

Parag Parikh Long Term Value Fund

(An Open Ended Equity Scheme)

A scheme designed for genuine Long Term Investors!

Factsheet

OCTOBER 2017

This Scheme is Suitable for Investors who can remain invested for minimum 5 years!

| | |
|---|--|
| Name of the Fund | Parag Parikh 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 |
| Date of Allotment | May 24, 2013 |
| Name of the Fund Manager | Mr. Rajeev Thakkar - Equity Fund Manager (Overall 16 years of experience in fund management) Mr. Raj Mehta - Debt Fund Manager (Since January 27, 2016) Mr. Raunak Onkar - Fund Manager for Overseas Securities (Since Inception) |
| Assets Under Management (AUM) as on Oct 31, 2017 | ₹ 905.61 Crores |
| Average AUM for the Month | ₹ 880.68 Crores |
| Net Asset Value (NAV) as on Oct 31, 2017 | Regular Plan: 22.6396 Direct Plan: 23.1678 |
| Entry Load | Not Applicable |
| Exit Load | Exit Load is changed w.e.f. July 7, 2014. You are requested to refer to the SID (Page 89). |
| Weighted Average Expense Ratio | Regular Plan: 2.56%* Direct Plan: 1.99%*\$ * Inclusive of service GST on management fees & additional charge in respect of sales beyond T-15 cities. *\$ Inclusive of Asset Management Company's (AMC) AUM for which we are not charging any management fees as per SEBI guideline" |
| Benchmark Index | Nifty 500 |
| Minimum Application Amount | New Purchase: ₹ 1,000 Additional Purchase: ₹ 1,000 Monthly SIP: ₹ 1,000 Quarterly SIP: ₹ 3,000 |

About the Fund

Parag Parikh 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.

Outlook

Investors will see some build up in cash and arbitrage positions. This is not to say that we are trying to time the market. It is just that bargains are hard to come by and sale of existing positions or fresh inflows are waiting to be deployed. The overall market valuations are a bit stretched especially in the small and mid cap space. We continue to look at individual investments on their own merits and will not hesitate to invest if an opportunity looks attractive.

As usual, our investment stance does not depend much on the macro-economic situation but is focussed on individual companies. We have about 19% in cash holdings and arbitrage positions which can be deployed in long term investments at appropriate levels.

It is futile to predict market bottoms / tops or to time the market. One's investment horizon should be long enough to ride out the volatility. A staggered investment over time or a Systematic Investment Plan (SIP) is always better than a lump sum investment.



Portfolio Disclosure

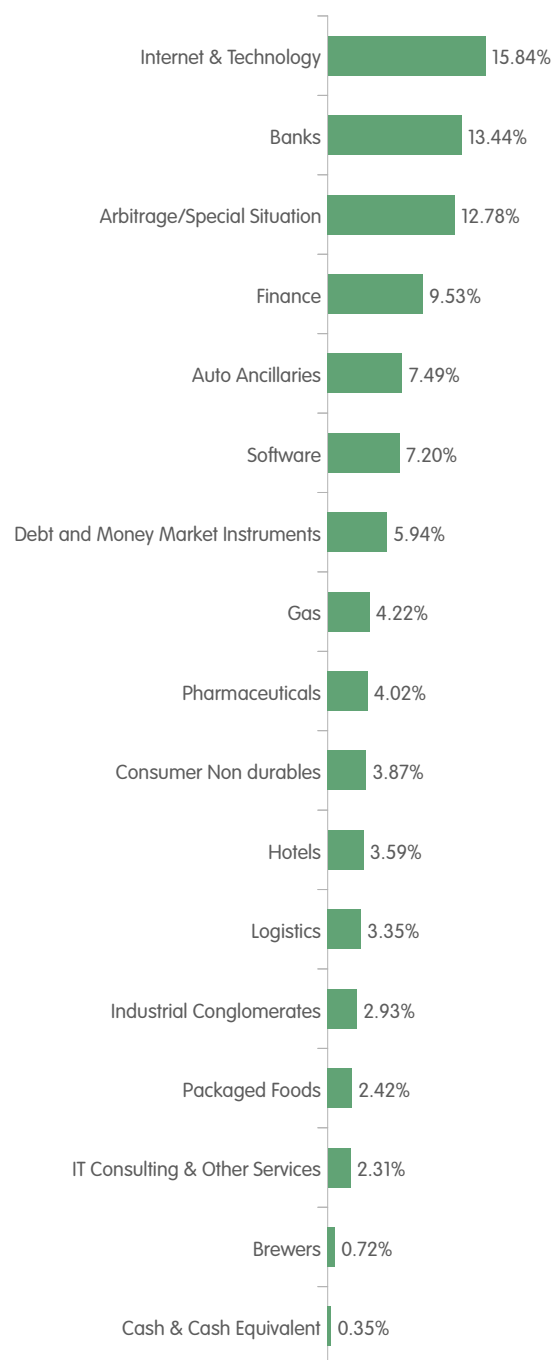
| Core Equity | | |
|---------------------------------------|--------------------------------|-----------------|
| Name | Sector | % of Net Assets |
| Bajaj Holdings & Investment Ltd | Finance | 7.88% |
| HDFC Bank Ltd | Banks | 7.37% |
| Persistent Systems Ltd | Software | 4.64% |
| Balkrishna Industries | Auto Ancillaries | 4.32% |
| Indraprastha Gas Ltd | Gas | 4.22% |
| Zydus Wellness Ltd | Consumer Non Durables | 3.87% |
| Mahindra Holidays & Resorts India Ltd | Hotels | 3.59% |
| Maharashtra Scooters Ltd | Auto Ancillaries | 3.17% |
| Axis Bank Ltd | Banks | 2.92% |
| ICICI Bank Ltd | Banks | 2.75% |
| Mphasis Ltd | Software | 2.56% |
| ICRA Ltd | Finance | 1.65% |
| IPCA Laboratories Ltd | Pharmaceuticals | 1.39% |
| Dr.Reddys Laboratories Ltd | Pharmaceuticals | 1.07% |
| Lupin Ltd | Pharmaceuticals | 0.91% |
| Pfizer Ltd | Pharmaceuticals | 0.65% |
| Arbitrage | | |
| Hindustan Petroleum Corpn Ltd* | | 4.20% |
| Century Textiles Ltd* | | 3.96% |
| Maruti Suzuki India Ltd* | | 1.36% |
| Yes Bank Ltd* | | 1.30% |
| Bank of Baroda* | | 1.10% |
| Bharti Airtel Ltd* | | 0.86% |
| Total | | 65.74% |
| Overseas Securities, IDRs and ADRs | | |
| Alphabet Inc (Google Class C)# | Internet & Technology | 10.97% |
| Facebook INC# | Internet & Technology | 3.37% |
| United Parcel Services INC# | Logistics | 3.35% |
| 3M Co# | Industrial Conglomerates | 2.93% |
| Nestle SA ADR^# | Packaged Foods | 2.42% |
| International Business Machines Corp# | IT Consulting & Other Services | 2.31% |
| Apple Inc# | Internet & Technology | 1.50% |
| Anheuser Busch Inbev SA ADR# | Brewers | 0.72% |
| Standard Chartered PLC | Banks | 0.40% |
| Total | | 27.97% |
| Debt and Money Market Instruments | | |
| CBLO | | 4.94% |
| FDR | | 1.00% |
| Invested Total | | 99.65% |
| Cash and Cash Equivalent | | 0.35% |
| Net Assets | | 100.00% |

Currency hedge to the extent of approximately 80% of exposure.

* Hedged by offsetting derivative position

^ Traded on US OTC Markets

Industry Allocation



Quantitative Indicators

| | |
|---|---------|
| Beta | 0.58 |
| Standard Deviation | 10.76% |
| Sharpe Ratio | 0.72 |
| Portfolio Turnover (Excl. Equity Arbitrage) | 9.19% |
| Portfolio Turnover (Incl. Equity Arbitrage) | 116.63% |

- Above figures are annualised.

- Risk free rate assumed to be 6.00% (FBIL Overnight MIBOR as on 31st October, 2017)

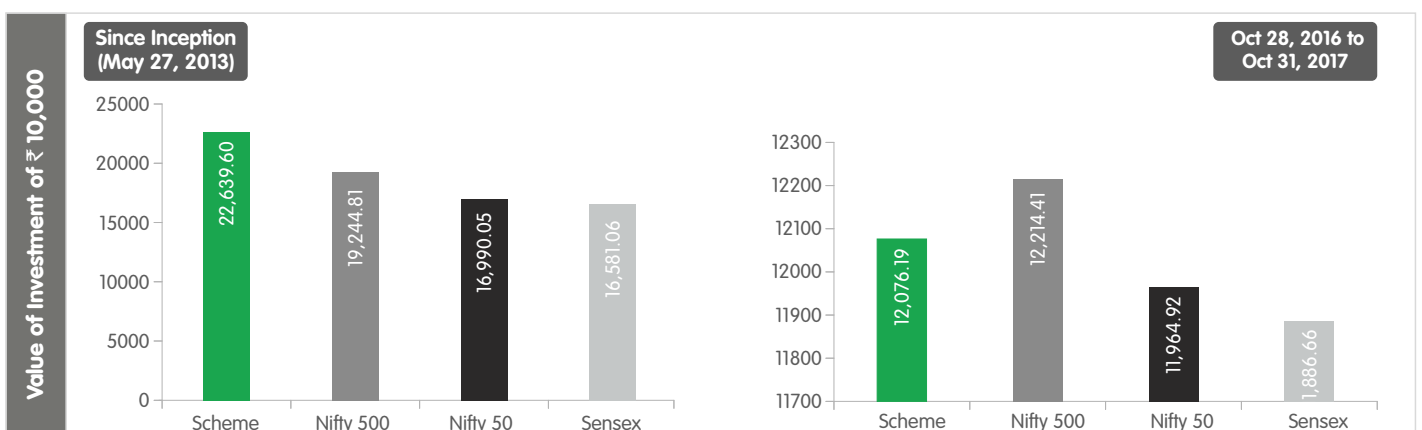
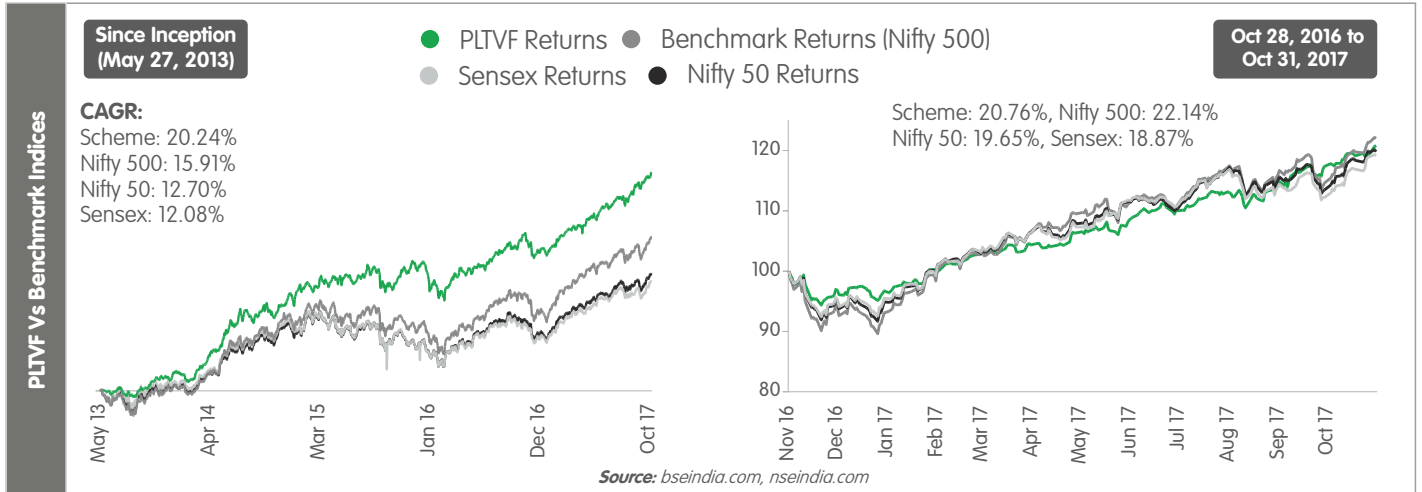
Lumpsum Investment Performance (Compounded annual returns)

| Date | Scheme | Benchmark | Index | Index | Value of Investment of Rs. 10,000/- | | | |
|---|--------|-----------|----------|----------------|-------------------------------------|-----------|-----------|----------------|
| | PLTVF | Nifty 500 | Nifty 50 | S&P BSE Sensex | PLTVF | Nifty 500 | Nifty 50 | S&P BSE Sensex |
| Since Inception (May 27, 2013) | 20.24% | 15.91% | 12.70% | 12.08% | 22,639.60 | 19,244.81 | 16,990.05 | 16,581.06 |
| Oct 28, 2016 to Oct 31, 2017 (Last 1 Yr) | 20.76% | 22.14% | 19.65% | 18.87% | 12,076.19 | 12,214.41 | 11,964.92 | 11,886.66 |
| Oct 31, 2014 to Oct 31, 2017 (Last 3 Yrs) | 15.12% | 11.03% | 7.48% | 6.02% | 15,254.54 | 13,687.28 | 12,416.50 | 11,917.04 |

SIP Investment Performance

Assumption : ₹ 10,000/- is invested on the first of every month.

| | Since Inception from June 1, 2013 | Oct 28, 2016 to Oct 31, 2017 (Last 1 Year) | Oct 31, 2014 to Oct 31, 2017 (Last 3 Years) |
|---|-----------------------------------|--|---|
| Total Amount Invested | 5,30,000.00 | 1,20,000.00 | 3,60,000.00 |
| Market value of Investment | 7,96,704.00 | 1,37,349.00 | 4,62,102.00 |
| Returns (Annualised) (%) | 18.62% | 27.89% | 16.90% |
| Nifty 500 Returns (Annualised) (%) | 15.55% | 28.92% | 16.39% |
| Nifty 50 Returns (Annualised) (%) | 13.10% | 24.80% | 13.01% |
| S&P BSE Sensex Returns (Annualised) (%) | 11.85% | 23.71% | 11.81% |



Note: • Different plans shall have a different expense structure • Scheme returns shown here are for Regular Plan
• Past performance may or may not be sustained in future • Greater than one year returns are CAGR returns • The scheme has not yet completed 5 years
• Data presented here is upto the last calendar month • The fund manager manages only one scheme i.e 'Parag Parikh Long Term Value Fund'.

We have our Skin in the Game

The combined holding of 'Insiders' in Parag Parikh Long Term Value Fund amounts to **12.11% of the AUM as at October 31st, 2017**. For more details please visit the '[Scheme](#)' section of our website.

Definitions

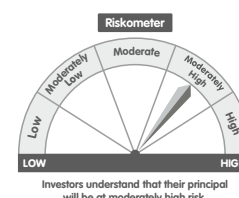
| | |
|---|--|
| Fund Manager | An employee of the asset management company such as a mutual fund or life insurer, who manages investment of the scheme. He is usually part of a larger team of fund managers and research analysts. |
| Application amount for fresh subscription | This is the minimum investment amount for a new investor in a mutual fund scheme. |
| Minimum additional amount | This is the minimum investment amount for an existing investor in a mutual fund scheme. |
| SIP | SIP or systematic investment plan work on the principle of making periodic investments of a fixed sum. It works similar to a recurring bank deposit. For instance, an investor may opt for an SIP that invests ₹500 every 15 th of the month in an equity fund for a period of three years. |
| NAV | The NAV or the net asset value is the total asset value per unit of the mutual fund after deducting all related and permissible expenses. The NAV is calculated at the end of every business day. It is the value at which the investor enters or exits the mutual fund. |
| Benchmark | A group of securities, usually a market index whose performance is used as a standard or benchmark to measure investment performance of mutual funds, among other investments. Some typical benchmark include the Nifty, Sensex, BSE200, BSE500, 10-year Gsec. |
| Entry Load | A mutual fund may have a sales charge or load at the time of entry and/or exit to compensate the distributor/agent. Entry load is charged at the time an investor purchase the units of a mutual fund. The entry load is added to the prevailing NAV at the time of investment. For instance, if the NAV is ₹ 100 and the entry load is 1%, the investor will enter the fund at Rs 101. |
| Exit Load | Exit load is charged at the time of redeeming (or transferring an investment between schemes). The exit load percentage is deducted from the NAV at the time of redemption (or transfer between schemes). This amount goes to the Asset Management Company and not into the pool of funds of the scheme. |
| Standard Deviation | Standard deviation is a statistical measure of the range of an investment is performance. When a mutual fund has a high standard deviation, its range of performance is wide implying greater volatility. |
| Sharpe Ratio | The Sharpe Ratio named after its founder, the Nobel Laureate William Sharpe is a measure of risk-adjusted returns. It is calculated using standard deviation and excess return to determine reward per unit of risk. |
| Beta | Beta is a measure of an investment's volatility vis-a-vis the market. Beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 implies that the security's price will be more volatile than the market. |
| AUM | AUM or assets under management refers to the recent / updated cumulative market value of investments managed by a mutual fund or any investment firm. |
| Holdings | The holding or the portfolio is a mutual fund's latest or updated reported statement of investments/securities. These are usually displayed in term of percentage to net assets or the rupee value or both. The objective is to give investors an idea of where their money is being invested by the fund manager. |
| Nature of Scheme | The investment objective and underlying investments determine the nature of the mutual fund scheme. For instance a mutual fund that aims at generating capital appreciation by investing in stock markets is an equity fund or growth fund. Likewise a mutual fund that aims at capital preservation by investing in debt markets is a debt fund or income fund. Each of these categories may have sub-categories. |
| Portfolio Turnover Ratio | A measure of how frequently assets within a fund are bought and sold by the managers. Portfolio turnover is calculated by taking either the total amount of new securities purchased or the amount of securities sold - whichever is less - over a particular period, divided by the total net asset value (NAV) of the fund. The measurement is usually reported for a 12-month time period. |

This product is suitable for investors who are seeking long term capital growth.

Investment objective of the scheme

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 this scheme is suitable for them.



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Sponsor: Parag Parikh Financial Advisory Services Private Limited

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

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The AMC (including its affiliates), the Mutual Fund, the trust and any of its officers, directors, personnel and employees, shall not liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this material in any manner. The recipient alone shall be fully responsible/are liable for any decision taken on this material.