

This scheme is suitable for investors who have investment horizon of minimum 5 years.

## PPFAS Long Term Value Fund (An Open Ended Equity Scheme)

A scheme designed for genuine  
Long Term Investors!

<b>Investment Objective of the Scheme</b>	To seek to generate long-term capital growth from an actively managed portfolio primarily of equity and equity Related Securities.		
Scheme shall be investing in Indian equities, foreign equities and related instruments and debt securities.			
<b>Risk Category of the scheme</b>		<b>BROWN - HIGH RISK</b>	
Blue colour refers that principal investment will be at low risk	Yellow Colour refers that principal investment will be at medium risk	Brown Colour refers that principal investment will be at high risk	

**Investors should consult their financial advisers if in doubt about whether this scheme is suitable for them.**

**PPFAS** 

There's only one right way®

**MUTUAL FUND**

SPONSORED BY:

**PARAG PARIKH FINANCIAL ADVISORY SERVICES LIMITED**



**About the fund:**

PPFAS Long Term Value Fund (PLTVF) is an open ended equity oriented scheme with flexibility to invest a minimum of 65% in Indian equities and up to 35% in overseas equity securities and domestic debt / money market securities.

The core portfolio of PLTVF consists of equity investments made with a long term outlook and the factors considered while investing are quality of management, quality of the sector and the business (return on capital, entry barriers, capital intensity, use of debt, growth prospects etc) and the valuation of the companies. The endeavor of the fund management team is to identify opportunities for long term investments. However there are times when the opportunities are not attractive enough. While waiting for attractive opportunities, the fund invests in arbitrage opportunities between the cash and futures equity markets and special situations arbitrage where open offers / delisting / merger events have been announced. Investments are also made in money market / debt securities while waiting for deployment in core equity investments.

Foreign equity investments

Since investors in PLTVF invest in Indian rupees and seek rupee-based returns, the scheme too aims at delivering returns in rupees. Toward that end, it hedges most of its foreign currency exposure using exchange-traded currency futures.

**Current Strategy**Economic outlook

PLTVF invests with an investment horizon of a minimum of 5 years. Since over the long term, the economic variables like interest rates, liquidity, GDP growth rate etc. can have a lot of fluctuations and in most cases see mean reversion, PLTVF focuses on company fundamentals more than macro economic variables. PLTVF does not seek to time the markets or to make top down investment strategies based on macro economic forecasts.

Corporate sector performance, valuations and current strategy

We have seen a 18% bounce from the lows that we saw towards the latter part of August. A lot of optimism is built around the delayed 'taper' of the liquidity pumping by the US Federal Reserve combined with the domestic optimism that we will in a few months time get some clarity on the political front in India.

Corporate results for the quarter ended September 30, 2013 have also reasonable assisted by strong performance of export related sectors especially Information Technology companies. Indian consumption relation sectors like Fast Moving Consumer Good companies have also had a reasonable performance. On the other hand sectors like capital goods and cement continue to see headwinds.

In our view such fluctuations will continue to happen in the course of investing and not much should be seen into them. We are not trying to predict the fortunes of different sectors over the coming quarters. We continue to identify companies on a bottom up basis where we feel that the current valuations do not capture the long term business prospects and the cash flow potential of the company.

<b>Name of the Scheme</b>	PPFAS Long Term Value Fund
<b>Investment Objective</b>	To seek to generate long-term capital growth from an actively managed portfolio primarily of equity and equity related securities.
<b>Type of the Scheme</b>	An Open Ended Equity Scheme
<b>Inception Date</b>	May 28, 2013
<b>Name of the Fund Managers</b>	<b>Mr. Rajeev Thakkar</b> - Equity Fund Manager (Overall 10 years of experience in fund management) <b>Mr. Vishal Shah</b> - Debt Fund Manager (Since Inception) <b>Mr. Raunak Onkar</b> - Fund Manager for Overseas Securities (Since Inception)
<b>Assets Under Management (AUM) as on Dec 31, 2013</b>	₹ 323.14 Crores
<b>Net Asset Value (NAV) Dec 31, 2013</b>	<b>Regular Plan:</b> 11.1238 <b>Direct Plan:</b> 11.1547
<b>Exit Load</b>	NIL
<b>Expense Ratio</b>	Regular Plan : 2.50% Direct Plan : 2.00% <i>(Excluding Service Tax)</i>
<b>Benchmark Indices</b>	CNX 500
<b>Minimum Application Amount</b>	New Purchase: ₹ 1,000 Additional Purchase: ₹ 1,000 Monthly SIP: ₹ 1,000 Quarterly SIP: ₹ 5,000

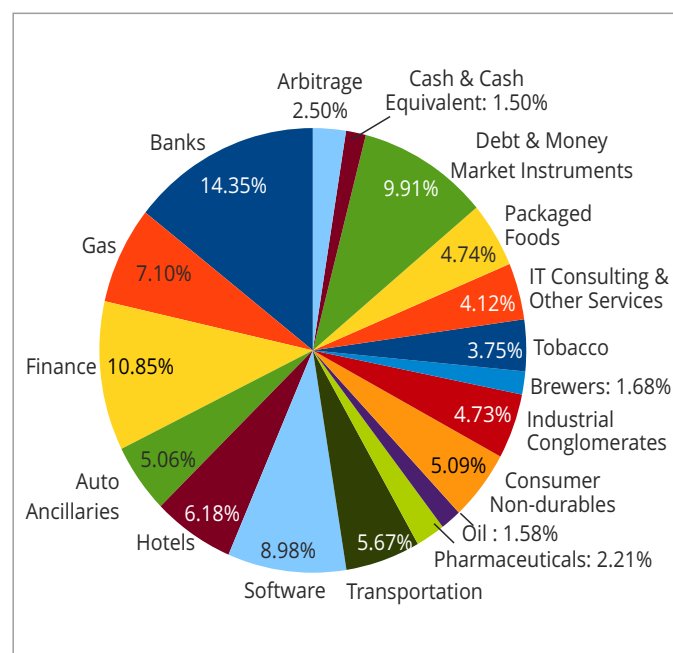
## Portfolio Disclosure

Core Equity		
Name	Sector	% of Net Assets
ICRA	Finance	6.35%
Mahindra Holidays & Resorts India Ltd	Hotels	6.18%
Axis Bank	Banks	5.80%
Noida Toll Bridge Co Ltd	Transportation	5.67%
The Jammu and Kashmir Bank	Banks	5.18%
Zydus Wellness	Consumer non-durables	5.09%
Maharashtra Scooters Ltd	Auto Ancillaries	5.06%
Mphasis Ltd	Software	4.95%
IL&FS Investment Managers Ltd	Finance	4.50%
Gujarat Gas Company Ltd	Gas	4.16%
Polaris Financial Technology Ltd	Software	4.03%
Indraprastha Gas Ltd	Gas	2.94%
Selan Exploration Technology Ltd	Oil	1.58%
Wyeth Ltd	Pharmaceuticals	1.17%
Novartis Ltd	Pharmaceuticals	1.04%
Arbitrage		
Yes Bank Ltd*		1.72%
Bharti Airtel Ltd*		0.78%
<b>Total</b>		<b>66.20%</b>
Overseas Securities, IDRs and ADRs		
Nestle SA ADR#	Packaged Foods	4.74%
3M CO#	Industrial Conglomerates	4.73%
International Business Machines Corp #	IT Consulting & Other Services	4.12%
British American Tobacco ADR#	Tobacco	3.75%
Standard Chartered PLC IDR	Banks	3.38%
Anheuser Busch Inbev SA ADR#	Brewers	1.68%
<b>Total</b>		<b>22.40%</b>
Debt and Money Market Instruments		
CBLO		8.36%
FDR		1.55%
<b>INVESTED TOTAL</b>		<b>98.50%</b>
Cash & Cash Equivalent		1.50%
<b>Net Assets</b>		<b>100.00%</b>

\* Hedged by offsetting Derivative position

# Currency hedge to the extent of approximately 90% of exposure.

## Sector Allocation



## Quantitative Indicators

Beta	0.92
Standard Deviation	5.54%
Sharpe Ratio	0.3527

The above figures are not annualised.

Risk free rate assumed to be 8.5159% (91Day T-Bill rate as on 31st December 2013).

## Performance of the Scheme

NAV as on December 31, 2013 - **Direct** : 11.1547, **Regular** : 11.1238

Particulars	Since Inception			
	Returns (%)		Current Value of Investment Of ₹ 10,000	
	Direct	Regular	Direct	Regular
Scheme	11.55	11.24	11,154.7	11,123.8
CNX 500	3.33	3.33	10,333.1	10,333.1

Greater than one year returns are compounded Annualised Returns.

\* Past performance may or may not be sustained in future.

## We have our skin in the game

Holdings as at December 31, 2013

Holding by Directors (AMC and Trustee Company)		
Name	Designation	Number of units held
Parag Parikh	Chairman and CEO	1,16,99,572
Rajeev Thakkar	Director and CIO	23,95,757
Neil Parikh	Associate Director (Trustee Company)	8,67,836
Kamlesh Somani	Independent Director	50,000

**Note:** These holdings include those of the individual as well as his immediate/dependent family members.

Holding by the sponsor company and its Directors		
Name	Designation	Number of units held
PPFAS Limited	Sponsor Company	4,50,000
Sunil Gautam*	Director	84,93,358
Sahil Parikh*	Director	7,45,449
Ashish Shah*	Director	25,871

\* These holdings include those of the individual as well as his immediate/dependent family members.

Holding by the key employees		
Name	Designation	Number of units held
Hiroo Thadani	Head - Administration and HR	1,10,477
Jayant Pai	Head - Marketing	83,709
Aalok Mehta	Head - Investor Relations	40,919
Raunak Onkar	Dedicated Fund Manager for overseas investments	9,029
Swapnil Walimbe	Chief Compliance Officer	8,465
Ranbir Nayal	Head - IT Infrastructure	2,500
Shashi Kataria	Head - Accounts and taxation	1,976
Raju Shelat	Head - Operations	1,000

**Note:** These holdings include those of the individual as well as his immediate/dependent family members.

If you would like to invest visit here.

[www.amc.ppfas.com](http://www.amc.ppfas.com)

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**PPFAS** 

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**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**

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