration of directors of the Company as per applicable provisions. The salient features of the policy are stated below: -

i. Policy on Appointment of Directors:

The Company is functioning as an Investment Manager to the schemes of PPFAS Mutual Fund. A candidate is considered for appointment as Director who fulfills SEBI regulations for appointment as Director of an Asset Management Company as well as the Companies Act, 2013 and the rules made thereunder. In Broader terms, the Company follows below mentioned guiding rules for appointment of Director (including Independent Directors).

ii. Educational and Professional background:

- (a) Persons possessing knowledge in the field of finance, accountancy, law, capital markets, financial services with significant achievements in their profession or business;
- (b) Candidate must comply with applicable SEBI regulations for appointment as a Director of the Company;
- (c) The Independent Directors must possess the qualifications as stated in Section 149 and Schedule IV of the Companies Act, 2013.

iii. Positive attributes of Director:

- (a) The Director is required to devote sufficient time and attention to the Company's business.
- (b) The Director is required to work towards enhancing the brand and image of the Company in the industry.
- (c) The Director is required to foster good working relations with the senior management of the Company.
- (d) The Director is required to fulfill his fiduciary responsibilities towards the Company, employees, shareholders and unit-holders of PPFAS Mutual Fund with integrity and authority.
- (e) The Director is required to protect the legitimate interests of the Company, employees, shareholders and unit-holders of PPFAS Mutual Fund.

iv. Policy Relating to Remuneration of Directors:

- (a) Executive Directors are paid remuneration based on their core functional responsibilities.
- (b) Non-Executive Directors are paid sitting fees.
- (c) The Board of Directors consider the trends prevalent in the mutual fund industry, keeping in view the nature and size of business of the Company, performance of Directors based on their core functional responsibilities before finalising the annual remuneration.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an Annual Evaluation of its own performance, that of its Committee and the Directors individually. Directors were evaluated on various aspects, including inter alia active participation, specialization on subject and expressing views, dissemination of information and explanation or response on various queries in the meeting. The performance evaluation of Non-Independent Directors, Chairman cum Managing Director and the Board as a whole was carried out by Independent Directors. The performance evaluation of Independent Directors was carried out by the entire Board, excluding Directors being evaluated.

The Names of Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the year.

During the year under review, the Company does not have any subsidiary or associate company and hence comments and information as required under Section 129 of the Companies Act, 2013 is not applicable and not required.

Details of Significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's Operations in Future.

None.

Internal Control System, its Adequacy and Compliance.

The Company is functioning as an investment manager to PPFAS Mutual Fund. Custody, Fund Accounting and RTA are critical functions for a Mutual Fund. Deutsche Bank AG is appointed as the Custodian and Fund Accountant for schemes of PPFAS Mutual Fund for the financial year under review. CAMS is the RTA for schemes of PPFAS Mutual Fund since inception.

The Company has implemented internal financial controls commensurate with the size and operations which are outlined below:

The Company has adopted applicable accounting policies of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. These are in accordance with Generally Accepted Accounting Principles in India. Changes in policies are effected in consultation with the Auditors.

In addition to these checks, all critical activities of PPFAS Mutual Fund operations are subject to Internal Audit Process by Independent Auditors.

The Accounts, Taxation, Risk and Compliance departments ensure that agreed processes and checklists are kept up-to date to ensure all activities are carried out as per the set process. The company has laid down Internal Financial Controls that includes, risk-based framework to ensure the orderly conduct of business activities, safeguarding of assets and correctness of records and financial information.

The Company makes use of a computer software system to maintain its accounting records. The system is configured to ensure that all transactions are integrated seamlessly with the underlying books of account.

The Management periodically reviews the financial performance of the Company.

Material Changes and Commitments, if any, affecting the Financial Position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of the report.

None.

Board Meetings.

During the financial year 2022-2023, 4 (Four) Board meetings were held in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the minute's book maintained for the purpose. In addition to this, 1(One) meeting of the Independent Directors was also conducted March 27, 2023 in terms of applicable provisions of the Companies Act, 2013.

The details of Board meetings held are as follows:

Date of Board Meeting	Board Strength	No. of Directors Present
29 th April, 2022	6	6
29 th June, 2022	6	5
21 st October, 2022	6	6
14 th February, 2023	6	5
27 th March, 2023 (Independent Directors Meeting)	3	3

Committees of the Board

To enable better and more focused attention on the affairs of the Company, the Board has constituted Committees of the Board, namely, Audit Committee, Nomination and Remuneration Committee, and Corporate Social

Responsibility Committee. The Board has also constituted some committees at the Board and management level of the Company which includes the Risk Management Committee, Investment Committee, Valuation Committee, PMLA Committee etc. required as per the SEBI Rules and Regulations.

i) Audit Committee

In line with section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of board and its powers) Rules, 2014, Audit Committee of the Board of Directors of the Company, was constituted by the Board of Directors of your Company.

As on March 31, 2023, the Audit Committee consists of the following Directors as members:

1. Mr. Shashi Menghraj Kataria- Member
2. Mr. Ramesh Venkateswaran- Member
3. Mr. Rajesh Chunilal Bhojani- Member
4. Mr. Subrata Kumar Mitra- Member

During the Financial Year, the following Audit Committee Meetings were held:

Date of Committee Meeting	Name of the Committee	No. of Directors eligible to attend meeting	No. of Directors Present
27 th June, 2022	Audit Committee	3	3
19 th October, 2022	Audit Committee	4	4
10 th February, 2023	Audit Committee	4	4
27 th March, 2023	Audit Committee	4	4

ii) Nomination & Remuneration Committee

A Nomination and Remuneration Committee of the Board of Directors has been constituted to comply with the section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of board and its powers) Rules, 2014.

As on March 31, 2023, the Nomination and Remuneration Committee consisted of the following directors:

1. Mr. Rajesh Chunilal Bhojani - Member
2. Mr. Ramesh Venkateswaran - Member
3. Mr. Subrata Kumar Mitra -Member
4. Mr. Neil Parag Parikh- Member

During the Financial Year, the following Nomination and Remuneration Committee meetings were held:

Date of Committee Meeting	Name of the Committee	No. of Directors eligible to attend meeting	No. of Directors Present
----------------------------------	------------------------------	--	---------------------------------

28 th April, 2022	Nomination and Remuneration Committee	4	4
6 th March, 2023	Nomination and Remuneration Committee	4	4

The Company has also uploaded the Nomination and Remuneration policy as approved by the Board of Directors on amc.ppfas.com.

iii) Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility Committee (CSR) of the Board of Directors in accordance with the provisions of Section 135 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility) Rules, 2014. The Company is vigilant to its responsibility towards society as a corporate citizen. During the financial year 2022-23, Company has spent Rs. 48,67,875/- towards its CSR activities. The details of CSR expenditure for the financial year 2022-23 is annexed herewith vide **Annexure II** and forms an integral part of this Board Report.

Company has constituted a committee as per the provisions of the Companies Act, 2013 and has framed its CSR policy and has also displayed a list of projects approved by the Board for the F.Y. 2022-23 on the website of the company i.e. www.amc.ppfas.com.

CSR Committee consists of following Directors as on March 31, 2023:

Neil Parag Parikh - Chairman & Member

Rajeev Thakkar - Member

Rajesh Bhojani - Member

During the Financial Year, the following CSR Committee meetings were held:

Date of Committee Meeting	Name of the Committee	No. of Directors eligible to attend meeting	No. of Directors Present
29 th April, 2022	CSR Committee	3	3
23 rd June, 2022	CSR Committee	3	3

Directors' Responsibility Statement

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed;

- that in the preparation of the annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards have been followed;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent 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;
- 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, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the Directors have prepared the annual accounts for the financial year ended 31st March, 2023 on a 'going concern' basis.

e. that the directors have devised proper systems to ensure compliance with the provisions of applicable laws and that such systems were adequate and operating effectively.

Related Party Transactions

All related party transactions entered during the year were on arm's length basis. Related party transactions were subject to approval of the Board of Directors and members of the Company (wherever applicable). Details of related party transactions are provided separately in format prescribed by the Companies Act, 2013 in AOC-2, **Annexure I**.

Particulars of employees

The statement of particulars of employees pursuant to Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been furnished as under: -

Name of the employee	Mr. Rajeev Thakkar	Mr. Neil Parikh	Mr. Raunak Onkar	Mr. Raj Mehta
Designation of the employee	Whole Time Director & Chief Investment Officer	Whole Time Director & Chief Executive Officer	Dedicated Fund Manager for Overseas Investments and Head - Research	Fund Manager - Debt
Remuneration received	₹ 5,57,03,441	₹ 3,17,68,885	₹ 1,77,55,842	₹1,18,26,283
Nature of employment, whether contractual or otherwise	He is a permanent employee of the Company.	He is a permanent employee of the Company.	He is a permanent employee of the Company	He is a permanent employee of the Company
Qualifications and experience of the employee	<p>B. Com. (Bombay University), Chartered Accountant, CFA Charter Holder, Grad ICWA.</p> <p>Experience- Till March 2012 he was acting as a Chief Executive Officer of PPFAS (Sponsor Company). He has joined the Company in the 2001. He started his career in the year 1994 and he has experience of working in areas like; merchant banking, managing fixed income portfolio, broking operations, PMS operations for over two decades.</p> <p>He was functioning as a Fund Manager for PMS service of PPFAS managing a portfolio of around Rs. 300 crores.</p>	<p>MBA from IESE Business School, Spain. B.A in Economics from University of North Carolina at Chapel Hill.</p> <p>Experience- For the period July 2004 to June 2008 he was associated with Parag Parikh Financial Advisory Services Limited as Institutional Dealer. From June 2010 to May 2015, he was a Whole Time Director of Parag Parikh Financial Advisory Services Limited overlooking functions of marketing and</p>	<p>BSC. IT (Bombay University)MMS-Finance (Bombay University</p> <p>Experience- He has more than 10 years of experience in the capital markets. He started his career with Parag Parikh Financial Advisory Services Limited, following his internship, in the year 2009.</p> <p>He joined PPFAS as a research analyst. He was appointed as Head-research in the year 2011.</p>	<p>Graduate (University of Mumbai), Chartered Accountant, CFA Charter Holder and Certificate holder of FIMMDA-NSE Debt Market module issued by NCFM.</p> <p>Experience- He has collectively over 10 years of experience in investment research.</p> <p>He started his career with PPFAS Asset Management Pvt Ltd as an intern in 2012. Following which, he joined the company as a Research Analyst in 2013.</p>

	He is acting as a Chief Investment Officer and Equity Fund Manager to the Company.	Wealth Management department. He is acting as a Chief Executive Officer and Whole Time Director of the Company. He is also acting as a director with Parag Parikh Financial Advisory Services Limited.		
Date of commencement of employment	14/01/2012	05/05/2015	01/03/2009	02/07/2013
Age of such employee	50	41	37	33
The last employment held by such employee before joining the Company	Parag Parikh Financial Advisory Services Limited.	Parag Parikh Financial Advisory Services Limited	Parag Parikh Financial Advisory Services Limited.	Nil
Percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2)	He holds one equity share as a nominee of Parag Parikh Financial Advisory Services Limited (Sponsor)	He holds one equity share as a nominee of Parag Parikh Financial Advisory Services Limited (Sponsor)	-	-
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	No.	No.	No.	No.

Matters required to be reported upon as per the section 134 (3) (m) of the Companies Act, 2013

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

a) Conservation of Energy

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

b) Technology absorption, adoption and innovation

The company adopts technology, and its usage is in accordance with its line of operations.

c) Foreign exchange earnings and outgo

Foreign exchange outgo during the year was Rs. 10.27 lakhs (\$12,638)

Foreign exchange earnings during the year were NIL.

Particulars of Loans, Advances & Guarantees given or Investment made or Securities Provided:

Particulars of investments made by Company during the Financial year 2022-23 are stated in the Notes to Accounts of the Audited Statements of the Company which forms part and parcel of this Annual Report. The Company has neither given any guarantee nor provided any Security or granted any loans or advances during the reporting period.

Changes in Share Capital of the Company during the year

During the year, there is no change in the share capital of the Company.

Policy on Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has put in place system to prevent sexual harassment of women at workplace as per provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further company has constituted internal complaints committee for receiving and handling cases relating to sexual harassment of women at workplace. No complaint has been received during the financial year 2022-23.

Risk Management

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatments plans in its strategy, business and operational plans. The AMC and Trustee Company further monitors the Risk Management Framework as defined in SEBI (Mutual Funds) Rules & Regulations.

Statutory Auditors

M/s Chokshi & Chokshi LLP (Firm registration no. 101872W/W 100045) were appointed, in the Annual General Meeting held on 29th July, 2022, for a term of five consecutive years from the conclusion of 11th Annual General Meeting till the Conclusion of 16th Annual General Meeting.

The Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company.

Explanations or Comments by the Board on Every Qualification, Reservation or Adverse Remark or Disclaimer made by the Auditor in their Report:

The observations made by the Statutory Auditors in their Audit Report read with the relevant notes thereof as stated in the Notes to the Audited Financial Statements of Company for the financial year ended 31st March, 2023 are self-explanatory and being devoid of any reservation(s), qualification(s) or adverse remark(s) etc does not call for any further explanation(s)/ information(s) or comment(s) from the Board under Section 134(3)(f)(i) of the Companies Act, 2013. Also, for the Financial year 2022-23, Auditor has not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca)of the Act.

Transfer to IEPF

Your Company did not have any funds lying unpaid for a period of seven years. Therefore, there were no funds which required to be transferred to Investor Education and Protection Fund (IEPF).

Compliance of Secretarial Standards:

The Company has complied with the Secretarial Standards applicable to the Company.

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013

The Company does not fall within the ambit of the above section.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

The Company does not have any application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

Not applicable.

Acknowledgement

The Directors wish to acknowledge the guidance of the Securities and Exchange Board of India (SEBI) and Association of Mutual Funds in India (AMFI).

The Directors wish to place on record their sincere appreciation to all employees of PPFAS Asset Management Private Limited (which acts as the Investment Manager to PPFAS Mutual Fund) for their dedication and focused attitude.

The Directors also acknowledges the support and wishes to place on record its sincere thanks to the unitholders of the Schemes of PPFAS Mutual Fund and we look forward for their continued support.

For and on behalf of the Board of Directors of

PPFAS Asset Management Private Limited

Sd/-

Sd/-

Rajeev Thakkar
Director
(DIN: 00227548)

Shashi Kataria
Director
(DIN: 07983714)

Place: Mumbai.

Date: 27th June, 2023

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

(a)	Name(s) of the related party and nature of relationship	None
(b)	Nature of contracts/arrangements/transactions	None
(c)	Duration of the contracts / arrangements/transactions	None
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	None
(e)	Justification for entering into such contracts or arrangements or transactions	None
(f)	date(s) of approval by the Board	None
(g)	Amount paid as advances, if any:	None
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	None

2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Empeegee Portfolio Management Services Private Limited	Parag Parikh Financial Advisory Services Ltd. (Holding Company)	Synage Software Pvt. Ltd	Ms. Geeta Parikh
(b)	Nature of contracts/arrangements/transactions	Lease Agreement	Shared services and Royalty agreement	Software Maintenance	Brand and Cultural Management Services
(c)	Duration of the contracts / arrangements/ transactions	12 months	12 months	12 months	12 months (or such extended period of time as decided by the board of directors/audit committee)

(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rental is Rs. 10,000 p.m. Deposit amount for this lease agreement is Rs. 1.41 crores.	Monthly fees of Rs. 12 Lakhs p.m. w.e.f. 15/02/2023 paid under Shared service and Royalty agreement.	Monthly fees of Rs. 4.65 Lakhs p.m. w.e.f. 01/01/2023 paid under agreement.	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis not exceeding Rs. 50,800 p.m.
(e)	Justification for entering into such contracts or arrangements or transactions	Company occupies premises made available by Empeegee Portfolio Management Services Private Limited.	Company uses brand, facilities & services of the skilled employees made available to the Company by its holding company PPFAS. Fees paid is towards usage of these facilities.	Company uses services for enhancing the IT infrastructure and facilitating smooth operations of the Mobile and Web App of PPFAS Mutual Fund.	Company uses administration and cultural management services
(f)	Date(s) of approval by the Board	23 rd February 2018	14 th February 2023	14 th February 2023	14 th February 2023
(g)	Amount paid as advances, if any:	Rs. 1.41 crores are provided as security deposit.	Nil	Nil	Nil
(h)	Date on which the resolution was passed in general meeting as required under first proviso to section 188	NA	NA	NA	NA
(i)	Compensation paid for FY 2022-2023 (in INR)	Rs. 1,20,000/-	Rs. 1,14,00,000/-	Rs. 40,95,000/-	Rs. 5,08,000/-

REPORT ON CSR ACTIVITIES UNDERTAKEN DURING F. Y. 2022-23

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects and programs:

The Company has adopted CSR Policy which encompasses wide range of activities enumerated vide Schedule VII to the Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 which is primarily comprised of:

- i. Eradicating hunger, poverty and malnutrition
- ii. Promoting health care including preventive health care
- iii. Education
- iv. Disaster Management
- v. Promoting Gender Equality etc.

2. The composition of the CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Neil Parikh	CEO & Whole Time Director	2	2
2.	Rajeev Thakkar	CIO & Whole Time Director	2	2
3.	Rajesh Bhojani	Independent director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://amc.ppfas.com/statutory-disclosures/>

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not applicable

5. a) Average Net Profit of the Company as per sub-section (5) of Section 135: Rs. 24,32,87,032/-

b) Two percent of average net profit of the company as per sub-section (5) of Section 135: Rs. 48,65,741 /-

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

d) Amount required to be set off for the financial year, if any: NIL

e) Total CSR obligation for the financial year (b+ c- d): Rs. 48,65,741 /-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs.48,67,875 /-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

Sd/-

Neil Parikh
Chief Executive Officer &
Chairman-CSR Committee

Sd/-

Rajeev Thakkar
Director

Place: Mumbai
Date: 20th June, 2023

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF****PPFAS Asset Management Private Limited****Report on the Financial Statements****Opinion**

1. We have audited the accompanying financial statements of PPFAS Asset Management Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss, and the Statement of Cash Flow for the year then ended and notes to financial statements, including a summary of significant accounting policies and other explanatory information ("financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

4. The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Director Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

5. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

6. The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The description of the auditor's responsibilities for the audit of the financial statements is given in "Appendix I" to this report.

Other Matter

9. The audit of Financial Statements for the year ended March 31, 2022 was carried out and reported by the then auditors and they had expressed an unmodified opinion on the financial statements vide their audit report dated 29th June, 2022 which has been furnished to us by the management and relied upon by us for the purpose of our audit of the Financial Statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. As required by section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion and to the best of our information and explanations given to us, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company have disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note no. 30)
 - ii. The Company did not have any long-term contracts including derivative contracts for which provision is required to be made for any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) ,other than normal course of business, have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the

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Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner what so ever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) , other than normal course of business, have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The dividend paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Chokshi & Chokshi LLP
Chartered Accountants
FRN. 101872W/W100045

Sd/-

Anish Shah
Partner
M. No. 048462
UDIN: 23048462BGXGQX4211

Place: Mumbai
Date: 27th June 2023

APPENDIX I TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 8 under 'Auditor's Responsibility for the Audit of Financial Statements' section of our report of even date)

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 9 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As per the information and explanations given to us, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements, are held in the name of the company.
- (d) As per the information and explanations given to us, the company has not revalued its Property, Plant and Equipment or intangible assets or both during the year accordingly clause (i) (d) of paragraph 3 of the order is not applicable to the Company.
- (e) As per the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As per the information and explanations given to us, the Company is a service company, primarily functioning as an investment manager to a mutual fund. As such it does not hold any physical inventory. Hence, reporting under clause (ii)(a) of the Order is not applicable to the Company.
- (b) As per the information and explanations given to us, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause (ii)(b) of the Order is not applicable to the Company.
- (iii) As per the information and explanations given to us, during the year company has not made investments in, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (a) Reporting under clause 3(iii)(a) of the Order is not applicable since the Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year.
- (b) As per the information and explanations given to us, no investments made, guarantees provided, security given and loans granted during the year.

- (c) As per the information and explanations given to us no loans have been granted by the company during the year, hence the said clause is not applicable.
- (d) According to the information and explanations given to us and based on the audit procedures conducted by us, there is no amount overdue in respect of any Loans granted by the company;
- (e) According to the information and explanations given to us and based on the audit procedures conducted by us, there are no loans renewed during the year.
- (f) According to the information and explanations given to us and based on the audit procedures conducted by us, the company has not granted any Loans repayable on demand or without specifying any terms or period of repayment.
- (iv) In respect of loans, investments, guarantees and security, the provisions of sections 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The Company has not accepted any deposits from the public, so as to attract the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of The Companies Act, 2013 and the rules framed there under. Hence, reporting under clause (v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) (a) As per the records of the Company, the company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales- Tax, Service-tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it. There were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no outstanding dues of Goods and Service tax, sales tax, income tax, custom duty, wealth tax, excise duty, service tax, value added tax, or cess on account of any dispute. However, there is an income tax proceeding pending in high court which is disclosed as contingent liability in note number 31 of financial statements.
- (viii) According to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence, reporting under clause (ix)(a) of the Order is not applicable to the Company.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence reporting under clause (ix)(c) of the Order is not applicable to the Company.
- (d) The Company has not raised any funds on short term basis.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, Associates and Joint Ventures.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) In our opinion and according to the information and the explanations given to us,
- (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Accordingly, Clause (x)(a) of Order is not applicable.
- (b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Clause (x) (b) of Order is not applicable.
- (xi) (a) According to the information and explanations given to us, no fraud by the Company or on the company has been noticed or reported during the course of our audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle-blower complaints have been received during the year by the company.
- (xii) The company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Hence, reporting on clause 3(xii)(a),(b) and (c) of the Order is not applicable to the Company. .
- (xiii) According to the information and explanations given to us, all the transactions entered into by the Company with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and after considering the internal auditor's report of the Company, we are of the opinion that the Company has an internal audit system commensurate with the current size and nature of its business.

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- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order are not applicable.
- (b) There is no core investment company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and hence reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) Based on our communication with the outgoing statutory auditor, we have not received any objection from them.
- (xix) On the basis of the financial ratios disclosed in note 35 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, there are no unspent amounts as on 31 March, 2023 that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
- (xxi) According to the information and explanations given to us, there have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For Chokshi & Chokshi LLP
Chartered Accountants
FRN. 101872W/W100045

Sd/-

Anish Shah
Partner
M.No. 048462
UDIN: 23048462BGXGQX4211

Place: Mumbai
Date: 27th June, 2023

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of PPFAS Asset Management Private Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of directors of company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company.
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Chokshi & Chokshi LLP
Chartered Accountants
FRN. 101872W/W100045

Sd/-

Anish Shah
Partner
M.No. 048462
UDIN: 23048462BGXGQX4211

Place: Mumbai
Date: 27th June, 2023

PPFAS ASSET MANAGEMENT PRIVATE LIMITED			
Balance Sheet as at 31st March, 2023			
Particulars	Note No.	As at 31st March, 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	3,573.00	3,573.00
Reserves And Surplus	4	14,881.52	7,680.02
	(a)	18,454.52	11,253.02
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	5	96.05	89.54
Other Long Term Liabilities	6	16.67	-
	(b)	112.72	89.54
Current Liabilities			
Trade Payables	7	50.88	48.40
Other Current Liabilities	8	626.42	463.43
Short Term Provisions	9	36.85	85.86
	(c)	714.15	597.69
Total Equity & Liabilities	(a+b+c)	19,281.39	11,940.25
ASSETS			
Non-Current Assets			
Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant & Equipment	10A	1,971.98	1,843.79
(ii) Intangible Assets	10B	36.46	43.04
(iii) Intangible Assets Under Development	10C	1.50	1.50
	(d)	2,009.94	1,888.33
Non-Current Investments	11	11,156.98	7,856.98
Long Term Loans & Advances	12	19.73	28.39
Other Non-Current Assets	13	196.50	194.65
	(e)	11,373.21	8,080.02
Current Assets			
Current Investments	14	4,160.26	658.68
Trade Receivables	15	1,588.79	1,199.66
Cash & Cash Equivalents	16	13.53	21.34
Short-Term Loans & Advances	17	112.65	77.86
Other Current Assets	18	23.01	14.36
	(f)	5,898.24	1,971.90
Total Assets	(d+e+f)	19,281.39	11,940.25
Summary of significant accounting policies 2			
The accompanying notes are an integral part of the financial statements			
As per Our Audit Report of even date			
For Chokshi & Chokshi LLP		For and on behalf of the Board of Directors of PPFAS Asset Management Private Limited	
<i>Chartered Accountants</i>			
<i>Firm Registration No.:101872W/W100045</i>			
Sd/-		Sd/-	Sd/-
CA Anish Shah		Rajeev Thakkar	Shashi Kataria
<i>Partner</i>		<i>CIO & Director</i>	<i>CFO & Director</i>
<i>Membership no.: 048462</i>		<i>DIN : 00227548</i>	<i>DIN : 07983714</i>
		Sd/-	
		Priya Hariani	
		<i>Company Secretary</i>	
Place: Mumbai			
Date: 27th June, 2023			

PPFAS ASSET MANAGEMENT PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31st March , 2023

Particulars	Note No.	For the year ended 31st March , 2023 (Rs. in Lakhs)	For the year ended 31st March, 2022 (Rs. in Lakhs)
Income			
I Revenue from operations	19	14,400.67	8,812.23
II Other Income	20	119.00	110.59
III Total Income (I+II)		14,519.67	8,922.82
IV Expenses			
Employee Benefits Expenses	21	2,744.19	2,065.23
Depreciation & Amortization Expenses	22	186.83	175.72
Other Expenses	23	1,348.73	1,160.85
Total Expenses		4,279.75	3,401.80
V Profit Before Tax & Exceptional Items		10,239.92	5,521.02
VI Exceptional Items			
Prior period expenses	24	(0.15)	0.11
VII Profit Before Tax (V - VI)		10,240.07	5,520.91
VIII Tax Expense			
Current Tax	25	2,581.86	1,617.38
Deferred Tax	26	6.51	2.21
Total Tax Expense		2,588.37	1,619.59
IX Profit for the period (VII - VIII)		7,651.70	3,901.32
Earning Per Equity Share - Ref. Note 32			
Basic		21.42	10.92
Diluted		21.42	10.92

Summary of significant accounting polices 2
 The accompanying notes are an integral part of the financial statements

As per Our Audit Report of even date
For Chokshi & Chokshi LLP
Chartered Accountants
 Firm Registration No.:101872W/W100045

Sd/-
CA Anish Shah
Partner
 Membership no.: 048462

**For and on behalf of the Board of Directors of
 PPFAS Asset Management Private Limited**

Sd/- Sd/- Sd/-
Rajeev Thakkar **Shashi Kataria**
CIO & Director *CFO & Director*
 DIN : 00227548 DIN : 07983714

Sd/-
Priya Hariani
Company Secretary

Place: Mumbai
 Date: 27th June, 2023

PPFAS ASSET MANAGEMENT PRIVATE LIMITED

Cash Flow Statement for the year ended For 31st March, 2023

Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)	(Rs. in Lakhs)
Cash flow from Operating Activities				
Profit before tax		10,239.92		5,521.02
Add : Non Operating Expenses/Items				
Depreciation on Fixed Assets	159.75		148.41	
Amortization of Fixed Assets	26.78	186.53	27.31	175.72
Less : Non - Operating Income/Items		10,426.45		5,696.74
Short Term Capital Gain on Mutual Fund	(117.09)		(93.38)	
Other Income	(1.91)	(119.00)	(17.21)	(110.59)
Operating Profit before Working Capital		10,307.45		5,586.15
Adjustment for Movement in working capital:				
Increase / (Decrease) in Long Term Provisions & Other Long Term Liabilities	16.67		-	
Increase / (Decrease) in Trade Payables & Other Current Liabilities	165.47		317.08	
Increase / (Decrease) in Short Term Provisions	2.49		14.88	
(Increase) / Decrease in Trade Receivables	(389.13)		(652.97)	
Increase in Deferred Tax Assets/Decrease in Deferred tax liabilities	6.51		2.21	
(Increase) / Decrease in Long Term Loans & Advances	20.73		123.60	
(Increase) / Decrease in Short-Term Loans & Advances	(34.79)		(38.38)	
(Increase) / Decrease in Other Current Assets & Other Non-Current Assets	(10.50)	(222.55)	(3.43)	(237.01)
Cash Generated from operations		10,084.90		5,349.14
Less : Income taxes (paid) / refund		(2,651.94)		(1,544.18)
Cash from operating activities before Exception Item		7,432.96		3,804.96
Add : Prior period (expenses)/Income		0.15		(0.11)
Cash from operating activities		7,433.11		3,804.85
Cash flow from Investing Activities				
Purchase of Fixed Assets	(308.13)		(144.41)	
Purchase/Sale of Investments - Non Current	(6,801.59)		(3,598.35)	
Short Term Capital Gain on Mutual Fund	117.09		93.38	
Other Income	1.91		17.21	
Net Cash from investing activities		(6,990.72)		(3,632.17)
Cash Flow from Financing Activities				
Dividend on Shares	(450.20)		(200.09)	
Net Cash from financing activities		(450.20)		(200.09)
Net increase/decrease in cash & cash equivalents (A+B+C)		(7.81)		(27.41)

Add: Cash & Cash Equivalents at the start of the year				
Cash in Hand	1.04		0.79	
Bank Accounts	20.30	21.34	47.96	48.75
Cash & Cash Equivalents at the end of the year				
Cash in Hand	0.74		1.04	
Bank Accounts	12.79	13.53	20.30	21.34

As per Our Audit Report of even date

For Chokshi & Chokshi LLP

Chartered Accountants

Firm Registration No:101872W

Sd/-

CA Anish Shah

Partner

Membership no.: 048462

**For and on behalf of the Board of Directors of
PPFAS Asset Management Private Limited**

Sd/-

Rajeev Thakkar

CIO & Director

DIN : 00227548

Sd/-

Priya Hariani

Company Secretary

Sd/-

Shashi Kataria

CFO & Director

DIN : 07983714

Place: Mumbai

Date: 27th June, 2023

PPFAS ASSET MANAGEMENT PRIVATE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED, 31ST MARCH, 2023

NOTE 1: CORPORATE INFORMATION

Background:

PPFAS Asset Management Private Limited was incorporated on 8th August, 2011. The company is a subsidiary of Parag Parikh Financial Advisory Services Limited (Formerly known as Parag Parikh Financial Advisory Services Private Limited). The company's corporate office is in Mumbai. This is the 12th year of operations of the company. The Company is incorporated to function as an investment manager to PPFAS Mutual Fund. After the launch of NFO on 13th May, 2013, the company started its functions as an Investment Manager & thus started earning Management Fees as its primary source of income.

In FY 20-21 the holding company got converted from a private limited company to a public limited company due to which this company has also become a deemed public limited company.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

i. Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual

basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year, unless otherwise stated.

Disclosures under Schedule III to the Companies Act, 2013, and applicable Accounting Standards have been made to the extent applicable to the Company. As per amendments in Schedule III of Companies Act, 2013 Financial information in our Financial Statements is presented after rounding off the numbers to Rupees in Lakhs.

ii. 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.

iii. Cash Flow Statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Accounting Standard (AS) -3 "Cash Flow Statement".

Under the indirect method, the net profit is adjusted for the effects of:

- a. transactions of a non-cash nature
- b. any deferrals or accruals of past or future operating cash receipts or payments and
- c. items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks and are reflected as such in the cash flow statement. Cash equivalents

are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

iv. Property, Plant & Equipment

Property, Plant and Equipment 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 Property, Plant and Equipment 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.

There is no revaluation done for Property, Plant and Equipment

v. Intangible 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.

vi. Depreciation

The company has adopted Straight Line Method of Depreciation on the Property, Plant and Equipment as per the requirements of the Companies Act, 2013, applying rates based on useful life as prescribed in the Companies Act, 2013.

vii. Impairment

Property, Plant and Equipment are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. If any such indication exists, the asset's recoverable amount is

estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

viii. Current / Non-Current Classification

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

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

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

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

The normal operating cycle cannot be identified and hence it is assumed to have a duration of twelve months.

ix. Investments

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

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

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

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

x. Cash & Cash Equivalents

Cash and cash equivalents comprise of cash in hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

xi. Inventories

Inventories are assets held for sale in the ordinary course of business.

Inventories are valued at lower of cost or net realizable value of inventories. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Stores and spares are valued at cost.

Cost is determined on FIFO / LIFO / Weighted Average for all categories of inventories.

The Company is a provider of services, there are no Inventories in regular course of business.

xii. Borrowing Costs

Borrowing costs include Interest and other incidental costs.

Borrowing costs that are directly attributable to the acquisition, construction, production or development of a qualifying asset are capitalised as part of the cost

of that asset. A qualifying asset is one which takes substantial amount of time to get ready for use.

To the extent that funds are borrowed specifically in relation to the qualifying asset, the actual amount of borrowing costs less any income on temporary investments made from those borrowings is capitalised.

In case of general borrowings, the borrowing costs are capitalised as per the Accounting Standard 16.

Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted and is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Borrowing costs which are not directly attributable to the acquisition, construction production or development of a qualifying asset are recognised as an expense in the period in which they are incurred.

xiii. Government Grants

Government Grants are not recognized until there is reasonable assurance that the Company will comply with conditions attached to them and the grants will be received. In case of depreciable assets, the cost of the assets is shown at gross value and grant thereon is taken to deferred income which is recognized as income in the Statement of Profit and Loss over the useful life of the asset. Government Grants related to non-depreciable assets may also require the fulfilment of certain obligations and would then be recognised in profit or loss over the periods that bear the cost of meeting the obligations.

xiv. Employee Benefits

A. Short Term Employee Benefits:

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

B. Post-employment benefits:

a. Provident Fund scheme

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

b. Gratuity scheme

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

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

xv. Revenue Recognition

Revenue from service transactions is recognized as the service is performed by the completed service contract method.

Income is recorded on accrual basis. The amount recognized is exclusive of GST.

Interest income is recognised on an accrual basis.

Dividend income is accounted in the period in which the right to receive the same is established.

When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved and recognised when it is reasonably certain that the ultimate collection will be made.

When the uncertainty relating to collectability arises after the time of sale or the rendering of the service, it is more appropriate to make a separate provision to

reflect the uncertainty rather than to adjust the amount of revenue originally recorded. When recognition of revenue is postponed because of uncertainties, it is considered as revenue of the period in which it is properly recognized.

xvi. Expenditure

Expenses are accounted on accrual basis.

xvii. Taxes on Income

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

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

Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

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

xviii. Provision

Provision involving substantial degree of reliable estimation in measurement is recognized when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources.

xix. 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.

xx. Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the Statement of Profit and Loss. Foreign currency denominated monetary assets and liabilities are translated into functional currency at exchange rates in effect at the balance sheet date, the gain or loss arising from such translations are recognised in the statement of profit and loss as the provisions of AS 11.

xxi. Earnings per share

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

Diluted earnings per share is calculated by dividing the profits after tax for the year attributable to equity shareholders by the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

xxii. Share Transactions

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

xxiii. Other Statutory Information

- A. As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.
- B. During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities

("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- C. The Company does not have any such transaction, which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- D. Details of Benami Property held: There are no proceedings, which have been initiated, or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- E. There are no borrowings from banks or financial institution on the basis of security of current assets hence the Company does not require to give additional information required by schedule III.
- F. Wilful Defaulter: The Company has not been declared as Wilful Defaulter by any Bank or Financial Institution or other Lender.
- G. The Company does not have secured borrowings pertaining to credit card facility on which corporate guarantee has been given by the associate enterprise and hence registration of charges or satisfaction with Registrar of Companies (ROC) does not require on the same.
- H. Compliance with number of layers of companies: The company does not have any investment in group companies hence compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- I. Compliance with approved Scheme(s) of Arrangements: The Company has not entered into any such arrangements during the year.
- J. Details of Crypto Currency or Virtual Currency: The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

NOTE 3 : SHARE CAPITAL

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
	Rs.	Rs.
AUTHORISED 50,000,000 Equity Shares of Rs.10/- each	5,000.00	5,000.00
ISSUED, SUBSCRIBED AND PAID UP CAPITAL 3,57,30,009 Equity Shares of Rs.10/- each fully paid**	3,573.00	3,573.00
	3,573.00	3,573.00

****Rights & Restrictions of Equity Shares:**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.

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

	As at 31st March , 2023		As at 31st March, 2022	
	Number	(Rs. in Lakhs)	Number	(Rs. in Lakhs)
At the beginning of the period	3,57,30,009	3,573.00	3,57,30,009	3,573.00
Issued during the period	Nil	Nil	Nil	Nil
At the end of the period	3,57,30,009	3,573.00	3,57,30,009	3,573.00

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

Name of the Shareholders	Number	% of Holding	Number	% of Holding
Parag Parikh Financial Advisory Services Limited	3,57,30,009	100.00	3,57,30,009	100.00

c. Changes in Promoter's Holding at the end of the reporting period

Promoter's Name	No. of shares	% of total shares	% change during the Period
Parag Parikh Financial Advisory Services Limited (including 6 Registered Owners* (Nominees) of Parag Parikh Financial Advisory Services Limited (Promoter))	3,57,30,009	100.00	-

*Note: Rajeev Thakkar (Director), Khushboo Joshi, Geeta Parikh, Neil Parikh (Director), Sahil Parikh and Sitanshi Parikh hold 1 Equity share each in the capacity as Nominee of Parag Parikh Financial Advisory Services Limited. This is to ensure compliance with provisions of minimum number of members.

NOTE 4: RESERVES & SURPLUS

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Share Premium	329.40	329.40
Surplus/(deficit) in the statement of Profit and Loss		
Profit & Loss Account		
At the Beginning of the Accounting Period	7,350.62	3,649.39
Additions During the Year	7,651.70	3,901.32
Less : Dividend Paid - Ref. Note 29	(450.20)	(200.09)
Profit / (Loss) At the End of the Accounting Period	14,552.12	7,350.62
	14,881.52	7,680.02

NOTE 5: DEFERRED TAX LIABILITIES

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Opening Balance - Ref. Note 33	89.54	87.33
Property, Plant & Equipment: Impact of difference between Depreciation charged as per Company Law & Depreciation charged as per Taxation Law	10.39	8.32
Leave Encashment : Impact of difference between expense charged as per Company Law & claimed as per Taxation Law	(0.62)	(4.33)
Rent : Impact of difference between expense charged as per Company Law & claimed as per Taxation Law	(4.38)	-
Gratuity : Impact of difference between income / expense charged as per Company Law & claimed as per Taxation Law	1.12	(1.78)
	96.05	89.54

NOTE 6: OTHER LONG TERM LIABILITIES

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Deferred Rent - Ref. Note 30	16.67	-
	16.67	-

NOTE 7: TRADE PAYABLES

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Trade Payables	50.88	48.40
	50.88	48.40
Micro, Small & Medium Enterprises:		
(a) Principal amount overdue (remaining unpaid)	NIL	NIL
Interest due thereon :		
(b) Amount of interest paid during the year	NIL	NIL
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006.	NIL	NIL
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006.	NIL	NIL
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006.	NIL	NIL

TRADE PAYABLES AGEING SCHEDULE:

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
MSME	-	-	-	-
Others	50.88	-	-	-
Disputed dues - MSME	-	-	-	-
Disputed dues - Others	-	-	-	-

NOTE 8: OTHER CURRENT LIABILITIES

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
TDS Payable	403.38	284.65
GST Payable	208.68	168.32
GST Payable - RCM	0.16	0.27
Provident Fund Payable	11.77	9.86
ESIC Payable	0.23	0.11
Professional Tax Payable	0.23	0.22
Deferred Rent - Ref. Note 30	0.73	-
Reimbursement of Expenses	1.24	-
	626.42	463.43

NOTE 9: SHORT TERM PROVISIONS

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Provision for Taxation	-	51.50
Provision for Employee Benefits		
Leave Encashment	36.85	34.36
	36.85	85.86

NOTE 10 : PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

Sr. No	Asset	Gross Block				Depreciation					Net Block	
		Gross Block as at 01/04/2022	Additions during the year	Deductions during the year	Gross Block as at 31/03/2023	Provision for Depreciation up to 01/04/2022	Depreciation for the period	Accumulated Depreciation on Discard of Assets	Prior Period Adjustments	Total depreciation up to 31/03/2023	Net Block as at 31/03/2023	Net Block as at 31/03/2022
A.	Property, Plant & Equipment											
1	Office Premises	1,897.23	145.17		2,042.40	349.95	75.92		(0.30)	425.57	1,616.83	1,547.28
2	Computer	143.53	115.32		258.85	92.84	34.23			127.07	131.78	50.69
3	Electrical Installation	25.85	1.00		26.85	12.27	2.51			14.78	12.07	13.58
4	Office Equipments	75.31	12.57	0.36	87.52	36.61	12.32	0.16		48.77	38.75	38.70
5	Motor Car	112.45	-		112.45	42.90	14.04			56.94	55.51	69.55
6	Office Furniture	205.93	14.07		220.00	81.94	21.02			102.96	117.04	123.99
	TOTAL	2,460.30	288.13	0.36	2,748.07	616.51	160.04	0.16	(0.30)	776.09	1,971.98	1,843.79
B.	Intangible Assets											
1	Computer software	160.55	20.20		180.75	117.51	26.78	-	-	144.29	36.46	43.04
	TOTAL	160.55	20.20	-	180.75	117.51	26.78	-	-	144.29	36.46	43.04
C	Intangible Assets Under Development											
1	Computer software under development	1.50	-	-	1.50	-	-	-	-	-	1.50	1.50
	TOTAL	1.50	-	-	1.50	-	-	-	-	-	1.50	1.50
	TOTAL (A+B+C)	2,622.35	308.33	0.36	2,930.32	734.02	186.82	0.16	(0.30)	920.38	2,009.94	1,888.33
	<i>Previous Year Total</i>	<i>2,516.76</i>	<i>145.93</i>	<i>40.34</i>	<i>2,622.35</i>	<i>597.12</i>	<i>175.72</i>	<i>38.82</i>	<i>-</i>	<i>734.02</i>	<i>1,888.33</i>	<i>1,919.64</i>

INTANGIBLE ASSETS UNDER DEVELOPMENT:

(a) Intangible assets under development ageing schedule:

Intangible assets under development	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress			1.50		1.50
Projects temporarily suspended					-

* Total shall tally with the amount of Intangible assets under development in the balance sheet.

(b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following Intangible assets under development completion schedule shall be given:**

Intangible assets under development	To be completed in		
	Less than 1 year	1-2 years	More than 3 years
Project 1		1.50	
Project 2			

**Details of projects where activity has been suspended shall be given separately.

NOTE 11 : NON CURRENT INVESTMENTS							
Particulars	No of	Cost for	MKT. Rate	MKT. Value on	No of	Cost for	MKT. Value on
	shares/units	31/03/2023	31/03/2023	31/03/2023	shares/units	31/03/2022	31/03/2022
Investment in Mutual Funds							
Parag Parikh Flexi Cap Fund	2,27,19,213.91	8,441.00	53.05	12,052.20	1,94,90,860.82	6,791.00	10,235.45
Parag Parikh Tax Saver Fund	1,23,62,962.48	2,200.00	20.65	2,552.53	41,48,486.62	550.00	794.16
Parag Parikh Conservative Hybrid Fund	49,99,750.01	500.00	11.42	570.91	49,99,750.01	500.00	535.80
Total (i)		11,141.00		15,175.64		7,841.00	11,565.41
Investments in Equity							
Unquoted Investments:							
AMC Repo Clearing Limited	1,09,683	10.97	-	-	1,09,683	10.97	-
MF Utilities India Private Limited	5,00,000	5.00	-	-	5,00,000	5.00	-
Sakhar Bhavan Premises Co-op. Society Limited.	2	0.01	-	-	2	0.01	-
Total (ii)		15.98	-	-	-	15.98	-
Grand Total (i+ii)		11,156.98				7,856.98	

Particulars	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	11,156.98	7,856.98
Aggregate provision for diminution in value of investments.	-	-

NOTE 12: LONG TERM LOANS & ADVANCES

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Advance Tax & TDS (Net off Provision for Taxation)	12.07	-
Income Tax Refund Receivable	-	23.91
Advance for Property purchase	5.05	-
Prepaid Expenses	2.61	4.48
	19.73	28.39

NOTE 13: OTHER NON-CURRENT ASSETS

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Rent & other Deposits		
(a) Secured, considered good;	-	-
(b) Unsecured, considered good;	196.50	194.65
(c) Doubtful;	-	-
	196.50	194.65

NOTE 14 : CURRENT INVESTMENTS

Particulars	No of	Cost for	MKT. Rate	MKT. Value on	No of	Cost for	MKT. Value on
	shares/units	31/03/2023	31/03/2023	31/03/2023	shares/units	31/03/2022	31/03/2022
Investment in Mutual Funds							
Parag Parikh Liquid Fund (Direct Growth Plan)	3,36,571.46	4,160.26	1,255.03	4,224.06	56,229.98	658.68	669.98
Grand Total		4,160.26		4,224.06		658.68	669.98

Particulars	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	4,160.26	658.68
Aggregate provision for diminution in value of investments.	-	-

NOTE 15: TRADE RECEIVABLES

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Secured, considered good	-	-
Unsecured, considered good	1,588.79	1,199.66
Doubtful	-	-
	1,588.79	1,199.66

TRADE RECEIVABLES AGEING SCHEDULE

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	1,588.79	-	-	-	-	1,588.79
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-

NOTE 16: CASH & CASH EQUIVALENTS

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Balances with Banks	12.79	20.30
Cash on Hand	0.74	1.04
	13.53	21.34

NOTE 17: SHORT TERM LOANS AND ADVANCES

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
Prepaid Expense	105.86	73.28
Advance to Creditors	6.19	2.88
Other Receivables*	0.60	0.60
Loan & Advance to Employees	-	1.10
	112.65	77.86

* Advance given to employee for Mobile App testing

NOTE 18: OTHER CURRENT ASSETS

	As at 31st March , 2023 (Rs. in Lakhs)	As at 31st March, 2022 (Rs. in Lakhs)
GST Input Tax Credit	14.78	18.81
Gratuity Fund - Ref. Note 34	8.23	(4.45)
	23.01	14.36

NOTE 19: REVENUE FROM OPERATIONS		
	For the year ended 31st March, 2023 (Rs. in Lakhs)	For the year ended 31st March, 2022 (Rs. in Lakhs)
Sale of Services		
Management Fees	14,400.67	8,812.23
	14,400.67	8,812.23
NOTE 20: OTHER INCOME		
	For the year ended 31st March, 2023 (Rs. in Lakhs)	For the year ended 31st March, 2022 (Rs. in Lakhs)
Short Term Capital Gain on Mutual Fund	117.09	93.38
Interest On Income Tax Refund	1.91	6.50
Profit on sale of Fixed Asset	-	10.71
	119.00	110.59
NOTE 21: EMPLOYEE BENEFIT EXPENSES		
	For the year ended 31st March, 2023 (Rs. in Lakhs)	For the year ended 31st March, 2022 (Rs. in Lakhs)
Salary :		
Salary to Employees	2,561.20	1,839.70
Provision for Leave Encashment	2.49	14.88
Contribution to Provident Fund and other funds		
Provident Fund	70.85	51.14
Employees State Insurance Fund	0.93	0.71
Provision for Gratuity Fund - Ref. Note 34(A)	32.31	58.68
Labour Welfare Fund Employer Contribution	0.05	0.03
NPS Employer Contribution	12.22	8.30
Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP) Expenses:		
Employee Benefit expenses - ESOP - Ref. Note 34(B)	9.57	60.94
Staff Welfare Expenses:		
Staff Welfare	29.16	13.24
Staff Insurance	25.41	17.61
	2,744.19	2,065.23
NOTE 22: DEPRECIATION & AMORTIZATION EXPENSES		
	For the year ended 31st March, 2023 (Rs. in Lakhs)	For the year ended 31st March, 2022 (Rs. in Lakhs)
Depreciation of Tangible Assets - Ref. Note 10	160.05	148.41
Amortization of Intangible Assets - Ref. Note 10	26.78	27.31
	186.83	175.72
NOTE 23: OTHER EXPENSES		
	For the year ended 31st March, 2023 (Rs. in Lakhs)	For the year ended 31st March, 2022 (Rs. in Lakhs)
Professional Charges	467.43	460.41
Computer Maintenance & Software Subscriptions	181.53	151.99
Rent - Ref. Note 30	136.85	72.06
Shared Service Cost - Ref. Note 28	114.00	135.00
Business Promotion Expenses	71.79	12.50
Contributions Towards CSR - Ref. Note 36	48.68	15.25
Postage & Courier Charges	42.88	31.30
Advertising Expenses	35.40	67.96
Printing & Stationery	28.63	42.45

	For the year ended 31st March, 2023 (Rs. in Lakhs)	For the year ended 31st March, 2022 (Rs. in Lakhs)
Cont...		
Electricity Expenses	28.92	18.98
Annual Fees to SEBI	22.72	8.99
Insurance Charges	21.89	17.74
Conveyance Charges	18.21	13.34
Office Administration Expenses	17.69	15.31
Society Maintenance Expenses	15.60	14.87
Telephone / Communication	13.96	16.72
Internet charges	13.78	6.62
Membership & Subscription	11.74	9.78
Repairs & Maintenance of other assets	10.50	7.25
Repairs to buildings	-	3.52
Director's Fees (Sitting Fees) - Ref. Note 27(a)	10.10	7.25
Travelling Expenses	8.08	0.69
Recruitment & Training Charges	7.46	3.92
Auditors Remuneration - Ref. Note 27(b)	5.50	6.49
Director / Employee Education	3.32	2.00
Bank Charges	3.30	5.42
Motor Car Expenses	3.26	1.72
Miscellaneous Expenses	3.30	2.82
Brokerage On Rental Property	1.46	6.28
Filing Fees	0.15	1.70
Professional Tax - Company	0.16	0.14
Books & Periodicals	0.34	0.22
Loss on Discard of Assets	0.10	0.16
	1,348.73	1,160.85
NOTE 24: PRIOR PERIOD EXPENSE		
	For the year ended 31st March, 2023 (Rs. in Lakhs)	For the year ended 31st March, 2022 (Rs. in Lakhs)
GST ITC reversal	0.44	0.15
Other Expenses	(0.59)	(0.04)
	(0.15)	0.11
NOTE 25: CURRENT TAX EXPENSE		
	For the year ended 31st March, 2023 (Rs. in Lakhs)	For the year ended 31st March, 2022 (Rs. in Lakhs)
Current Tax	2,582.99	1,613.45
MAT Credit Income	-	(37.55)
MAT Credit Entitlement	-	37.55
Income Tax Assessed Dues of Earlier Years	(1.13)	3.93
	2,581.86	1,617.38
NOTE 26: DEFERRED TAX		
	For the year ended 31st March, 2023 (Rs. in Lakhs)	For the year ended 31st March, 2022 (Rs. in Lakhs)
Deferred tax - Ref. Note 33	6.51	2.21
	6.51	2.21

NOTE 27: SUPPLEMENTARY INFORMATION**a. Particulars of Directors' Remuneration**

Director's Name	Expenses Head	FY 2022-23 (Rs. In Lakhs)	FY 2021-22 (Rs. In Lakhs)
Neil Parikh	Employee Benefits Expenses	317.69	251.62
Rajeev Thakkar	Employee Benefits Expenses	557.03	413.90
Rajeev Thakkar	ESOPs Perquisite	-	12.13
Shashi Kataria	Employee Benefits Expenses	76.84	62.75
Shashi Kataria	ESOPs Perquisite	-	2.87
Ramesh Venkateswaran	Sitting Fees	2.90	2.40
Kamlesh Somani	Sitting Fees	-	1.85
Rajesh Bhojani	Sitting Fees	4.00	2.65
Subrata Mitra	Sitting Fees	3.20	0.35

b. Particulars of Auditors Remuneration

Particulars	FY 2022-23 (Amount in Rs. Lakhs)	FY 2021-22 (Amount in Rs. Lakhs)
Auditors Remuneration As:		
i. Auditor	5.50	5.50
ii. For Other Services	-	0.99
TOTAL	5.50	6.49

c. Value of Imports

There was no import of goods during the year.

d. Expenditure in Foreign Currency

Particulars	FY 2022-23 (Amount in Lakhs)		FY 2021-22 (Amount in Lakhs)	
	In \$	In INR	In \$	In INR
Subscription payment for Website & Mobile Application Maintenance	0.08	6.99	0.39	29.45
Email Purchase / Services & Web App Hosting	0.01	0.73	0.1	1.00
Business Promotion	-	-	0.00	0.11
Other Subscription payment	0.03	2.56	0.00	0.09
Total	0.13	10.27	0.40	30.65

e. Earnings in Foreign Currency

There were no earnings in foreign currency during the year.

NOTE 28: 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:

Related Party Transaction:

Name of the Related Party	Relationship	Nature of Payment	FY 2022-23 (Amount in Rs. Lakhs)	FY 2021-22 (Amount in Rs. Lakhs)
Empeegee Portfolio Management Services Private Limited	Enterprise over which Key Managerial Personnel can exercise significant influence	Rent	1.20	1.20
Neil Parikh	Director who is able to exercise significant influence	Employee Benefits Expenses	317.69	251.62

Name of the Related Party	Relationship	Nature of Payment	FY 2022-23 (Amount in Rs. Lakhs)	FY 2021-22 (Amount in Rs. Lakhs)
Rajeev Thakkar	Director who is able to exercise significant influence	Employee Benefits Expenses	557.03	413.90
Rajeev Thakkar	Director who is able to exercise significant influence	ESOPS Perquisites	-	12.13
Shashi Kataria	Director who is able to exercise significant influence	Employee Benefits Expenses	76.84	62.75
Shashi Kataria	Director who is able to exercise significant influence	ESOPS Perquisites	-	2.87
Synage Software Private Limited	Enterprise over which Key Managerial Personnel are able to exercise significant influence.	Software Maintenance	40.95	37.00
Parag Parikh Financial Advisory Services Limited (Formerly known as Parag Parikh Financial Advisory Services Pvt Ltd)	Holding Company	Shared Service Cost	114.00	135.00
Parag Parikh Financial Advisory Services Limited (Formerly known as Parag Parikh Financial Advisory Services Pvt Ltd)	Holding Company	Differential amount between fair value of ESOPs & Exercise Price of ESOPs borne by AMC.	9.57	60.94

Name of the Related Party	Relationship	Nature of Payment	FY 2022-23 (Amount in Rs. Lakhs)	FY 2021-22 (Amount in Rs. Lakhs)
Parag Parikh Financial Advisory Services Limited (Formerly known as Parag Parikh Financial Advisory Services Pvt Ltd)	Holding Company	Purchase of Fixed Asset	0.07	-
Geeta Parikh	Relative of the Director who is able to exercise significant influence	Employee Benefits Expenses	-	3.60
Geeta Parikh	Relative of the Director who is able to exercise significant influence	Professional Fees	5.08	3.05

Related Party Balances:

Name of the Related Party	Relationship	Nature of Payment	Balance as on 31.03.2023 (Amount in Rs. Lakhs)	Balance as on 31.03.2022 (Amount in Rs. Lakhs)
Empeegee Portfolio Management Services Private Limited	Enterprise over which Key Managerial Personnel can exercise significant influence	Rent Deposit	141.00	141.00

NOTE 29: DIVIDEND

The Board of Directors at its meeting held on 14th February 2023, declared an interim dividend of Rs. 1.26/- per share absorbing a sum of **Rs.450.19 Lakhs** for the year 2022-23 (*Previous year: Rs. 200.09 Lakhs*) and the same was paid to the shareholders of the Company, as at the close of working hours on 14th February, 2023 (Record Date).

NOTE 30: LEASE PREMISES

The Company has taken office premises on lease with an escalation clause in the lease agreements. There are no restrictions imposed by the lease arrangements. During the current year, the amount charged to the statement of profit and loss is **₹136.85 Lakhs** (*Previous year: ₹ 72.06 Lakhs*). The future obligations towards lease rentals under the lease agreements as at 31st March, 2023 are as under:

Lease Obligation	As at 31.03.2023 <i>(Amount in Rs. Lakhs)</i>	As at 31.03.2022 <i>(Amount in Rs. Lakhs)</i>
Due not later than one year	0.73	-
Due later than one year but not later than five years	16.67	-
Later than five years	-	-
Total	17.40	-

NOTE 31: CONTINGENT LIABILITIES

Contingent Liabilities	FY 2022-23 <i>(Amount in Rs. Lakhs)</i>	FY 2021-22 <i>(Amount in Rs. Lakhs)</i>
Income tax Case – Appeals in High Court A.Y. 2013-14	41.73	41.73

NOTE 32: EARNINGS PER SHARE

Particulars	FY 2022-23	FY 2021-22
Profit attributable to equity shareholders <i>(Amount in Rs. Lakhs)</i>	7,651.70	3,901.32
Weighted Average number of Equity Share Outstanding during the year	3,57,30,009	3,57,30,009
Basic EPS	Rs. 21.42	Rs. 10.92
Diluted EPS	Rs. 21.42	Rs. 10.92
Nominal value per share	10	10

NOTE 33: MAJOR COMPONENTS OF DEFERRED TAX

Deferred Tax Assets	<i>(Amount in Rs. Lakhs)</i>		
I. Opening Balance Deferred Tax Liability			89.54
II Changes during the Year			
a. Timing Difference in Depreciation			
As per Accounts	186.83		
As per Income tax Act	228.12		
Over charged for tax purpose	41.29		
Deferred Tax @ 25.168%		10.39	
b. Timing Difference due to Provision for Leave Encashment			
As per Accounts	2.49		
As per Income tax Act	-		
Under charged for tax purpose	(2.49)		
Deferred Tax @ 25.168%		(0.63)	
c. Timing Difference in Gratuity			
As per Accounts	32.31		
As per Income tax Act	36.76		
Over charged for tax purpose	4.45		
Deferred Tax @ 25.168%		1.12	
d. Timing Difference in Rent			
As per Accounts	136.85		
As per Income tax Act	119.44		
Under charged for tax purpose	(17.40)		
Deferred Tax @ 25.168%		(4.38)	
III. Deferred Tax Expense recognized in Statement of Profit & Loss			6.51
IV. Net Deferred tax Liabilities as per Balance Sheet (I + III)			96.05

NOTE 34: EMPLOYEE BENEFITS

A. The amounts recognized in the Company's financial statements as at year end are as under:

Particulars		Gratuity (Funded)	
		(Amount in Rs. Lakhs)	
		Current Year	Previous Year
i)	Change in Present Value of Obligation		
	Present value of the obligation at the beginning of the year	151.88	77.28
	Interest Cost	10.48	5.08
	Current Service Cost	18.31	12.37
	Liability Transferred In/Acquisition	-	8.38
	Liability Transferred Out/ Divestments	(1.05)	-
	Benefit Paid from the Fund	(0.77)	(1.48)
	Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	0.01
	Actuarial (Gain) / Loss on Obligation	(5.87)	(3.28)
	Actuarial (Gains)/Losses on Obligations - Due to Experience	13.37	53.54
	Present value of the obligation at the end of the year	186.36	151.88
ii)	Change in Plan Assets		
	Fair value of Plan Assets at the beginning of the year	147.43	81.52
	Expected return on Plan Assets	10.17	5.35
	Contributions by the Employer	45.00	50.00
	Assets Transferred In/Acquisition	-	8.38
	Assets Transferred Out/ Divestments	(1.05)	-
	Benefit Paid from the Fund	(0.77)	(1.48)
	Actuarial Gain / (Loss) on Plan Assets	(6.19)	3.68
	Fair value of Plan Assets at the end of the year	194.59	147.43
iii)	Amounts Recognised in the Balance Sheet:		
	Present value of Obligation at the end of the year	(186.36)	(151.88)
	Fair value of Plan Assets at the end of the year	194.59	147.43
	Net (Liability)/Asset Recognized in the Balance Sheet	8.24	(4.45)

Particulars		(Amount in Rs. Lakhs)	
		Current Year	Previous Year
iv)	Amounts Recognised in the statement of Profit and Loss:		
	Current Service Cost	18.31	12.37
	Net Interest Cost	0.31	(0.28)
	Actuarial (Gains)/Losses	13.69	45.58
	Net Cost Included in Employee Benefit Expenses	32.31	58.68
v)	Actual Return on Plan Assets	3.98	9.03
vii)	Major categories of Plan Assets as a % of total Plan Assets		
i)	Insurer Managed Funds	100%	100%
viii)	Actuarial Assumptions		
i)	Discount Rate	7.41% P.A.	6.90% P.A.
ii)	Expected Rate of Return on Plan Assets	7.41% P.A.	6.90% P.A.
iii)	Salary Escalation Rate	10% P.A.	10% P.A.
iv)	Employee Turnover	10% P.A.	10% P.A.
v)	Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) (Urban)	Indian Assured Lives Mortality (2012-14) (Urban)

B. Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP) Expenses:

In respect of stock options granted pursuant to the Holding Company's Employee Stock Option Plan ('ESOP'), the intrinsic value of the options (excess of fair market price of the share over the exercise price of the option) is treated as discount and accounted as employee compensation cost in accordance with the Guidance note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India, as amended from time to time.

NOTE 35: RATIOS

Particulars	As on 31st March, 2023	<i>As on 31st March, 2022</i>	% Increase / (Decrease)
Current Ratio	8.26	3.30	150.34
Return on Equity Ratio	51.51%	41.49%	24.15
Net profit ratio	53.13%	44.27%	20.02
Return on Capital employed	55.20%	48.67%	13.41

Reason for Increase in Current Ratio

During the year, Management fees have increased by 63% year on year and profit after tax had increased by 96 %. This increase in Management fees and resultant increase in Profitability contributed to increase in liquidity of the company. Hence the current ratio increased during the year.

Reason for Increase in Return on Equity Ratio

The Mutual Fund has done well during the year under consideration and Average Asset Under Management has increased by approximately 66%. Hence there is an increase in the ROE ratio.

Reason for Increase in Net Profit Ratio

The Mutual Fund has done well during the year under consideration and Average Asset Under Management has increased by approximately 66%. Hence there is an increase in Net Profit ratio.

Reason for Increase in Return on Capital Employed Ratio

The Mutual Fund has done Well during the year under consideration and Average Asset Under Management has increased by approximately 66%. Hence there is an increase in the ROCE ratio.

Terms for Ratios:

- a. Current Ratio = Current Assets divided by Current Liabilities where Current Assets includes Investments, Trade Receivables, Cash and Cash equivalents, Short term loan and advances, other current assets , whereas Current Liabilities includes Trade Payables, Other current liabilities, Short-term provisions.
- b. Return on Equity Ratio = Net Profits after taxes divided by Average Shareholders Equity i.e., Share Capital and Reserve and surplus
- c. Return on Capital employed = Earnings before interest and taxes divided by Net Assets i.e., Current Assets – Current Liabilities

NOTE 36: CORPORATE SOCIAL RESPONSIBILITY

	Particulars	Current Year	Previous Year
(a)	Amount required to be spent by the company during the year	Rs. 48.66 Lakhs	<i>Rs. 15.13 Lakhs</i>
(b)	Amount of expenditure incurred	Rs. 48.68 Lakhs	<i>Rs. 15.25 Lakhs</i>
(c)	Shortfall at the end of the year	Nil	<i>Nil</i>
(d)	Total of previous years shortfall	Nil	<i>Nil</i>
(e)	Reason for shortfall	Not Applicable	<i>Not Applicable</i>
(f)	Nature of CSR activities	Donated to Give Foundation which in turn donates to other organizations conducting charity activity & and to The Bombay International School Association for education facilities.	<i>Donated to Give Foundation which in turn donates to other organization carrying on charity activity.</i>
(g)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	<i>Not Applicable</i>
(h)	Where a provision is made with respect to a liability incurred by entering a contractual obligation, the movements in the provision during the year should be shown separately	Not Applicable	<i>Not Applicable</i>

NOTE 37: SEGMENT REPORTING

The Company carries on the business of Mutual Fund. This being the only activity, revenue and operating results of the Company are only from the above activities. All assets of the Company are identifiable with the aforesaid activity. Hence, there being no other reportable segment, disclosure in respect of segment reporting as per the Accounting Standard-17 issued by the Institute of Chartered Accountants of India (ICAI) is not applicable.

NOTE 38: PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classifications / disclosures.

Signatures to notes 1 to 38.

As per Our Audit Report of even date

For Chokshi & Chokshi LLP

Chartered Accountants

Firm Registration No:101872W/W100045

Sd/-

CA Anish Shah

Partner

Membership no.: 048462

For and on behalf of the Board of Directors

PPFAS Asset Management Private Limited

Sd/-

Rajeev Thakkar

CIO & Director

DIN: 00227548

Sd/-

Shashi Kataria

CFO & Director

DIN: 07983714

Sd/-

Priya Hariani

Company Secretary

Place: Mumbai

Date: 27th June, 2023

PROXY FORM

(Form no. MGT-11)

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

CIN: U65100MH2011PTC220623
Name of the company: PPFAS Asset Management Private Limited
Registered office: 81/82, 8th Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230 Nariman Point, Mumbai-400021

Name of the member (s) :
Registered address :
E-mail Id:
Folio No :

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

1. Name : Address :
..... E-mail Id :

Signature :....., or failing him

2. Name : Address:
..... E-mail Id :

Signature:....., or failing him

3. Name : Address:.....
..... E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12th Annual General Meeting of the company, to be held on Monday, 31st July, 2023 at 12.00 noon at 81/82, 8th Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230 Nariman Point, Mumbai 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
	Ordinary Business
1	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial year ended 31st March 2023, together with the Report of the Board of Directors and Auditor's thereon.
2.	To confirm the payment of the Interim Dividend of Rs. 1.26 per equity share already paid during the year as the Final Dividend for the Financial Year 2022-23.
3.	To appoint director in place of Mr. Neil Parag Parikh (DIN: 00080269), who retires by rotation and being eligible, offers himself for re-appointment.
4.	To appoint director in place of Mr. Rajeev Navinkumar Thakkar (DIN-00227548), who retires by rotation and being eligible, offers himself for re-appointment.
	Special Business
5.	To approve re-appointment of Mr. Neil Parag Parikh (DIN-00080269), Whole Time Director & Chief Executive Officer (CEO) of the Company.
6.	To approve re-appointment of Rajeev Navinkumar Thakkar (DIN-00227548), Whole Time Director and Chief Investment Officer (CIO) of the Company.
7.	To approve re-appointment of Mr. Shashi Menghraj Kataria (DIN-07983714), Whole Time Director and Chief Financial Officer (CFO) of the Company.

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 : U65100MH2011PTC220623

Name of the company: PPFAS Asset Management Private Limited

Regd. office: 81/82, 8th Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230, Nariman Point, Mumbai-400021.

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

I hereby record my presence at the 12th Annual General Meeting of the Company at 81/82, 8th Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230 Nariman Point, Mumbai-400021 on Monday, 31st July, 2023 at 12.00 noon.

Signature of the Member(s)/Proxy

Notes:

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

Road map to AGM Venue

Venue: Registered Office of the Company. 81/82, 8th Floor, Sakhar Bhavan, 230, Ramnath Goenka Marg, Nariman Point, Mumbai – 400021. Telephone: 022 6140 6555.

Distance from Churchgate Railway Station: around 1.2 Km.

Distance from Chhatrapati Shivaji Terminus: around 2.8 Km.

