Parag Parikh Financial Advisory Services Ltd

Financial Services - Asset management (holding company of PPFAS Mutual Fund's sponsor and investment manager) - Unlisted - ISIN INE0FG

FY26 consolidated PAT Rs 347.6 Cr (+41%) on fee income Rs 573.8 Cr; at Rs 20,500 the stock is ~46x earnings and 16x book, with a Rs 25 dividend recommended.

INDICATIVE PRICE	MARKET CAP	P/E	P/B
Rs 18,690.00 (+0.96% today)	Rs 14,783 Cr	42.54	14.64

BOOK VALUE / SHARE	EPS	52-WEEK RANGE	LOT / SETTLEMENT
Rs 1,276.50	Rs 439.40	Rs 16,640 - Rs 26,000	100 shares - T+1 working day

About the company

Parag Parikh Financial Advisory Services Ltd (PPFAS) is the holding company of PPFAS Asset Management Pvt Ltd, the sponsor and investment manager of PPFAS Mutual Fund, and of PPFAS Trustee Company Pvt Ltd and PPFAS Alternate Asset Managers IFSC Pvt Ltd (GIFT City). The parent itself runs a small portfolio-management and advisory business. The audited special-purpose consolidated Ind AS statements for the year ended 31 March 2026 (Chokshi & Chokshi LLP, dated 17 June 2026) say the group is essentially one business, asset management for PPFAS Mutual Fund, with no separate reportable segments.

FY26 was another step-change year. Fees and commission income rose 52.6% to Rs 573.75 Cr (FY25: Rs 375.88 Cr), total revenue from operations 40.3% to Rs 601.84 Cr and total income to Rs 602.22 Cr. Net gain on fair-value changes of the group's own investments fell to Rs 27.36 Cr from Rs 52.81 Cr, and the March 2026 quarter carried a Rs 21.44 Cr fair-value loss. Total expenses were Rs 135.21 Cr (22.5% of total income): employee cost Rs 97.30 Cr (+54.7%, including a Rs 3.03 Cr one-time past-service charge for the new labour codes), other expenses Rs 28.98 Cr, depreciation Rs 7.63 Cr and lease finance cost Rs 1.30 Cr. Profit before tax was Rs 467.00 Cr (+39.1%), tax Rs 119.45 Cr (25.6%) and profit after tax Rs 347.56 Cr (+40.9%), a 57.7% net margin. Basic EPS was Rs 447.91 (FY25: Rs 321.45) and diluted EPS Rs 401.61.

The balance sheet is debt-free and cash-rich. Consolidated net worth reached Rs 1,009.69 Cr at 31 March 2026 (Rs 648.84 Cr a year earlier) on 79.10 lakh shares of Rs 10, a book value of about Rs 12,765 per share. Investments stood at Rs 962.98 Cr and cash plus bank balances at Rs 16.63 Cr, together Rs 979.6 Cr or roughly Rs 12,385 a share; the only interest-bearing liabilities are Rs 20.28 Cr of lease liabilities. Operating cash flow was Rs 350.02 Cr (101% of PAT) after Rs 118.24 Cr of taxes paid; Rs 330.77 Cr went into investments, Rs 13.26 Cr into fixed deposits and Rs 10.89 Cr into premises and software. Trade receivables fell to Rs 18.37 Cr from Rs 43.52 Cr.

Financials (Rs Cr)

	FY25	FY26
Revenue	428.84	601.84
EBITDA	341.85	475.93
Profit after tax	246.60	347.56
EPS (Rs)	320.43	439.40
Net worth	648.84	1,009.69
Debt / equity	0.00	0.00
OPM %	79.7%	79.1%
ROE %	38.0%	34.4%

Revenue CAGR +40.3% - Profit CAGR +40.9% - figures from filed accounts where available; see the verification notes on the website.

Shareholding

Holder	Category	Shares (Cr)	%
Parikh family and promoter group	Promoter	0.66	84.0%
Avendus Future Leaders Fund III	Institution	0.01	1.0%
Employees (ESOP holders), associates and other shareholders	Public	0.12	15.0%

Board and management

Name	Designation	Since
Neil Parag Parikh	Chairman & CEO	01 Jun 2015
Rajeev Thakkar	Director & Chief Investment Officer	01 May 2013
Vikas Gandhi	Director	01 Dec 2025

Mansi Vyas	Chief Financial Officer	01 Apr 2025
Rajdeep Jadeja	Company Secretary	01 Apr 2025

MCA registry snapshot

CIN	STATUS	AUTHORISED CAPITAL
-	Active	Rs 10 Cr
PAID-UP CAPITAL	**LAST AGM**	**LAST BALANCE SHEET**
Rs 7.91 Cr	18 Aug 2025	31 Mar 2026

Date	Form	Description	Status
15 Sept 2025	AOC-4 XBRL	Consolidated financial statements for FY 2024-25	Approved
30 Sept 2025	MGT-7	Annual return for FY 2024-25	Approved
20 Sept 2024	AOC-4 XBRL	Financial statements for FY 2023-24	Approved

Original filings (AOC-4 accounts, MGT-7 returns, charges) can be downloaded from the MCA21 portal under this CIN for a nominal fee; offer documents are on SEBI's site.

Reports and documents

Document	Type	Period	Where
Audited consolidated financial statements FY2025-26 (special	Annual Report	FY26	Download on the website

Strengths

- Fee income grew 52.6% to Rs 573.75 Cr in FY26 and 40% a year earlier on a compounding mutual-fund franchise; FY26 PAT of Rs 347.56 Cr is up 41% and more than double the FY24 level.
- Exceptional profitability: a 57.7% net margin, cost-to-income of 22.5% and about 42% return on average equity (Rs 347.56 Cr on average net worth of Rs 829 Cr), with tax at a normal 25.6%.
- Earnings are cash: operating cash flow of Rs 350.02 Cr equalled 101% of PAT, receivables fell to Rs 18.37 Cr, and the group has no borrowings (only Rs 20.28 Cr of lease liabilities).
- Net worth of Rs 1,009.69 Cr with Rs 979.6 Cr of investments and bank balances, about Rs 12,385 a share or 60% of the board rate, so the operating business is being paid for at roughly 44x earnings ex-treasury.
- Clean audit: Chokshi & Chokshi LLP gave an unmodified opinion on both the consolidated and standalone special-purpose statements, with no emphasis-of-matter or going-concern paragraph.
- New growth legs funded from internal accruals: Rs 18 Cr invested in a subsidiary in FY26 (the GIFT City alternate-asset manager is consolidated for the first time) and Rs 60 Cr put into the new PPFAS Pension Fund Managers in May 2026.
- Dividend stepped up from Rs 15 to a recommended Rs 25 per share, and the operating company (PPFAS AMC) upstreamed Rs 25.01 Cr to the parent in Q4 FY26.

Risks

- Valuation: Rs 16,215 Cr market value is 45.8x basic (51x diluted) FY26 EPS, 16.1x book and 27x total income; listed AMCs trade at roughly 20-40x. Fee income would need to keep compounding at 40%-plus to grow into the price.
- Single-product, single-style dependence: the filing confirms there is only one operating segment and that fees and commission are 95% of revenue. A stretch of Flexi Cap underperformance or SIP stoppages would hit revenue directly, and SEBI's sliding expense-ratio slabs lower the fee yield as AUM grows.
- Q4 FY26 shows the sensitivity: fee income was a record Rs 164.29 Cr but a Rs 21.44 Cr fair-value loss on own investments and a jump in employee cost to Rs 45.51 Cr (Q3: Rs 28.87 Cr) cut quarterly PAT to Rs 58.73 Cr, down 40% from Q3 and 6% year on year.
- Treasury swings in the P&L: net fair-value gains were Rs 27.36 Cr in FY26 versus Rs 52.81 Cr in FY25, and Rs 962.98 Cr of investments (95% of net worth) are marked to market each quarter; their composition is not disclosed in this filing.
- Dilution at a deep discount: ESOP shares were issued at about Rs 1,100 each (Rs 23.53 Cr for 2,13,900 shares) against a Rs 20,500 board rate, and the basic-to-diluted EPS gap implies about 9 lakh more options (around 11% of equity) still to come.
- Employee cost rose 54.7% to Rs 97.30 Cr, faster than revenue; the labour-code change alone added Rs 3.03 Cr. Talent retention in a founder-led house is the main cost lever and the key-person question (CIO Rajeev Thakkar) remains.
- Low payout and thin disclosure: the Rs 25 dividend is a 5.7% payout and 0.12% yield; this special-purpose filing is restricted to the board's use and carries no related-party, contingent-liability, AUM or shareholding disclosures, so investors are relying on dealer research for those.
- Liquidity: with each share above Rs 20,000 and lots of 50-100, exits depend on dealer appetite; the June 2026 Avendus secondary at about Rs 17,700 a share (per dealer reports) was below the current board rate.

Disclaimer

Not SEBI registered - for education only. Unlisted Sahi Hai is not a SEBI-registered intermediary, investment adviser or research analyst. Everything on this site is for education only. Company details, financials, filings and management information are compiled from open databases and public sources; we do not certify the accuracy or completeness of any of it, and prices are indicative dealer levels, not quotes. Verify independently before making any decision. Unlisted shares are illiquid and carry the risk of total loss. Prices are indicative dealer quotes, not exchange prices. Nothing here is investment advice.