Factsheet

July 2013

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!

Investment Objective of the Scheme	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.		
Risk Category of the scheme	(Brown)	**BROWN - HIGH RISK**
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.

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PPFAS Mutual Fund

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

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

The fund invests in foreign equity securities. Since investors in PLTVF look for capital investment and returns in Rupee terms, PLTVF also looks at delivering in Rupee terms. PLTVF hedges most of the currency exposure using 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

On a broader level we have seen stress on corporate performance. Sales and profit growth till March 2013 has not been as we have seen in the previous years. Various sectors are having their own pulls and pressures. Low demand for automobiles, fuel availability and pricing for power, licensing and spectrum issues for telecom, project completion and regulatory environment for infrastructure companies, rupee depreciation for companies having excessive leverage in foreign debt are some of the examples of issues plaguing the Indian corporate sector. These issues do affect the equity markets. Our stance is to try and develop a thorough understanding of each company as a separate business and to identify companies which are not affected by these problems but have seen a steep fall in valuations on account of an overall sell off in equity markets.

Scheme Details

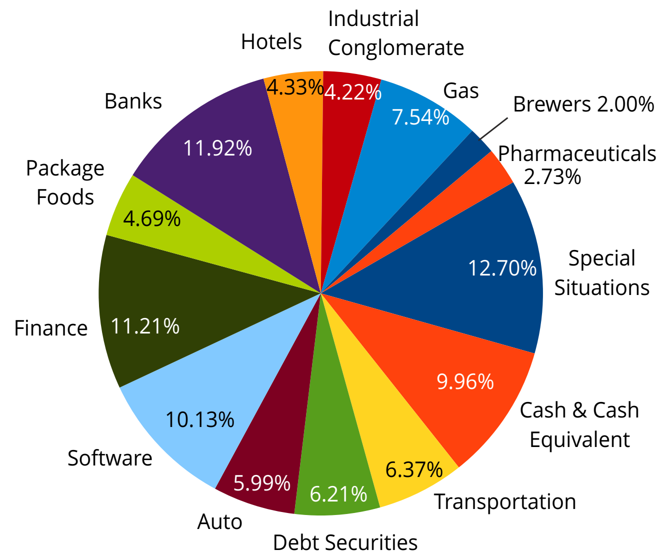
Name of the Scheme	PPFAS Long Term Value Fund
Investment Objective	To seek to generate long-term capital growth from an actively managed portfolio primarily of equity and equity related securities.
Type of the Scheme	An Open Ended Equity Scheme
Inception Date	May 28, 2013
Name of the Fund Managers	**Mr. Rajeev Thakkar** - Equity Fund Manager (Overall 10 years of experience in fund management) **Mr. Vishal Shah** - Debt Fund Manager (Since Inception) **Mr. Raunak Onkar** - Fund Manager for Overseas Securities (Since Inception)
Asset Under Management (AUM) as on 31 July 2013	₹ 225.42 Crores
Net Asset Value (NAV) 31 July 2013	**Regular Plan**: 9.7639 **Direct Plan:** 9.7726
Exit Load	NIL
Expense Ratio	Regular Plan : 2.50% Direct Plan : 2.00%
Benchmark Indices	CNX 500
Minimum Application Amount	New Purchase: ₹ 1,000 Additional Purchase: ₹ 1,000 Monthly SIP: ₹ 1,000 Quarterly SIP: ₹ 5,000

Portfolio Disclosure

Name	Sector	% of Net Assets
Core Equity		
Noida Toll Bridge Co Ltd	Transportation	6.37%
Maharashtra Scooters Ltd	Auto	5.99%
Mphasis Ltd	Software	5.94%
ICRA	Finance	5.71%
IL&FS Investment Managers Ltd	Finance	5.50%
Axis Bank	Banks	4.36%
Mahindra Holidays & Resorts India Ltd	Hotels	4.33%
Polaris Financial Technology Ltd	Software	4.19%
Jammu and Kashmir Bank	Banks	4.08%
Indraprashtha Gas Ltd	Gas	4.02%
Gujarat Gas Company Ltd	Gas	3.52%
Wyeth Ltd	Pharmaceuticals	1.43%
Novartis India Ltd	Pharmaceuticals	1.30%
Special Situation / Arbitrage		
Crisil Ltd		8.57%
Bharti Airtel Ltd*		4.13%
Total		**69.44%**
Overseas Securities, IDRs and ADRs		
Nestle SA ADR#	Package Foods	4.69%
3M CO#	Industrial Conglomerates	4.22%
Standard Chartered PLC IDR	Banks	3.48%
Anheuser Busch Inbev SA ADR#	Brewers	2.00%
Total		**14.39%**
Debt Securities		
Treasury Bill (Maturity Date : 01/08/2013)		6.21%
INVESTED TOTAL		**90.04%**
Cash & Cash Equivalent		9.96%
Net Assets		**100.00%**

** Hedged by offsetting Derivative position*
 # Currency hedge to the extent of approximately 90% of exposure.

Sector Allocation



Quantitative Indicators

Beta	0.73
Standard Deviation	1.21%
Sharpe Ratio	-1.45

The above figures are not annualised.
Risk free rate assumed to be 11.257% (91Day T-Bill rate as on 31st July 2013).

Performance of the Scheme

NAV as on 31 July 2013 - **Direct** : 9.7726, **Regular** : 9.7639

Particulars	Since Inception			
	Returns (%)		Current Value of Investment Of ₹ 10,000	
	Direct	Regular	Direct	Regular
Scheme	-2.27	-2.36	9,772.60	9,763.90
CNX 500	-7.92	-7.92	9,207.90	9,207.90

Greater than one year returns are compounded Annualised Returns.
* Past performance may or may not be sustained in future.

Glossary

Asset : Anything having commercial or exchange value that is owned by a business, institution or individual.

Asset class : Category of assets, such as cash, company shares, fixed income securities (investments that provide a certain level of income or interest) and their subcategories, as well as tangible assets such as real estate.

Arbitrage: It is a combination of matching deals on the same asset in different markets and try to lock in on those price differences in different markets. E. g. Buying the stock in the cash market and selling the future of the same stock simultaneously.

Beta: It is a number describing the correlated volatility of an asset in relation to the volatility of the benchmark that the asset is being compared to. Beta measures the systematic risk based on how portfolio return co-moves with the overall market.

Bond : A fixed income security, usually issued by a government or company, that normally pays a fixed rate of interest over a given time period, at the end of which the initial investment is repaid.

Capital : Refers to the financial assets, or resources, that a company has to fund its business operations.

Capitalisation: The total market value of all of a company's outstanding shares.

Credit rating : An independent assessment of a borrower's ability to repay its debts. A high rating indicates that the credit rating agency considers the issuer to be at low risk of default; likewise, a low rating indicates high risk of default. Standard & Poor's, Fitch and Moody's are the three most prominent credit rating agencies. Default means that a company or government is unable to meet interest payments or repay the initial investment amount at the end of the security's life.

Debt securities: Any debt instrument that can be bought or sold between two parties and has basic terms defined, such as notional amount (amount borrowed), interest rate and maturity/renewal date. Debt securities include government bonds, corporate bonds, CDs, municipal bonds, preferred stock, collateralized securities (such as CDOs, CMOs) and zero-coupon securities.

Delisting: The removal of a listed security from the exchange on which it trades.

Developed economy/market: Well-established economies with a high degree of industrialisation, standard of living and security.

Emerging economy/market: Economies in the process of rapid growth and increasing industrialisation. Investments in emerging markets are generally considered to be riskier than those in developed markets.

Equities : Shares of ownership in a company.

Exposure : The proportion of a fund invested in a particular security, sector or region, usually expressed as a percentage of the overall portfolio. Therefore, it is the amount that is at risk should this particular section of the portfolio do badly.

Hedging : A method of reducing unnecessary or unintended risk.

Index: An index represents a particular market or a portion of it, serving as a performance indicator for that market.

Inflation : The rate of increase in the cost of living. Inflation is usually quoted as an annual percentage, comparing the average price this month with the same month a year earlier.

Issuer: An entity that sells securities, such as fixed income securities and company shares.

Leverage: The amount of debt used to finance a firm's assets.

Macroeconomic: Refers to the performance and behaviour of an economy at the regional or national level. Macroeconomic factors such as economic output, unemployment, inflation and investment are key indicators of economic performance. Sometimes abbreviated to 'macro'.

Merger: The combining of two or more companies, generally by offering the stockholders of one company securities in the acquiring company in exchange for the surrender of their stock.

Money Market: A segment of the financial market in which financial instruments with high liquidity and very short maturities are traded.

Mean reversion: A theory suggesting that prices and returns eventually move back towards the mean or average.

Net asset value (NAV): A fund's net asset value is calculated by taking the current value of the fund's assets and subtracting its liabilities.

Open offer: A secondary market offering in which a shareholder is given the opportunity to purchase stock at a price that is lower than the current market price.

R - Square: The R -Square or coefficient of determination, describes the fraction of investment risk in a portfolio that can be associated with market or systemic risk

Sharpe ratio: It measures the excess return earned per unit of deviation. The Sharpe ratio is calculated by subtracting the risk-free rate - such as that of the 91-day T-bill rate - from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns.

Standard Deviation: Standard Deviation measures historical volatility. A high standard deviation suggests high volatility, while lower standard deviation would refer to more stability.

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PPFAS Mutual Fund

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