



## Re-opening of our flagship Scheme...



Mr. Rajeev Thakkar  
CIO & Director

Thursday, March 10, 2022

Greetings!

As most of you are aware, Mutual Funds in India have had restrictions on investing abroad on account of the investments reaching the RBI prescribed limit of USD 7 billion.

At the time, my thinking was that it would be a matter of time before the limit is increased. This was indicated in my note then (link given below).

<https://amc.ppfas.com/downloads/2022/cio-rajeev-thakkar's-note-on-parag-parikh-flexi-cap-fund.pdf>

Post SEBI's directions on stopping fresh investments abroad, the Union Budget has been announced on February 1, 2022 by the honourable Finance Minister and we have had the RBI governor's address on February 10, 2022 post the Monetary Policy committee meeting. There has not been any mention of the overseas investment limits in both of these important policy announcements.

As of now we have no visibility on if / when and by how much the limit for overseas investments will be revised. As I write today, there is a conflict going on between Russia and Ukraine, Crude Oil prices have risen and the Indian Rupee has fallen somewhat. If and when the limits are increased, and if it is of a relatively small amount, the same will get exhausted soon. In such a scenario, having funds readily available will be advantageous rather than opening the scheme after the limit increase only to see the industry wide cap get breached again.

While we wish for an early increase in the overseas investment limit, considering the current scenario, an early increase may not come by. We have been getting feedback from investors that they would like to benefit from lower stock prices and invest in Parag Parikh Flexi Cap Fund.

Also, various investors have registered their SIPs through different platforms where the back-end for each differs. This has caused confusion among investors and partners regarding the status of their investments in Parag Parikh Flexi Cap Fund.

Given this background, we will be opening up Parag Parikh Flexi Cap Fund for acceptance of transactions with effect from **Tuesday, March 15, 2022**.

At this time there is no change in the overseas investment limit. Because of this, fresh net inflows will have to be invested in India. Given this situation, it is expected that over time, the weightage of foreign stocks in Parag Parikh Flexi Cap Fund will come down. As and when overseas investment limits are increased, we will rebalance the portfolio as per the then prevailing situation and valuations.

As of now, investors who wish to have a higher weightage to foreign stocks will have to use the individual limits under the Liberalised Remittance Scheme (LRS) of the RBI to invest in overseas stocks / mutual funds.

Thank you for investing with us.

With Warm Regards,

Rajeev Thakkar

[Click here to read CIO Rajeev Thakkar's Notes since January 2016](#) 

## Parag Parikh Flexi Cap Fund

**This Product is suitable for investors who are seeking\***

The investment objective of the Scheme is to seek to generate long-term capital growth from an actively managed portfolio primarily of Equity and Equity Related Securities. Scheme shall invest in Indian equities, foreign equities and related instruments and debt securities.

**\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.**



**Riskometer as on February 28, 2022**

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