



PPFAS Asset Management Private Limited

**First Annual Report
2011-2012**

Corporate Information

Board of Directors

Parag Parikh
Rajeev Thakkar
Rajnikant Rao
Kamlesh Somani

Auditors

CVK & ASSOCIATES,
Chartered Accountants

Company Secretary

Swapnil Walimbe

Bankers

HDFC Bank Limited

Registered Office

103, Veena Chambers
21, Dalal Street, Fort
Mumbai - 400 001.

Corporate Office

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

Notice

Notice is hereby given that the First Annual General Meeting of the members of the PPFAS Asset Management Private Limited will be held on Thursday, 30th August 2012 at 11.00 a.m. At 130-132 Great Western Building, S.B. Singh Road, opposite Lion Gate, Fort, Mumbai- 400001 to transact the following business;

Ordinary Business:

- 1 To receive, consider and adopt the audited Balance Sheet as at 31st March 2012, the Statement of Profit and Loss for the period ended on 31st March 2012 and the Report of Directors' and Auditor's Report thereon.
- 2 To reappoint CVK & Associates, Chartered Accountants as statutory auditors of the company, to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the company and to fix their remuneration.

Following resolution is required to be passed for appointment of statutory auditors.

"Resolved that M/s. CVK and Associates, Chartered Accountants, be and are hereby reappointed as Statutory Auditors of the Company to hold the office till the conclusion of next Annual general Meeting at the remuneration to be fixed by the Board of Directors."

- 3 To re-appoint Mr. Rajeev Thakkar, (who has been appointed as first director of the Company) who retires by rotation and being eligible offers himself for re-appointment.
- 4 To re-appoint Mr. Parag Parikh, (who has been appointed as first director of the Company) who retires by rotation and being eligible offers himself for re-appointment.

Special Business:

To consider, and if thought fit, to pass with or without modifications, the following resolutions as an Ordinary Resolutions:

- 5 To regularise the appointment of Mr. Rajnikant Rao as a Director of the Company. Mr. Rajnikant Rao is appointed as an additional director of the Company and he being eligible offers himself for appointment as a director.

Following resolution is required to be passed.

"Resolved that Mr. Rajnikant Rao who is appointed as an additional director of the Company and who retires at this Annual General Meeting be appointed as a Director of the Company."

- 6 To regularise the appointment of Mr. Kamlesh Somani as a Director of the Company. Mr. Kamlesh Somani is appointed as an additional director of the Company and he being eligible offers himself for appointment as a director.
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Following resolution is required to be passed.

"Resolved that Mr. Kamlesh Somani who is appointed as an additional director of the Company and who retires at this Annual General Meeting, be appointed as a Director of the Company."

To consider, and if thought fit, to pass with or without modifications, the following resolutions as Special Resolutions:

- 7** To approve and ratify the appointment and remuneration that will be paid to Mr. Parag Parikh as a Whole Time Director of the Company.

RESOLVED THAT pursuant to provisions of Sections 198(4) / 269 / 309(3) / 310 read with Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and as approved by the Remuneration Committee, the Shareholders do hereby confirm and approve the appointment and the protection of the payment of the remuneration and the perquisites to be paid to Mr. Parag Parikh, as Wholetime Director of the Company amounting to Rs. 1,30,000/- per month as basic salary and perquisites separately for the period (3 years) from 1st March 2012 to 28th February 2015 AND THAT the said remuneration and the perquisites paid to him for the said period be treated as the 'Minimum Remuneration' in the absence or inadequacy of profits, in accordance with the provisions of Sections 198(4) / 309(3) / 310 read with Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

RESOLVED FURTHER THAT any one Director or the Secretary of the Company be and is hereby authorised accordingly to file the necessary forms and affix DSC on the said forms at MCA Portal and any other incidental act as may be required to give effect to the above resolution.

- 8** To approve and ratify the appointment and remuneration that will be paid to Mr. Rajeev Thakkar as a Whole Time Director of the Company.

RESOLVED THAT pursuant to provisions of Sections 198(4) / 269 / 309(3) / 310 read with Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and as approved by the Remuneration Committee, the Shareholders do hereby confirm and approve the appointment and the protection of the payment of the remuneration and the perquisites to be paid to Mr. Rajeev Thakkar, as Wholetime Director of the Company amounting to Rs. 1,30,000/- per month as basic salary and perquisites separately for the period (3 years) from 1st March 2012 to 28th February 2015 AND THAT the said remuneration and the perquisites paid to him for the said period be treated as the 'Minimum Remuneration' in the absence or inadequacy of profits, in accordance with the provisions of Sections 198(4) / 309(3) / 310 read with Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

RESOLVED FURTHER THAT any one Director or the Secretary of the Company be and is hereby authorised accordingly to file the necessary forms and affix DSC on the said forms at MCA Portal and any other incidental act as may be required to give effect to the above resolution.

Explanatory Statement Pursuant to Section 173 of the Companies Act, 1956:**Item 5**

Mr. Rajnikant Rao, is appointed as an additional director of the Company in the month January 2012. His appointment is approved by the trustees of PPFAS Mutual Fund, in accordance with the applicable SEBI regulations.

Appointment of Mr. Rajnikant Rao as a director of the company needs to be regularised by appointing him as a director of the company at the this Annual General Meeting.

Members are requested to vote in favour of this resolution.

Item 6

Mr. Kamlesh Somani, is appointed as an additional director of the Company in the month January 2012. His appointment is approved by the trustees of PPFAS Mutual Fund, in accordance with the applicable SEBI regulations.

Appointment of Mr. Kamlesh Somani as a director of the company needs to be regularised by appointing him as a director of the company at the this Annual General Meeting.

Members are requested to vote in favour of this resolution.

Item 7

To approve and ratify the appointment and payment of remuneration to Mr. Parag Parikh.

Mr. Parag Parikh is acting as a Director and Chairman of the Company. His duty involves providing directions to the operations of the Company and represent the the Company in public domain. His vast experience in the field of capital markets and fund management industry is a great asset for the Company.

Considering his educational background, vast experience of capital markets and fund management industry, Board Members have approved the remuneration.

Mr. Parag Parikh, has experience in the field of Finance, Capital, Commodities & Derivatives Markets. In view of his vast experience, the Board of Directors of the Company at their meeting held on 13TH March 2012, has appointed Mr. Parag Parikh as the Wholetime Director of the Company for a period of three years w.e.f 1st March 2012 on the terms and conditions mentioned below. In accordance with the requirements of Schedule XIII to the Companies Act, 1956, The Remuneration Committee has also recommended the remuneration payable to Mr. Parag Parikh.

Term: three years w.e.f 1st March 2012

Emoluments:

Basic Remuneration: Rs. 1,30,000/- (Rupees One Lakh Thirty Thousand only) on a monthly basis with an authority to Board of Directors to revise the salary as may be approved by the remuneration committee within the limits prescribed under Schedule XIII to the Act.

Perquisites:

In addition to remuneration stated above; Mr, Parag Parikh will be provided chauffeur driven car which will be used for official purpose

He will be entitled to the reimbursement of the medical bills and telephone bills.

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

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

Performance Linked Incentive:

Such amounts as may be decided by the board of Directors or any committee of the Board from time to time.

Any expenses incurred which in connection with discharging the duties as a Whole-time Director of the Company will not be considered as Perquisites. Provided that the total remuneration paid to the Whole Time Director shall at all the time be within the limits stipulated by the Companies act, 1956.

The Board recommends the resolution for the Shareholders' approval, as a Special Resolution.

None of the Directors except Mr. Parag Parikh is concerned or interested in the resolution.

Item 8

To approve and ratify the appointment and payment of remuneration to Mr. Rajeev Thakkar.

Mr. Rajeev Thakkar is acting as a CEO and Chief Investment Officer of the Company. His functions as a CEO involves providing general directions to the operations of the Company and exercise control over the functioning of the Company. His functions as a Chief Investment Officer involves overlooking the operations of fund management department and preparing investment policies for the PPFAS Mutual Fund.

Considering his educational background, vast experience of capital markets and fund management industry, Board Members have approved the remuneration.

Mr. Rajeev Thakkar, has experience in the field of Finance, Capital, Commodities & Derivatives Markets. In view of his vast experience, the Board of Directors of the Company at their meeting held on 13TH March 2012, has appointed Mr. Rajeev Thakkar as the Wholetime Director of the Company for a period of three years w.e.f 1st March 2012 on the terms and conditions mentioned below. In accordance with the requirements of Schedule XIII to the Companies Act, 1956. The Remuneration Committee has also recommended the remuneration payable to Mr. Rajeev Thakkar.

Term: three years w.e.f 1st March 2012

Emoluments:

Basic Remuneration: Rs. 1,30,000/- (Rupees One Lakh Thirty Thousand only) on a monthly basis with an authority to Board of Directors to revise the salary as may be approved by the remuneration committee within the limits prescribed under Schedule XIII to the Act.

Perquisites:

In addition to remuneration stated above; Mr. Rajeev Thakkar will be provided chauffeur driven car which will be used for official purpose

He will be entitled to the reimbursement of the medical bills and telephone bills.

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

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

Performance Linked Incentive:

Such amounts as may be decided by the board of Directors or any committee of the Board from time to time.

Any expenses incurred which are in connection with discharging the duties as a Whole-time Director of the Company will not be considered as Perquisites. Provided that the total remuneration paid to the Whole Time Director shall at all the time be within the limits stipulated by the Companies act, 1956.

The Board recommends the resolution for the Shareholders' approval, as a Special Resolution.

None of the Directors except Mr. Rajeev Thakkar is concerned or interested in the resolution.

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

Parag Parikh
Director

Rajeev Thakkar
Director

Place: Mumbai.

Date: July 20, 2012.

Registered office;
103, Veena Chambers, Dalal Street,
Fort, Mumbai- 400001

Notes

- 1 A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member.
 - 2 Proxies in order to be effective must be deposited at the Corporate Office of the Company not less than 48 hours before the commencement of the meeting.
 - 3 Members are requested to bring their copies of the Annual Report while attending the Annual General Meeting.
 - 4 Members desirous to obtain any information concerning the accounts and operations of the Company are requested to send their queries to the Company at-least 7 days prior to the date of the meeting, so that the information required by the members may be made available at the meeting.
 - 5 Corporate members are requested to bring certified true copy of the resolution pursuant to section 187 of the Companies Act, 1956 giving authorisation for attending the meeting.
 - 6 Members are requested to notify the Company immediately of any changes in the address.
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Directors' Report

To the Shareholders:

We are pleased to present our first report on the business operations of the Company and the audited financial statements for the period ended March 31, 2012.

Particulars	For the year ended March 31, 2012 (Rs. In Lakhs)
Operating Income	NIL
Other Income	78.22
Total Income	78.22
Profit before depreciation and tax	32.13
Depreciation	1.04
Profit before tax	31.09
Current Tax	8.07
Net Deferred Tax	1.54
Profit/ (Loss) after tax	21.47
Share Capital	1500
Reserves and Surplus	21.47

Dividend

This is the first year of operations of the Company. The Company is incorporated to function as an investment manager to the PPFAS Mutual Fund.

The company has not started its operations as an investment manager and for the first year the only source of income was interest income from fixed deposit with bank.

Considering the above facts and with a view to conserve resources and increase net worth of the Company, no dividend is proposed for the year. Capital adequacy is a key factor in the financial markets. Retention of earnings will help the company to provide adequate capital cushion to the operations of the Company.

Directors recommend not to declare dividend for the 1st year.

Directors

The Board has appointed Mr. Parag Parikh and Mr. Rajeev Thakkar, Directors of the company as Wholtime Directors of the Company for the period of three years with effect from 1st March 2012.

The Board of Directors of the Company has appointed Mr. Rajnikant Rao and Mr. Kamlesh Somani as Additional Directors of the Company.

Deposits

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

Management Discussion and Analysis and Results of operations**Environment in the Capital Markets**

This financial year proved to be tough year for the mutual fund industry with reduction in the investments in the mutual fund and investor folio registration going down as compared to earlier year.

Our stance

The Company is incorporated in the year 2011. The Company has put in place the required infrastructural facilities, policies and process that are required under applicable SEBI regulations. We are awaiting our final registration from the SEBI.

The company has started working on the processes that are required to be completed for launch of a Mutual Fund scheme.

Board is of the view that company will be able to offer its first mutual fund scheme for subscription in the second half of this year.

Operations of the Company

The Company is incorporated in August 2011. The purpose of incorporation of the company is to function as an investment manager for the PPFAS Mutual Fund.

As per the applicable SEBI regulations a company can not start its operations as an investment manager for a Mutual Fund unless a registration number under the provisions of SEBI (Mutual Funds) Regulations, 1996 is accorded.

The Company has put in place the required infrastructural facilities, policies and processes that are required under applicable SEBI regulations. We are awaiting our final registration from the SEBI.

During this year company has dedicated its resources and attention on putting in place the required infrastructural and man power facilities as required under applicable SEBI regulations.

Finances

The Company has invested the funds received in the form of capital in Liquid Funds of registered Mutual Funds and in Fixed Deposits Receipts with scheduled banks.

Expenses incurred during the year were in the nature of Preliminary Expenses, Legal expenses and expenses towards acquisition of assets. Expenses incurred towards acquisition of assets have been capitalised.

Human Resource

The Company is recruiting employees at a gradual pace. The company has appointed Key Employees for the Company as required by the applicable SEBI regulations and has identified employees that are required for smooth functioning of the Company.

As we move closer to the launch of first scheme of PPFAS Mutual Fund, employees which are required for the smooth operations of the Company will be recruited. Board is of the opinion that it is a very sensible approach.

Future Outlook

During first year, attention was focused on putting required infrastructure facilities as required by applicable SEBI regulations in place and move towards getting SEBI registration.

Board is of the view that we will be able to launch first scheme for PPFAS Mutual Funds in the second half of this year.

Directors' Responsibility Statement:

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

1. that in the preparation of the accounts for the financial year ended on 31st March 2012 the applicable accounting standards have been followed;
2. that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profits of the company for the year under review;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and any irregularities;
4. that the Directors have prepared the accounts for the financial year ended on 31st March 2012 on an 'going concern' basis.

Particulars of employee/s as required under section 217 (2A) of the Companies Act, 1956

Employee Name	Designation	Total Remuneration (INR)
	None	

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

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

a) Energy consumption:

The company is engaged in providing services as investment manager to mutual fund. Electricity cost is not a major component of total cost of the company. The company recognises the need and importance to conserve the energy. Company makes sure that it uses electrical equipments which are energy efficient.

b) Technology absorption, adoption and innovation:

The company is not engaged in any manufacturing activity and hence this section does not apply to the company.

c) Foreign exchange earning and outgo during the year:

During the financial year under consideration there was no foreign exchange remittance, either inbound or otherwise.

Statutory Auditors:

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

Board recommends the members of the company to approve the reappointment of M/s. CVK & Associates, Chartered Accountants.

Acknowledgement:

The directors wish to place on records their sincere appreciation towards its employees for their dedication and focused attitude.

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

Parag Parikh
Director

Rajeev Thakkar
Director

Place: Mumbai.
Date: July 20, 2012.

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

Auditor's Report

CVK & Associates
Chartered Accountants

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

To the members of PPFAS Asset Management Private Limited.

- 1 We have audited the attached Balance Sheet of PPFAS Asset Management Private Limited as at 31st March, 2012, and also the statement of Profit & Loss for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
 - 2 We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 - 3 The matters specified in paragraphs 4 and 5 of Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Sub- section 4A of Section 227 of Companies Act, 1956, have not been commented upon, being inapplicable.
 - 4 We report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - iii. The Balance Sheet and the statement of Profit & Loss dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the Balance Sheet and the statement of Profit & Loss dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v. On the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012, from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
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vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012; and
- b) in the case of the statement of Profit & Loss, of the Profit for the period ended on that date.

For CVK & Associates

Chartered Accountants

(Firm's Registration no.-101745W)

Place: Mumbai

Date: July 20, 2012

K.P. CHAUDHARI, Partner

M.No. 31661

Balance Sheet as at 31st March 2012

Particulars	Note	As at 31st March, 2012 (Rs)	As at 31st March, 2011 (Rs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	1	150,000,000	-
(b) Reserves And Surplus	2	2,147,405	-
	(a)	152,147,405	-
Non Current Liabilities			
(a) Deferred Tax Liabilities (Net)	3	154,387	-
	(b)	154,387	-
Current Liabilities			
(a) Other Current Liabilities	4	251,872	-
(b) Short Term Provisions	5	1,746,624	-
	(c)	1,998,496	-
Total	(a+b+c)	154,300,288	-
ASSETS			
Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	6A	330,612	-
(ii) Intangibles	6B	1,674,298	-
	(d)	2,004,910	-
(b) Non-Current Investments	7	2,778,639	-
	(e)	2,778,639	-
Current Assets			
(a) Current Investments	8	145,000,000	-
(b) Cash & Cash Equivalents	9	154,830	-
(c) Short-Term Loans & Advances	10	140,000	-
(d) Other Current Assets	11	4,221,909	-
	(f)	149,516,739	-
Total	(d+e+f)	154,300,288	-

Notes forming part of accounts 16 to 23.

Other notes referred to above form an integral part of the Financial Statements

For CVK & Associates

Chartered Accountants

(Firm's Registration no.-101745W)

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

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

Rajeev Thakkar
Director

Parag Parikh
Director

Place: Mumbai
Date: July 20, 2012

Swapnil Walimbe
Company Secretary

Statement of Profit and Loss for the year ended 31st March 2012

Particulars	Note No	For the year ended 31st March, 2012	For the year ended 31st March, 2011
REVENUE			
Other Income	12	7,822,321	-
Total Revenue		7,822,321	-
EXPENSES			
Employee Benefits Expenses	13	2,080,981	-
Depreciation & Amortization Expenses	14	104,114	-
Other Expenses	15	2,528,434	-
Total Expenses		4,713,529	-
Profit Before Tax		3,108,792	-
Tax Expense			
(I) Current Tax		807,000	-
(ii) Deferred Tax		154,387	-
		961,387	-
Profit(Loss) for the Period		2,147,405	-
Earning Per Equity Share			
Basic		0.14	
Diluted		0.14	

Notes forming part of accounts 16 to 23.

Other notes referred to above form an integral part of the Financial Statements

For CVK & Associates

Chartered Accountants

(Firm's Registration no.-101745W)

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

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

Rajeev Thakkar
Director

Parag Parikh
Director

Place: Mumbai
Date: July 20, 2012

Swapnil Walimbe
Company Secretary

Notes to and forming part of Balance Sheet as at 31st March 2012

Note No	Particulars	As at 31st March, 2012		As at 31st March, 2011	
1	Share Capital				
	Authorized:				
	15,000,000 Equity Shares of Rs.10/- each			150,000,000	-
	Issued, Subscribed & Paid Up				
	15,000,000 Equity Shares of Rs.10/- each fully paid			150,000,000	-
				150,000,000	-
		As at 31st March, 2012		As at 31st March, 2011	
		Number	(Rs)	Number	(Rs)
	Reconciliation of Shares outstanding as at the beginning and at the end of the reporting period.				
	At the beginning of the Period	Nil	Nil	-	-
Issued during the period	15,000,000	150,000,000	-	-	
Outstanding at the end of the period	15,000,000	150,000,000	-	-	
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	14,999,999	99.99	-	-
2	Reserves and Surplus				
	Surplus/(deficit) in the statement of Profit and Loss				
	At the Beginning of the Accounting Period			-	-
	Additions During the Year (Balance in statement of profit & loss)			2,147,405	-
			2,147,405	-	
3	Deferred Tax Liability				
	Opening Balance			-	-
	Impact of difference between Depreciation charged as per Company Law & Depreciation charged as per Tax Law			154,387	-
	Net Deferred Tax Liability			154,387	-
4	Other Current Liabilities				
	TDS on Contractors			360	-
	TDS on Professional Fees			22,477	-
	TDS on Salary			214,035	-
	TDS Payable on Rent			15,000	-
				251,872	-
5	Short term Provisions				
	Provisions For Audit Fees			20,000	-
	Salary Payable			1,147,670	-
	Provision for Expenses			21,548	-
	PF Payable			92,924	-
	Professional Charges Payable			129,050	-
	Profession Tax Payable			2,800	-
	Provison For Tax			332,632	-
			1,746,624	-	

Note 6: Particulars of Fixed Assets for the year ended 31st March, 2012

Sr. No	Asset	Rate of Dep	Gross Block			Depreciation				Net Block		
			Gross Block as at 01/04/2011	Additions during the year	Deductions during the year	Gross Block as at 31/03/12	Provision for Dep upto 31/03/11	Depreciation for the year 11-12	Accu. Depreciation on Sold Assets	Total dep upto 31/03/12	Net Block as at 31/03/12	Net Block as at 31/03/11
A.	Tangible Assets											
1	Computer Hardware	40.00%		224,235		224,235		20,922		20,922	203,313	-
2	Electrical Fittings	13.91%		34,130		34,130		692		692	33,438	-
3	Office Equipments	18.10%		97,159	-	97,159		3,298		3,298	93,861	-
	TOTAL			355,524	-	355,524	-	24,912	-	24,912	330,612	-
B.	Intangible Assets											
	Computer software	40.00%		1,753,500		1,753,500		79,202		79,202	1,674,298	-
	TOTAL			1,753,500	-	1,753,500	-	79,202	-	79,202	1,674,298	-
	TOTAL (A+B)			2,109,024		2,109,024		104,114		104,114	2,004,910	-

7	Non Current Investments		
	Investment in Mutual Funds Birla Sun Life Cash Manager Fund	2,778,639	-
		2,778,639	-
8	Current Investments		
	Fixed Deposits with maturity less than 12 months	145,000,000	-
		145,000,000	-
9	Cash & Cash Equivalents		
	(I) Cash in hand and as Imprest	8,885	-
	(ii) On Current Accounts	145,945	-
		154,830	-
10	Short Term Loans and Advances		
	(i) Deposits	100,000	-
	(ii) Advances	40,000	-
		140,000	-
11	Other Current Assets		
	Interest accrued on Fixed Deposits	4,221,909	-
		4,221,909	-

Notes to and forming part of Statement of Profit and Loss
for the year ended 31st March 2012

Note No	Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
12	Other Income		
	Net Gain/Loss on Sale of Investment	3,078,639	-
	Other Non-Operating Income	4,743,682	-
		7,822,321	-
13	Employee Benefit Expenses		
	Salary and Wages		
	Office Staff Salary	1,997,753	-
	Contribution to Provident Fund and other funds		
	Contribution to Provident Fund	82,540	-
	Other Expenses		
	Staff Welfare	688	-
		2,080,981	-
14	Depreciation and Amortization Expense		
	Depreciation of Tangible Assets	24,912	-
	Amortization of Intangible Assets	79,202	-
		104,114	-
15	Other Expenses		
	Preliminary Expenses Written off	1,323,114	-
	Rent,Rates & Taxes	426,628	-
	Professional Charges	355,615	-
	Repairs & Maintenance	240,375	-
	Communication Expenses	66,622	-
	Miscellaneous Expenditure	25,921	-
	Conveyance	24,922	-
	Printing & Stationery	23,072	-
	Auditor's remuneration	20,000	-
	Director's Fees	10,000	-
	Internet Expenses	5,712	-
	Books & Periodicals	3,953	-
	Professional Tax	2,500	-
	TOTAL	2,528,434	-

Notes to Accounts

16 Company Information.

The Company PPFAS Asset Management Private Limited is subsidiary of Parag Parikh Financial Advisory Services Limited. It was incorporated on 08.08.2011. This is the first year of operations of the Company. The Company is incorporated to function as an investment manager to the PPFAS Mutual Fund. The company has not started its operations as an investment manager and for the first year the only source of income was interest income from fixed deposit with bank and capital gain income.

17 Significant Accounting Policies

a) Accounting Convention

The financial statements are prepared under the historical cost convention and materially comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956.

The Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

b) Revenue Recognition

Revenue from Interest and other business is generally recognized on accrual basis.

c) Tangible and Intangible assets.

Fixed Assets are valued at cost less accumulated depreciation. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the asset to its present condition for intended use. Intangible assets are stated at cost of acquisition less accumulated amortization and accumulated impairment loss, if any.

d) Investments

Investments are valued at their acquisition costs. Investments are classified into current and long-term investments. Current investments are stated at the lower of cost and fair value. Long-term investments are stated at cost.

e) Depreciation

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

f) Investment Transactions

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

g) Employee Benefits

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

h) Provision and Contingent Liabilities

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. There are no Contingent Liabilities.

j) Taxes on Income

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

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

18 The amount payable to the Small Scale Undertaking is NIL.

19 Contingent Liabilities: NIL

20 Major Components of Deferred Tax Assets

Deferred Tax Assets	
I. Opening Balance	Nil
II Changes during the Year	
a. Timing Difference in Depreciation	
As per Accounts	104,114
As per Income tax Act	603,748
Overcharged charged for tax purpose	499,634
Deferred Tax @ 30.90%	154,387
b. Timing difference in Gratuity	Nil
III. Deferred Tax Expense charged to P& L Account	154,387
IV. Net Deferred tax Liability as per Balance Sheet.	154,387

21 Disclosure as required by Schedule VI of the Companies Act, 1956

a) Particulars of Auditor's Remuneration

Particulars	FY 2011-12
a) As Auditors	20,000/-
b) For other Services	-
TOTAL	20,000/-

b) Value of Imports

Particulars	FY 2011-12
Value of Imports	NIL

c) Expenditure in Foreign Exchange

Particulars	FY 2011-12
Expenditure in Foreign Exchange	NIL

d) Earnings in Foreign Exchange

Particulars	FY 2011-12
Earnings in Foreign Exchange	NIL

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

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

Name of the Related Party.	Relationship	Nature of Payment	Amount
Empeegee Portfolio Management Services Pvt. Ltd.	Enterprise over which Key Managerial Personnel are able to exercise significant influence.	Rent	4,25,188/-
Parag parikh	Director	Remuneration	1,30,000/-
Rajeev Thakkar	Director	Remuneration	1,30,000/-

23 Earnings per share (EPS)

Particulars	Current year	Previous year
Profit attributable to equity shareholders	2,147,405/-	-
Weighted average number of equity shares Outstanding during the year	15,000,000/-	-
Basic & Diluted EPS	Rs. 0.14/-	-
Nominal value per share	Rs. 10/-	-

For CVK & Associates

Chartered Accountants

(Firm's Registration no.-101745W)

**For and on behalf of the Board of Directors of
PPFAS Asset Management Private Limited**K.P. CHAUDHARI, Partner
M.No. 31661Rajeev Thakkar
DirectorParag Parikh
DirectorPlace: Mumbai
Date: July 20, 2012Swapnil Walimbe
Company Secretary

General Profile

Registration Details

Registration No.	U65100MH2011PTC220623 – 2011-12
Balance Sheet Date	March 31, 2012.
Capital Raised during the Year	
Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement (Rs. In'000)	150,000

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

Total liabilities	154,300
Total Assets	154,300

Sources of Funds:

Paid-up Capital	150,000
Reserves and Surplus	2,147
Non Current Liabilities	154
Current Liabilities	1,999

Application of Funds:

Net Non current Assets	2,005
Non Current Investments	2,779
Current Assets	149,516
Net Deferred Tax Assets	
Miscellaneous Expenditures	NIL
Accumulated losses	NIL

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

Turnover	7,822
Total Expenditure (Including Depreciation.)	4,713
Profit/(Loss) Before Tax	3,109
Profit /(Loss) After Tax	2,147
Earnings Per Share (EPS) (in Rs.)	0.14
Dividend Declared	NIL

PPFAS Asset Management Private Limited

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

Attendance Card

First Annual General Meeting - August 30, 2012 at 11.00 am

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

I hereby record my presence at the First Annual General Meeting of the Company on August 30, 2012 at 11.00 am at Great Western Building, 1st Floor, 130-132, SBS Marg, Near Lion Gate, Fort, Mumbai - 400 001.

Member's/Proxy's Signature

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

PPFAS Asset Management Private Limited

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

Form of Proxy

I/We _____ of _____ being a Member/Members of PPFAS Asset Management Private Limited hereby appoint _____ of _____ or failing him _____ of _____ as my/our proxy to vote for me/us and on my/our behalf at the First Annual General Meeting of the Company to be held on August 30, 2012 at 11.00 am and at any adjournment thereof.

Dated this _____ day of _____ 2012.

For office Use only

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

Affix one
Rupee
Revenue Stamp

Notes:

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



PPFAS Asset Management Private Limited

Great Western Building, 1st Floor, 130/132, Shahid Bhagat Singh Marg, Near Lion Gate, Fort, Mumbai - 400 001. INDIA.
T: 91 - 22 - 6140 6555 F: 91 - 22 - 6140 6590