



## Managing your money using Value Investing principles!



Dear Fellow Investors,

Greetings!

As I reach out to you on the occasion of our fifth anniversary, I recount the sense of anticipation as well as trepidation felt by all of us at PPFAS Mutual Fund on the eve of the New Fund Offer (NFO) of Parag Parikh Long Term Equity Fund (PPLTEF). Today, I am delighted to say that we are on a firm footing and have achieved many of the goals that we had set for ourselves in May 2013.

When we launched our equity scheme we urged you to remain invested for at least five years citing that equities were an asset class that provided superior returns over long periods...and we are gratified to note that many of you have.

Five years seem to have passed in the blink of an eye. This period has been both, turbulent and exhilarating...peppered with many soaring highs, a couple of scares and one gut-wrenching low. We sincerely thank you for choosing to ignore the noise and remain invested during such periods.

At this juncture, I also express my heart-felt gratitude to our Distribution Partners who considered PPLTEF to be an appropriate choice for meeting their clients' long-term financial goals. The faith displayed by you in our ability and integrity at every meeting over these five years has given us confidence that the path chosen by us is the right one.

Bowing to insistent demand from many of our investors, we launched 'Parag Parikh Liquid Fund' on the eve of our fifth anniversary. We sincerely thank all who were instrumental with the success of the NFO. This scheme is aimed at complementing PPLTEF and plugs a long-standing gap in our product portfolio.

Our logo, the tortoise is considered a good luck symbol in Feng-Shui. As investment managers though, we know that wealth cannot be created by relying on luck alone. Hence in keeping with the tortoise's penchant for diligence, we have attempted to take every investment decision thoughtfully without being undermined by the emotions of greed and fear.

On this happy occasion, all of us at PPFAS Mutual Fund remember our Founder, Mr. Parag Parikh and one of his favourite aphorisms...“Change is the only constant in life”. While we will continue to live by that adage and strive to improve continuously, the one thing we will tenaciously cling to, are the values and culture he ingrained within everyone at PPFAS. He will continue to remain a tower of strength for all of us.

While we have passed one milestone, many more goals have yet to be attained, and we sincerely hope you will continue to stand by us during the long journey ahead...

Warm Regards,

Neil Parag Parikh  
Chairman & CEO

# Parag Parikh Long Term Equity Fund

## An Open Ended Equity Scheme

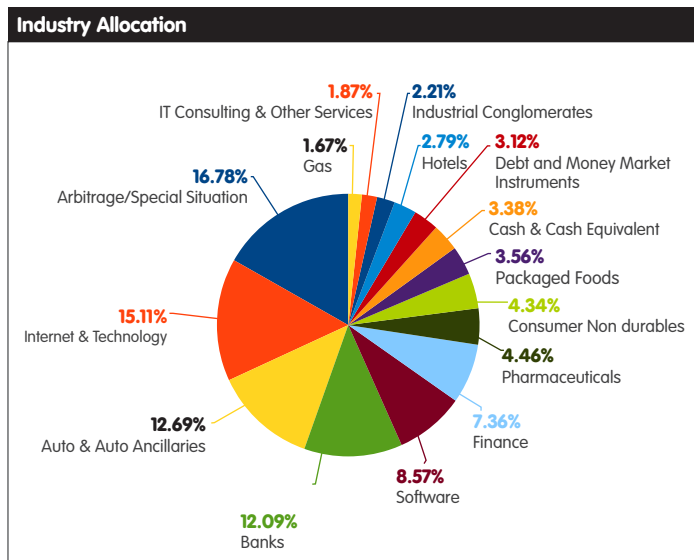
A scheme designed for genuine Long Term Investors!

<b>Name of the fund</b>	Parag Parikh Long Term Equity 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>	Multi Cap Fund - An open ended equity scheme investing across large cap, mid cap, small cap Stocks.
<b>Date of Allotment</b>	May 24, 2013
<b>Name of the Fund Manager</b>	<b>Mr. Rajeev Thakkar</b> - Equity Fund Manager (Overall 16 years of experience in fund management) <b>Mr. Raj Mehta</b> - Fund Manager (Since January 27, 2016) <b>Mr. Raunak Onkar</b> - Fund Manager for Overseas Securities (Since Inception)
<b>Assets Under Management (AUM) as on May 31, 2018</b>	₹ 1,077.02 Crores
<b>Average AUM for the Month</b>	₹ 1,061.60 Crores
<b>Net Asset Value (NAV) as on May 31, 2018</b>	Regular Plan: 23.6626 Direct Plan: 24.2930
<b>Entry Load</b>	Not Applicable
<b>Exit Load</b>	Exit Load is changed w.e.f. July 7, 2014. You are requested to refer to the SID (Page 89).
<b>Weighted Average Expense Ratio</b>	Regular Plan: 2.00%* Direct Plan: 1.50%* * Exclusive of GST on management fees
<b>Benchmark Index</b>	Nifty 500(TRI)
<b>Minimum Application Amount</b>	New Purchase: ₹ 1,000 Additional Purchase: ₹ 1,000 Monthly SIP: ₹ 1,000, Quarterly SIP: ₹ 3,000

Quantitative Indicators	
<b>Beta</b>	0.69
<b>Standard Deviation</b>	11.50%
<b>Sharpe Ratio</b>	0.53
<b>Portfolio Turnover (excl Equity Arbitrage)</b>	11.92%
<b>Portfolio Turnover (incl Equity Arbitrage)</b>	186.17%

- Above figures are annualised.

- Risk free rate assumed to be 6.00% (FBIL Overnight MIBOR as on 31st May, 2018)



## Portfolio Disclosure

Core Equity		
Name	Sector	% of Net Assets
HDFC Bank Ltd	Banks	7.33%
Bajaj Holdings & Investment Ltd	Finance	6.18%
Persistent Systems Ltd	Software	5.16%
Balkrishna Industries	Auto & Auto Ancillaries	4.83%
Zyudus Wellness Ltd	Consumer Non Durables	4.34%
Mphasis Ltd	Software	3.41%
Mahindra Holidays & Resorts India Ltd	Hotels	2.79%
Maharashtra Scooters Ltd	Auto & Auto Ancillaries	2.58%
Axis Bank Ltd	Banks	2.56%
ICICI Bank Ltd	Banks	2.20%
Indraprastha Gas Ltd	Gas	1.67%
IPCA Laboratories Ltd	Pharmaceuticals	1.47%
ICRA Ltd	Finance	1.18%
Dr.Reddys Laboratories Ltd	Pharmaceuticals	1.17%
Lupin Ltd	Pharmaceuticals	1.04%
Pfizer Ltd	Pharmaceuticals	0.78%
Arbitrage		
Yes Bank Ltd*		2.80%
Tata Steel*		2.54%
Century Textiles Ltd*		2.51%
Maruti Suzuki India Ltd*		2.14%
Bharti Airtel Ltd*		2.06%
LIC Housing Finance*		1.81%
Housing and Development Finance Corporation*		0.94%
State Bank Of India Ltd*		0.75%
Bank of Baroda*		0.75%
Sun Pharmaceuticals Industries Ltd*		0.48%
<b>Total</b>		<b>65.47%</b>
Overseas Securities, IDRS and ADRs		
Alphabet Inc (Google Class C) #	Internet & Technology	10.10%
Suzuki Motor Corp (ADR)^ #	Auto & Auto Ancillaries	5.28%
Facebook INC #	Internet & Technology	5.01%
Nestle SA ADR^ #	Packaged Foods	3.56%
3M Co #	Industrial Conglomerates	2.21%
International Business Machines Corp #	IT Consulting & Other Services	1.87%
<b>Total</b>		<b>28.03%</b>
Debt and Money Market Instruments		
CBLO	Debt and Money Market Instruments	2.29%
FDR	Debt and Money Market Instruments	0.83%
<b>Invested Total</b>		<b>96.62%</b>
Cash and Cash Equivalent	Cash & Cash Equivalent	3.38%
<b>Net Assets</b>		<b>100.00%</b>

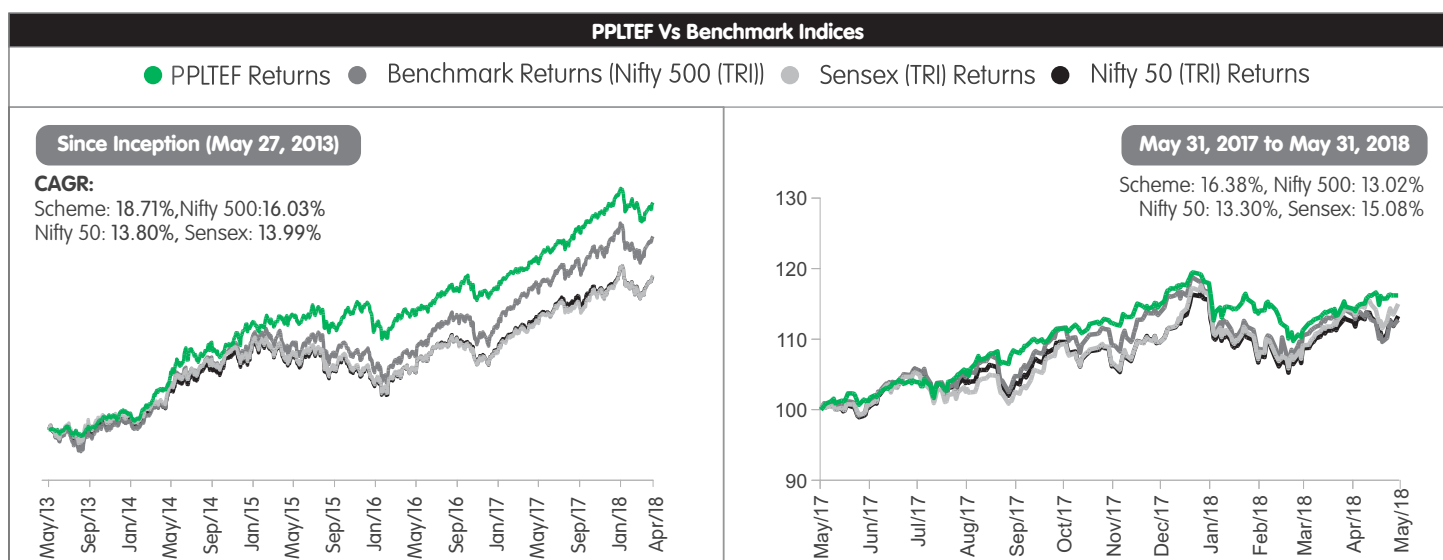
# Currency hedge to the extent of approximately 85% of exposure.

\* Hedged by offsetting derivative position

^ Traded on US OTC Markets

Lumpsum Investment Performance (Compounded annual returns)								
Date	Scheme	Benchmark	Index	Index	Value of Investment of Rs. 10,000/-			
	PPLTEF	Nifty 500 (TRI)	Nifty 50 (TRI)	S&P BSE Sensex (TRI)	PPLTEF	Nifty 500 (TRI)	Nifty 50 (TRI)	S&P BSE Sensex (TRI)
Since Inception	18.71%	16.03%	13.80%	13.99%	23,663	21,101	19,137	19,304
May 31, 2017 to May 31, 2018 (Last 1 Yr)	16.38%	13.02%	13.30%	15.08%	11,638	11,302	11,330	11,508
May 29, 2015 to May 31, 2018 (Last 3 Yrs)	12.06%	11.54%	9.79%	9.81%	14,087	13,888	13,246	13,251
May 31, 2013 to May 31, 2018 (Last 5 Yrs)	18.75%	16.07%	13.78%	13.88%	23,628	21,078	19,072	19,163

SIP Investment Performance (Assumption : ₹ 10,000/- is invested on the first of every month)				
	Since Inception from June 1, 2013	May 31, 2017 to May 31, 2018 (Last 1 Yr)	May 29, 2015 to May 31, 2018 (Last 3 Yrs)	May 31, 2013 to May 31, 2018 (Last 5 Yrs)
Total Amount Invested	6,10,000	1,20,000	3,60,000	6,00,000
Market value of Investment	9,27,699	1,2,7440	4,51,197	9,04,036
Returns (Annualised) (%)	16.52%	11.75%	15.25%	16.42%
Nifty 500 (TRI) Returns (Annualised) (%)	15.25%	7.92%	15.40%	15.22%
Nifty 50 (TRI) Returns (Annualised) (%)	13.23%	11.35%	14.60%	13.21%
S&P BSE Sensex (TRI) Returns (Annualised) (%)	13.24%	14.48%	15.24%	13.21%



Performance of other scheme managed by same Fund Manager - Mr. Raj Mehta (Parag Parikh Liquid Fund)						
Date	Scheme	Benchmark	Additional Benchmark	Value of Investment of Rs. 10,000/-		
	PPLF (Regular Plan)	Crisil Liquid Fund Index	CRISIL 1 year T-bill Index	PPLF (Regular Plan)	Crisil Liquid Fund Index	CRISIL 1 year T-bill Index
Since Inception	6.42%	7.41%	2.37%	10,034	10,039	10,013
May 24, 2018 to May 31, 2018 (Last 7 Days)	5.54%	8.44%	4.55%	10,011	10,016	10,009
May 16, 2018 to May 31, 2018 (Last 15 days)	5.64%	7.47%	5.29%	10,023	10,031	10,022

- Note:**
- Different plans shall have different expense structures
  - Scheme returns shown are for regular plan
  - Past performance may or may not be sustained in the future
  - Greater than 1 year returns are CAGR returns
  - Data presented here is upto the last calendar month

**We have our Skin in the Game**

The combined holding of 'Insiders' in Parag Parikh Long Term Equity Fund amounts to **10.03% of the AUM as at May 31, 2018**. For more details [please visit the 'Scheme' section of our website](#).

**Riskometer**

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

**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.**

Investors understand that their principal will be at moderately high risk.

# Parag Parikh Liquid Fund

An open-ended Liquid Scheme

<b>Name of the fund</b>	Parag Parikh Liquid Fund
<b>Investment Objective</b>	The primary investment objective of the Scheme is to deliver reasonable market related returns with lower risk and high liquidity through judicious investments in money market and debt instruments. (Non Guaranteed)
<b>Type of the Scheme</b>	An Open-ended Liquid Scheme
<b>Date of Allotment</b>	May 11, 2018
<b>Name of the Fund Manager</b>	<b>Mr. Raj Mehta</b> Fund Manager since inception. Has 5 years of work experience and also manages PPLTEF since Jan 2016.
<b>Assets Under Management (AUM) as on May 31, 2018</b>	₹ 54.79 Crores
<b>Average AUM for the Month</b>	₹ 34.45 Crores
<b>Entry Load</b>	Not Applicable
<b>Exit Load</b>	Nil
<b>Weighted Average Expense Ratio</b>	Regular Plan: 0.20%* Direct Plan: 0.10%* * Exclusive of GST on management fees
<b>Benchmark Index</b>	CRISIL Liquid fund index
<b>Additional Benchmark</b>	CRISIL 1 Year T-Bill index
<b>Minimum Application Amount</b>	New Purchase: ₹ 5,000 Additional Purchase: ₹ 1,000 Monthly SIP: ₹ 1,000

## Portfolio Disclosure

Debt and Money Market Instruments		
Name	Rating	% of Net Assets
91 Days Tbill (MD 19/07/2018)	Sovereign	9.05%
91 Days Tbill (MD 26/07/2018)	Sovereign	18.08%
182 Days Tbill (MD 26/07/2018)	Sovereign	9.04%
CBLO		62.98%
<b>Invested Total</b>		<b>99.15%</b>
Net Receivables/Payables		0.85%
<b>Net Assets</b>		<b>100.00%</b>

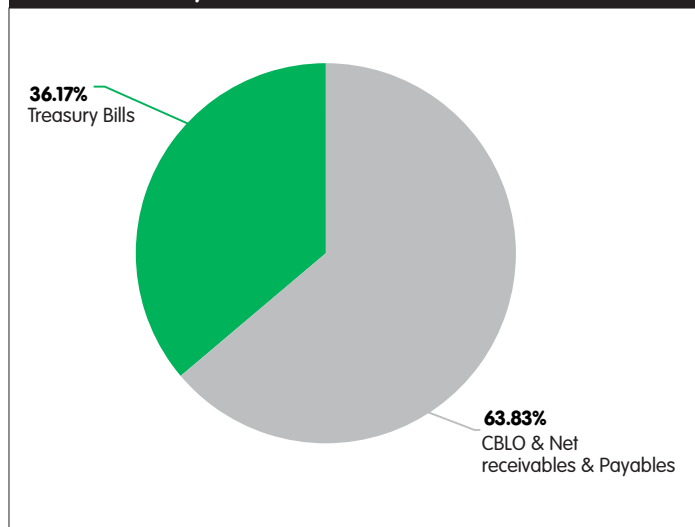
NAV Details		
Plan	Direct	Regular
Growth	1003.4887	1003.4161
Daily Dividend	1000.2000	1000.2000
Weekly Dividend	1001.4771	1001.4706
Monthly Dividend	1003.4663	1003.4157

Dividend History - Monthly Dividend Plan		
Record date	Direct	Regular
28 <sup>th</sup> May 2018	Nil	Nil
30 <sup>th</sup> April 2018	NA	NA
26 <sup>th</sup> March 2018	NA	NA

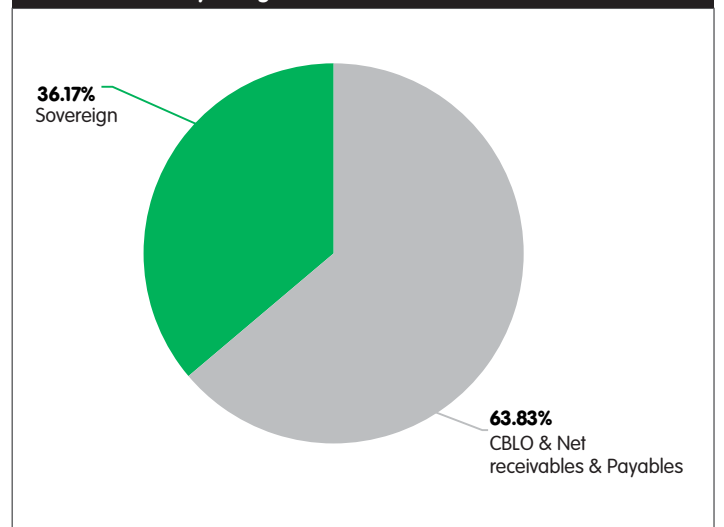
Quantitative Indicators*	
Average Maturity (Days)	20.43
Modified Duration (Days)	20.43
Yield to Maturity	6.01%

\* Computed on the invested amount

### Asset Allocation by Asset Class



### Asset Allocation by Rating



# Parag Parikh Liquid Fund

An open-ended Liquid Scheme

## Lumpsum Investment Performance (Compounded annual returns)

Date	Scheme	Benchmark	Additional Benchmark	Value of Investment of Rs. 10,000/-		
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## Performance of other scheme managed by same Fund Manager - Mr. Raj Mehta (Parag Parikh Long Term Equity Fund)

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## We have our Skin in the Game

The combined holding of 'Insiders' in Parag Parikh Liquid Fund amounts to **36.53% of the AUM as at May 31, 2018**. For more details please [visit the 'Scheme' section of our website](#).

### Note:

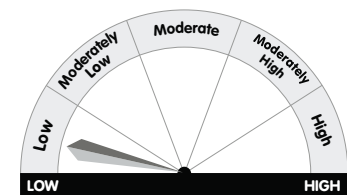
- Different plans shall have different expense structures
- Scheme returns shown are for regular plan
- Past performance may or may not be sustained in the future
- Greater than 1 year returns are CAGR returns
- Data presented here is upto the last calendar month
- The scheme has not completed one year since the date of launch

This product is suitable for investors who are seeking\*

- (I) Income over the short term  
(II) Investment in debt / money market instruments.

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

Riskometer



Investors understand that their principal will be at Low risk.

## 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 <sup>th</sup> 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.
Yield to Maturity (YTM)	The yield to maturity (YTM) of a bond or other fixed-interest security, such as gilts, is the (theoretical) internal rate of return (IRR, overall interest rate) earned by an investor who buys the bond today at the market price, assuming that the bond is held until maturity, and that all coupon and principal payments are made on schedule.
Modified Duration	Modified duration is a formula that expresses the measurable change in the value of a security in response to a change in interest rates. Modified duration follows the concept that interest rates and bond prices move in opposite directions.
Total Expense ratio	The total expense ratio (TER) is a measure of the total cost of a fund to the investor. Total costs may include various fees (purchase, redemption, auditing) and other expenses. The TER, calculated by dividing the total annual cost by the fund's total assets averaged over that year, is denoted as a percentage.



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

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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/liable for any decision taken on this material.