

“**Our goal is not higher AUM
but a preferred fund house for equity investments.**”

PPFAS Mutual Fund

Abridged Annual Report For The Financial Year 2015-16

Scheme Name: **PPFAS Long Term Value Fund**

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sponsor of PPFAS Mutual Fund Parag Parikh Financial Advisory Services Private Limited Registered office: 103, Veena Chambers, 21 Dalal Street, Fort, Mumbai - 400001. | Trustee to PPFAS Mutual Fund PPFAS Trustee Company Private Limited. Registered office: 103, Veena Chambers, 21 Dalal Street, Fort, Mumbai - 400001. |
| Asset Management Company (Investment Manager to PPFAS Mutual Fund) PPFAS Asset Management Private Limited | Custodian to scheme(s) of PPFAS Mutual Fund: Stock Holding Corporation of India Limited |
| Statutory Auditors Sudit K. Parekh & Co. Chartered Accountants Ballard House, 2nd Floor, Adi Marzban Path, Ballard Pier, Fort, Mumbai - 400001. | Internal Auditors Sanjay Panse and Co., Chartered Accountants 9, Three View Society Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025. |
| Registrar and Transfer Agent Computer Age Management Services Private Limited (CAMS) New No.10 / Old No.178 M G R Salai Kodambakkam High Road, Opp Palm Grove Hotel, Chennai - 600034. Tamil Nadu. | Fund Accountant for scheme (s) of PPFAS Mutual Fund. Sundaram BNP Paribas Fund Services. No.23 Cathedral Garden Road Nungambakkam, Chennai-600 034 |
| Board of Directors of PPFAS Trustee Company Private Limited P A Balasubramanian Rajan Mehta Dhaval Desai Suneel Gautam | Board of Directors of PPFAS Asset Management Private Limited Neil Parag Parikh Rajeev Thakkar Rajesh Bhojani Arindam Ghosh Kamlesh Somani Swapnil Walimbe |

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Chairman's Letter

Dear Investors,

Greetings!

Let me first begin by thanking you for your continued faith and support in PPFAS Long Term Value Fund.

Our Fund aims to provide positive inflation-adjusted returns and at the same time protect the capital from loss by ensuring adequate margin of safety while constructing our portfolio. Our goal is to optimize returns and not necessarily maximise returns. When one tries to maximise returns, high risk is usually taken which can really erode the capital if market turns negative. We have and will continue to maintain our investment discipline and philosophy and avoid chasing market fancies. We will continue to stay away from businesses we do not understand and promoters we do not have confidence in. At PPFAS, our whole focus has been to do the right things and merely not do things right. By following the common sense approach to investing, I am confident over time we will be able to deliver consistent returns.

The past year has been quite a challenging one for us. The year began with tragedy when our Founder, Mr. Parag Parikh passed away in a car accident. The resiliency showed by the organization and the support extended by the unit holders will hold us in good stead moving forward.

The year was also not very good for the capital markets with the indices giving negative returns over the past year. We were able to beat the indices returns and were able to generate positive returns. Our unique scheme design and overseas investments were the key for generating better performance. The opposite will also hold true and we might be slight under-performers if there is a big bull run in the Indian markets.

Moving forward, we do not plan to launch any new schemes. Our scheme is a Go-Anywhere value fund where we can take advantage of all opportunities within this one scheme.

We will be reaching the Rs. 50 crore net-worth criteria for Mutual Funds by December 2016. We have done this through the organic route by internal accruals and promoters infusing required capital.

We would also like to update our investors that, we are in the process of changing our scheme name from 'PPFAS Long Term Value Fund' to 'Parag Parikh Long Term Value Fund'. The prime motivators behind this move are : To pay homage to our Founder whose vision and actions have been instrumental in where we stand today. Given his standing and image in the industry, it has the potential to ensure better connect and recall among investors, as compared to a bland acronym.

We will continue to communicate with you regarding any updates or changes that the Fund goes through.

I once again wholeheartedly thank you for your support and investments in PPFAS Long Term Value Fund.

Neil Parag Parikh
Chairman.

Trustee Report

Dear Fellow Investors,

We the Trustee to PPFAS Mutual Fund, proudly present our 3rd annual report and the audited financial statement of the Scheme(s) of PPFAS Mutual Fund (the 'Fund'), for the year ended March 31, 2016. In our previous reports, we have provided information on how a mutual fund is structured and basic information on various ratios/ measures which an investor needs to know. In this year's report we are providing you a small note on benefits of 'compounding' and 'SIP' investment.

Power of Compounding

The finance industry is notorious for conjuring up new ways to make investors part with their money.

However, one principle which has stood the test of time is the indubitable benefit offered by the process of compounding. Many learn it in school but forget it soon after that.

So how does this magic principle work? Well, compounding is the process of earning interest on interest. Over time, this simple process results in wealth creation.

In the case of equities however, the process of compounding applies in a slightly different manner. This is because, equity returns are not linear. Equity prices (and equity mutual fund Net Asset Values) are volatile and fluctuate over the short term. However, as the length of investment period increases, this volatility reduces considerably. Historically, equity prices (as represented by the indices) have risen steadily over long periods.

Hence, an equity investor can take advantage of compounding, either by investing a fixed amount uniformly over long time periods or by raising the investment amount when markets are weak, so as to benefit more when markets eventually rise.

In equities the concept of compounding, is best depicted by the ratio Compound Annual Rate of Growth (CAGR).

For instance, the level of the index was 100 in 1979 and is around 28000 today. The return between these two points over a 37 year period is around 16.50% per annum, CAGR.

However, this does not mean that the value of the Index increased at 16.50% every year. There have been several lurches downward over the years. However, after every fall, the Index eventually rose and went above its previous high, thus leading to this CAGR.

Investors who were able to remain impassive during the volatile periods ended up as winners. The same is the case with several equity mutual fund schemes over the past two decades.

To sum up, to benefit from the power of compounding in equities, invest steadily over long periods and do not fear volatility.

How to SIP (Systematic Investment Plan) correctly :

One of the most effective ways to benefit from the volatility of the stockmarket, is to initiate a SIP in an equity mutual fund scheme and invest a fixed sum every month. Doing this also frees you from market-timing related worries and excises the impact of emotions from the investment process. However, merely investing random amounts via a SIP program may not really help you.

This is how you could go about it :

- Determine the goal first. Then take steps towards achieving it by investing systematically. Beginning investing without knowing why, is not advisable. Example of a goal: Your child's MBA course, seven years from now.
- Determine the current cost of the goal. Suppose it is ₹ 10 lakhs.
- Check out the approximate rate of inflation for education. Say, it is 10% per year.
- Based on this, arrive at the cost in 2023. This will amount to around ₹ 19.50 lakhs.
- Estimate the annual rate of return. Say, this is 12% per year.
- Based on these figures, a simple calculation in a spreadsheet will reveal that the correct monthly SIP instalment will amount to ₹ 14,900/-.
- Review these figures once a year.

SIP is an EMI you pay to your own self, ensure that you receive the right amount.

How the fund is performing after three years of operations ?

To provide investors a holistic picture of the growth we are stating here data on number of fellow investors in the scheme, retail participation, AUM participation through SIP route, participation from B 15 and T 15 cities and towns. Data related to aging analysis will help to understand how long investors stayed invested in the scheme.

| Particulars | As on 31st March 2016 | As on 31st March 2015 | % Change (+/-) |
|-------------------------------------------|-----------------------|-----------------------|----------------|
| Total Number of investors | 6983 | 3994 | 74.83% |
| Number of Retail Investors (Individual) | 6762 | 3869 | 74.77% |
| Geographical Coverage* | 320 | 266 | - |
| % of AUM from SIP investment | 5.71% | 2.76% | - |
| Number of SIP registered from B15 cities | 693 | 426 | 62.67% |
| Number of SIP registered from T 15 cities | 2570 | 1308 | 96.48% |

* Investors are spread across the cities and towns of the country and overseas. The Fund has received investments from 320 cities and towns in India and from Overseas destinations.

If you glance through table provided above, you can notice that change is positive for all the parameters. Investors' participation through SIP route has shown healthy growth. Investments through SIP route contributed 5.71% to AUM. We feel that investments through SIP needs to grow. Investments through SIP is at a low level due to the fact that we are a young fund house. As we continue our journey the fund will have a higher contribution to AUM through SIP investments. It is also worth while to take a note of the table provided below. You can notice that retail participation of the scheme is much higher. This indicates wider acceptance of the scheme by retail investors.

| Investor classification | Number of investors as on 31st March 2016 | Number of investors as on 31st March 2015 |
|-------------------------|-------------------------------------------|-------------------------------------------|
| Non individual | 221 | 125 |
| HNI (individual) | 532 | 453 |
| Retail (individual) | 6230 | 3416 |

| Aging analysis data: | | (Rupees in crores) | |
|-----------------------------|-----------------------------------------|-----------------------------------------|--|
| Period | As on 31st March 2016 | As on 31st March 2015 | |
| 0-1 month | 13.93 | 10.96 | |
| 1-3 months | 24.38 | 19.58 | |
| 3-6 months | 29.21 | 27.18 | |
| 6-12 months | 69.36 | 70.97 | |
| 12-24 months | 120.14 | 443.82 | |
| > 24 months | 393.8 | Not applicable | |

Above table reveals that more than 60% of investment has holding period of more than 24 months. Investments in fund for a longer duration provides stability to the scheme.

Assets Under Management (AUM)

As on March 31, 2015, the total assets of the Scheme were INR 572.50 Crores. As on March 31, 2016, the total assets of the Scheme stood at INR 652.50 Crores. Increase in AUM is due to incremental inflow into the scheme and capital appreciation of the existing portfolio.

Now, we will proceed with providing you details which are required to be provided to investors in accordance with applicable SEBI (Mutual Fund) Regulations,

Scheme performance, future outlook and operations of the Scheme

'PPFAS Long Term Value Fund' (the 'Scheme')

The Scheme is an open ended equity scheme.

What is the 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 be investing in Indian equities, foreign equities and related instruments and debt securities. Buying securities at a discount to intrinsic value will help to create value for investors. Our investment philosophy is to invest in such value stocks.

Long Term refers to an investment horizon of 5 years and more. In this Scheme Information Document (SID) it is mentioned that the Scheme is not suitable for investment horizon of less than 5 years. The Scheme will evaluate different companies based on their long term prospects (5 years and more) rather than just looking at next quarter or a few quarter's earnings. Since the objective of the Scheme is to hold the investments in the companies where the Scheme has invested for the long term, it is essential that the investors in the Scheme have a similar outlook. It is expected that the core equity portfolio of the Scheme will have low churn (portfolio turnover). However the actual churn (portfolio turnover) could be higher depending on circumstances prevailing at respective times.

Scheme Performance

The performance of the Scheme (PPFAS Long Term Value Fund) is provided below:

| Period | Direct Plan | Regular Plan |
|----------------------------------|-------------|--------------|
| Since Inception (May 28, 2013) | | |
| Scheme Returns # | 20.66% | 20.06% |
| Benchmark Return (Nifty 500) | 11.31% | 11.31% |
| For last one year (FY 2015-2016) | | |
| Scheme Returns # | 3.62% | 3.08% |
| Benchmark Return (Nifty 500) | (7.54%) | (7.54%) |
| For one year (FY 2014-2015) | | |
| Scheme Returns # | 39.41% | 38.75% |
| Benchmark Return (Nifty 500) | 33.56% | 33.56% |
| For one year (FY 2013-2014) | | |
| Scheme Returns # | 18.14% | 17.67% |
| Benchmark Return (Nifty 500) | 9.85% | 9.85% |
| For Last 3 years^ | | |
| Scheme Returns # | 20.23% | 19.63% |
| Benchmark Return (Nifty 500) | 13.21% | 13.21% |

Past performance may or may not be sustained in the future.

- Above one year returns are CAGR returns
- The Scheme offers only Growth Option
- Since Inception returns are calculated on Rs.10 (allotment price per Unit)
- ^ Scheme returns for last three years are computed as on 31st May 2016 after completion of three years.

The NAV (net asset value) of the scheme as on March 31, 2016 are as under:-

Plan/Option wise Net Asset Value (NAV) for the year ended March 31, 2016 is as follows:-

| Scheme Name | NAV per unit (Rs.) as on March 31, 2016 | |
|----------------------------|-----------------------------------------|---------|
| | Direct | Regular |
| PPFAS Long Term Value Fund | 17.0661 | 16.8282 |

Commentary from the Trustee on Scheme Performance.

As stated in all the literature relating to the scheme, this scheme is for long term investors.

The core portfolio of the Scheme 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 endeavour of the fund management team is to identify opportunities for long term investments.

The Scheme 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, the Scheme focuses on company fundamentals more than macro economic variables. The Scheme does not seek to time the markets or to make top down investment strategies based on macro economic forecasts.

Future Outlook

We have completed three years since the launch of PPFAS Long Term Value Fund in May of 2013.

We continue to abide by our investment approach of looking at investments as ownership stakes in businesses and a buy and hold long term approach. Our portfolio comprises of individually selected companies rather than top down macro or sectoral themes.

At this time a lot of media space is devoted to the somewhat above average equity valuations prevailing the world over. However equity clearly is not in a bubble territory. The crazy thing as of now is that \$ 12 trillion plus worth of bonds are trading at negative yields. If at all there is a bubble, it is in the bonds of developed countries. All of this money sloshing around will find an outlet somewhere or the other and will blow bubbles at various places. As usual, we are ignoring most of this noise as it does not have any meaningful impact on our investments directly. Of course in a connected world, there may be indirect impacts on account of currency movements or movements in commodity prices.

We continue to have a mix of Indian and overseas stocks. We maintain a currency hedge for approximately 90% of our overseas currency exposure which besides reducing the overall volatility of the portfolio also give a positive yield of about 5.75% to 6% p.a.

Brief discussion of some stock holdings

The expected shift of mass media blanket advertising to customised advertising online and on mobile screens is expected to continue. We continue to like Alphabet (Google) and it remains our top holding.

We continue to like private sector banks in a segment which has strict licensing requirements and thus restricted competition. These banks should be able to grow on account of market share growth and market share gains and at the same time have demonstrated in the past loan loss ratios lower than those of their public sector counterparts. HDFC Bank is our top holding in this segment.

Rating agencies remain attractive businesses with limited competition and an asset light model. ICRA is now a subsidiary of Moody's and we remain invested.

The litigation between Maharashtra Government and Bajaj Auto is not over yet as regards Maharashtra Scooters (MSL). The high discount to intrinsic value continues. MSL remains an attractive proxy to the two wheeler and financial services businesses of the Bajaj group.

FMCG companies have been our favourites for long but the valuations in India have been very high for some time. We have a position in Zydus Wellness in India and in some companies like Nestle and Anheuser Busch overseas.

Mahindra Holidays which has a capital light model has seen an increase in customer sign ups and the lack of transparency in members getting bookings has been addressed. The pace of cancellations seems to have come down. The company also has acquired an international vacation ownership company in Europe. New room constructions however are still at a slow pace which may lower the growth prospects.

Noida Toll Bridge is witnessing a phenomenon typically seen in India. After an asset has been created, an attempt to not

pay fair usage charges and short change investors. While such attempts are obviously disappointing to us, there is adequate margin of safety in our view for our investment. The company continues to pay handsome dividends.

Courts have ruled in favour of Indraprastha Gas in its dispute with PNGRB and City Gas Distributors like Indraprastha Gas and Gujarat Gas will have less of a regulatory overhang now. Pollution concerns and the switch away from diesel to cleaner fuels like CNG are positive for these companies. These companies have also been expanding their areas of operations. We continue to observe the developments in this space.

IL&FS Investment Managers has been facing challenges in growing its AUM. Its core areas of Real Estate Funds, Infrastructure Funds and General Private Equity Funds have not generated good returns in recent years and investor interest remains tepid. The share price also reflects this. The company has announced its intent to enter additional areas of managing Debt Funds and Investment Banking, Private Equity and management of Stressed assets and the related induction of management personnel has already happened.

While commodity prices are notoriously unpredictable, as of now it seems that the free fall in prices has stopped and prices have stabilised. We have a very small exposure to primary commodity producers (Selan being the only one) and hence do not see much adverse impact.

Details of Investor Services

When we launched our Fund, we knew that we were entering a competitive space.

As building a performance track record would take its own time, the only way we could differentiate ourselves from the others initially, was by offering customer service of the highest degree. Now, three years have elapsed and we have the requisite track record in place. Our scheme has performed well on various metrics over this period. However this does not mean that we can afford to drop the ball when it comes to serving our investors.

It is our understanding and belief that as a mutual fund it is our duty to talk to our investors. We love to talk to you, understand your needs and solve your queries. This practice has helped us to improve our services and investor experience.

However, given the steadily increasing number of Folios, it is imperative that we too up the ante, with regard to Customer Service.

This is being done in the following manner :

1. Increased touch-points :

Apart from maintaining our dedicated in-house team, we are also exploring the option of allying with CAMS' Call Centre. We are cautiously examining all aspects before arriving at a decision.

We also launched our 'Online Chat' feature on our website, last year. This has enabled swift redressal of grievances and also helped us in addressing routine queries without any material delay.

Our 'Online Folio Creation' and 'Online SIP' facilities gained further traction this year. As on May 31st, 2016, 20% of our Scheme's Folios and 33% of our SIP Folios have been created online, despite both these options being launched well after the scheme's New Fund Offer.

Initiatives planned over the next few months include :

Launching our Mobile App, revamping our transaction portal and enabling online on-boarding of distributors.

CAMS, our Registrar and Transfer Agent continues to assist us in our customer service efforts.

As has happened since inception, last year too we conducted meetings of investors, where we offered a platform to our investors to interact with representatives of the Fund (who are also co-investors along with you) These meetings were held at Bombay, Chennai and Bengaluru. The dates for this year's meeting will be announced soon.

Brief Background of Sponsor, Trust, Trustee Company and Asset Management Company

(a) Parag Parikh Financial Advisory Services Private Limited (Sponsor)

PPFAS Mutual Fund is sponsored by Parag Parikh Financial Advisory Services Private Limited. The Sponsor is the Settlor of the Mutual Fund Trust. The Sponsor has entrusted a sum of Rs. 1 lakh to the Trustee as the initial contribution towards the corpus of the Mutual Fund.

The Sponsor is engaged in providing services of Portfolio Management Services and distribution of third party mutual fund products. For the Sponsor substantial part of the revenue comes from providing PMS services to its clients.

(b) PPFAS Mutual Fund (the Fund)

PPFAS Mutual Fund (the "Fund") has been constituted as a trust on April 13, 2012 in accordance with the provisions of the Indian Trusts Act, 1882, as per the terms of trust deed, dated April 13, 2012, with Parag Parikh Financial Advisory Services Private Limited (PPFAS) as the Sponsor / Settlor and PPFAS Trustee Company Private Limited, as the Trustee. The Trust Deed has been registered under the Indian Registration Act, 1908. The Trustee has entered into an Investment Management Agreement dated May 22, 2012 with PPFAS Asset Management Private Ltd. To function as the Investment Manager for all the Schemes of the Fund. The Fund is registered with SEBI on October 17, 2012 under the Registration Code MF/069/12/01.

(c) PPFAS Trustee Company Private Limited (Trustee Company)

PPFAS Trustee Company Private Limited (the "Trustee" is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the Unit-holders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the SEBI (Mutual Funds) Regulations, 1996 (the "Regulations") and the Trust Deed. The Trustee seeks to ensure that the Fund and the Scheme/s floated thereunder are managed by PPFAS Asset Management Private Limited in accordance with the Scheme Information Document (SID), the Trust Deed, the applicable Regulations, directions and guidelines issued by the SEBI, the Association of Mutual Funds in India (AMFI), Stock Exchanges and other regulatory agencies. As at March 31, 2016, PPFAS Pvt. Ltd. holds 100% of the paid-up equity share capital of PPFAS Trustee Company Private Limited.

Change in the composition of the Board of Directors of the Trustee Company and Asset Management Company are provided below;

Mr. Dhaval Desai is appointed as an Independent Director of PPFAS Trustee Company Private Limited with effect from 1st May 2015. Mr. Suneel Gautam was appointed as an associate director with effect from 21st August 2015. Mr. Jayesh Dadia has resigned as an independent director in December 2015.

(d) PPFAS Asset Management Private Limited (Asset Management Company/ Investment Manager)

PPFAS Asset Management Private Limited ("PPFAS AMC") is a private limited company incorporated under the provisions of the Companies Act, 1956 on August 8, 2011. PPFAS AMC has been appointed as an Asset Management Company of PPFAS Mutual Fund by the Trustee vide Investment Management Agreement (IMA) dated May 22, 2012, and executed between PPFAS Trustee Company Private Limited and PPFAS AMC. PPFAS AMC is approved to act as an Asset Management Company for PPFAS Mutual Fund by the SEBI vide its letter dated October 17, 2012. Parag Parikh Financial Advisory Services Private Limited (PPFAS) holds 100% of the paid-up equity share capital of PPFAS Asset Management Private Limited.

During the financial year 2015-2016, PPFAS AMC has issued 61,46,179 equity shares of Rs. 10 each. This additional investment by the Sponsor has helped PPFAS AMC to increase its net-worth. Net worth of PPFAS AMC as on 31st March 2016 is Rs. 42.67 Crores.

Details of changes in composition of the Board of Directors of the Asset Management Company effected are provided below;

Mr. Rajesh Bhojani is appointed as an Independent Director of PPFAS Asset Management Private Limited with effect from 6th July 2015. Mr. Swapnil Walimbe is appointed as an Associate Director of PPFAS Asset Management Private Limited with effect from 7th March 2016. Mr. Anil Singhvi, an Independent Director has resigned from the company with effect from 9th May 2016 and Mr. Arindam Ghosh is appointed as an Independent Director of the Company with effect from 13th May 2016.

Shareholding Pattern

PPFAS Asset Management Private Limited:

| Name of Shareholder | Number of Equity shares of Rs. 10 each fully paid | Percentage Holding |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------|
| Parag Parikh Financial Advisory Services Private Limited | 3,22,10,003 | 100.00% |
| (1 share each is held by Rajeev Thakkar, Geeta Parikh, Neil Parikh, Sahil Parikh, Sitanshi Parikh & Khushboo Parikh as nominee for Parag Parikh Financial Advisory Services Private Limited) | 6 | 0.00% |
| Total | 3,22,10,009 | 100.00% |

PPFAS Trustee Company Private Limited:

| Name of Shareholder | Number of Equity shares of Rs. 10 each fully paid | Percentage Holding |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------|
| Parag Parikh Financial Advisory Services Private Limited | 49,994 | 100.00% |
| (1 share each is held by Rajeev Thakkar, Geeta Parikh, Neil Parikh, Sahil Parikh, Sitanshi Parikh & Khushboo Parikh as nominee for Parag Parikh Financial Advisory Services Private Limited) | 6 | 0.00% |
| Total | 50,000 | 100.00% |

Details of Unclaimed Dividend And Redemption.

There has been no instance of unclaimed redemption for the year ended March 31, 2016.

| Scheme Name | Unclaimed Redemption Proceeds | | Unclaimed Dividend Proceeds | |
|----------------------------|-------------------------------|--------------|-----------------------------|--------------|
| | Number of Investor | Amount (INR) | Number of Investor | Amount (INR) |
| PPFAS Long Term Value Fund | | | | |
| Direct Plan | Nil | Nil | Not Applicable # | |
| Regular Plan | Nil | Nil | | |

The Scheme does not offer Dividend option.

Significant Accounting Policies

The Significant Accounting Policies form part of the Notes to the Accounts annexed to the Balance Sheet of the Schemes in the Annual Report. The Accounting Policies are in accordance with Securities Exchange Board of India (Mutual Funds) Regulations, 1996

Liability And Responsibility of Trustee And Sponsors

The primary responsibility of the Trustee is to safeguard the interest of the Unit holders and inter-alia ensure that PPFAS Asset Management Private Limited (PPFAS AMC) functions in the interest of investors and in accordance with the

PPFAS Mutual Fund

Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, the provisions of the Trust Deed and the Statement of Additional Information, Scheme Information Document/Offer Document of the Scheme. From the information provided to the Trustee and the reviews the Trustee has undertaken, the Trustee believes PPFAS AMC has operated in the interests of the Unit holders.

The Sponsor is not responsible or liable for any loss or shortfall resulting from the operation of the Scheme beyond the initial contribution of Rs.1 lakh made by them towards setting up of PPFAS Mutual Fund.

Other Statutory Information

1. Parag Parikh Financial Advisory Services Private Limited (the "Sponsor") is not responsible or liable from any loss resulting from the operations of the scheme/s of the Fund beyond its initial contribution of INR 1 Lakhs for setting up the Fund, and such other accretions/ additions to the same.

2. The price and redemption value of the units and income from them can go up as well as down with fluctuations in the market value of its underlying investments.

3. Annual Report shall be disclosed on the website (www.amc.ppfas.com) and shall be available for inspection at the head Office of the PPFAS Mutual Fund. Present and prospective unit holders can obtain copy of the trust deed, the Annual Report of the Fund/ AMC at a price.

Voting Policy and Details of Proxy Voting exercised during the year

Voting Policy and details of proxy voting exercised during the financial year 2015-2016 of PPFAS Mutual Fund are provided after Notes to Accounts.

Details of Scheme Expense Ratio for FY 2015-2016

Scheme expense ratio for FY 2015-2016 was as under;

Direct Plan: 2.23% and Regular Plan: 2.76%

Acknowledgments

The Trustees wish to thank the fellow investors of the Fund for placing their trust in the Fund, Securities Exchange Board of India (SEBI), Association of Mutual Funds in India (AMFI) for their continued support and guidance. We would also like to appreciate the service and guidance provided by the CAMS (RTA) and Stock Holding Corporation of India Limited (Custodian) and Sundaram BNP Paribas Fund Services (Fund Accountant), HDFC Bank, ICICI Bank (Collection Bankers) our Statutory and Internal Auditors. Annual Report shall be disclosed on the website (www.amc.ppfas.com) and shall be available for inspection at the Head Office of PPFAS Mutual Fund Unit holder can obtain a copy of the same at a price.

For and on behalf of the Board of Directors

PPFAS Trustee Company Private Limited.

(Trustee to PPFAS Mutual Fund)

Sd/-

P A Balasubramanian
Director

Rajan Mehta
Director

Place: Mumbai
Date: 23rd June 2016

Auditors' Report

Sudit K Parekh & Co

Chartered Accountants

Ballard House, 2nd Floor, Adi Marzban Path, Ballard Pier, Fort, Mumbai – 400 001

Ph: + 91 22 6617 8000, Fax: + 91 22 6617 8002

Email: admin@skparekh.com

Independent Auditors' Report

To The Board of Directors of

PPFAS Trustee Company Private Limited

PPFAS Mutual Fund- PPFAS Long Term Value Fund

Report on the Financial Statements

1. We have audited the accompanying financial statements of PPFAS Mutual Fund – PPFAS Long Term Value Fund (the "Scheme"), which comprise the Balance Sheet as at March 31, 2016, and the related Revenue Account and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Trustee's and Management's Responsibility for the Financial Statements

2. The Board of Directors of PPFAS Trustee Company Private Limited (the "Trustee") and the Management of PPFAS Asset Management Private Limited (the "Management") are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Scheme in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto (the "Regulations"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Scheme's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Trustee and the Management, as well as evaluating the overall presentation of the financial statements

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Regulations in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India for mutual funds.

(a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2016;

(b) in the case of the Revenue Account, of the net surplus for the year ended on that date; and

(c) in the case of Cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by Regulation 55 of and Clause 5 of the Eleventh Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, we report that:

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and

(b) In our opinion, the Balance sheet, Revenue Account and Cash flow Statement dealt with by this report have been prepared in accordance with the accounting policies and standard specified in the Ninth Schedule of the Regulations.

8. As required by clause 5 (ii)(2) of the Eleventh Schedule of the Regulations, we report that the Balance Sheet, Revenue Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the Scheme.

For SUDIT K PAREKH & CO.

Chartered Accountants

Firm Registration No.: 110512W

Sd/-

(D.S.Khatri)

Partner

Membership No.: 16316

Place : Mumbai

Date: 23rd June 2016

Abridged Balance Sheet as at March 31, 2016

| PPFAS Long Term Value Fund * | | "Rupees in Lakhs" | "Rupees in Lakhs" |
|------------------------------|---------------------------------------------|-------------------------|-------------------------|
| | | As at March 31, 2016 | As at March 31, 2015 |
| | LIABILITIES | | |
| 1 | Unit Capital | 38,184.36 | 34,777.03 |
| 2 | Reserves & Surplus | | |
| 2.1 | Unit Premium Reserves | 4,696.17 | 2,445.41 |
| 2.2 | Unrealised Appreciation Reserve | - | - |
| 2.3 | Other Reserves | 22,211.98 | 20,027.48 |
| 3 | Loans & Borrowings | - | - |
| 4 | Current Liabilities & Provisions | | |
| 4.1 | Provision for doubtful Income/Deposits | - | - |
| 4.2 | Other Current Liabilities & Provisions | 1,917.11 | 115.99 |
| | TOTAL | 67,009.62 | 57,365.91 |
| | ASSETS | | |
| 1 | Investments | | |
| 1.1. | Listed Securities: | | |
| 1.1.1 | Equity Shares | 42,465.11 | 39,066.87 |
| 1.1.2 | Preference Shares | - | - |
| 1.1.3 | Equity Linked Debentures | - | - |
| 1.1.4 | Other Debentures & Bonds | - | - |
| 1.1.5 | Securitised Debt securities | - | - |
| 1.1.6 | Indian Depository Receipt | 105.47 | 554.98 |
| 1.2 | Securities Awaited Listing: | | |
| 1.2.1 | Equity Shares | - | - |
| 1.2.2 | Preference Shares | - | - |
| 1.2.3 | Equity Linked Debentures | - | - |
| 1.2.4 | Other Debentures & Bonds | - | - |
| 1.2.5 | Securitised Debt securities | - | - |
| 1.3 | Unlisted Securities | | |
| 1.3.1 | Equity Shares | - | - |
| 1.3.2 | Preference Shares | - | - |
| 1.3.3 | Equity Linked Debentures | - | - |
| 1.3.4 | Other Debentures & Bonds | - | - |
| 1.3.5 | Securitised Debt securities | - | - |
| 1.4 | Government Securities | - | - |
| 1.5 | Treasury Bills | - | - |
| 1.6 | Commercial Paper | - | - |
| 1.7 | Certificate of Deposits | - | - |
| 1.8 | Bill Rediscounting | - | - |
| 1.9 | Units of Domestic Mutual Fund | - | - |

Abridged Balance Sheet as at March 31, 2016

| PPFAS Long Term Value Fund * | | "Rupees in Lakhs" | "Rupees in Lakhs" |
|----------------------------------------------------|-----------------------------------------------------------------|-------------------------|-------------------------|
| | | As at March 31, 2016 | As at March 31, 2015 |
| 1.10 | Foreign Securities | | |
| 1.10.1 | International Equity Shares | 15,188.86 | 11,885.62 |
| 1.10.2 | International Equity American Depository Receipts (ADRs) | 2,330.66 | 2,416.80 |
| | | | |
| | | | |
| | Total Investments | 60,290.10 | 53,924.27 |
| 2 | Deposits | 200.00 | 600.00 |
| 3 | Other Current Assets | | |
| 3.1 | Cash & Bank Balance | 263.10 | 143.04 |
| 3.2 | CBLO/ Reverse Repo Lending | 3,257.98 | 1,508.05 |
| 3.3 | Others | 2,998.44 | 1,190.56 |
| 4 | Deferred Revenue Expenditure (to the extent not written off) | - | - |
| | | | |
| | TOTAL | 67,009.62 | 57,365.91 |
| Notes to Accounts - Annexure I | | | |
| *Scheme Launched during the current financial year | | | |

Abridged Revenue Account for the period ended March 31, 2016

| PPFAS Long Term Value Fund * | | "Rupees in Lakhs" Current Period ended March 31, 2016 | "Rupees in Lakhs" Current Period ended March 31, 2015 |
|------------------------------|------------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
| 1 | INCOME | | |
| 1 | Dividend | 1,229.07 | 1,009.54 |
| 1 | Interest | 324.16 | 297.26 |
| 1 | Realised Gain / (Loss) on Foreign Exchange Transactions | 11.06 | 13.28 |
| 1 | Realised Gains / (Losses) on Interscheme sale of investments | - | - |
| 2 | Realised Gains / (Losses) on External sale / redemption of investments | 963.60 | 5,005.93 |
| 2 | Realised Gains / (Losses) on Derivative Transactions ¹ | - | - |
| 2 | Other Income | 10.04 | 0.52 |
| | (A) | 2,537.93 | 6,326.52 |
| 2 | EXPENSES | | |
| 2 | Management fees | 1,184.98 | 973.69 |
| 2 | Service tax on Management fees | 165.01 | 120.35 |
| 2 | Transfer agents fees and expenses | - | - |
| 2 | Custodian fees | - | - |
| 3 | Trusteeship fees | - | - |
| 3 | Commission to Agents | 19.46 | 7.35 |
| 3 | Marketing & Distribution expenses | - | - |
| 3 | Audit fees | | |
| 3 | Other operating expenses | 12.19 | 6.68 |
| | (B) | 1,381.64 | 1,108.07 |
| 3 | NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A -B = C) | 1,156.29 | 5,218.45 |
| 4 | Change in Unrealised Depreciation in value of investments (D) | 1,136.46 | 269.70 |
| 5 | NET GAINS / (LOSSES) FOR THE YEAR / PERIOD (E=(C-D)) | 19.83 | 4,948.75 |
| 6 | Change in unrealised appreciation in the value of investments (F) | 2,210.70 | 10,193.18 |
| 7 | NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD (E + F = G) | 2,230.53 | 15,141.93 |
| 7 | Add: Balance transfer from Unrealised Appreciation Reserve | - | - |
| 7 | Less: Balance transfer to Unrealised Appreciation Reserve | - | - |
| 7 | Add / (Less): Equalisation | (46.01) | (214.50) |
| 8 | Total | 2,184.52 | 14,927.43 |
| 9 | Dividend appropriation | | |
| 9 | Income Distributed during the year / period | - | - |
| 9 | Tax on income distributed during the year / period | - | - |
| 10 | Retained Surplus / (Deficit) carried forward to Balance sheet | 2,184.52 | 14,927.43 |

Notes to Accounts - Annexure I

*Scheme Launched during the current financial year

1 Realised Gains / (Losses) on Derivative Transactions is clubbed with "Realised Gains / (Losses) on External sale / redemption of investments"

2 Commission to Agents is clubbed with "Other Operating Expenses"

Notes to Accounts

3 Net Asset Value (NAV) per unit as at the year end is as follows :

| SCHEME NAME | March 31, 2016 | | |
|-----------------------------------|----------------|----------------|---------|
| | NAV | Repurchase NAV | Sale |
| PPFAS Long Term Value Fund | | | |
| Regular Growth Plan | 16.8282 | 16.4916 | 16.8282 |
| Direct Growth Plan | 17.0661 | 16.7248 | 17.0661 |
| SCHEME NAME | March 31, 2015 | | |
| | NAV | Repurchase NAV | Sale |
| PPFAS Long Term Value Fund | | | |
| Regular Growth Plan | 16.3257 | 15.9992 | 16.3257 |
| Direct Growth Plan | 16.4697 | 16.1403 | 16.4697 |

4 As at the year end, the details of investments are as under:

| SCHEME NAME | March 31, 2016 | March 31, 2015 |
|------------------------------------------------------|---------------------------|---------------------------|
| | Market / Fair Value (Rs.) | Market / Fair Value (Rs.) |
| PPFAS Long Term Value Fund | | |
| Equity Shares | 4,246,510,554 | 3,906,686,566 |
| Collateralized Borrowing & Lending Obligation (CBLO) | 325,798,179 | 150,805,487 |
| Indian Depository Receipt | 10,546,906 | 55,497,780 |
| International Equity Shares | 1,518,885,698 | 1,188,561,719 |
| International Equity ADR / GDR | 253,065,795 | 241,679,767 |

5 Total value of investments falling under each major industry group and exceeding 5% of the total investments in each major classification is as under :

a.

| SCHEME NAME | Market /Fair Value as on March 31,2016 | % of Classification as on March 31,2016 |
|-----------------------------------------------------|----------------------------------------|-----------------------------------------|
| PPFAS Long Term Value Fund | | |
| Foreign Equities | | |
| Software | 1,030,373,686 | 58.15 |
| Logistics | 277,876,540 | 15.68 |
| Industrial Conglomerates | 196,120,609 | 11.07 |
| Consumer-Food Proc | 183,799,070 | 10.37 |
| Consumer Misc | 69,266,725 | 3.91 |
| Bank | 14,514,863 | 0.82 |
| Total | 1,771,951,493 | 100.00 |
| Indian Equities / Equity related instruments | | |
| Banks | 873,234,641 | 20.51 |
| Finance | 526,321,667 | 12.36 |
| Consumer Non Durables | 303,643,611 | 7.13 |
| Diversified Consumer Services | 29,560,948 | 0.69 |
| Hotels, Resorts and Other | 221,988,321 | 5.22 |
| Oil | 28,503,236 | 0.67 |
| Pharmaceuticals | 253,467,105 | 5.96 |
| Software | 600,967,687 | 14.12 |
| Auto Ancillaries | 620,372,858 | 14.57 |
| Gas | 366,321,223 | 8.61 |
| Auto | 151,933,800 | 3.57 |
| Minerals & Mining | 84,782,280 | 1.99 |
| Transportation | 195,960,083 | 4.60 |
| Total | 4,257,057,460 | 100.00 |

| b. SCHEME NAME | Market /Fair Value as on | % of Classification as |
|-----------------------------------------------------|--------------------------|------------------------|
| PPFAS Long Term Value Fund | March 31,2015 | on March 31,2015 |
| Foreign Equities | | |
| Internet & Technology | 550,840,665 | 38.51 |
| Logistics | 241,131,667 | 16.86 |
| IT Consulting & Other Services | 212,377,371 | 14.85 |
| Industrial Conglomerates | 184,212,016 | 12.88 |
| | 177,482,635 | 12.41 |
| Packaged Foods | | |
| Others * | 64,197,132 | 4.49 |
| Total | 1,430,241,486 | 100.00 |
| Indian Equities / Equity related instruments | | |
| Banks | 926,494,978 | 23.38 |
| Finance | 879,446,941 | 22.20 |
| Consumer Non Durables | 453,829,372 | 11.45 |
| Others * | 378,597,206 | 9.56 |
| Software | 353,262,878 | 8.92 |
| Auto Ancillaries | 344,611,783 | 8.70 |
| Gas | 336,314,765 | 8.49 |
| Transportation | 289,626,424 | 7.31 |
| Total | 3,962,184,347 | 100.00 |

* All industry classifications where investment is less than 5% of total have been grouped in others.

- 6 The details of the unrealised appreciation, included in Revenue Reserve, are as under:

| Scheme Name | March 31, 2016 | March 31, 2015 |
|----------------------------|----------------|----------------|
| | Rs. | Rs. |
| PPFAS Long Term Value Fund | 1,750,868,253 | 1,529,798,167 |

The scheme has exposure in Stock / Index Future Derivative as on :

- 7 A. March 31, 2016

| Name of Equity / Index Stock Future | Contract Price (Rs.) | No. of Contracts | No. of Units outstanding -(Short) |
|-------------------------------------|----------------------|------------------|-----------------------------------|
| Coal India Ltd | 293.80 | 242 | (290,400) |
| ITC Ltd | 329.90 | 62 | (99,200) |
| Cipla Ltd | 515.10 | 178 | (142,400) |
| Yes Bank Ltd | 867.70 | 106 | (74,200) |
| Infosys Ltd | 1,226.45 | 155 | (77,500) |
| Tata Motors Ltd | 388.50 | 262 | (393,000) |
| USDINR 27-April-2016 | 66.51 | 20550 | (20,550,000) |
| USDINR 29-August-2016 | 67.99 | 2000 | (2,000,000) |

During the year, the scheme took positions in derivatives contracts and resultant Profit of Rs. 81,52,094/- is included in Profit on sale / redemption of investments.

B. March 31, 2015

| Name of Equity / Index Stock Future | Contract Price (Rs.) | No. of Contracts | No. of Units outstanding -(Short) |
|-------------------------------------|----------------------|------------------|-----------------------------------|
| HDFC Bank Ltd. | 1,059.96 | 77 | (19,250) |
| IDFC Ltd. | 167.67 | 650 | (1,300,000) |
| ITC Ltd. | 328.30 | 275 | (275,000) |
| State Bank of India Ltd. | 267.33 | 235 | (293,750) |
| USDINR 26-Jun-2015 | 64.11 | 19900 | (19,900,000) |
| USDINR 26-Nov-2015 | 65.03 | 900 | (900,000) |

During the year, the scheme took positions in derivatives contracts and resultant profit of Rs.6,68,14,546.03/- is included in Profit on sale / redemption of investments.

- 8 The details of the management fees (exclusive of service tax) paid by the scheme to PPFAS Mutual Fund, are as under:**

| Scheme Name | March 31, 2016 | | March 31, 2015 | |
|-----------------------------------|----------------|---------------|----------------|---------------|
| | Rs. | % of Avg. AUM | Rs. | % of Avg. AUM |
| PPFAS Long Term Value Fund | | | | |
| Regular Growth Plan | 7,637,674 | 1.98 | 2,890,674 | 1.98 |
| Direct Growth Plan | 110,860,760 | 1.98 | 94,478,636 | 1.98 |

No management fee has been charged on the investments made by the Asset Management Company in the units of the scheme.

- 9 The aggregate value of purchases and sales of investments and income and expenditure during the year expressed as a % of average daily net assets is as under :**

| Scheme Name | March 31, 2016 | | March 31, 2015 | |
|-----------------------------------|----------------|------------|----------------|------------|
| | Rs. | % as above | Rs. | % as above |
| PPFAS Long Term Value Fund | | | | |
| Purchases | 9,994,814,684 | 163.95 | 7,259,068,220 | 146.82 |
| Sales | 9,792,674,165 | 160.63 | 7,613,888,330 | 154.00 |
| Income | 156,326,795 | 2.56 | 130,731,621 | 3.13 |
| Expenditure | 138,164,737 | 2.27 | 110,807,137 | 2.66 |

Note:

1) Income excludes net change in unrealized gain/loss in value of investments, profit on sale thereof and provisions written back. Expenditure excludes net change in unrealized gain/loss in value of investments and loss on sale thereof.

2) Purchase excludes FD, Repo and CBLO. Sales excludes Maturity.

- 10 Note on margin deposit money:**

| Name of the Scheme: PPFAS Long Term Value Fund | Deposits made towards Collateralised Borrowing and Lending Obligations (CBLO) | Margin Deposits with IL& FS Securities Services Limited for derivatives transactions |
|---------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| Financial Year 2015-2016 | 1,800,000 | 113,968,853 |
| Financial year 2014-2015 | 2,100,000 | 113,966,684 |

- 11 Principal Bank:** The AMC has engaged services of HDFC Bank Ltd.
- 12 Registrar and Transfer Agent (R & T):** The AMC has appointed Computer Age Management Services Private Limited (CAMS) to provide services as RTA to the scheme(s) of PPFAS Mutual Fund. These services includes back office data processing, unit holders' account maintenance and front office maintenance.
- 13 Custodian:** The Trustee to PPFAS Mutual Fund has appointed Stock Holding Corporation of India Limited (SHCIL) as Custodian to scheme(s) PPFAS Mutual Fund. (During the year Deutsche Bank ceased to be Custodian for scheme(s) of PPFAS Mutual Fund with effect from 27th January 2016 for domestic securities and 29th March 2016 for overseas securities).
- 14** Trusteeship fee of INR 6.09 Lakhs is paid by the AMC on behalf of the scheme which is 0.01% per annum of the average daily/weekly net assets of the Fund subject to a maximum of Rs. 10 lakhs
- 15** The income of the Mutual Fund is exempt from income tax, as per Section 10(23D) of the Income Tax Act, 1961. Accordingly, no provision for income tax has been made in the Revenue Account.
- 16** Details of transactions with the associates, in terms of regulation 25(7) and 25(8) of SEBI (Mutual Fund) Regulations, 1996 is provided in the Annexure 1
- 17** As on March 31, 2016, there are no underwriting commitments.

- 18 The scheme has exposure in Foreign Securities/ADRs/GDRs as on March 31, 2016
- 19 Segment Reporting: The Scheme is primarily engaged in the business of investing the funds received from investors as unit capital, in accordance with its investment objectives, as stated in the Scheme Information Document (SID) to generate returns. Since there is only one business segment and no geographical segments, the segmental reporting disclosures as required by Accounting Standard (AS) - 17, issued by the Institute of Chartered Accountants of India have not been made.

20 The details of unitholders holding over 25% of the NAV of the scheme as at the year end are as under :

| Scheme Name | March 31, 2016 | | March 31, 2015 | |
|----------------------------|-------------------|----------|-------------------|----------|
| | No of Unitholders | % of NAV | No of Unitholders | % of NAV |
| PPFAS Long Term Value Fund | - | - | - | - |

21 The details of unclaimed redemption is as under :

| Scheme Name | March 31, 2016 | | March 31, 2015 | |
|----------------------------|-------------------|--------|-------------------|--------|
| | No of Unitholders | Amount | No of Unitholders | Amount |
| PPFAS Long Term Value Fund | - | - | - | - |

- 22 The scheme has not made any investment in repo transactions in corporate debt securities.
- 23 All investments are in the name of the scheme 'PPFAS Long Term Value Fund'
- 24 Contingent liabilities as on 31st March 2016 is Nil. (For FY 2014-2015, contingent liability was Nil)
- 25 Disclosure under Regulation 25(11) of SEBI (Mutual Fund) Regulation 1996, in respect of investments made by the scheme in companies or their subsidiaries, that have invested more than 5% of net assets of the scheme for period ended March 31, 2016: NIL. Refer to Annexure 2.
- 26 Disclosure of transactions in accordance with Accounting Standard 18 "Related party Transactions" and as per Regulation 25(8) of SEBI (Mutual Fund) Regulations 1996, is provided in Annexure 1.
- 27 Portfolio disclosure for derivative positions pursuant to SEBI Circular no. CIR/IMD/DF/11/2010 dated August 18, 2010, is as per Annexure 3.
- 28 Complete portfolio of the Scheme is provided in Annexure 4.
- 29 Prior period figures have been reclassified and regrouped, wherever applicable to confirm to current year presentation.
- 30 Perspective historical per unit statistics: Refer Annexure 5.

As per our Report of even date

For Sudit K Parekh & Co.
Chartered Accountants
Firm Registration Number. 110512W

(D. S. Khatri)
Partner
Membership Number 16316

For and behalf of PPFAS Asset Management Private Limited

Neil Parag Parikh
(CEO and Director)

Raunak Onkar
(Fund Manager)

Date: 23rd June, 2016
Place : Mumbai

For and on behalf of PPFAS Trustee Company Private Limited

P A Balasubramanian
(Director)

Rajan Mehta
(Director)

Rajeev Thakkar
(Director and Fund Manager)

Raj Mehta
(Fund Manager)

Key Statistics

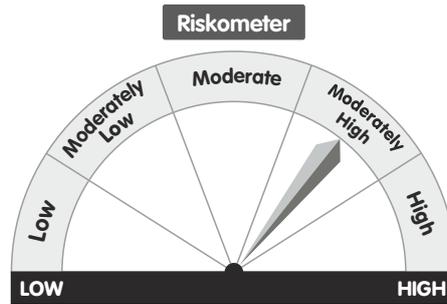
| PPFAS Long Term Value Fund | Rupees in Lakhs | Rupees in Lakhs |
|-----------------------------------------------------------------------------|--------------------------------|--------------------------------|
| | Period ended March 31, 2016 | Period ended March 31, 2015 |
| 1. NAV per unit (Rs.): | | |
| Open (NAV as on 01st April 2015) | | |
| - Regular Plan | 16.3257 | 11.7666 |
| - Direct Plan | 16.4697 | 11.8137 |
| High | | |
| - Regular Plan | 17.5993 | 16.7883 |
| - Direct Plan | 17.8154 | 16.9303 |
| Low | | |
| - Regular Plan | 15.3812 | 11.8325 |
| - Direct Plan | 15.5877 | 11.8804 |
| End | | |
| - Regular Plan | 16.8282 | 16.3257 |
| - Direct Plan | 17.0661 | 16.4697 |
| 2. Closing Assets Under Management (Rs. in Lakhs) | | |
| End | 65,092.51 | 57,249.92 |
| Average (AAuM) ¹ | 60,963.24 | 49,441.82 |
| 3. Gross income as % of AAuM ² | 4.16 | 12.80 |
| 4. Expense Ratio: | | |
| a. Total Expense as % of AAuM (plan wise) | | |
| - Regular Plan | 2.76 | 2.73 |
| - Direct Plan | 2.23 | 2.23 |
| b. Management Fee as % of AAuM (plan wise) | | |
| - Regular Plan | 1.98 | 1.98 |
| - Direct Plan | 1.98 | 1.98 |
| 5. Net Income as a percentage of AAuM ³ | 1.90 | 10.55 |
| 6. Portfolio turnover ratio ⁴ | 0.04 | 0.31 |
| 7. Total Dividend per unit distributed during the year / period (plan wise) | | |
| - Regular Plan | - | - |
| - Direct Plan | - | - |
| 8. Returns: | | |
| a. Last One Year (%) | | |
| Scheme | | - |
| - Regular Plan | 3.08 | 38.75 |
| - Direct Plan | 3.62 | 39.41 |
| Benchmark | (7.54) | 33.56 |
| b. Since Inception (%) | | |
| Scheme | | |
| - Regular Plan | 20.06 | 30.45 |
| - Direct Plan | 20.66 | 31.07 |
| Benchmark - NIFTY 500 | 11.31 | 23.11 |

1. AAuM=Average daily net assets

2. Gross income = amount against (A) in the Revenue account i.e. Income.

3. Net Income = Amount Against (C) In The Revenue Account i.e. Net Realised Gains / (Losses) for the year / period.

4. Portfolio Turnover = Lower of sales or purchase divided by the Average AuM for the year/period.



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

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 be investing 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.

**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.