

Managing your money using Value Investing principles!



A few thoughts on the Parag Parikh Flexicap Fund completing 10 years since launch



Mr. Rajeev Thakkar
CIO & Director

Hello,

It has been a decade since we launched our first mutual fund scheme and the journey has been incredible.

As a new mutual fund, we were largely unknown outside of a few clients for whom we were portfolio managers or brokers in the past or for those who were aware of our late founder Parag bhai's writings. We had no backing of a large corporate or a bank and the brand was unknown.

In our wildest dreams we could not imagine that from around 800 investors we would earn the trust of more than 20 lakh folios*. We are happy that we have been able to play a small part in helping the investors reach their financial goals.

I take this opportunity to address some questions that may be relevant at this time

Overseas investments

There is no update on the increase in the overall limit on foreign investments. Incremental investments in the Parag Parikh Flexi Cap Fund continue to be in Indian equities. We have to operate in the environment which is given to us and as we have been stating all along, the main objective to invest abroad is to reduce risk rather than necessarily earn a higher return. Parag Parikh Tax Saver Fund which has no foreign investments has done reasonably well despite investing only in India. We remain hopeful that at an appropriate time the overseas investment limits will be increased.

Size of our flagship Scheme

The size of Parag Parikh Flexi Cap Fund has surely grown over the last decade. This has prompted some to wonder whether we should close for fresh investments. We are not considering this for now

Our scheme looks large because we run very few schemes and do not fragment our assets under management. We wish to have an investment avenue open for our company, ourselves, family and friends. In case fresh investments are closed what happens to the new investible surplus / savings of all the unitholders?

We do not follow a high churn strategy in our investments from day one. While a larger size does constrain in some ways, it is not as bad as some people fear given that for the most part we have a buy and hold approach.

Investors who are very keen to invest in a smaller scheme managed by the same investment team can consider investing in the Parag Parikh Tax Saver Fund which is much smaller than the Parag Parikh Flexi Cap Fund (albeit with a 3 year lock-in).

New scheme launches

We were largely in a state where we thought we had covered almost all the needs of investors by having a product for equity, tax saving, liquidity management and debt investments each.

The recent changes to the income tax laws make a hybrid investing approach more tax efficient for a lot of investors who choose to have debt and equity investments and maybe other assets like Real Estate Investment Trusts / Infrastructure Investment Trusts (REITs / InvITs)..

We do not wish to clutter our offerings but either some change to our existing hybrid scheme or a new scheme offering may be considered given the changed environment.

My heart is filled with gratitude for all the support given over the years by our clients, distributors, advisors, registrars, custodians, auditors, regulators and most importantly our team members through some very challenging times.

We look forward to serving your investing needs in the coming years as well.

Thank you for your trust.

With Warm Regards,

Rajeev Thakkar



Chief Investment Officer and Director

*Date: Tuesday, May 23, 2023

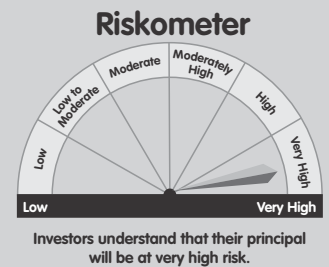
Parag Parikh Flexi Cap Fund

An open-ended dynamic equity scheme investing across large cap, mid cap, small cap stocks.

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.**



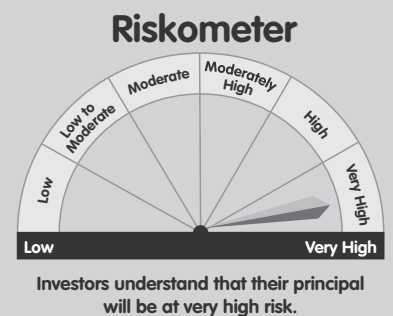
Parag Parikh Tax Saver Fund

An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit

This product is suitable for investors who are seeking*

- Long term capital appreciation
- Investment predominantly in equity and equity related securities.

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



Riskometers as on April 30, 2023

Note: Please visit the website address for latest Riskometer updates:
<https://www.amc.ppfas.com>----> Statutory Disclosures ---> Product Label of the Schemes.

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