



### SCHEME INFORMATION DOCUMENT

(Offer of units of Rs. 10/- each for cash (subject to applicable load) during the New Fund Offer and Continuous Offer for units at Applicable NAV)

<b>Name of the Scheme</b>	<b>Parag Parikh Tax Saver Fund</b>
<b>Type of the Scheme</b>	<b>An open-ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit</b>
<b>New Fund Offer opens on</b>	
<b>New Fund Offer closes on</b>	
<b>Scheme Reopens on</b>	

<b>This product is suitable for investors who are seeking*:</b>	<b>Riskometer</b>
<ul style="list-style-type: none"> <li>Long term capital appreciation</li> <li>Investment predominantly in equity and equity related securities</li> </ul>	<p>Investors understand that their principal will be at moderately high risk</p>

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

<b>Name of the Mutual Fund</b>	PPFAS Mutual Fund
<b>Name of the Sponsor</b>	Parag Parikh Financial Advisory Services Private Limited CIN: U67190MH1992PTC068970
<b>Name of the Asset Management Company</b>	PPFAS Asset Management Private Limited CIN: U65100MH2011PTC220623
<b>Name of the Trustee Company</b>	PPFAS Trustee Company Private Limited CIN: U65100MH2011PTC221203
<b>Registered Address, Website of the Entities</b>	81/82, 8 <sup>th</sup> Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230, Nariman Point, Mumbai- 400021. Website: <a href="https://amc.ppfas.com">https://amc.ppfas.com</a>

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, (hereinafter referred to as SEBI (MF) Regulations) as amended till date and

Equity Linked Savings Scheme, 2005 (issued by the Department of Economic Affairs, Ministry of Finance, Government of India vide Notification No 226/2005 dated November 3, 2005 and amended vide notification dated December 13, 2005), and filed with SEBI, along with a Due Diligence Certificate from the Asset Management Company (AMC). The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

As per the Equity Linked Savings Scheme, 2005 the investments under the Scheme shall be locked in for a period of three years from the date of allotment of respective units.

The Scheme Information Document sets forth concisely the information about the Scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund/Investor Service Centres (ISCs)/Website/Distributors or Brokers. This SID can be modified from time to time through an Addendum whenever a material change occurs. Such material change will also be filed with SEBI and circulated to all Unit holders or may be publicly notified by advertisements in newspapers subject to Regulations. Investors can obtain such Addenda from the Mutual Fund/ its Investor Service Centres or distributors / AMC Website.

The investors/unitholders are advised to refer to the Statement of Additional Information (SAI) for details of PPFAS Mutual Fund, Tax and Legal issues and general information on <http://amc.ppfas.com>.

**SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website, <http://amc.ppfas.com>. The Scheme Information Document should be read in conjunction with the SAI and not in isolation.**

*The Mutual Fund has not authorized any person to provide any information or representation not confirmed in the SAI and SID. Investors are advised, while taking investment decision, not to rely on any such information or representation that is not contained in the SAI / SID.*

This Scheme Information Document (SID) is dated January 08, 2019.

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**HIGHLIGHTS/SUMMARY OF THE SCHEME**

<b>Name of the Scheme</b>	Parag Parikh Tax Saver Fund
<b>Type of the Scheme</b>	<p>An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit.</p> <p>The Scheme has been prepared in accordance with the notifications dated November 3, 2005 and December 13, 2005 issued by the Department of Economic affairs, Ministry of Finance, Government of India. Eligible Investors in the Scheme (who are "Assessee" as per the ELSS Rules) are entitled to deductions of the amount invested in Units of the Scheme to such extent (presently Rs. 1,50,000/-) under Section 80C of the Income Tax Act, 1961 and subject to such conditions as may be notified from time to time. The Scheme is an Equity Linked Savings Scheme and intends to meet the requirements of any other notifications/ regulations that may be prescribed by the Government/ regulatory bodies from time to time.</p>
<b>Category of Scheme</b>	ELSS
<b>Investment objective</b>	<p>The investment objective of the Scheme is to generate long-term capital appreciation through a diversified portfolio of equity and equity related instruments - 80% of total assets (in accordance with Equity Linked Saving Scheme, 2005 notified by Ministry of Finance)</p> <p>However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.</p>
<b>Liquidity</b>	<p>The Scheme being offered is open-ended scheme and will offer Units for Subscription and Redemption on all Business Days at NAV based prices. As per SEBI (MF) Regulations, the Mutual Fund shall dispatch redemption proceeds within 10 Business Days of receiving the valid Redemption request from the unitholder/investor. A penal interest of 15% p.a. or such other rate as may be prescribed by SEBI from time to time, will be paid in case the payment of redemption proceeds is not made within 10 Business Days from the date of receipt of a valid redemption request..</p> <p>However, Redemption of Units can be made only after a period of three years (lock-in period) from the date of allotment of Units proposed to be redeemed as prescribed in the ELSS Guidelines.</p>
<b>Benchmark Index</b>	NIFTY 500 TRI
<b>Transparency/ NAV Disclosure</b>	<p>The AMC will calculate and disclose the first NAV of the Scheme within 5 business days from the date of allotment. Subsequently, the AMC will calculate and disclose the NAV of the Scheme at the close of every Business Day. The AMC shall update the NAVs on the website of the Mutual Fund (<a href="http://amc.ppfas.com">http://amc.ppfas.com</a>) and on the website of Association of Mutual Funds in India - AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) by 9.00 p.m. on every Business Day. In addition, the ISCs would also display the NAV. In case of any delay, the reasons for such delay would be explained to AMFI in writing. If the NAVs are not available before commencement of Business Hours on the following day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAVs. Unitholders may also avail a facility of receiving latest NAVs through SMS on their registered mobile numbers, by</p>

	submitting a specific request in this regard to the AMC / Registrar & Transfer Agent.
<b>Portfolio Disclosure</b>	<p>The AMC will disclose portfolio of the Scheme (along with ISIN) as on the last day of the each month/ half year on its website i.e. <a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a> and on the website of AMFI viz. <a href="http://www.amfiindia.com">www.amfiindia.com</a> on or before 10th day of the succeeding month/ half year respectively in a user friendly and downloadable format.</p> <p>In case of Unitholders whose e-mail addresses are registered, the AMC shall send via e-mail both the monthly and half-yearly statement of the Scheme portfolio within 10 days from the close of each month/ half-year respectively. Further, the AMC shall publish an advertisement in all India edition of at least two daily newspapers, one each in English and Hindi, every half year disclosing the hosting of the half-yearly statement of the schemes' portfolio(s) on the AMC's website and on the website of AMFI. The AMC shall provide a physical copy of the statement of the Scheme portfolio, without charging any cost, on specific request received from a Unitholder.</p> <p>The scheme wise annual report shall be hosted on the website of the AMC / Mutual Fund (<a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a>) and AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year). Further, the physical copy of the scheme wise annual report shall be made available to the Unitholders at the registered / corporate office of the AMC at all times.</p> <p>In case of Unitholders whose e-mail addresses are registered with the Fund, the AMC shall e-mail the annual report or an abridged summary thereof to such Unitholders. The Unitholders whose e-mail addresses are not registered with the Fund may submit a request to the AMC / Registrar &amp; Transfer Agent to update their email ids or communicate their preference to continue receiving a physical copy of the scheme wise annual report or an abridged summary thereof. Unitholders may also request for a physical or electronic copy of the annual report / abridged summary, by writing to the AMC at <a href="mailto:mf@ppfas.com">mf@ppfas.com</a> from their registered email ids or calling the AMC on the toll free number 1800 266 7790 or by submitting a written request at any of the nearest investor service centers of the Fund.</p> <p>Further, the AMC shall publish an advertisement in all India edition of at least two daily newspapers, one each in English and Hindi, every year disclosing the hosting of the scheme wise annual report on its website and on the website of AMFI. The AMC shall provide a physical copy of the abridged summary of the annual report, without charging any cost, on specific request received from a Unitholder.</p>
<b>Half Yearly Financial Results</b>	<p>The Fund shall provide half yearly disclosures of the Scheme's unaudited financial results in the prescribed format on its website <a href="http://amc.ppfas.com">http://amc.ppfas.com</a> within one month from the close of each half year i.e. on 31st March and on 30th September and shall publish an advertisement in this regard in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Fund is situated.</p>

<b>Dematerialisation of Units</b>	<p>The Unit holders would have an option to hold the Units in electronic (dematerialized) form or account statement/ physical (non-demat) form. Units held in Demat Form are freely transferable. The Applicant intending to hold Units in dematerialized form will be required to have a beneficiary account with a Depository Participant (DP) of the NSDL/CDSL and will be required to mention in the application form DP's Name, DP ID No. and Beneficiary Account No. with the DP at the time of purchasing Units.</p> <p>Unit-holders are requested to note that request for conversion of units held in Account Statement (non-demat) form into Demat (electronic) form should be submitted to their Depository Participants.</p>
<b>Load Structure (for Lumpsum purchases and investments through SIP)</b>	<p><b>Entry Load: Not Applicable.</b></p> <p>SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes. The Upfront commission shall be paid directly by the investor to the ARN Holder (AMFI registered Distributor) based on the investors' assessment of various factors including the service rendered by the ARN Holder.</p> <p><b>Exit Load: Nil</b></p> <p>For further details on load structure refer to the section 'Load Structure' on Page 85.</p>
<b>Minimum Application/Additional Purchase Amount</b>	<p>New Purchase: Rs. 500 and in multiples of Rs. 500 thereafter.</p> <p>Additional Purchase: Rs. 500 and in multiples of Re. 500 thereafter.</p>
<b>Lock-in period</b>	<p>Redemption of Units can be made only after a period of three years (lock-in period) from the date of allotment of Units proposed to be redeemed as prescribed in the ELSS.</p> <p>The Trustee reserves the right to change the lock-in period prospectively from time to time, in the event of amendment(s) to the ELSS regulations with respect to the lock-in period.</p>
<b>Transaction Charges</b>	<p>In accordance with SEBI circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, PPFAS Asset Management Private Limited ("the AMC")/Mutual Fund shall deduct the Transaction Charges on purchase / subscription received from the investors investing through a valid ARN Holder i.e. AMFI registered Distributor including transactions routed through Stock Exchange(s) platform viz. NSE Mutual Fund Platform ("NMF II") and BSE Mutual Fund Platform ("BSE StAR MF") (provided the distributor has opted to receive the Transaction Charges) as under (distributors' decision to opt in or opt out of levying transaction charges is applicable at plan/option/product level):</p> <p><b>(i) First Time Mutual Fund Investor (across Mutual Funds):</b> Transaction Charge of Rs. 150/- per purchase / subscription of Rs. 10,000/- and above will be deducted from the purchase / subscription amount for payment to the distributor of such investor and the balance shall be invested.</p> <p><b>(ii) Investor other than First Time Mutual Fund Investor:</b> Transaction Charge of Rs. 100/- per purchase / subscription of Rs. 10,000/- and above will be deducted from the purchase/ subscription amount for payment to the distributor of such investor and the</p>

	<p>balance shall be invested.</p> <p><b>Transaction Charges in Case of Investments Through SIP:</b> Transaction Charges in case of investments through SIP are deductible only if the total commitment of investment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000 or more. In such cases, Transaction Charges shall be deducted in 3-4 installments.</p> <p>Identification of investors as “first time” or “existing” will be based on Permanent Account Number (PAN)/ PAN Exempt KYC Reference Number (PEKRN) at the First/ Sole Applicant/ Guardian level. Hence, Unit holders are urged to ensure that their PAN/ PEKRN/ KYC is updated with the Fund. Unit holders may approach any of the Official Points of Acceptances of the Fund i.e. Investor Service Centers (ISCs) of the Fund/ offices of our Registrar and Transfer Agent, M/s. Computer Age Management Services Pvt. Ltd in this regard.</p> <p><b>It may be noted that Transaction Charges shall not be deducted:</b></p> <p>(a) where the distributor of the investor has not opted to receive any Transaction Charges;  (b) for purchases / subscriptions / total commitment amount in case of SIP of an amount less than Rs. 10,000/-;  (c) for transactions other than purchases / subscriptions relating to new inflows; i.e. through Switches/ Systematic Transfers/ Dividend Transfers/ Dividend Re-investment (as and when offered);  (d) for purchases / subscriptions made directly with the Fund (i.e. not through any distributor);  (e) for purchases / subscriptions routed through Stock Exchange(s) as applicable.</p> <p>For further details on Transaction Charges, refer to the section 'Transaction Charges' on Page 84.</p>
<b>Cash Investments</b>	<p>In order to help enhance the reach of mutual fund products amongst small investors, who may not be tax payers and may not have PAN/bank accounts, such as farmers, small traders/businessmen/workers, SEBI has permitted receipt of cash transactions for fresh purchases/ additional purchases to the extent of Rs.50,000/- per investor, per financial year shall be allowed subject to:</p> <p>i. compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under; the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable Anti Money Laundering Rules, Regulations and Guidelines; and  ii. sufficient systems and procedures in place.</p> <p>However, payment towards redemptions, dividend, etc. with respect to aforementioned investments shall be paid only through banking channel.</p> <p>The Fund/ AMC is currently in the process of setting up appropriate systems and procedures for the said purpose. Appropriate notice shall be displayed on its website viz. as well as at the Investor Service Centres, once the facility is made available to the investors.</p>

<p><b>Option / Plan</b></p>	<p>The Scheme offers two Plans:</p> <ol style="list-style-type: none"> <li>1. Direct Plan</li> <li>2. Regular Plan</li> </ol> <p>Both Regular and Direct Plan(s) offers Growth Option only.</p> <p>The Investors should indicate the plan / option for which Subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form. In case of valid application received without any choice of option/ facility, the following default plan / option will be considered:</p> <p><b>Default Plan</b> Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form. However, if distributor code is mentioned in application form, but "Direct Plan" is mentioned against the Scheme name, the distributor code will be ignored and the application will be processed under "Direct Plan". Further, where application is received for regular Plan without Distributor code or "Direct" mentioned in the ARN Column, the application will be processed under Direct Plan. For further details, please refer 'Section III. Units and Offer'.</p> <p><b>Default Option – Growth</b></p>
<p><b>Minimum Redemption Amount (For All Option/plan)</b></p>	<p>Rs. 500/- or 1 units or account balance, whichever is lower in respect of each Option. In case the Investor specifies both the number of units and amount, the number of Units shall be considered for Redemption. In case the unitholder does not specify the number or amount, the request will not be processed.</p> <p>*Redemption and Switch Out shall be subject to completion of lock in period of 3 years.</p> <p>Where Units under a Scheme are held under both Plans and the redemption / Switch request pertains to the Direct Plan, the same must clearly be mentioned on the request (along with the folio number), failing which the request would be processed from the Regular Plan. However, where Units under the requested Option are held only under one Plan, the request would be processed under such Plan.</p>



## **I. INTRODUCTION**

### **A. RISK FACTORS**

#### **Standard Risk Factors:**

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down depending on the various factors and forces affecting the capital markets and money markets as with any investment in stocks, shares and securities.
- Past performance of the Sponsor and their affiliates / AMC / Mutual Fund does not guarantee future performance of the Scheme of the Mutual Fund.
- Parag Parikh Tax Saver Fund is only the name of the Scheme and the name of the Scheme does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
- The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh made by them towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme.

#### **Scheme Specific Risk Factors:**

Some of the specific risk factors related to the Scheme include, but are not limited to the following:

By virtue of requirements under the ELSS Guidelines, Units issued under the Scheme will not be redeemed until the expiry of 3 (three) years from the date of their allotment. The ability of an investor to realise returns on investments in the Scheme is consequently restricted for the first three years. Redemption will be made prior to the expiry of the aforesaid 3 (three) years period only, in the event of death of assessee, the nominee or legal heir, as the case may be, shall be able to withdraw the investment only after the completion of one year from the date of allotment of the units to the assessee or any time thereafter.

#### **1. Risks associated with investments in Equity and Equity related instruments**

Equity and equity related securities may be volatile and hence are prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio. Also, the value of the Scheme investments may be affected by interest rates, currency exchange rates, changes in law / policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual securities, a specific sector or all sectors.

Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity Schemes unless they can afford to take the risk of losing their investment.

Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to investors, including put options. The AMC may choose to invest in unlisted securities within the regulatory limit. The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected negatively if they have to be sold

prior to their target date of divestment. The value of unlisted security may go down before the divestment date and selling these securities before the divestment date may lead to losses in the portfolio.

Investment strategy to be adopted by the Scheme may carry the risk of significant variance between the portfolio allocation of the Scheme and the Benchmark particularly over a short to medium term period.

## **2. Risk Factors Associated with Fixed Income Securities**

**Interest-Rate Risk:** Fixed income securities such as government bonds, corporate bonds, and money market instruments and derivatives run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices depends upon the coupon and maturity of the security. It also depends upon the yield level at which the security is being traded.

**Re-investment Risk:** Investments in fixed income securities carry re-investment risk as interest rates prevailing on the coupon payment or maturity dates may differ from the original coupon of the bond.

**Basis Risk:** The underlying benchmark of a floating rate security or a swap might become less active or may cease to exist and thus may not be able to capture the exact interest rate movements, leading to loss of value of the portfolio.

**Spread Risk:** In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. In the life of the security this spread may move adversely leading to loss in value of the portfolio. The yield of the underlying benchmark might not change, but the spread of the security over the underlying benchmark might increase leading to loss in value of the security.

**Liquidity Risk:** The liquidity of a bond may change, depending on market conditions leading to changes in the liquidity premium attached to the price of the bond. At the time of selling the security, the security can become illiquid, leading to loss in value of the portfolio.

**Credit Risk:** This is the risk associated with the issuer of a debenture/bond or a money market instrument defaulting on coupon payments or in paying back the principal amount on maturity. Even when there is no default, the price of a security may change with expected changes in the credit rating of the issuer. It is to be noted here that a Government Security is a sovereign security and is the safest. Corporate bonds carry a higher amount of credit risk than Government securities. Within corporate bonds also there are different levels of safety and a bond rated higher by a particular rating agency is safer than a bond rated lower by the same rating agency.

**Prepayment Risks:** In the event of prepayments, investors may be exposed to changes in tenor and yield.

**Liquidity Risk on account of unlisted securities:** The liquidity and valuation of the Scheme investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. The unlisted security can go down in value before the divestment date and selling of these securities before the divestment date can lead to losses in the portfolio.

**Counterparty Risk:** - This is the risk of failure of counterparty to a transaction to deliver securities against consideration received or to pay consideration against securities delivered, in full or in part or as per the agreed specification. There could be losses to the Scheme in case of a counterparty default.

**Settlement Risk:** Fixed income securities run the risk of settlement which can adversely affect the ability of the fund house to swiftly execute trading strategies which can lead to adverse movements in NAV.

**Risks associated with unrated instruments:** -Investments in unrated instruments are subject to the risk associated with investments in any other fixed income securities, as referred above. However, investments in unrated instruments are considered to be subject to greater risk of loss of principal and interest than rated instruments.

### **3. Risk factors associated with investing in Foreign Securities**

Subject to necessary approvals and within the investment objectives / asset allocation pattern of the Scheme may invest in overseas markets which carry risks related to fluctuations in the foreign exchange rates, the nature of the securities market of the country, repatriation of capital due to exchange controls and political circumstances. It is the AMC's belief that investment in foreign securities offers new investment and portfolio diversification opportunities into multimarket and multi-currency products. Such investment opportunities may be pursued by the AMC provided they are considered appropriate in terms of the overall investment objectives of the Scheme. Since the Scheme would invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of the Scheme. However, such investments also entail additional risks not only limited to the following.

#### **Currency Risk:**

Moving from Indian Rupee (INR) to any other currency involves currency risk. To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee.

#### **Interest Rate Risk:**

The pace and movement of interest rate cycles of various countries, though loosely co-related, can differ significantly. Investments in securities of countries other than India, the Scheme stand exposed to their interest rate cycles.

#### **Credit Risk:**

To manage risks associated with foreign currency and interest rate exposure, the Mutual Fund may use derivatives for efficient portfolio management including hedging in accordance with conditions as may be stipulated by SEBI / RBI from time to time.

#### **Repatriation Risk:**

The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

### **4. Risk factors associated with investing in Derivatives:**

The AMC, on behalf of the Scheme may use various derivative products, from time to time, in an attempt to protect the value of the portfolio and enhance Unit holders' interest. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Other risks include, the risk of mis-pricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the “counterparty”) to comply with the terms of the derivatives contract. The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme.

Besides the price of the underlying asset, the volatility, tenor and interest rates affect the pricing of derivatives, trading in derivatives carry a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount.

Other risks in using derivatives include but are not limited to:

**a. Credit Risk** – This occurs when a counterparty defaults on a transaction before settlement and therefore, the Scheme are compelled to negotiate with another counter party, at the then prevailing (possibly unfavorable) market price, in order to maintain the validity of the hedge. For exchange traded derivatives, the risk is mitigated as the exchange provides a guaranteed settlement but one takes the performance risk on the exchange.

**b. Liquidity risk** - This risk arises from the inability to sell derivatives at prices that reflect the underlying assets/ rates/ indices, lack of availability of derivative products across different maturities and with various risk appetite.

**c. Model Risk** – This is the risk of mis–pricing or improper valuation of derivatives.

**d. Basis Risk** – This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying being hedged for example, when a bond is hedged using a derivative, the change in price of the bond and the change in price of the derivative may not be fully correlated leading to basis risk in the portfolio. The underlying benchmark of a floating rate security might become less active or may cease to exist and thus may not be able to capture the exact interest rate movements, leading to loss of value of the portfolio. Example: Where swaps are used to hedge an underlying fixed income security, basis risk could arise when the fixed income yield curve moves differently from that of the swap benchmark curve or if there is a mismatch in the tenor of the swap and the fixed income security.

**e. Market Risk:** Derivatives are traded in the market and are exposed to losses due to change in the prices of the underlying and/or other assets and, change in market conditions and factors. The volatility in prices of the underlying may impact derivative instruments differently than its underlying.

**f. Valuation Risk:** This is the risk of mis–pricing or improper valuation of derivatives due to inadequate trading data with good volumes.

**g. Operational / Systemic Risk:** This is the risk arising due to failure of operational processes followed by the exchanges and Over the Counter (OTC) participants for the derivatives trading.

**h. Counterparty Risk:** Counterparty risk is the risk that losses will be incurred due to the default by the counterparty for OTC derivatives.

**i. Exposure Risk:** An exposure to derivatives in excess of the hedging requirements can lead to losses. An exposure to derivatives can also limit the profits from a plain investment transaction.

**j. Interest Rate Risk:** This risk arises from the movement of interest rates in adverse direction. As with all the debt securities, changes in the interest rates will affect the valuation of the portfolios.

## **5. Risk factors Associated with Securitised Debt:**

The Scheme may invest in domestic securitised debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are securitised debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. MBS are securitised debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties.

At present in Indian market, following types of loans are securitised:

1. Auto Loans (cars / commercial vehicles /two wheelers)
2. Residential Mortgages or Housing Loans
3. Consumer Durable Loans
4. Personal Loans
5. Corporate Loans

In terms of specific risks attached to securitization, each asset class would have different underlying risks. Residential Mortgages generally have lower default rates than other asset classes, but repossession becomes difficult. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Asset classes like personal loans, credit card receivables are unsecured and in an economic downturn may witness higher default. A corporate loan/receivable, depend upon the nature of the underlying security for the loan or the nature of the receivable and the risks correspondingly fluctuate.

The Risks involved in Securitised Papers described below are the principal ones and does not represent that the risks set out hereunder is exhaustive.

#### **Limited Liquidity & Price Risk**

There is no assurance that a deep secondary market will develop for the Certificates. This could limit the ability of the investor to resell them.

#### **Limited Recourse, Delinquency and Credit Risk**

The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and do not represent an obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the Seller, Issuer and Originator. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts to the Certificate Holders may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of an Obligor to repay his obligation, the Servicer may repossess and sell the Asset. However, many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realise the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.

#### **Risks due to possible prepayments and Charge Offs**

In the event of prepayments, investors may be exposed to changes in tenor and yield. Also, any Charge Offs would result in the reduction in the tenor of the Pass-Through Certificates (PTCs).

**Re-investment Risk:** Since prepayment risk increases when interest rates decline, this also introduces re-investment risk, which is the risk that the principal can only be reinvested at a lower rate.

#### **Bankruptcy of the Swap Bank**

If the Swap Bank, becomes subject to bankruptcy proceedings then an Investor could experience losses or delays in the payments due under the Interest Rate Swap Agreement.

#### **Risk of Co-mingling**

With respect to the Certificates, the Servicer will deposit all payments received from the Obligors into the Collection Account. However, there could be a time gap between collection by a Servicer and depositing the same into the Collection account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may not be segregated from other funds of originator. If originator in its capacity as Servicer fails to remit such funds due to Investors, the Investors may be exposed to a potential loss.

#### **6. General Risk factors:**

Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments made by the Scheme. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of

securities. The NAV of the Units of the Scheme can go up or down because of various factors that affect the capital markets in general.

As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Mutual Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or restructuring of the Scheme. In view of the above, the Trustee has the right, in its sole discretion, to limit redemptions (including suspending redemptions) under certain circumstances, as described on Page 56 under "Right to Limit Redemptions" in Section 'Restrictions, if any, on the right to freely retain or dispose of units being offered'. The Scheme may retain certain investments in cash or cash equivalents for its day-to-day liquidity requirements.

Investment strategy to be adopted by the Scheme may carry the risk of significant variance between the portfolio allocation of the Scheme and the Benchmark particularly over a short to medium term period.

Performance of the Scheme may be affected by political, social, and economic developments, which may include changes in government policies, diplomatic conditions, and taxation policies.

## **7. Risk factors associated with processing of transaction through Stock Exchange Mechanism:**

The trading mechanism introduced by the stock exchange(s) is configured to accept and process transactions for mutual fund units in both Physical and Demat Form. The allotment and/or redemption of Units through NSE and/or BSE or any other recognised stock exchange(s), on any Business Day will depend upon the modalities of processing viz. collection of application form, order processing/settlement, etc. upon which the Fund has no control. Moreover, transactions conducted through the stock exchange mechanism shall be governed by the operating guidelines and directives issued by respective recognized stock exchange(s).

## **B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME**

The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. However, if such limit is breached during the NFO of the Scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be compiled within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard. However, in case there is a breach of the above two conditions in respect of units under lock-in period, such units shall not be redeemed until completion of the applicable lock-in period of 3 years. In such cases, the AMC shall endeavor to comply with these conditions by bringing new investors and additional inflows from investors to re-balance the holding pattern of the Scheme.

## **C. REQUIREMENT OF MINIMUM AVERAGE ASSETS UNDER MANAGEMENT (AUM)**

The Scheme shall maintain an average AUM of Rs. 10 crores on half yearly rolling basis. In case, the average AUM falls below Rs. 10 crores, the AMC shall scale up the AUM of such Scheme within a period of six months so as to maintain the average AUM of Rs. 10 crores on half yearly rolling basis, failing which the Scheme shall be wound up in accordance with the provisions of Regulation 39 (2) (c) of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.

## **D. SPECIAL CONSIDERATIONS, IF ANY**

- The Sponsor is not responsible for any loss resulting from the operation of the Scheme beyond the initial contribution of an amount of Rs.1,00,000 (Rupees One Lakh) collectively made by them towards setting up the Mutual Fund or such other accretions and additions to the initial corpus set up by the Sponsor.
- Prospective Investors should study this Scheme Information Document and the Statement of Additional Information carefully in its entirety and should not construe the contents as advice relating to legal, taxation,

investment or any other matters. Investors are advised to consult their legal, tax, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or redeeming units, before making a decision to invest / redeem /hold Units.

- Neither this Scheme Information Document nor the Units have been registered in any jurisdiction outside India. The Investors may take note that the Scheme may in future be registered/ recognized in any other applicable jurisdiction, by the AMC as and when it desires. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or totally prohibited due to registration requirements and accordingly, persons who come into possession of this Scheme Information Document are required to inform themselves about and to observe any such restrictions and or legal compliance requirements with respect to their eligibility for investment in the Units of the Scheme. Any person receiving a copy of this SID, SAI or any accompanying application form in such jurisdiction should not treat this SID, SAI or such application form as constituting an invitation to them to subscribe for Units. Such persons should in no event use any such application form unless in the relevant jurisdiction such an invitation to subscribe could lawfully be made to them and such application form could lawfully be used without complying with any registration or other legal requirements by the AMC/Mutual Fund/Trustee.
- Any dispute arising out of the Scheme shall be subject to the non-exclusive jurisdiction of the Courts in India. Statements in this Scheme Information Document are, except where otherwise stated, based on the law, practice currently in force in India, and are subject to changes therein.
- No person has been authorised to issue any advertisement or to give any information or to make any representations other than that contained in this Scheme Information Document and Statement of Additional Information. Circulars in connection with this offering not authorised by the Mutual Fund and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund.
- The Mutual Fund / Trustees / AMC has not authorized any person to give any information or make any representations, either oral or written, not stated in this SID or the SAI in connection with issue or sale of Units under the Scheme. Prospective Investors are advised not to rely upon any information or representations not incorporated in the SAI and SID as the same have not been authorized by the Mutual Fund or the Trustees or the AMC. Any Purchase or Redemption or Switch made by any person on the basis of statements or representations which are not contained in this SID or SAI or which are not consistent with the information contained in the Offer Documents shall be solely at the risk of the Investor / Unit holder(s). Investors are requested to check the credentials of the individual, firm or other entity they are entrusting their Application Form and payment to, for any transaction with the Mutual Fund. The Mutual Fund shall not be responsible for any acts done by the intermediaries representing or purportedly representing such Investor.
- The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form. In addition, the Mutual Fund may disclose such details to the bankers / its agents, payment aggregators as may be necessary for the purpose of effecting payments to the investor. Further, the Mutual Fund may disclose details of the investor's account and transactions thereunder to any Regulatory / Statutory entities as per the provisions of law.
- The AMC and/ or its Registrars & Transfer Agent (RTA) reserve the right to disclose/share Unit holder's details of folio(s) and transaction details thereunder with the following third parties of fulfilling its obligations under PMLA and rules/guidelines issued thereunder without obtaining prior approval of the Unitholder/any other person. In this connection the Trustee / AMC reserves the right to reject any such application at its discretion.
- Mutual funds and securities investments are subject to market risks and there can be no assurance or guarantee that the Scheme objectives will be achieved and the investment decisions made by the AMC may not always be profitable. Investors should study this Scheme Information Document and the Statement of Additional Information carefully in its entirety before investing.
- The Trustee, AMC, Mutual Fund, their directors and their employees shall not be liable for any of the tax consequences that may arise, in the event that the Scheme is wound up for the reasons and in the manner provided in 'Statement of Additional Information ('SAI')'. Redemption by the Unit holder due to change in the fundamental attributes of the Scheme or due to any other reasons may involve tax consequences. The Trustee, AMC, Mutual Fund, their directors and their employees shall not be liable for any such tax consequences that may arise.

- The tax benefits described in this Scheme Information Document and Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India and the Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Unit holder is advised to consult his / her own professional tax advisor.
- In terms of the Prevention of Money Laundering Act, 2002, the Rules issued thereunder and the guidelines/ circulars issued by SEBI regarding the Anti Money Laundering (AML Laws), all intermediaries, including Mutual Funds, have to formulate and implement a client identification programme, verify and maintain the record of identify and address(es) of investors. If after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, failure to provide required documentation, information, etc. the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folio(s) of the investor(s), reject any application(s) / allotment of units and effect mandatory redemption of unit holdings of the investor(s) at the applicable NAV.
- Subject to the approval of Board of Directors of the AMC and Trustee Company and immediate intimation to SEBI, a restriction on redemptions may be imposed by the Scheme under certain exceptional circumstances, which the AMC / Trustee believe that may lead to a systemic crisis or event that constrict liquidity of most securities or the efficient functioning of markets. Please refer to the paragraph "Right to Limit Redemptions" for further details.
- From time to time and subject to the Regulations, the Sponsor, the mutual funds and investment companies managed by them, their affiliates, their associate companies, subsidiaries of the Sponsor and the AMC may invest either directly or indirectly in the Scheme. The funds managed by these affiliates, associates, the sponsor, subsidiaries of the Sponsor and/or the AMC may acquire a substantial portion of the Scheme's Units and collectively constitute a major Investor in the Scheme. Accordingly, Repurchase/Redemption of Units held by such funds, affiliates/associates and Sponsor may have an adverse impact on the Units of the Scheme because the timing of such Repurchase/Redemption may impact the ability of the other Unitholders to redeem their Units.

#### E. DEFINITIONS:

In this Scheme Information Document, the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

<b>"AMC" or "Asset Management Company" or "Investment Manager"</b>	PPFAS Asset Management Private Limited, incorporated under the provisions of the Companies Act, 1956 and approved by Securities and Exchange Board of India to act as the Asset Management Company for the scheme (s) of PPFAS Mutual Fund.
<b>"Applicable NAV"</b>	The Net Asset Value applicable for Purchase/ Redemptions / Repurchase / Switches etc., based on the Business Day and relevant cut-off times on which the application is accepted at the official point of acceptance.
<b>"AMFI Certified Stock Exchange Brokers"</b>	A person who is registered with AMFI as Mutual Fund Advisor and who has signed up with PPFAS Asset Management Private Limited and also registered with BSE & NSE as Participant.
<b>"ARN Holder" / "AMFI registered Distributors"</b>	Intermediary registered with Association of Mutual Funds in India (AMFI) to carry out the business of selling and distribution of mutual fund units and having AMFI Registration Number (ARN) allotted by AMFI.
<b>"Assessee"</b>	A Unit Holder who is (i) an individual; or (ii) a Hindu



	undivided family; or (iii) an association of persons or a body of individuals consisting, in either case, only of husband and wife governed by the system of community of property in force in the State of Goa and Union Territories of Dadra and Nagar Haveli and Daman and Diu by whom, or on whose behalf, investment is made, and as defined under the ELSS Guidelines.
<b>"Beneficial Owner"</b>	Beneficial owner as defined in the Depositories Act 1996 (22 of 1996) means a person whose name is recorded as such with a depository.
<b>"Book Closure"</b>	The time during which the Asset Management Company would temporarily suspend sale, redemption and switching of Units.
<b>"Business Day"</b>	A day other than: <ul style="list-style-type: none"> <li>i. Saturday and Sunday;</li> <li>ii. A day on which the banks in Mumbai and / RBI are closed for business / clearing;</li> <li>iii. A day on which the National Stock Exchange of India Limited is closed;</li> <li>iv. A day which is a public and /or bank holiday at a Investor Service Centre/ Official Point of Acceptance where the application is received;</li> <li>v. A day on which Sale / Redemption / Switching of Units is suspended by the AMC;</li> <li>vi. A day on which normal business cannot be transacted due to storms, floods, bandhs, strikes or such other events as the AMC may specify from time to time.</li> <li>vii. The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres.</li> </ul>
<b>"Business Hours"</b>	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
<b>"Clearing Member" or "CM"</b>	Clearing Members are members of the Clearing Houses/Clearing Corporations who facilitate settlement of trades done on stock exchanges.
<b>"Consolidated Account Statement"</b>	Consolidated Account Statement is a statement containing details relating to all the transactions across all schemes of mutual funds viz. purchase, redemption, switch, dividend payout, dividend re-investment, systematic investment plan, systematic withdrawal plan, systematic transfer plan and bonus transactions, etc. (including transaction charges paid to the distributor) and holding at the end of the month.
<b>"Custodian"</b>	A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulations 1996, which for the time being is DBS Bank Limited.
<b>"Cash Management Bills (CMBs)"</b>	Cash Management Bills or CMB are short term discounted papers issued by the Reserve Bank of India on behalf of the Government of India, these papers are same as treasury bills. The CMBs are issued for maturities less than 91 days.

	Ref: RBI notification; RBI/2009-10/139 having reference number DBOD. No.Ret.BC.36/12.02.001/2009-10 dated September 01, 2009
<b>"Depository"</b>	Depository as defined in the Depositories Act, 1996 (22 of 1996) and in this SID, refers to National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL).
<b>"Depository Participant"</b>	'Depository Participant' means a person registered as such under Sub-section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.
<b>"Derivative"</b>	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
<b>"Direct Plan"</b>	A Plan for investors who wish to invest directly without routing the investment through any distributor. This Plan shall have a lower expense ratio and no commission for distribution of Units will be paid/ charged under the Direct Plan.
<b>"ELSS" or "ELSS Guidelines" or "ELSS Rules"</b>	Equity Linked Savings Scheme, 2005, as notified by the Ministry of Finance (Department of Economic Affairs) vide notification dated 03 November, 2005 and amended vide notification dated 13 December, 2005.
<b>"Entry Load" or "Sales Load"</b>	Load on Sale / Switch in of Units.  However, SEBI vide its circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has decided that there shall be no entry Load for all Mutual Fund Schemes.
<b>"Exit Load" or "Redemption Load"</b>	Load on Redemption of Units / Switch out of Units.
<b>"FATCA"</b>	Foreign Account Tax Compliance Act (FATCA) is a legislation to help counter tax evasion in the United States. FATCA has been introduced by the United States Department of Treasury and the U.S. Internal Revenue Service to encourage better tax compliance by preventing U.S. Persons from using banks and financial institutions to avoid U.S. taxation on their global income and assets. FATCA legislation will affect both individual and non-individual investors who are treated as 'U.S. Person' for US tax purposes.
<b>"Fund Manager"</b>	Person/s managing the scheme.
<b>"Foreign Institutional Investor" or "FII"</b>	Foreign Institutional Investor, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.

<b>"Foreign Portfolio Investor" or "FPI"</b>	FPI means a person who satisfies the eligibility criteria prescribed under Regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
<b>"Floating rate debt Instruments"</b>	Floating rate debt instruments are debt instruments issued by Central and / or State Government, corporates or PSUs with interest rates that are reset periodically. The periodicity of the interest reset could be daily, monthly, quarterly, half-yearly, annually or any other periodicity that may be mutually agreed with the issuer and the Fund. The interest on the instruments could also be in the nature of fixed basis points over the benchmark gilt yields.
<b>"Gilts" or "Government Securities"</b>	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
<b>"Holiday"</b>	Holiday means the day(s) on which the banks (including the Reserve Bank of India) are closed for business or clearing in Mumbai or their functioning is affected due to a strike / bandh call made at any part of the country or due to any other reason.
<b>"Investment Management Agreement"</b>	The agreement dated May 22, 2012 entered into between PPFAS Trustee Company Private Limited and PPFAS Asset Management Private Limited, as amended from time to time.
<b>"Investor Service Centres" or "ISCs"</b>	Designated Offices of PPFAS Asset Management Private Limited or such other centres / offices as may be designated by the AMC from time to time.
<b>"Load"</b>	A charge that may be levied to an investor at the time of Purchase of Units of the Scheme or to a Unit Holder at the time of Redemption of Units from the Scheme.
<b>"Money Market Instruments"</b>	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills, corporate bonds, Tri Party Repo/Reverse Repo and any other like instruments as specified by the Reserve Bank of India from time to time.
<b>"Mutual Fund" or "the Fund"</b>	PPFAS Mutual Fund, a trust set up under the provisions of the Indian Trusts Act, 1882.
<b>"Net Asset Value" or "NAV"</b>	Net Asset Value per Unit of the Scheme(s), calculated in the manner described in this Scheme Information Document or as may be prescribed by the SEBI (MF) Regulations from time to time.
<b>"Non-Resident Indian" or "NRI"</b>	A person resident outside India who is either a citizen of India or a person of Indian origin
<b>"NRE Account"</b>	Non-Resident External Account.
<b>"NRO Account"</b>	Non-Resident Ordinary Rupee

<b>"NRSR Account"</b>	Non-Resident Special Rupee Account.
<b>"Overseas Citizen of India" or "OCI"</b>	A person registered as an overseas citizen of India by the Central Government under section 7A of 'The Citizenship Act, 1955'. The Central Government may register as an OCI a foreign national (except a person who is or had been a citizen of Pakistan or Bangladesh or such other person as may be specified by Central Government by notification in the Official Gazette), who was eligible to become a citizen of India on 26.01.1950 or was a citizen of India on or at any time after 26.01.1950 or belonged to a territory that became part of India after 15.08.1947 and his/her children and grandchildren (including Minor children), provided his/her country of citizenship allows dual citizenship in some form or other under the local laws.
<b>"Open Ended Scheme"</b>	Scheme of a mutual fund, which offers Units for sale without specifying any duration for, Redemption / Repurchase.
<b>"Official Points of Acceptance" or "OPA"</b>	Places, as specified by AMC from time to time where application for subscription/ redemption / switch will be accepted on ongoing basis.
<b>"Options"</b>	The scheme offers one option viz., Growth Option

<b>"Person of Indian Origin" or "PIO"</b>	A citizen of any country other than Bangladesh or Pakistan, if (a) he at any time held an Indian passport; or (b) he or either of his parents or any of his grandparents was a citizen of India by virtue of Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or person referred to in sub-clause (a) or (b).
<b>"Plans"</b>	Shall include and mean any prospective Plan issued by the Scheme in accordance with SEBI (MF) Regulations and other Plan issued under the Schemes of PPFAS Mutual Fund.
<b>"QFI"</b>	<p>QFI means Qualified Foreign Investor.  "QFI shall mean a person who fulfills the following criteria:</p> <p>(i) Resident in a country that is a member of Financial Action Task Force (FATF) or a member of a group which is a member of FATF; and  (ii) Resident in a country that is a signatory to IOSCO's MMOU (Appendix A Signatories) or a signatory of a bilateral MOU with SEBI:</p> <p>Provided that the person is not resident in a country listed in the public statements issued by FATF from time to time on-</p> <p>(i) jurisdictions having a strategic Anti-Money Laundering/ Combating the Financing of Terrorism (AML/CFT) deficiencies to which counter measures apply,  (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies:</p>

	<p>Provided further such person is not resident in India:</p> <p>Provided further that such person is not registered with SEBI as Foreign Institutional Investor or Sub-account or Foreign Venture Capital Investor.</p>
<b>"Rating"</b>	Rating means an opinion regarding securities, expressed in the form of standard symbols or in any other standardised manner, assigned by a credit rating agency and used by the issuer of such securities, to comply with any requirement of the SEBI (Credit Rating Agencies) Regulations, 1999.
<b>"RBI"</b>	Reserve Bank of India, established under the Reserve Bank of India Act, 1934, (2 of 1934)
<b>"Registrar and Transfer Agent" or "RTA"</b>	Computer Age Management Services Pvt. Limited (CAMS) Chennai, currently acting as registrar to the Scheme, or any other registrar appointed by the AMC from time to time.
<b>"Regular Plan"</b>	A plan for investors who wish to invest in units of the Scheme through Distributors and not directly with the Fund.
<b>"Redemption / Repurchase"</b>	Redemption/ Repurchase of Units of the Scheme as permitted.
<b>"Regulatory Agency"</b>	Government of India, SEBI, RBI or any other authority or agency entitled to issue or give any directions, instructions or guidelines to the Mutual Fund
<b>"Repo or Reverse Repo"</b>	Sale/Purchase of Government Securities with simultaneous agreement to repurchase/ resell them at a later date.
<b>"Sale/Subscription"</b>	Sale or allotment of Units to the Unit holder upon subscription by the investor/ applicant under the Scheme.
<b>"Scheme"</b>	Parag Parikh Tax Saver Fund
<b>"Scheme Information Document" or "SID"</b>	This document issued by PPFAS Mutual Fund, offering for subscription of Units of the Parag Parikh Tax Saver Fund (including options thereunder).
<b>"SEBI"</b>	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
<b>"SEBI (MF) Regulations" or "Regulations"</b>	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
<b>"Sponsor" or "Settlers"</b>	Parag Parikh Financial Advisory Services Private Limited.
<b>"Statement of Additional Information" or "SAI"</b>	The document issued by PPFAS Mutual Fund containing details of PPFAS Mutual Fund, its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
<b>"Switch"</b>	Redemption of a unit in any scheme (including the options therein) of the Mutual Fund against purchase of a unit in another scheme (including the options therein) of the Mutual Fund, subject to completion of Lock-in Period, if any.

<b>"Systematic Transfer Plan" or "STP"</b>	A plan enabling investor to transfer a fixed amount at daily/ weekly/ monthly intervals into other schemes of PPFAS MUTUAL FUND.
<b>"Systematic Investment Plan" / "SIP"</b>	A plan enabling investors to save and invest in the Scheme on a periodic basis submitting post dated cheques/ payment instructions.
<b>"Systematic Withdrawal Plan" / "SWP"</b>	Facility given to the Unitholders to withdraw a specified sum of money on periodic basis from his investment in the Scheme.
<b>"Securities Consolidated Account Statement ('SCAS')"</b>	Securities Consolidated Account Statement ('SCAS') is a statement sent by the Depository that shall contain details relating to all the transaction(s) viz. purchase, redemption, switch, dividend payout, dividend re-investment, systematic investment plan, systematic withdrawal advantage plan, systematic transfer plan, bonus transactions, etc. carried out by the Beneficial Owner(s) (including transaction charges paid to the distributor) across all schemes of all mutual funds and transactions in securities held in dematerialized form across demat accounts, during the month and holdings at the end of the month.
<b>"Trustee"</b>	PPFAS Trustee Company Private Limited incorporated under the provisions of the Companies Act, 1956 and approved by SEBI to act as Trustee to the Scheme(s) of PPFAS Mutual Fund.

<b>"Trust Deed"</b>	The Trust Deed dated April 13, 2012 made by and between Sponsor and PPFAS Trustee Company Private Limited ("Trustee"), thereby establishing an irrevocable trust, called PPFAS Mutual Fund.
<b>"Trust Fund"</b>	Amounts settled/contributed by the Sponsor towards the corpus of the PPFAS Mutual Fund and additions/ accretions thereto.
<b>"Unit"</b>	The interest of the Unit holder which consists of each Unit representing one undivided share in the assets of the Scheme.
<b>"Unit holder" or "Investor"</b>	A person holding Unit in the Schemes of PPFAS Mutual Fund offered under this Scheme Information Document.

## INTERPRETATION

For all purposes of this Scheme Information Document, except as otherwise expressly provided or unless the context otherwise requires:

- all references to the masculine shall include the feminine and all references, to the singular shall include the plural and vice-versa.
- all references to "dollars" or "\$" refer to United States Dollars and "Rs." refer to Indian Rupees. A "crore" means "ten million" and a "lakh" means a "hundred thousand".
- all references to timings relate to Indian Standard Time (IST)
- References to a day are to a calendar day including a non-business day.

## F. ABBREVIATIONS

In this Scheme Information Document, the following abbreviations have been used	
AMC	Asset Management Company
AMFI	Association of Mutual Funds in India
BSE	Bombay Stock Exchange of India
CAGR	Compound Annual Growth Rate
CDSL	Central Depository Services Limited
CKYC	Central Know Your Client.
DP	Depository Participant
ECS	Electronic Clearing System
EFT	Electronic Funds Transfer
FCNR A/c	Foreign Currency (Non-Resident) Account
FPI	Foreign Portfolio Investor
FII	Foreign Institutional Investor
ISC	Investor Service Centre
KRA	KYC Registration Agency
KYC	Know Your Customer
MIBOR	Mumbai Interbank Offer Rate
NAV	Net Asset Value
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing Service
NFO	New Fund Offer
NRE A/c	Non-Resident (External) Rupee Account
NRI	Non-Resident Indian
NRO A/c	Non-Resident Ordinary Rupee Account
NSDL	National Depositories Services Limited
NSE Limited	National Stock Exchange of India
OCI	Overseas Citizen of India

PPTSF	Parag Parikh Tax Saver Fund
PEKRN	PAN Exempt KYC Reference Number
PAN	Permanent Account Number
PIO	Person of Indian Origin
QFI	Qualified Foreign Investor
RBI	Reserve Bank of India
RIA	SEBI Registered Investment Advisors
RTA	Registrar and Transfer Agent
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
SIP	Systematic Investment Plan
SAI	Statement of Additional Information
SID	Scheme Information Document
STP	Systematic Transfer Plan
SWP	Systematic Withdrawal Plan
TREPS	"TREPS" means and includes Tri party Repo Dealing System

#### **G. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

It is confirmed that:

- (i) The draft Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well-informed decision regarding investment in the proposed scheme.
- (iv) The intermediaries named in the Scheme Information Document (SID) and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

**Signed: Sd/-**  
**Name: Priya Hariani**  
**Designation: Chief Compliance Officer**

**Place: Mumbai**  
**Date: January 08, 2019**



## II. INFORMATION ABOUT THE SCHEME:

### A. TYPE OF THE SCHEME:

Parag Parikh Tax Saver Fund is an Open-ended Equity Linked Savings Scheme with a statutory lock in of 3 years and tax benefit.

Eligible investors in the Scheme (who are "Assessee" as per the ELSS Rules) are entitled to deductions of the amount invested in Units of the Scheme under Section 80C of the Income Tax Act, 1961 to such extent (presently Rs. 1,50,000/- & which may change from time to time, subject to notifications issued in this behalf) and subject to such conditions as may be notified from time to time. The Scheme has been prepared in accordance with the notifications dated November 3, 2005 and December 13, 2005 issued by the Department of Economic affairs, Ministry of Finance, Government of India and intends to meet the requirements of any other notifications/ regulations that may be prescribed by the Government/ regulatory bodies from time to time.

### B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The investment objective of the Scheme is to generate long-term capital appreciation through a diversified portfolio of equity and equity related securities. The Scheme does not guarantee or assure any returns.

**There is no assurance that the investment objective of the Scheme will be realized and the scheme does not assure or guarantee any returns.**

### C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

#### Asset allocation:

Under normal circumstances, the asset allocation (% of Net Assets) of the Scheme's portfolio will be as follows:

Type of Instruments	Normal Allocation (% of Net Assets)	Risk Profile
Equity and Equity related instruments*#	80 - 100	High
Debt Instruments, Money Market Instruments, G-Secs, Cash, Tri Party REPO, etc.	0 - 20	Low to Medium

Money Market Instruments include CMBs, T-Bills, and Government securities with an unexpired maturity upto one year, Tri Party REPO & Repo/ Reverse Repo.

#The Scheme may invest in derivative products from time to time only if permitted under ELSS Rules. In such event, the exposure to derivative instruments shall not exceed 50% of the total Net Assets of Scheme. The Scheme may use derivatives for such purposes as maybe permitted by the Regulations, including for the purpose of hedging and portfolio balancing, based on the opportunities available and subject to guidelines issued by SEBI from time to time. The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme. Investment in Foreign Securities would be made only if permitted under ELSS Rules. The Scheme may seek investment opportunities in foreign securities including ADRs / GDRs / Foreign equity subject to SEBI (MF) Regulations. Such Investment shall not exceed 35% of the net assets of the Scheme. The scheme may invest in maximum of 20% in securitised debt.

\*Equity related instruments shall mean equities, cumulative convertible preference shares and fully convertible debentures and bonds of companies. Investment may also be made in partly convertible issues of debentures and

bonds including those issued on rights basis subject to the condition that, as far as possible, the non-convertible portion of the debentures so acquired or subscribed, shall be disinvested within a period of 12 (twelve) months.

In accordance with the ELSS, investments by the Scheme in equity and equity related Securities will not fall below 80% of the net assets of the Scheme. As per the ELSS, pending deployment of funds, the Scheme may invest in short-term money market instruments or other liquid instruments or both. After three years of the date of allotment of the units, the Mutual Fund may hold upto twenty percent of net assets of the Scheme in short-term money market instruments and other liquid instruments to enable redemption of investment of those unit holders who would seek to tender the units for repurchase.

The Scheme shall not engage into securities lending and borrowing, corporate debt repo and corporate reverse repo.

### **Investment in Short Term Deposits**

Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time.

Under normal market conditions, the corpus of the assets of the Scheme shall be predominantly invested in equity and equity related Securities as per the asset allocation pattern above. However, due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short-term purpose and/or for defensive considerations and with the intention of protecting the interests of the Unit Holders. In the event of deviations, the fund manager will endeavour to carry out rebalancing within 30 Business Days. Where the portfolio is not rebalanced within 30 Business Days, justification for the same shall be placed before the Investment Committee and reasons for the same shall be recorded in writing. The Investment committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

The Mutual Fund shall strive to invest the funds in the manner stated above within a period of six months from the date of closure of the New Fund Offer. Deviations, if any will be only to protect the interest of investors.

Pursuant to SEBI circular No. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016, the Scheme may deploy NFO proceeds in Tri party Repo (TREPS) before the closure of NFO period. However, the AMC shall not charge any investment management and advisory fees on funds deployed in TREPS during the NFO period.

Investors may note that the Scheme may make investments in Derivatives, Foreign Securities, Securitised Debt as and when permitted by the ELSS and/or when a clarification is received from SEBI.

### **Review by Board of AMC and Trustees**

A detailed review of the schemes of the Fund including its performance vis-à-vis benchmark index, assets size, rankings/ratings received, if any is placed before the Board of Directors of AMC and to the Trustee on a quarterly basis.

### **Change in Asset Allocation Pattern**

Subject to SEBI (MF) Regulations, the guidelines governing the Equity Linked Savings Scheme the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of the Investment Manager, the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and for defensive consideration only.

In the event of change in the asset allocation, the fund manager will carry out portfolio rebalancing within 30 Days. Further, in case the portfolio is not rebalanced within the period of 30 days, justification for the same shall be placed

before the investment committee and reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action.

## **Debt Market in India**

The instruments available in Indian Debt Market are classified into two categories, Government and Non – Government debt securities. The following instruments are available in these categories:

### **A) Government Debt Securities**

- ★ Central Government Debt
- ★ Treasury Bills
- ★ Dated Government Securities
  - Coupon Bearing Bonds
  - Floating Rate Bonds
  - Zero Coupon Bonds
- ★ State Government Debt
  - State Government Loans
  - Coupon Bearing Bonds

### **B) Non-Government Debt**

- ★ Instruments issued by Government Agencies and other Statutory Bodies
  - Government Guaranteed Bonds
  - PSU Bonds

### **C) Instruments issued by Public Sector Undertakings**

- ★ Commercial Paper
- ★ PSU Bonds
- ★ Fixed Coupon Bonds
- ★ Floating Rate Bonds
- ★ Zero Coupon Bonds

### **Instruments issued by Banks and Development Financial Institutions**

- ★ Certificates of Deposit
- ★ Promissory Notes
- ★ Bonds
- ★ Fixed Coupon Bonds
- ★ Floating Rate Bonds
- ★ Zero Coupon Bonds

### **Instruments issued by Corporate Bodies**

- ★ Commercial Paper
- ★ Non-Convertible Debentures
- ★ Fixed Coupon Debentures
- ★ Floating Rate Debentures
- ★ Zero Coupon Debentures
- ★ Corporate Bonds

### **Instruments that comprise a major portion of money market activity include,**

- ★ Overnight Call
- ★ Repo/Reverse Repo Agreements
- ★ Tri Party Repo/Reverse Repo

- ★ Treasury Bills
- ★ Cash Management Bills
- ★ Government Securities with a residual maturity of < 1 year
- ★ Commercial Paper and Certificates of Deposit

Apart from these, there are some other options available for short tenure investments that include MIBOR linked debentures with periodic exit options and other such instruments.

Though not strictly classified as Money Market Instruments, PSU/ DFI / Corporate paper with a residual maturity of < 1 year, are actively traded and offer a viable investment option. The following table gives approximate yields prevailing during the month of December, 2018 on some of the instruments. These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing consequent to changes in macro - economic conditions and RBI policy.

<b>Instrument</b>	<b>Yield Range (% per annum)</b>
Interbank Call Money	6.25 - 6.65
91 Day Treasury Bill	6.59 - 6.75
364 Day Treasury Bill	6.91 - 7.19
A1+ Commercial Paper 90 Days	7.00 - 7.40
5 Year Government of India Security	7.13 - 7.50
10 Year Government of India Security	7.22 - 7.63
15 Year Government of India Security	7.54 - 7.78
1 Year Corporate Bond - AAA Rated	8.22 - 8.43
3 Year Corporate Bond - AAA Rated	8.32 - 8.63
5 Year Corporate Bond - AAA Rated	8.42 - 8.70

(Source: Bloomberg)

The price and yield on various debt instruments fluctuate from time to time depending upon the macro - economic situation, inflation rate, overall liquidity position, foreign exchange scenario etc. Also, the price and yield vary according to maturity profile, credit risk etc.

Generally, for instruments issued by a non-Government entity (corporate / PSU bonds), the yield is higher than the yield on a Government Security with corresponding maturity. The difference, known as credit spread, depends on the credit rating of the entity.

#### **D. WHERE WILL THE SCHEME INVEST?**

The corpus of the Scheme will be invested in Equity & Equity Related Instruments, Debt Instruments, Money Market Instruments and other permitted securities which will include but not limited to:

### **Equity and Equity Related Instruments:**

The corpus of the Scheme shall be predominantly invested in equity and equity related instruments as may be permitted under the Regulations and the ELSS Rules from time to time. As per the ELSS Rules as prevailing:

Investments may be made in equities, cumulative convertible, preference shares and fully convertible debentures and bonds of companies. Investment may also be made in partly convertible issues of debentures and bonds including those issued on rights basis subject to the condition that, as far as possible, the non-convertible portion of the debentures so acquired or subscribed, shall be disinvested within a period of twelve months or such other period as may be permitted by the ELSS Rules/ Regulations.

### **Debt Securities & Money Market Instruments:**

1.Certificate of Deposits (CD) – CD is a negotiable money market instrument issued by scheduled commercial banks and select all-India Financial Institutions that have been permitted by the RBI to raise short term resources. The maturity period of CDs issued by the Banks is between 7 days to one year, whereas, in case of FIs, maturity is between one year to 3 years from the date of issue. CDs may be issued at a discount to face value.

2.Commercial Paper (CP) - CP is an unsecured negotiable money market instrument issued in the form of a promissory note, generally issued by the corporates, primary dealers and all India Financial Institutions as an alternative source of short term borrowings. They are issued at a discount to the face value as may be determined by the issuer. CP is traded in secondary market and can be freely bought and sold before maturity.

3.Bills Re-discounting (BRD) – BRD is the rediscounting of trade bills which have already been purchased by / discounted with the bank by the customers. These trade bills arise out of supply of goods / services.

4.Securities issued by the Central and State Governments as may be permitted by RBI, securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). Central Government securities are sovereign debt obligations of the Government of India with zero-risk of default and issued on its behalf by RBI. They form part of Government's annual borrowing programme and are used to fund the fiscal deficit along with other short term and long-term requirements. Such securities could be fixed rate, fixed interest rate with put/call option, zero coupon bond, floating rate bonds, capital indexed bonds, fixed interest security with staggered maturity payment etc. State Government securities are issued by the respective State Government in co-ordination with the RBI.

5.Treasury Bills (T-Bills) are issued by the Government of India to meet their short term borrowing requirements. T-Bills are issued for maturities of 91 days, 182 days and 364 days. T-bills are issued at a discount to their face value and redeemed at par.

6. Cash Management Bill - Cash Management Bill (CMB) are issued by the Government of India to meet their short term borrowing requirements. CMB are generally issued for maturities of less than 91 days.

7.Repos/reverse repos in Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills). Repo (Repurchase Agreement) or Reverse Repo is a transaction in which two parties agree to sell and purchase the same security with an agreement to purchase or sell the same security at a mutually decided future date and price.

8.Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee – These are instruments which are issued by various government agencies and bodies. They can be issued at discount, par or premium.

9.Corporate debt and securities (of both public and private sector undertakings) including Bonds, Debentures, Notes, Strips etc. These are instruments issued by corporate entities for their business requirements. They are generally rated by credit rating agencies, higher the rating lower the risk of default.

10. Non-Convertible Debentures and Bonds- Non convertible debentures as well as bonds are securities issued by companies / institutions promoted / owned by the Central or State Governments and statutory bodies which may or may not carry a Central/State Government guarantee, Public and private sector banks, all India Financial Institutions and Private Sector Companies. These instruments may be secured or unsecured against the assets of the Company and generally issued to meet the short term and long term fund requirements.

The Scheme may also invest in the non-convertible part of convertible debt securities.

11. Floating rate Debt instruments- Floating rate debt instruments are instruments issued by Central / state governments, corporates, PSUs, etc. with interest rates that are reset periodically.

12. Money market instruments permitted by SEBI/RBI, having maturities upto 91 days, in Tri Party Repo/Reverse Repo (TREPS) market or in alternative investment for the Tri Party Repo market as may be provided by the RBI to meet the short term liquidity requirements.

13. Investments in units of liquid mutual fund schemes – The Scheme may invest in units of liquid mutual fund schemes in conformity with the investment objective of the Scheme and in terms of the prevailing SEBI (MF) Regulations and in line with the disclosure made in this Scheme Information Document.

14. Investment in Short Term Deposits – Pending deployment of funds as per the investment objective of the Scheme, the Funds may be parked in short term deposits of the Scheduled Commercial Banks, subject to guidelines and limits specified by SEBI.

15. Securitised Debt Obligations - Securitization is a structured finance process which involves pooling and repackaging of cash-flow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Such Mortgage could be either residential or commercial properties.

16. Pass through, Pay through or other Participation Certificates, representing interest in a pool assets including receivables. It represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans.

17. Foreign Securities (as and when permitted)- The Scheme may also invest in suitable investment avenues in foreign securities in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to necessary stipulations by SEBI / RBI. Towards this end, the Mutual Fund may also appoint overseas investment advisors and other service providers, to the extent permissible under the Regulations. The Scheme may, with the approval of SEBI / RBI, where required invest in:

- ADRs (American Depository Receipts)/ GDRs (Global Depository Receipts) issued by Indian or foreign companies
- Equity of overseas companies listed on recognized stock exchanges overseas
- Initial and follow on public offerings for listing at recognized stock exchanges overseas
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets).

As per SEBI circular no. SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, mutual funds can make overseas investments subject to a maximum of US \$300 million or such limits as may be prescribed by SEBI from time to time.

Subject to the approval of RBI / SEBI and conditions as may be prescribed by them, the Mutual Fund may open one or more foreign currency accounts abroad either directly, or through the custodian/sub custodian, to facilitate investments and to enter into/deal in forward currency contracts, currency futures, interest rate futures / swaps, currency options for the purpose of hedging the risks of assets of a portfolio or for its efficient management. However, the use of such instruments shall be as permitted from time to time. All the requirement of the SEBI circular dated September 26, 2007, would be adhered to by the AMC for investment in foreign securities. Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

## **Investment / Risk Mitigation Strategy**

### **i) Risk profile of securitised debt vis-à-vis risk appetite of the Scheme**

securitised debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues Pass Through Certificates (PTCs). These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitised debt is similar to investing in debt securities. However, it differs in two respects.

- a. Typically, the liquidity of securitised debt is less than similar debt securities.
- b. For certain types of securitised debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged.

Because of these additional risks, securitised debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the additional risks are suitably compensated by the higher returns, he may invest in securitised debt up to the limits specified in the asset allocation.

### **ii) Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitised debt, etc.**

The originator is an entity (like banks, non-banking finance companies, corporates etc), which has initially provided the loan & is also generally responsible for servicing the loans. The schemes will invest in securitised debt of originators with at least investment grade credit rating and established track record. A detailed evaluation of originator is done before the investment is made in securitised debt of any originator on various parameters given below:

#### **Track record**

The investment in securitised debt is done based on origination and underwriting process and capabilities of the originator, overview of corporate structure, group to which they belong, experience of the company in the business, how long they have been in the business, financial condition of the company, credit rating, past performance of similar pools by the originator, etc.

#### **Willingness to pay through credit enhancement facilities etc.**

Credit enhancement is provided by the originator, as indicated by rating agencies, so as to adequately cover the defaults and acts as a risk mitigation measure. The size of the credit enhancement as indicated by rating agency depends on the originator's track record, past delinquencies, pattern of the portfolio & characteristics of the pool vis-a-vis of the portfolio, nature of the asset class.

#### **Ability to pay**

The quality of the origination impacts the performance of the underlying asset & thus originators with strong systems and processes in place can eliminate poor quality assets. A robust risk management system of the originator and availability of MIS reports on timely basis, results in creation of strong asset portfolio.

## **Business Risk Assessment**

The business risk assessment of originator / underlying borrower also includes detailed credit assessment wherein following factors are also considered:

- ★ Outlook for the economy (domestic and global)
- ★ Outlook for the industry
- ★ Company specific factors

Additionally, a detailed review of rating rationale is done along with interactions with the originator as well as the credit rating agency. All investment in securitised debt is done after taking into account points (with regard to originator) stated below:

- ★ Default track record/ frequent alteration of redemption conditions
- ★ High leverage ratios of the ultimate borrower both on a standalone basis as well on a consolidated level/ group level
- ★ Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- ★ Higher proportion of overdue assets of the pool or the underlying loan, as the case may be.
- ★ Poor reputation in market
- ★ Insufficient track record of servicing of the pool or the loan, as the case may be.

### **iii)Risk mitigation strategies for investments with each kind of originator**

**Investments are based on assessment of following parameters, to mitigate risk associated with such investment:**

- a. Credit quality, size and reach of the originator
- b. Nature of receivables/asset category i.e. cars, commercial vehicles, personal loans etc.
- c. Collection process, infrastructure and follow-up mechanism
- d. Quality of MIS
- e. Credit cum liquidity enhancement
- f. Credit appraisal norms of originator
- g. Asset Quality - portfolio delinquency levels
- h. Past performance of rated pools
- i. Pool Characteristics - seasoning, Loan-to-value ratios, geographic diversity etc.

### **iv)Minimum retention percentage by originator of debts to be securitised**

While minimum retention percentage by originator is not prescribed, any amount retained by the originator through subordination is viewed positively at the time of making investment & generally varies from 5% to 10%.

### **v)The mechanism to tackle conflict of interest when the mutual fund invests in securitised debt of an originator and the originator in turn makes investments in that particular scheme of the fund.**

All proposals for investment in securitised debt are evaluated by the analyst based on several parameters such as nature of underlying asset category, pool characteristics, asset quality, credit rating of the securitisation transaction, and credit cum liquidity enhancement available. Investment in securitised debt by the scheme is made by the fund manager in line with the investment objective of the scheme.



**vi) Minimum retention period of the debt by originator prior to securitization**

Issuance of securitised debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period before they can be securitised. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitised debt that are compliant with the laws and regulations.

**Note:** The information contained herein is based on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, our investment strategy, risk mitigation measures and other information contained herein may change in response to the same.

Investment in debt instruments shall generally have a low risk profile and those in money market instruments shall have an even lower risk profile. The maturity profile of debt instruments will be selected in accordance with the AMC's view regarding current market conditions, interest rate outlook and the stability of ratings.

**vii) The level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments.**

Diversification of underlying assets is achieved through a) prudent mix of asset categories - i.e. cars (new, used), commercial vehicles, construction equipment, unsecured loans to individuals or small & medium enterprises b) total number of contracts in a pool c) average ticket size of loans and d) geographical distribution.

Risk mitigation measures for less diversified investments in pools is accomplished through the size of credit enhancement, seasoning or loan to value ratios.

Illustrative framework, which will be applied while evaluating investment decision relating to a pool securitisation transaction:

Characteristic s/ Type of Pool	Mortgag e Loan	Commercial Vehicle and Construction Equipment	Car	Two Wheele rs	Micro Finance Pools	Personal Loans	Single Sell Downs	Others
Approximate Average Maturity (In Months)	Up to 10 years	Upto 3 years	Upto 3 years	Upto 3 years	NA	NA	Refer Note A	Refer Note B
Collateral margin (Including cash, guarantees, excess interest spread, Subordinate tranche)	>10%	>10%	>10%	>10%	NA	NA		
Average Loan to Value Ratio	<90%	<80%	<80%	<80%	NA	NA		
Average seasoning of the pool	>3 months	>3 months	>3 months	>3 months	NA	NA		

Maximum single exposure range	<1%	<1%	<1%	<1%	NA	NA		
Average single exposure range %	<1%	<1%	<1%	<1%	NA	NA		

Information in the table above is based on current scenario and is subject to change depending upon the change in related factors.

**Notes:**

A. In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. The investment limits applicable to the underlying borrower are applied to the single loan sell-down.

B. Other investment will be decided on a case to case basis.

In case of asset backed pools (ABS), evaluation of the pool assets is done considering the following factors: (Refer the table above which illustrates the averages of parameters considered while selecting the pool)

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

18. When issued security- When, as and if issued' (commonly known as "when-issued" (WI) security) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All "when issued" transactions are on an "if" basis, to be settled if and when the actual security is issued.

SEBI has on April 16, 2008 in principle allowed Mutual Funds to undertake 'When Issued (WI)' transactions in Central Government securities, at par with other market participants.

Open Position in the 'WI' market are subject to the following limits:

Category	Reissued Security	Newly Issued Security
Non-PDs	Long Position, not exceeding 5 percent of the notified amount.	Long Position, not exceeding 5 percent of the notified amount.

The Scheme may invest, if and to the extent permissible under the Regulations and the ELSS Rules, in derivative instruments

**19. Trading in Derivatives-**

Equity Derivatives like Futures and Options as described below:

**Futures:**

Futures are exchange-traded contracts to sell or buy financial instruments for future delivery at an agreed price. There is an agreement to buy or sell a specified quantity of financial instrument on a designated future date at a price agreed upon by the buyer and seller at the time of entering into a contract. To make trading possible, the exchange

specifies certain standardized features of the contract. A futures contract involves an obligation on both the parties to fulfill the terms of the contract.

SEBI has permitted futures contracts on indices and individual stocks with maturity of 1 month, 2 months and 3 months on a rolling basis. The futures contracts are settled on last Thursday (or immediately preceding trading day if Thursday is a trading holiday) of each month. Currently, the futures are settled in cash and physical delivery also. For settlement of transaction in cash, the final settlement price is the closing price of the underlying stock(s)/index.

### **Options:**

Option is a contract which provides the buyer of the option (also called holder) the right, without the obligation, to buy or sell a specified asset at the agreed price on or upto a particular date. For acquiring this privilege, the buyer pays premium (fee) to the seller. The seller on the other hand has the obligation to buy or sell specified asset at the agreed price and for this obligation he receives premium. The premium is determined considering number of factors such as the market price of the underlying asset/security, number of days to expiry, risk free rate of return, strike price of the option and the volatility of the underlying asset. Option contracts are of two types viz:

Call Option - The option that gives the buyer the right but not the obligation to buy specified quantity of the underlying asset at the strike price is a call option. The buyer of the call option (known as the holder of call option) can call upon the seller of the option (writer of the option) and buy from him the underlying asset at the agreed price at any time on or before the expiry of the option.

The seller (writer of the option) on the other hand has the obligation to sell the underlying asset if the buyer of the call option decides to exercise his option to buy.

Put Option – The option that gives the buyer the right but not the obligation to sell is called put option. A Put option gives the holder (buyer) the right to sell specified quantity of the underlying asset at the strike price. The seller of the put option (one who is short Put) however, has the obligation to buy the underlying asset at the strike price if the buyer decides to exercise his option to sell.

There are two kind of options based on the date of exercise of right. The first is the European Option which can be exercised only on the maturity date. The second is the American Option which can be exercised on or before the maturity date.

Debt Derivative instruments like Interest Rate Swaps, Forward Rate Agreements and such other derivative instruments permitted by SEBI/RBI.

**Interest Rate Swap** - An Interest Rate Swap ("IRS") is a financial contract between two parties exchanging or swapping a stream of interest payments for a "notional principal" amount on multiple occasions during a specified period. Such contracts generally involve exchange of a "fixed to floating" or "floating to fixed" rate of interest. Accordingly, on each payment date that occurs during the swap period, cash payments based on fixed/ floating and floating rates are made by the parties to one another.

**Forward Rate Agreement** - A Forward Rate Agreement ("FRA") is a financial contract between two parties to exchange interest payments for a notional principal amount on settlement date, for a specified period from start date to maturity date. Accordingly, on the settlement date, cash payments based on contract (fixed) and the settlement rate, are made by the parties to one another. The settlement rate is the agreed benchmark/ reference rate prevailing on the settlement date.

### **Interest Rate Futures:**

A futures contract is a standardized, legally binding agreement to buy or sell a commodity or a financial instrument in a designated future month at a market determined price (the futures price) by the buyer and seller. The contracts are traded on a futures exchange. An Interest Rate Future is a futures contract with an interest-bearing instrument as the underlying asset.

### Characteristics of Interest Rate Futures

1. Obligation to buy or sell a bond at a future date.
2. Standardized contract.
3. Exchange traded
4. Physical/Cash settlement.
5. Daily mark to market.

The Scheme(s) may take derivatives position based on the opportunities available subject to the guidelines provided by SEBI from time to time and in line with the overall investment objective of the Scheme(s). The Fund has to comply with the prescribed disclosure requirements. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (MF) Regulations from time to time. Hedging does not mean maximisation of returns but only reduction of systematic or market risk inherent in the investment. The Scheme(s) intends to take position in derivative instruments like Futures, Options, Interest Rate Swaps, Forward Rate Agreements and such other derivative instruments as may be permitted by SEBI from time to time.

Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counterparty in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.

20. Any other like instruments as may be permitted by RBI / SEBI / ELSS Guidelines / such other Regulatory Authority from time to time.

The securities / instruments mentioned above and such other securities the Scheme is permitted to invest in could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity.

The securities may be acquired through initial public offering (IPOs), secondary market, private placement, rights offers, negotiated deals. Further investments in debentures, bonds and other fixed income securities will be in instruments which have been assigned investment grade rating by the Credit Rating Agency.

Investment in unrated debt instruments shall be subject to complying with the provisions of the Regulations and within the limit as specified in Schedule VII to the Regulations. Pursuant to SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated debt instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. However, in case any unrated debt security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds, provided it is in conformity with the investment objectives of the Scheme and in terms of the prevailing SEBI (MF) Regulations. As per the SEBI (MF) Regulations, no investment management fees will be charged for such investments and the aggregate inter scheme investment made by all the schemes of PPFAS Mutual Fund or in the schemes of other mutual funds shall not exceed 5% of the net asset value of the PPFAS Mutual Fund.

For applicable regulatory investment limits please refer paragraph "Investment Restrictions". Details of various derivative strategies/examples of use of derivatives have been provided under the section "Strategies for Investment in Derivatives".

The Fund Manager reserves the right to invest in such securities as maybe permitted from time to time and which are in line with the investment objectives of the Scheme.

## **E. WHAT ARE THE INVESTMENT STRATEGIES?**

### **INVESTMENT STRATEGIES AND RISK CONTROL**

Investments would be made with a long term perspective. 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. The Scheme will invest in a diversified portfolio of strong growth companies with sustainable business models.

The portfolios will be built utilising a bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective. The AMC employs a fundamentals based research process to analyse the appreciation potential of each stock in its universe. The universe of stocks is carefully selected to include companies having robust business models and enjoying sustainable competitive advantages as compared to their competitors. The Fund will have the flexibility to invest across the market capitalization spectrum.

The Scheme will endeavour to remain fully invested in equity and equity-related instruments at all times.

Investment in debt securities and money market instruments will be as per the limits in the asset allocation table of the scheme, subject to permissible limits laid under SEBI (MF) Regulations.

The investment team of the AMC will, as a mitigation and risk control procedure, carry out rigorous credit evaluation of the issuer company proposed to be invested in. The credit evaluation will analyse the operating environment of the issuer, business model, management, governance practices, quality of the financials, the past track record as well as the future prospects of the issuer and the financial health of the issuer.

**Though every endeavour will be made to achieve the objectives of the Scheme, the AMC/Sponsor/Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.**

### **Risk Control**

Risk is an inherent part of the investment function. Effective risk management is critical to fund management for achieving financial soundness. Since investing requires disciplined risk management, the AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process. The risk control process involves reducing risks through portfolio diversification. The Scheme would invest in a diversified portfolio of equity and equity related securities which would help alleviate the credit, sector/market capitalization related concentration risk. The AMC believes that this diversification would help achieve the desired level of consistency in returns. The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in-depth credit evaluation of the securities proposed to be invested in will be carried out by the investment team of the AMC. Risk control would involve managing risk in order to keep it in line with the investment objective of the Scheme. AMC has implemented the Miles Fundware as Front Office System (FOS) for this purpose. The system has incorporated all the investment restrictions as per SEBI guidelines and “soft” warning alerts at appropriate levels for preemptive monitoring.

### **Credit Evaluation Policy**

The credit evaluation policy of the AMC involves evaluation of credit fundamentals of each investment opportunity. Some of the factors that are evaluated inter-alia may include outlook on the sector, parentage, quality of management, and overall financial strength of the credit. The AMC utilises ratings of recognised rating agencies as an input in the credit evaluation process. Investments in bonds and debenture are usually in instruments that have been assigned high investment grade ratings by a recognized rating agency.

In accordance with SEBI Circular No. MFD/CIR/9/120/ 2000 dated November 24, 2000, the AMC may constitute committee(s) to approve proposals for investments in unrated instruments. The AMC Board and the Trustee shall approve the detailed parameters for such investments. The details of such investments would be communicated by the AMC to the Trustee in their periodical reports. It would also be clearly mentioned in the reports, how the parameters have been complied with. However, in case any security does not fall under the parameters, the prior approval of Board of AMC and Trustee shall be sought.

## Strategies for Investment in Derivatives

The Scheme may use Derivative instruments like interest rate swaps, Overnight Indexed Swaps ("OIS"), forward rate agreements, interest rate futures (as and when permitted) or such other Derivative instruments as may be permitted under the applicable regulations. Derivatives will be used for the purpose of hedging, and portfolio balancing or such other purpose as may be permitted under the regulations and Guidelines from time to time.

The Fund will be allowed to take exposure in interest rate swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio. In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and MPD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by RBI permitting participation by Mutual Funds in interest rate swaps and forward rate agreements, the Fund will use Derivative instruments for the purpose of hedging and portfolio balancing. The Fund may also use derivatives for such purposes as maybe permitted from time to time. Further, the guidelines issued by RBI from time to time for forward rate agreements and interest rate swaps and other derivative products would be adhered to by the Mutual Fund.

IRS and FRA do also have inherent credit and settlement risks. However, these risks are substantially reduced as they are limited to the interest streams and not the notional principal amounts.

Investments in Derivatives will be in accordance with the extant Regulations / guidelines. Presently Derivatives shall be used for hedging and / or portfolio balancing purposes, as permitted under the Regulations. The circumstances under which such transactions would be entered into would be when, for example using the IRS route it is possible to generate better returns / meet the objective of the Scheme at a lower cost. e.g. if buying a 2 Yr FBIL Mibor based instrument and receiving the 2 Yr swap rate yields better return than the 2 Yr AAA corporate, the Scheme would endeavour to do that. Alternatively, the Scheme would also look to hedge existing fixed rate positions if the view on interest rates is that it would likely rise in the future.

The following information provides a basic idea as to the nature of the Derivative instruments proposed to be used by the Fund and the benefits and risks attached therewith. Please note that the examples have been given for illustration purposes only.

### Interest Rate Swaps (IRS)

The Indian markets have faced high volatility in debt markets. An interest rate swap is a contractual agreement between two counterparties to exchange streams of interest amount on a notional principal basis. In this, one party agrees to pay a fixed stream of interest amount against receiving a variable or floating stream of interest amount. The variable or floating part is determined on a periodical basis.

Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counterparty in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme.

### Example

Entity A has a Rs.50 crores, 3-month asset which is being funded through call. Entity B, on the other hand, has deployed in overnight call money market Rs.50 crores, 3-month liability. Both the entities are taking on an interest rate risk.

To hedge against the interest rate risk, both the entities can enter into a 3-month swap agreement based on say FBIL MIBOR (Financial Benchmarks India Private Limited, Mumbai Interbank Offered Rate). Through this swap, entity B will receive a fixed pre-agreed rate (say 7%) and pay FBIL MIBOR ("the benchmark rate") which will neutralize the interest rate risk of lending in call. Similarly, entity A will neutralize its interest rate risk from call borrowing as it will pay 8% and receive interest at the benchmark rate.

Assuming the swap is for Rs.50 crores 1 January to 1 April, Entity A is a floating rate receiver at the overnight compounded rate and Entity B is a fixed rate receiver. On a daily basis, the benchmark rate fixed by NSE will be tracked by them.

On April 1, they will calculate as explained below:

Entity A is entitled to receive daily compounded call rate for 91 days and pay 7% fixed.

Entity B is entitled to receive interest on Rs.50 crores @ 7% i.e. Rs. 87.26 lakhs, and pay the compounded benchmark rate.

Thus on December 1, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 87.26 lakhs, entity B will pay entity A the difference and vice versa.

The above example illustrates the use of Derivatives for hedging and optimizing the investment portfolio. Swaps have their own drawbacks like credit risk, settlement risk. However, these risks are substantially reduced as the amount involved is interest streams and not principal.

### **Forward Rate Agreements (FRA)**

A FRA is referred to by the beginning and end dates of the period covered in the transaction. A 2x5 FRA means the 3 month rate starting 2 months from now.

For example, a corporate has a three month fixed liability three months from now. To meet this liability the company enters into a 3x6 FRA where it receives 7.25% for 100 crore and fixes the interest cost for the 3-6 months period. If the actual three month rate three months from now is 7% the corporate has gained 25 bps through interest cost. As the settlement is done at the beginning of the period, the net present value of the savings needs to be calculated using the 3 month rate as the discount rate.

Interest savings = INR 100 crores \* 25 bps \* 92/365 (assuming 92 days in the 3 month period and 365 days for the year) = INR 6,30,137/-

Settlement Amount = INR 6,30,137 / (1 + 7%\*92/365) = INR 6,19,212/-

### **Interest Rate Futures:**

Assume that ABC hold GOI securities, hence is exposed to the risk of rising interest rates, which in turn results in the reduction in the value of their portfolio. So in order to protect against a fall in the value of their portfolio due to falling bond prices, they can take short position in IRF contracts.

#### **Example:**

Date: 01-April-2017

Spot price of GOI Security: Rs 100.05

Futures price of IRF Contract: Rs 100.12

On 01-April-2017 ABC bought 2000 GOI securities from spot market at Rs 100.05. He anticipates that the interest rate will rise in near future. Therefore, to hedge the exposure in underlying market he may sell May 2017 Interest Rate Futures contracts at Rs. 100.12.

On 16-May-2017 due to increase in interest rate:

Spot price of GOI Security: Rs 99.24

Futures Price of IRF Contract: Rs 99.28

Loss in underlying market will be  $(99.24 - 100.05) * 2000 = \text{Rs. } 1620/-$

Profit in the Futures market will be  $(99.28 - 100.12) * 2000 = \text{Rs. } 1680/-$

Certain risks are inherent to Derivative strategies viz. lack of opportunities, inability of Derivatives to correlate perfectly with the underlying and execution risks, whereby the rate seen on the screen may not be the rate at which the transaction is executed. For details of risk factors relating to use of Derivatives, the investors are advised to refer to Scheme Specific Risk Factors.

### **Risk Factors of SWAP/ Forward Rate Agreement/ Interest Rate Futures**

- **Credit Risk:** This is the risk of defaults by the counterparty. This is usually negligible, as there is no exchange of principal amounts in a derivative transaction.

- **Market Risk:** Market movements may adversely affect the pricing and settlement derivatives.
- **Liquidity Risk:** The risk that a derivative cannot be sold or purchased quickly enough at a fair price, due to lack of liquidity in the market.

## **PORTFOLIO TURNOVER**

The Scheme being an open-ended scheme, it is expected that there would be a number of subscriptions and redemptions (subject to lock in period) on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. There may be an increase in transaction cost such as brokerage paid, if trading is done frequently. However, the cost would be negligible as compared to the total expenses of the Scheme. Frequent trading may increase the profits which will offset the increase in costs. The fund manager will endeavor to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. However, it is difficult to estimate with reasonable accuracy, the likely turnover in the portfolio of the Scheme. The Scheme has no specific target relating to portfolio turnover.

## **INVESTMENT DECISIONS**

The Chief Investment Officer / Fund Manager of the Scheme is responsible for making buy / sell decisions for the Scheme's portfolio and will seek to develop a reasonably diversified portfolio that minimizes liquidity and credit risk. The investment decisions will be taken by the Scheme keeping in view the investment objective of the Scheme, market conditions and all the relevant aspects.

The AMC will formulate broad investment strategies for the Scheme including investments in unrated debt instruments, reviewing performance of the Scheme and general market outlook. The approval of unrated debt instruments will be based on detailed parameters laid down by the Board of the AMC and the Trustees. The details of such investments will be communicated by the AMC to the Trustees in their periodical reports along with a disclosure regarding how the parameters have been complied with. Such reporting shall be in the manner prescribed by SEBI from time to time. The AMC will review all the investments made by the Scheme.

It is the responsibility of the AMC to seek to ensure that the investments are made as per the Regulatory guidelines, the investment objectives of the Scheme and in the interest of the Unit holders of the Scheme.

The AMC will keep a record of all investment decisions in accordance with the guidelines issued by SEBI. The Fund Manager shall seek to ensure that the funds of the Scheme are invested in line with the Regulatory guidelines, the investment objective of the Scheme and in the interest of the Unit holders of the Scheme.

Investment decisions are taken by the Chief Investment Officer/ Fund manager of the Scheme(s) and the CEO does not play any role in the day-to-day investment decisions. The CEO of the AMC shall ensure that the investments made by the fund managers are in the interest of the Unit holders.

Periodic presentations will be made to the Board of Directors of the AMC and Trustee Company to review the performance of the Scheme.

## **INVESTMENT BY THE AMC/SPONSOR IN THE SCHEME**

The Sponsor or the AMC shall invest not less than one percent of the amount which would be raised in the new fund offer or fifty lacs rupees, whichever is less, in the growth option of the Scheme and such investment shall not be redeemed unless the Scheme is wound up.

The AMC may invest in the Scheme anytime during the continuous offer period subject to the SEBI (MF) Regulations. As per the existing SEBI (MF) Regulations, the AMC will not charge Investment Management and Advisory fee on the investment made by it in the Scheme or other existing schemes of the Mutual Fund.

The Scheme may invest in other schemes managed by the AMC or in the schemes of any other mutual funds, provided it is in conformity with the investment objectives of the Scheme and in terms of the prevailing SEBI (MF) Regulations.

## **INVESTMENT IN SCHEME BY DIRECTORS OF AMC AND TRUSTEE COMPANY.**



Directors of Asset Management Company and Trustee Company may invest in the scheme(s) of PPFAS Mutual Fund. AMC will charge normal investment management and advisory fees as per existing SEBI (MF) Regulations.

Compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI Circular SEBI/HO/IMD/DF2/CIR/P/2016/124 dated November 17, 2016 will be ensured.

#### **INVESTMENT IN SCHEME BY EMPLOYEES OF ASSET MANAGEMENT COMPANY.**

Fund Manager/s of the scheme will invest in the scheme managed by him/ her. Further employees of Asset Management Company may invest in the scheme(s) floated by the PPFAS Mutual Fund. AMC will charge normal investment management and advisory fees as per existing SEBI (MF) Regulations.

Compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI Circular SEBI/HO/IMD/DF2/CIR/P/2016/124 dated November 17, 2016 will be ensured.

#### **Voluntary Disclosure of Investment in the Scheme:**

PPFAS Mutual Fund will disclose on its website <http://amc.ppfas.com> the details of investment in the units of the scheme by Directors of AMC and Trustee Company. These details shall also be provided for any investment by Fund Manager/s and key employees of AMC.

#### **F. FUNDAMENTAL ATTRIBUTES**

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

##### **(i) Type of a scheme**

Please refer to Section 'Type of the Scheme': **This is an An Open Ended Equity Linked Savings Scheme with a 3 years lock-in.**

##### **(ii) Investment Objective**

##### **Main Objective -What is the Investment Objective of the Scheme?'**

The investment objective of the Scheme is to generate long-term capital appreciation through a diversified portfolio of equity and equity related instruments - 80% of total assets (in accordance with Equity Linked Saving Scheme, 2005 notified by Ministry of Finance). The scheme does not assure or guarantee any returns.

Investment pattern - Please refer to section '**How will the Scheme Allocate its Assets?**' on Page 25.

##### **(iii) Terms of Issue**

- a) Liquidity provisions such as listing, repurchase, redemption. Refer to Page 74.
- b) Aggregate Fees and Expenses charged to the Scheme Please refer to section 'Fees and Expenses' on Page 80 for details.
- c) Any safety net or guarantee provided: The Scheme does not provide any guaranteed or assured return.

#### **Changes in Fundamental Attributes**

In accordance with Regulation 18 (15A) of the SEBI (Mutual Funds) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the Scheme and the Option thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme and the Option thereunder and affect the interest of Unit holders is carried out unless: -

- A written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and

- The Unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any Exit Load.

## G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The performance of the Scheme will be benchmarked against Nifty 500 TRI.

Nifty 500 Index is broad based index of the Indian capital market and the Scheme shall invest predominantly in equity & equity related instruments. Hence, it is an appropriate benchmark for the Scheme.

The Trustee reserves the right to change the benchmark for evaluation of performance of the Scheme from time to time in conformity with investment objective of the Scheme and appropriateness of the benchmark subject to SEBI Regulations and other prevailing guidelines, if any. Total Return variant of the index (TRI) will be used for performance comparison.

## H.WHO MANAGES THE SCHEME?

Name and Age	Educational Qualifications	Experience (last 10 years)	Other Fund Managed
<b>Rajeev Thakkar</b> (Chief Investment Officer and Equity Fund Manager) 45 years	B. Com. (Bombay University) Chartered Accountant CFA Charter Holder Grad ICWA	Till March 2012 he was acting as a Chief Executive Officer of PPFAS (Sponsor Company). He has joined the company in 2001. He started his career in the year 1994 and he has experience of working in areas like; merchant banking, managing fixed income portfolio, broking operations, PMS operations. He was functioning as a Fund Manager for PMS service of PPFAS managing a portfolio of around Rs. 300 crores. He is acting as a Chief Investment Officer and Equity Fund Manager to the Company.	He managed PMS Scheme of Parag Parikh Financial Advisory Services (with a corpus of around Rs. 300 crores) He is managing the Scheme- Parag Parikh Long Term Equity Fund since its inception i.e. May 2013.
<b>Raunak Onkar</b> (Dedicated Fund Manager for overseas investments) 32 years	Bsc. IT (Bombay University) MMS- Finance (Bombay University)	He has more than 6 years of experience in the capital market. He started his career with Parag Parikh Financial Advisory Service Private Limited, following his internship, in the year 2009. He joined PPFAS as a research analyst. He was appointed as Head- research in the year 2011. He is working with the company as an Associate Fund Manager.	He manages the overseas investment of the Scheme- Parag Parikh Long Term Equity Fund since its inception i.e. May 2013
<b>Raj Mehta</b> (Debt Fund Manager) 29 years	B.Com (Mumbai University), M.Com(Mumbai University),	He is currently acting as Debt Fund Manager for PPLTEF. He has collectively over 5 years of experience in investment research.	- Debt component of Parag Parikh Long Term Equity Fund (PPLTEF) - Parag Parikh Liquid

	Chartered Accountant,  CFA Charter Holder.	He started his career with PPFAS Asset Management Pvt. Ltd as an intern in 2012.  Following which, he joined the company as a Research Analyst in 2013.	Fund (PPLF)
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## I. WHAT ARE THE INVESTMENT RESTRICTIONS?

**Pursuant to Regulations, specifically the Seventh Schedule and amendments thereto, the following investment restrictions are currently applicable to the Scheme:**

1. The Scheme shall not invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company.
2. The Scheme shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments.
3. The Mutual Fund under all its Scheme(s) shall not own more than ten per cent of any company's paid up capital carrying voting rights.

Provided, investment in the asset management company or the trustee company of a mutual fund shall be governed by clause (a), of sub-regulation (1), of regulation 7B.

4. The Scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act, 1992. Such investment limit may be extended to 12% of the NAV of the Scheme with the prior approval of the Trustee and the Board of Directors of AMC.

Such limit shall not be applicable for investment in Government Securities, Treasury bills and Tri Party REPO (TREPS)

Provided further that investments within such limit can be made in the mortgaged backed securitised debt, which are rated not below investment grade by a credit rating agency, registered with SEBI.

5. The Scheme shall not invest more than 10% of its net assets in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the net assets of the Scheme. All such investments shall be made with the prior approval of the Trustees and the Board of the AMC.
6. The Scheme may invest in other schemes of the Mutual Fund or any other mutual fund without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the Net Asset Value of the Fund.
7. The Scheme shall not make any investment in,—
  - Any unlisted security of an associate or group company of the Sponsor; or
  - Any security issued by way of private placement by an associate or group company of the Sponsor; or
  - The listed securities of group companies of the Sponsor which is in excess of 25 percent of the net assets of the Scheme.
8. Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided:
  - Such transfers are done at the prevailing market price for quoted instruments on Spot Basis (Spot Basis shall have the same meaning as specified by a stock exchange for spot transactions); and
  - The Securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.
9. The Mutual Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned Scheme, wherever investments are intended to be of a long-term nature.

10. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities.

Provided that the Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI.

Provided further that the Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.

Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.

11. The Scheme shall not make any investment in any fund of funds scheme.

12. The Scheme will comply with the following restrictions for trading in exchange traded derivatives, as specified by SEBI vide its circular no. DNP/Cir-29/2005 dated September 14, 2005, circular no. DNP/Cir-30/2006 dated January 20, 2006, circular no. DNP/Cir-31/2006 dated September 22, 2006, circular no. Cir/IMD/DF/11/2010 dated August 18, 2010, circular no. SEBI/HO/MRD/DP/CIR/P/2016/143 dated December 27, 2016, circular no. SEBI/HO/IMD/DF2/CIR/P/2017/13 dated February 20, 2017 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2017/109 dated September 27, 2017:

**i. Position limit for the Mutual Fund in equity index options contracts**

- a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crores or 15% of the total open interest of the market in index options, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

**ii. Position limit for the Mutual Fund in equity index futures contracts:**

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs.500 crores or 15% of the total open interest of the market in index futures, whichever is higher, per stock exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

**iii. Additional position limit for hedging**

In addition to the position limits at point (i) and (ii) above, the Mutual Fund may take exposure in equity index derivatives subject to the following limits:

- a. Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
- b. Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, Treasury Bills and similar instruments.

**iv. Position limit for Mutual Fund for stock based derivative contracts**

The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).

**v. Position limit for each scheme of a Mutual Fund**

The scheme-wise position limit / disclosure requirements shall be:

- i. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Mutual Fund shall not exceed the higher of 1% of the free float market capitalization (in terms of number of shares)

**Or**

5% of the open interest in the derivative contract on a particular underlying stock (in terms of number of contracts).

- ii. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.

- iii. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

13. Save as otherwise expressly provided under SEBI (Mutual Funds) Regulations, 1996, the Scheme shall not advance any loans.

14. The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of Units or payment of interest and/or dividend to the Unit holders.

Provided that the Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 month. The Scheme will comply with the other Regulations applicable to the investments of Mutual Funds from time to time.

15. SEBI vide its circular no. Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010 has prescribed the following investment restrictions w.r.t. investment in derivatives:

- The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the Scheme. Cash or cash equivalents with residual maturity of less than 91 days shall be treated as not creating any exposure.
- The Scheme shall not write options or purchase instruments with embedded written options.
- The total exposure related to option premium paid shall not exceed 20% of the net assets of the Scheme.
- Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:
  - a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
  - b. Hedging positions cannot be taken for existing derivative positions.

Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.

  - c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
  - d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
- Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.
- Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

Position	Exposure
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option bought	Option Premium Paid * Lot Size * Number of Contracts.

- The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counterparty in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the Scheme. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the Scheme.

16. Pending deployment of funds of the Scheme in terms of the investment objective of the Scheme, the AMC may invest the funds of the Scheme in short term deposits of scheduled commercial banks in accordance with the guidelines set out by SEBI under the Regulations. The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:-

- a. "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.
- b. Such short-term deposits shall be held in the name of the Scheme.
- c. The Scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with the approval of the Trustee.
- d. Parking of funds in short term deposits of associate and sponsors scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
- e. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.

f. The Scheme shall not park funds in short-term deposit of a bank which has invested in the said Scheme.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and derivatives market.

Further, Investments in derivative shall be made as and when permitted. All the investment restrictions will be applicable at the time of making investments.

The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

#### J. HOW HAS THE SCHEME PERFORMED?

This scheme is a new scheme and does not have any performance track record.

#### K. PRODUCT DIFFERENTIATION WITH THE EXISTING OPEN-ENDED EQUITY ORIENTED SCHEMES

The following table shows the differentiation of the Scheme with the existing open-ended equity oriented scheme of PPFAS Mutual Fund:

Scheme Name	Investment Objective	Asset Allocation	Number of Folios as on December 31, 2018	AUM as on December 31, 2018 (Rs. in crores)
<b>Parag Parikh Long Term Equity Fund</b>	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.	-Equity and equity related instruments: 65 - 100%  -Debt Securities, Money Market Securities: 0- 35%  -Foreign Equity and equity related instruments: 0- 35%	61,845	1,453.32

### III. UNITS AND OFFER

This section provides details you need to know for investing in the scheme.

#### A. NEW FUND OFFER (NFO)

<b>New Fund Offer Period</b> This is the period during which a new scheme sells its units to the investors.	<b>NFO opens on:</b> _____ <b>NFO closes on:</b> _____  <i>(The AMC/Trustee reserves the right to close the NFO of the Scheme before the above-mentioned date. The AMC/ Trustee reserves the right to extend the closing date of the New Fund Offer Period, subject to the condition that the New Fund Offer shall not be kept open for more than 15 days. )</i>
<b>New Fund Offer Price:</b> This is the price per unit that the investors have to pay to invest during the NFO.	<b>Rs. 10/- per Unit.</b>
<b>Minimum Amount for Application in the NFO</b>	<b>Rs 500/- and in multiples of Rs. 500/- thereafter</b>
<b>Minimum Target amount</b> This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 5 working days, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of 5 working days from the date of closure of the subscription period.	<b>The Scheme seeks to collect a minimum target of Rs. 10 crores during the NFO period.</b>  <b>This is the minimum amount required to operate the Scheme and if this is not collected during the NFO period, then in accordance with the SEBI Regulation, all the investors would be refunded the amount invested without any return, subject to as mentioned in the section on “Refund” in this Scheme Information Document.</b>
<b>Maximum Amount to be raised (if any)</b> <i>This is the maximum amount which can be collected during the NFO period, as decided by the AMC.</i>	<b>There will be no upper limit on the total amount collected under the Scheme during the NFO Period.</b>
<b>Plans / Options offered</b>	SEBI vide its circular, CIR/IMD/DF/21/2012 dated 13th September 2012 directed the following: Mutual Fund/AMC shall provide a separate plan for direct investments, i.e. investments not routed through a distributor, in existing as well as new schemes.  Accordingly, PPFAS Mutual fund is offering two plans to its investors.

Plans offered by the Scheme:

1. Direct Plan (i.e., investments not routed through distributor.)
2. Regular Plan

Both Regular and Direct Plan, offer only one option viz; Growth option.

**Default Plan**

Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form. However, if distributor code is mentioned in application form, but "Direct Plan" is mentioned against the Scheme name, the distributor code will be ignored and the application will be processed under "Direct Plan". Further, where application is received for Regular Plan without Distributor code or "Direct" mentioned in the ARN Column, the application will be processed under Direct Plan.

The below table summarizes the procedures which would be adopted by the AMC for applicability of Direct Plan / Regular Plan, while processing application form/transaction request under different scenarios:

Sr. No.	AMFI Registration Number (ARN) code mentioned/ not mentioned in the application form / transaction request	Plan as selected in the application form/ transaction request	Transaction shall be processed and Units shall be allotted under
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not mentioned	Direct Plan
6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan
8	Mentioned	Not mentioned	Regular Plan

In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC/RTA shall endeavour to contact the investor/distributor and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.



	<p>Default Option: Growth</p> <p><b>I) Growth Option:</b> The Mutual Fund will not declare any dividends under this option. The income earned under this Option will remain invested in the option and will be reflected in the NAV. This option is suitable for investors who are not looking for current income but who have invested with the intention of capital appreciation.</p> <p><b>The AMC, in consultation with the Trustee reserves the right to discontinue/ add more options/facilities at a later date subject to complying with the prevailing SEBI guidelines and Regulations.</b></p>
<b>Allotment</b>	<p>Investors may apply for Units by filling up an Application Form. All valid and complete applications will be allotted Units at the Applicable NAV for the application amount. Allotment of units shall be made within 5 business days from the closure of the NFO and the Scheme shall be available for ongoing repurchase/sale/trading within 5 business days of the allotment.</p> <p>Allotment of Units shall be subject to;</p> <p>(i) the achievement of the minimum target amount; (ii) receipt of complete Application Forms that are in order; (iii) realisation of the specified minimum Subscription amount from the Investor, and (iv) provisions set out in the section on 'Refund/Rejection of the application' given below.</p> <p><b>Account Statements</b></p> <p>The Account Statements shall be non-transferable. An account statement will be sent by ordinary post/courier/electronic mail to each Unit Holder within 5 business days from the closure of the NFO, stating the number of Units purchased.</p> <p>In case, the investor provides the e-mail address, the Fund will provide the Account Statement only through e-mail message. Should the unit holder experience any difficulty in accessing the electronically delivered documents, the unit holders shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. It is deemed that the unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.</p> <p>Normally, no unit certificates will be issued. However, if an applicant so desires, the AMC shall issue the unit certificates to the applicant within 5 business days of the receipt of request for the certificate.</p> <p><b>Consolidated Account Statements</b></p> <p>In accordance with SEBI Circular No. Cir/ IMD/ DF/ 16 / 2011 dated September 08, 2011 a consolidated account statement for each calendar month is issued to the investors in whose folios transactions has taken place during that month.</p>
<b>Refund</b>	<p>Application money may be refunded in case the minimum target amount required to operate the Scheme is not collected during the NFO period. Applications may also be rejected if they are found to be incomplete, invalid or for any other reason whatsoever.</p> <p>If application is rejected, the Fund will refund the full application amount within 5 Business Days of the closure of the NFO period. In the event of delay beyond 5 Business Days of the closure of the NFO, interest at the rate of 15% per annum or such other rate of interest as may be</p>

	<p>prescribed from time to time for the delay period will be paid to the applicant and borne by the AMC.</p> <p>Refund orders will be marked 'A/c Payee only' and drawn in the name of the applicant (in the case of a sole applicant) and in the name of the first applicant in all other cases.</p> <p>All refund orders will be sent by registered post or through RTGS, NEFT or direct credit facility or as permitted by Regulations.</p>
<p><b>Who can invest</b> This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following persons are eligible to apply for subscription to the units of the Scheme (subject to, wherever relevant, subscription to units of the Scheme being permitted under the respective constitutions and relevant statutory regulations):</p> <ol style="list-style-type: none"> <li>1. Indian resident adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis;</li> <li>2. Hindu Undivided Family (HUF) through Karta of the HUF;</li> <li>3. Minor through parent / legal guardian;</li> <li>4. Partnership Firms and Limited Liability Partnerships (LLPs);</li> <li>5. Proprietorship in the name of the sole proprietor;</li> <li>6. Companies, Bodies Corporate, Public Sector Undertakings (PSUs), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860;</li> <li>7. Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions;</li> <li>8. Mutual Funds/ Alternative Investments Fund registered with SEBI;</li> <li>9. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as "Public Securities" as required) and private trusts authorised to invest in mutual fund schemes under their trust deeds;</li> <li>10. Non-Resident Indians (NRIs) / Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non-repatriation basis;</li> <li>11. Foreign Institutional Investors (FIIs) and their sub-accounts registered with SEBI on repatriation basis;</li> <li>12. Army, Air Force, Navy and other para-military units and bodies created by such institutions;</li> <li>13. Scientific and Industrial research Organizations;</li> <li>14. Multilateral Funding Agencies / Bodies Corporate incorporated outside India with the permission of Government of India / RBI;</li> <li>15. Provident Funds, Pension Funds, Gratuity Funds and Superannuation Funds to the extent they are permitted;</li> <li>16. Other schemes of PPFAS Mutual Fund subject to the conditions and limits prescribed by SEBI (Mutual Funds) Regulations;</li> <li>17. Trustee, AMC or Sponsor or their associates may subscribe to units under the Scheme;</li> <li>18. Qualified Foreign Investor (QFI)</li> <li>19. Foreign Portfolio Investors (FPI) registered with SEBI on repatriation basis;</li> <li>20. Such other individuals /institutions/ body corporates etc., as may be decided by the AMC from time to time, so long as, wherever applicable, subject to their respective constitutions and relevant statutory regulations.</li> </ol> <p>The list given above is indicative and the applicable laws, if any, as amended from time to time shall supersede the list.</p> <p>Note:</p> <ol style="list-style-type: none"> <li>1. Non-Resident Indians (NRIs) and Persons of Indian Origin (PIOs)residing abroad / Foreign Institutional Investors (FIIs) have been granted a general permission by Reserve Bank of India under Schedule</li> </ol>

	<p>5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations.</p> <p>2. It is expressly understood that at the time of investment, the investor/ unitholder has the express authority to invest in units of the Scheme and the AMC / Trustee / Mutual Fund will not be responsible if such investment is ultravires the relevant constitution. Subject to the Regulations, the Trustee may reject any application received in case the application is found invalid/ incomplete or for any other reason in the Trustee's sole discretion.</p> <p>3. For subscription in the Scheme, it is mandatory for investors to make certain disclosures like bank details etc. and provide certain documents like PAN copy etc. (for details please refer SAI) without which the application is liable to be rejected.</p> <p>4. Subject to the SEBI (MF) Regulations, any application for units of this Scheme may be accepted or rejected in the sole and absolute discretion of the Trustee/AMC. The Trustee/AMC may inter-alia reject any application for the purchase of units if the application is invalid or incomplete or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its unitholders to accept such an application.</p> <p>5. The AMC / Trustees may request Investors / Unit holders to provide other further details as may be required in the opinion of the AMC / Trustees under applicable Laws. This may result in a delay in dealing with the applicants, Unit holders, benefits distribution, etc.</p> <p>6. In case of application(s) made by individual investors under a Power of Attorney, the original Power of Attorney or a duly notarized copy should be submitted along with the subscription application form. In case of applications made by non-individual investors, the authorized signatories of such non-individual investors should sign the application form in terms of the authority granted to them under the Constitutional Documents/ Board resolutions/Power of Attorneys, etc. A list of specimen signatures of the authorized signatories, duly certified / attested should also be attached to the Application Form. The Mutual Fund/AMC/Trustee shall deem that the investments made by such non-individual investors are not prohibited by any law/Constitutional documents governing them and they possess the necessary authority to invest.</p> <p>7. Investors desiring to invest / transact in mutual fund schemes are required to comply with the KYC norms applicable from time to time. Under the KYC norms, Investors are required to provide prescribed documents for establishing their identity and address such as copy of the Memorandum and Articles of Association / bye-laws/trust deed/ partnership deed/Certificate of Registration along with the proof of authorization to invest, as applicable, to the KYC Registration Agency (KRA) registered with SEBI.</p> <p>The Mutual Fund/ AMC/ Trustee/ other intermediaries will rely on the declarations/ affirmations provided by the Investor(s) in the Application/Transaction Form(s) and the documents furnished to the KRA. Further, the Investor shall be liable to indemnify the Fund/ AMC/ Trustee/ other intermediaries in case of any dispute regarding the eligibility, validity and authorization of the transactions and/ or the applicant who has applied on behalf of the Investor. The Mutual Fund/ AMC/ Trustee reserves the right to call for such other information and documents as may be required by it in connection with the investments made by the investors.</p> <p>8. Returned cheques are not liable to be presented again for collection and the accompanying application forms are liable to be rejected by the AMC. In case the returned cheques are presented again, the necessary charges are liable to be debited to the investor.</p>
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	<p>9.The Trustee reserves the right to recover from an investor any loss caused to the Scheme on account of dishonour of cheques issued by the investor for purchase of Units of the Scheme.</p> <p><b>Ultimate Beneficial Ownership details:</b> SEBI vide its circular no. CIR/MIRSD/2/2013 dated January 24, 2013 further read with AMFI Best practices guidelines circular no. 62/2015-16 dated September 18, 2015 and other applicable regulations has prescribed guidelines, for identification of Beneficial Ownership to be followed by the intermediaries. A 'Beneficial owner' is defined as a natural person or persons who ultimately own, control or influence a client and/or persons on whose behalf a transaction is being conducted, and includes a person who exercises ultimate effective control over a legal person or arrangement. In this regard, all categories of investors (including all new / existing investors / unitholders) (except individuals, companies listed on a stock exchange or majority-owned subsidiary of such companies) are mandatorily required to provide beneficial ownership details for all investments. Failing which, fund reserves the right to reject applications / subscription requests / additional subscription requests (including switches) / restrict further investments or seek additional information from investors who have not provided the requisite information on beneficial ownership. In the event of change in beneficial ownership, investors are requested to immediately update the details with the Fund/Registrar.</p> <p><b>Central KYC Process</b> Central Registry of Securitisation and Asset Reconstruction and Security interest of India ('CERSAI') has been authorised by Government of India to act as Central KYC Records Registry under Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 ('PMLA Rules'). SEBI vide its circular no. CIR/MIRSD/66/2016 dated July 21, 2016 and circular no. CIR/MIRSD/120/2016 dated November 10, 2016 has prescribed that the Mutual Fund/ AMC should capture KYC information for sharing with CKYCR as per the KYC template prescribed by CERSAI for uniform and smooth implementation of CKYC norms for onboarding of new investors in Mutual Funds.</p> <p>In accordance with the aforesaid SEBI circulars and AMFI best practice guidelines for implementation of CKYC norms with effect from February 1, 2017:</p> <ol style="list-style-type: none"> <li>Individual investors who have never done KYC process under KRA regime i.e. a new investor who is new to KRA system and whose KYC is not registered or verified in the KRA system shall be required to provide KYC details in the CKYC Form to the Mutual Fund/ AMC.</li> <li>Individual investor who fills old KRA KYC Form, should provide additional / missing information using Supplementary KYC Form or fill CKYC Form. The said form is available on PPFAS Mutual Fund website <a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a>.</li> <li>Details of investors shall be uploaded on the system of CKYCR and a 14 digit unique KYC Identification Number ('KIN') will be generated for such customer.</li> <li>New investors, who have completed CKYC process &amp; have obtained KIN may quote their KIN in the application form instead of submitting CKYC Form/ Supplementary KYC Form.</li> <li>AMC/ Mutual Fund shall use the KIN of the investor to download the KYC information from CKYCR system and update its records.</li> <li>If the PAN of investor is not updated on CKYCR system, the investor should submit self-certified copy of PAN card to the Mutual Fund/ AMC.</li> </ol> <p>The AMC reserves the right to reject transaction application in case the</p>
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<p><b>Who cannot invest</b></p>	<p>investor(s) fails to submit information and/or documentation as mentioned above. In the event of non-compliance of KYC requirements, the Trustee / AMC reserves the right to freeze the folio of the investor(s).</p> <p>The following persons are not eligible to invest in the Scheme: Pursuant to RBI A.P. (DIR Series) Circular No. 14 dated September 16, 2003, Overseas Corporate Bodies (OCBs) cannot invest in Mutual Funds. Any prospective investor/s residing in Non-Compliant Countries and Territories (NCCTs) as determined by the Financial Action Task Force (FATF), from time to time. Such other persons as may be specified by AMC from time to time or as may be required by the applicable rules and regulations.</p>
<p><b>Where can you submit the filled-up applications.</b></p>	<p>Duly completed application forms for purchase of units under the Scheme during the NFO period along with the instrument for payment can be submitted at the registered office of the AMC and investor service centers of CAMS. For further details of CAMS Investors Centers, refer to Page 89. The Investors who are registered with the AMC to invest online through the website of the AMC <a href="http://amc.ppfas.com">http://amc.ppfas.com</a> can apply online for purchase / redemption / switches. Investors can also purchase/redeem units of the Scheme by placing an order for purchase/redemption with the members (Stock Broker) / clearing members of stock exchanges or Mutual Fund Distributors registered with AMFI as per SEBI Circular No. CIR/MRD/DSA/32/2013 dated October 4, 2013. These members (Stock Brokers) / clearing members/ Mutual Fund Distributors would be availing the platform / mechanism provided by the stock exchanges for placing an order for purchase / redemption of units of the Scheme. Investors may purchase / redeem units of the Scheme through the Stock Exchange Infrastructure. In order to facilitate transactions in mutual fund units BSE has introduced BSE STAR MF Platform and NSE has introduced Mutual Fund Service System (MFSS) and NMF II.</p> <p>Investors should note that Brokers, Clearing members and Depository Participants will be considered as Official Points of Acceptance (OPA) of PPFAS Mutual Fund in line with SEBI Circular No. SEBI/IMD/CIR No. 11/78450/06 dated October 11, 2006 and conditions stipulated in SEBI Circular No. SEBI/IMD/CIR No.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI /NISM certification and the provisions of SEBI Circular No. CIR/MRD/DSA/32/2013 dated October 4, 2013 for Mutual Fund Distributors, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such Clearing members, Mutual Fund Distributors and Depository participants as well.</p> <p>Please refer the back cover page of this document for address, contact details and website address and Page no. 88-90 for the Registrar and Transfer Agent, Official Points of Acceptance, etc.</p> <p>AMC reserves the right to appoint collecting bankers during the New Fund Offer Period and change the bankers and/or appoint any other bankers subsequently.</p>
<p><b>How to Apply</b></p>	<p>Investors may obtain Key Information Memorandum (KIM) along with the application forms from the AMC offices or Point of Acceptance of the Registrar or may be downloaded from <a href="http://amc.ppfas.com">http://amc.ppfas.com</a> (AMC's website). Please refer to the SAI and Application Form for the instructions. An Application Form accompanied by a payment instrument issued from a bank account other than that of the Applicant / Investor will not be</p>

	<p>accepted except in certain circumstances. For further details, please refer paragraph - Non-acceptance of Third Party Payment Instruments for subscriptions / investments under the section - How to Apply in SAI.</p> <p><b>Bank Details:</b></p> <p>In order to protect the interest of Unit holders from fraudulent encashment of redemption / dividend cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Applications without complete bank details shall be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques / warrants and / or any delay / loss in transit. Also, please refer to point on Registration of Multiple Bank Accounts in respect of an Investor Folio on Page no. 66.</p>
<b>Listing</b>	<p>Being open ended Scheme under which Sale and Redemption of Units will be made on continuous basis by the Mutual Fund (subject to completion of lock in period, if any), the Units of the Scheme are not proposed to be listed on any stock exchange. However, the Mutual Fund may at its sole discretion list the Units under the Scheme on one or more stock exchange at a later date.</p>
<b>Special Products / facilities available during the NFO</b>	<p><b>Switching Option</b></p> <p>During the NFO period, Switch request will be accepted upto 3.00 p.m. on the last day of the NFO. The investors will be able to invest in the NFO under the Scheme by switching part or all of their Unit holdings, if any, held in the respective option(s) /plan(s) of the existing scheme(s) of the Mutual Fund (subject to completion of lock-in period, if any, of the Units of the scheme(s) from where the Units are being switched).</p> <p>The Switch will be affected by way of a Redemption of Units from the Scheme/ Plan and a re-investment of the Redemption proceeds in the Scheme and accordingly, to be effective, the Switch must comply with the Redemption rules of the Scheme/ Plan and the issue rules of the Scheme (e.g. as to the minimum number of Units that may be redeemed or issued, Exit Load etc). The price at which the units will be switched - out will be based on the redemption price of the scheme from which switch - out is done and the proceeds will be invested into the scheme at the NFO Price.</p> <p>Where a Switch-in request has been made for an amount not in multiples of Rs. 500/-, the request will be processed for a round value to the maximum multiple of Rs. 500/- and the residual value thereof will be retained in the Switch-out scheme. In case of ambiguity, the request will not be processed.</p> <p>The Switch request can be made on a pre-printed form or by using the relevant tear off section of the Transaction Slip enclosed with the Account Statement, which should be submitted at any of the ISCs.</p> <p><b>Applications Supported by Blocked Amount (ASBA) facility</b></p> <p>ASBA facility will be provided to the investors subscribing to NFO of the Scheme. It shall co-exist with the existing process, wherein cheques / demand drafts are used as a mode of payment. Please refer ASBA application form for detailed instructions.</p> <p><b>Stock Exchange Infrastructure Facility:</b></p> <p>The investors can subscribe to the Units in the "Growth" option of the Scheme through NMF -II platform of National Stock Exchange and "BSEStAR MF" platform of Bombay Stock Exchange.</p>

	<p>Further, <b>Systematic Investment Plan (SIP)</b> facility would be available to the investors. For details, investors/ unitholders are requested to refer to paragraph "Special Products available" given in the document under Ongoing Offer Details.</p>
<b>Option to hold units in Demat Form</b>	<p>In terms of SEBI Circular No. CIR/IMD/DF/9/2011, dated May 19, 2011, investors have the option to receive allotment of Mutual Fund units in their demat account while subscribing to this scheme. Such units held in demat form shall be fully transferable.</p> <p><b>Demat Facility for SIP Transactions:</b> Demat option shall be available for SIP transactions. However, the units will be allotted on the applicable NAV as per SID and will be credited to investors demat account on weekly basis on realisation of funds.</p>
<b>The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.</b>	<p>Units once redeemed will be extinguished and will not be reissued.</p>
<b>Restrictions, if any, on the right to freely retain or dispose of units being offered.</b>	<p>In case of Parag Parikh Tax Saver Fund. as per the ELSS, the Units issued under the Scheme can be transferred, assigned or pledged only after the lock-in period of 3 (three) years has elapsed from their date of allotment.</p> <p>Units of the Scheme which are issued in demat (electronic) form will be transferred and transmitted in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time.</p> <p><b>Right to Limit Fresh Subscription</b> The Trustees reserves the right at its sole discretion to withdraw / suspend the allotment / Subscription of Units in the Scheme temporarily or indefinitely, at the time of NFO or otherwise, if it is viewed that increasing the size of such Scheme may prove detrimental to the Unit holders of such Scheme. An order to Purchase the Units is not binding on and may be rejected by the Trustees or the AMC unless it has been confirmed in writing by the AMC and/or payment has been received.</p> <p><b>Units which are not in demat are not transferable</b> The Units of the Scheme which are not in demat form are not transferable. In view of the same, additions/deletion of names in case of Units held in other than demat mode will not be allowed under any folio of the Scheme. The above provisions in respect of deletion of names will not be applicable in case of death of Unit holder (in respect of joint holdings) as this is treated as transmission of Units and not transfer. Also, when a person becomes a holder of the units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production/ submission of such satisfactory evidence, which in its opinion is sufficient, effect the transfer, if the intended transferee is otherwise eligible to hold the units.</p> <p>Please refer to paragraphs on Transfer and Transmission of units, Right to limit Redemption, Suspension of Purchase and / or Redemption of Units and Pledge of Units' in the SAI for further details.</p> <p><b>Pledge of Units</b> The Units under the Scheme may be offered as security by way of a</p>

	<p>pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The AMC/RTA will note and record such Pledged Units. The AMC/RTA shall mark a lien on the specified units only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof.</p> <p>The Pledgor will not be able to redeem/switch Units that are pledged until the entity to which the Units are pledged provides a written authorisation to the Mutual Fund that the pledge / lien/ charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. Dividends declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.</p> <p>For units of the Scheme held in electronic (Demat) form, the rules of Depository applicable for pledge will be applicable for Pledge/Assignment of units of the Scheme. Pledgor and Pledgee must have a beneficial account with the Depository. These accounts can be with the same DP or with different DPs.</p> <p><b>Lien on Units</b></p> <p>On an ongoing basis, when existing and new investors make Subscriptions, pending clearance of the payment instrument, a temporary hold (lien) will be created on the Units allotted and such Units shall not be available for redemption/switch out until the payment proceeds are realised by the Fund. In case the cheque/draft is dishonoured during clearing process by the bank, the transaction will be reversed and the Units allotted there against shall be cancelled under intimation to the applicant. In respect of NRIs, the AMC/ RTA shall mark a temporary hold (lien) on the Units, in case the requisite documents (such as FIRC/Account debit letter) have not been submitted along with the application form and before the submission of the redemption request. The AMC reserves the right to change the operational guidelines for temporary lien on Units from time to time.</p> <p><b>Right to Limit Redemption</b></p> <p>Subject to the approval of Board of Director of the AMC and Trustee Company and immediate intimation to SEBI, a restriction on redemptions may be imposed by the Scheme when there are circumstances, which the AMC / Trustee believe that may lead to a systemic crisis or event that constrict liquidity of most securities or the efficient functioning of markets such as:</p> <ol style="list-style-type: none"> <li>1.Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security.</li> <li>2.Market failures, exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.</li> <li>3.Operational issues – when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). Such cases can only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems.</li> </ol> <p>Such restriction on redemption may be imposed for a specified period of</p>
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	<p>time not exceeding 10 working days in any 90 days period. However, if exceptional circumstances / systemic crisis referred above continues beyond the expected timelines, the restriction may be extended further subject to the prior approval of Board of Directors of the AMC and Trustee Company giving details of circumstances and justification for seeking such extension shall also be informed to SEBI in advance.</p> <p><b><u>Procedure to be followed while imposing restriction on redemptions</u></b></p> <p>a. No redemption requests upto INR 2 lacs per request shall be subject to such restriction;</p> <p>b. Where redemption requests are above INR 2 lacs:</p> <p>. The AMC shall redeem the first INR 2 lacs of each redemption request, without such restriction;</p> <p>. Remaining part over and above INR 2 lacs shall be subject to such restriction and be dealt as under:</p> <p>. Any Units which are not redeemed on a particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt.</p> <p>. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load, if any) of the subsequent Business Day(s) on which redemptions are being processed.</p> <p>. Under such circumstances, to the extent multiple redemption requests are received at the same time on a single Business Day, redemptions will be made on a pro rata basis based on the size of each redemption request, the balance amount being carried forward for redemption to the next Business Day.</p>
<b>Transaction Charges</b> (applicable for both existing and new investors)	<p>In accordance with SEBI Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011 the following are the terms and conditions relating to Transaction Charges:</p> <p>1. The Distributor would be allowed to charge the Mutual Fund Investor a Transaction Charge where the amount of investment is Rs. 10,000/- and above per subscription.</p> <p>2. For existing investors in a Mutual Fund, the Transaction Charge allowed will be Rs. 100/- per subscription of Rs. 10,000/- and above. For a first-time investor in a Mutual Fund, the Transaction Charge allowed will be Rs. 150/- per subscription of Rs. 10,000/- and above.</p> <p>3. The Transaction Charge, where applicable based on the above criteria, will be deducted by the AMC from the subscription amount remitted by the Investor and paid to the distributor; and the balance (net) amount will be invested in the Scheme. Thus, units will be allotted against the net investment.</p> <p>4. In case of SIPs, the transaction charge shall be applicable only if the total commitment through SIPs amounts to Rs 10,000/- and above. In such cases the transaction charge shall be recovered in 3-4 installments.</p> <p>5. No Transaction charges shall be levied:</p> <p>a) where the distributor of the investor has not opted to receive any transaction charges (distributors' decision to opt in or opt out of levying transaction charges is applicable at plan/option/product level);</p> <p>b) Where the investor purchases the Units directly from the Mutual Fund.</p> <p>c) Where the amount of investment is below Rs. 10,000/- per subscription.</p> <p>d) On transactions other than purchases/ subscriptions relating to new</p>

	<p>inflows. Switch-in / Transfer / Transmission of units/ Allotment of Bonus Units /Dividend re-investment Units will not be considered as subscription for the purpose of levying the transaction charge.</p> <p>6.The terms and conditions relating to transaction charges shall be part of the application form.</p> <p>7.The statement of account shall clearly state that the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.</p> <p>The transaction charges are in addition to the existing system of commission permissible to the Distributors. The transaction charges are in compliance with SEBI Circular, dated August 22, 2011.</p> <p>No transaction charges will be levied for an investor who is investing directly with the Mutual Fund.</p>
<b>B. Ongoing Offer Period:</b>	
This is the date from which the Scheme will reopen for subscriptions / redemptions after the closure of the NFO period.	The scheme will reopen for subscriptions/ redemptions within 5 business days from the date of allotment.
<p><b>Ongoing price for subscription (purchase)/ switch-in (from other schemes/plans of the Mutual Fund) by Investors.</b></p> <p>This is the price you need to pay for purchase/ switch-in</p> <p>Example: If the applicable NAV is Rs. 10, exit load is 1% then sale price will be: <math>Rs. 10 * (1+0.01) = Rs.10.10</math></p>	Units of the Scheme shall be available for subscription (purchase)/ switch-in at the applicable NAV, subject to applicable load.
<p><b>Ongoing price for redemption (sale) and switch outs (to other schemes/plans of the Mutual Fund) by Investors.</b></p> <p>This is the price you will receive for redemptions/ Switch outs.</p> <p>Example: If the applicable NAV is Rs. 10, exit load is 1% then redemption price will be: <math>Rs. 10 * (1-0.01) = Rs.9.90</math></p>	<p>Units of the Scheme can be redeemed at the applicable NAV subject to prevailing exit load.</p> <p>Investors/Unit holders should note that the AMC/Trustee has right to modify existing Load structure and to introduce Loads subject to a maximum limit prescribed under the Regulations.</p> <p>Any change in Load structure will be effective on prospective basis and will not affect the existing Unit holder in any manner.</p> <p><b>Lock-in period</b> As per the ELSS Guidelines, Unit holders will not be able to redeem the Units under the Scheme for a period of 3 years from the date of allotment of respective Units. After completion of 3 years from the date of allotment, Units could be redeemed at Applicable NAV, subject to exit load, if any.</p>
<b>Cut off timing for subscriptions/redemptions/swiches</b>	<p><b>Subscriptions/Purchases including Switch – ins for amount less than Rs. 2 Lacs:</b></p> <ul style="list-style-type: none"> <li>In respect of valid applications received upto 3.00 p.m. on a Business Day along with a local cheque or a demand draft payable at par at the Official Point(s) of Acceptance where the application is received, the closing NAV of the day on which</li> </ul>

	<p>application is received shall be applicable.</p> <ul style="list-style-type: none"> <li>• In respect of valid applications received after 3.00 p.m. on a Business Day along with a local cheque or a demand draft payable at par at the Official Point(s) of Acceptance where the application is received, the closing NAV of the next Business Day shall be applicable.</li> <li>• In respect of valid applications received with outstation cheques / demand drafts not payable at par at the Official Point(s) of Acceptance where the application is received, the closing NAV of the day on which the cheque / demand draft is credited shall be applicable.</li> </ul> <p><b>Subscriptions/Purchases including Switch – ins for amount equal to or more than Rs. 2 Lacs:</b></p> <ul style="list-style-type: none"> <li>• In respect of valid applications received for an amount equal to or more than Rs. 2 lacs upto 3.00 p.m. on a Business Day at the Official Point(s) of Acceptance and where the funds for the entire amount of subscription / purchase as per the application / switch-in request, are credited to the bank account of the Scheme before the cut-off time i.e. available for utilization before the cut-off time - the closing NAV of the day on which application is received shall be applicable.</li> <li>• In respect of valid applications received for an amount equal to or more than Rs. 2 lacs after 3.00 p.m. on a Business Day at the Official Point(s) of Acceptance and where the funds for the entire amount of subscription / purchase as per the application / switch-in request, are credited to the bank account of the Scheme before the cut-off time of the next Business Day i.e. available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable.</li> <li>• Irrespective of the time of receipt of applications for an amount equal to or more than Rs. 2 lacs at the Official Point(s) of Acceptance, where the funds for the entire amount of subscription/purchase as per the application / switch-in request, are credited to the bank account of the Scheme before the cut-off time on any subsequent Business Day i.e. available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable.</li> </ul> <p><b>Applicable NAV in case of Multiple applications:</b> In case of multiple applications received on the same day under the Scheme from the same investor (identified basis the First Holder's PAN and Guardian's PAN in case of investor being Minor) with investment amount aggregating to Rs 2 lacs and above, such multiple applications will be considered as a single application and applicable NAV will be based on funds available for utilization. Transactions in the name of minor, received through guardian should not be aggregated with the transaction in the name of same guardian.</p> <p>For determining the availability of funds for utilisation, the funds for the entire amount of subscription/purchase (including switch-in) as per the application should be credited to the bank account of the Scheme before the cut-off time and the funds are available for utilisation before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Scheme.</p> <p><b>Redemptions including switch-out:</b> The following cut-off timings shall be observed by the Mutual Fund in</p>
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	<p>respect of Repurchase of Units:</p> <ol style="list-style-type: none"> <li>1. Where the valid application is received up to 3.00 p.m. on a business day by the Mutual Fund- the closing NAV of the day on which application is received shall be applicable and</li> <li>2. Where the valid application is received after 3.00 p.m. on a business day by the Mutual Fund- the closing NAV of the next business day shall be applicable.</li> </ol> <p>The above mentioned cut off timing shall be applicable to transactions through the online trading platform. The Date of Acceptance will be reckoned as per the date &amp; time; the transaction is entered in stock exchange's infrastructure for which a system generated confirmation slip will be issued to the unitholder.</p> <p>Investors shall make sure that after deducting bank charges for outstation cheque amount available for investment shall not be less than amount specified for minimum investment.</p>
Where can the applications for purchase/ redemption be submitted?	<p>Investors can submit the application forms for purchase or redemption at any of the Official Points of Acceptance, details of which are mentioned on the back cover page of this document and also on the website <a href="http://amc.ppfas.com">http://amc.ppfas.com</a></p> <p>Investors can submit their application for purchase or redemption at the office of the AMC or at Official Point of Acceptance of Registrar and Transfer Agent.</p> <p>Investors can also purchase/redeem units of the Scheme by placing an order for purchase/redemption with the members (Stock Broker) / clearing members of stock exchanges/ Mutual Fund Distributors registered with AMFI. These members (Stock Brokers) / clearing members / Mutual Fund Distributors registered with AMFI would be availing the platform / mechanism provided by the stock exchanges for placing an order for purchase / redemption of units of the Scheme.</p> <p>Investors may purchase / redeem units of the Scheme through the Stock Exchange Infrastructure. In order to facilitate transactions in mutual fund units BSE has introduced BSE STAR MF Platform and NSE has introduced Mutual Fund Service System (MFSS) and NMF-II.</p>
Minimum amount for purchase/ redemption/ switches:	<p><b>Minimum amount for subscription/purchase:</b> Rs.500 and in multiples of Rs. 500 thereafter.</p> <p><b>Minimum Amount for Switch in^:</b> Rs. 500/- and in multiples of Rs. 500/- thereafter. ^Where a Switch-in request has been made for an amount not in multiples of Rs. 500/-, the request will be processed for a round value to the maximum multiple of Rs. 500/- and the residual value thereof will be retained in the Switch-out scheme. In case of ambiguity, the request will not be processed.</p> <p><b>Minimum amount for additional purchase:</b> Rs. 500 and in multiples of Re. 500 thereafter.</p> <p><b>Minimum Amount for Redemption / Switch-outs*:</b> Rs.500/- or 1 unit or account balance, whichever is lower in respect of each Option. In case the Investor specifies both the number of units and amount, the number of Units shall be considered for Redemption. In case the unitholder does not specify the number or amount, the request</p>

	<p>will not be processed.</p> <p>*Redemption and Switch Out shall be subject to completion of lock in period of 3 years.</p> <p>Where Units under a Scheme are held under both Plans and the redemption / Switch request pertains to the Direct Plan, the same must clearly be mentioned on the request (along with the folio number), failing which the request would be processed from the Regular Plan. However, where Units under the requested Option are held only under one Plan, the request would be processed under such Plan.</p> <p>The AMC reserves the right to change the minimum amounts for various purchase/ redemption/ switches. Such changes shall only be applicable to transactions on a prospective basis.</p>															
<b>Minimum balance to be maintained and consequences of non-maintenance.</b>	<p>The scheme does not require maintenance of minimum balance in the units of the scheme.</p> <p>In case the balance in the account of the unitholder does not cover the amount of redemption request, then the Mutual Fund is authorized to redeem all the units in the folio and send the redemption proceeds to the unitholder.</p>															
<b>Special Products/Facilities available</b>	<p>The Special Products / Facilities available under the Scheme, are:</p> <ul style="list-style-type: none"> <li>i. Systematic Investment Plan (SIP)</li> <li>ii. Systematic Investment Plan (SIP) Top-Up Facility:</li> <li>iii. Systematic Transfer Plan (STP)</li> <li>iv. Systematic Withdrawal Plan (SWP)</li> <li>v. Investment through "PPFAS SELFINVEST"</li> <li>vi. Transactions through Electronic Mode</li> <li>vii. Registration of Multiple Bank Accounts in respect of an Investor Folio</li> <li>viii. Facilitating transactions through Stock Exchange Mechanism.</li> </ul> <p><b>i) Systematic Investment Plan (SIP):</b></p> <p>The conditions for investing in SIP will be as follows:</p> <table border="1"> <thead> <tr> <th rowspan="2">Particulars</th><th colspan="2">Frequency available</th></tr> <tr> <th>Monthly</th><th>Quarterly</th></tr> </thead> <tbody> <tr> <td>SIP Transaction Dates</td><td>1st, 5th, 10th, 15th, 20th or 25th of every month</td><td>1st, 5th, 10th, 15th, 20th or 25th of every calendar quarter beginning i.e. Jan / Apr / July / Oct</td></tr> <tr> <td>Minimum no. of installments and Minimum amount per installment</td><td>6 installments of Rs. 1000/- each and in multiples of Rs.500/- thereafter</td><td>4 installments of Rs.3000/- each and in multiples of Rs. 500/- thereafter</td></tr> <tr> <td>Mode of Payment</td><td colspan="2">           a. Direct Debit mandate through select banks with whom AMC has an arrangement.            b. Post-Dated Cheques (PDCs).            c. National Automated Clearing House (NACH) Facility         </td></tr> </tbody> </table>		Particulars	Frequency available		Monthly	Quarterly	SIP Transaction Dates	1st, 5th, 10th, 15th, 20th or 25th of every month	1st, 5th, 10th, 15th, 20th or 25th of every calendar quarter beginning i.e. Jan / Apr / July / Oct	Minimum no. of installments and Minimum amount per installment	6 installments of Rs. 1000/- each and in multiples of Rs.500/- thereafter	4 installments of Rs.3000/- each and in multiples of Rs. 500/- thereafter	Mode of Payment	a. Direct Debit mandate through select banks with whom AMC has an arrangement. b. Post-Dated Cheques (PDCs). c. National Automated Clearing House (NACH) Facility	
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	<p>Registration period: AMC will endeavour to register SIP within a period of 30 days from the date of receipt of first SIP cheque and subsequent due date of NACH/OTM (debit clearing) In case of the auto debit facility, the default options (where auto debit period, frequency and SIP date are not indicated) will be as follows:</p> <ul style="list-style-type: none"> <li>• SIP auto debit period: The SIP auto debit will continue till 5 years.</li> <li>• SIP date: 10th of the Month/Quarter (commencing 30 days after the first SIP installment date); and</li> <li>• SIP frequency: Monthly</li> </ul> <ol style="list-style-type: none"> <li>1. If the SIP period is not specified by the investor then the SIP enrollment will be deemed to be for perpetuity and processed accordingly.</li> <li>2. If any SIP installment due date falls on a non-Business day, then the respective transactions will be processed on the next Business day.</li> <li>3. Each such SIP installment will be subject to a Lock In period of three years from the date of allotment of Units proposed to be redeemed as prescribed in the ELSS Guidelines.</li> <li>4. SIP in a folio of a minor will be registered only upto the date of minor attaining the majority even though the instruction may be for the period beyond that date.</li> <li>5. The Load structure prevailing at the time of submission of the SIP application (whether fresh or extension) will apply for all the Installments indicated in such application.</li> <li>6. SIP registered for more than one date or all dates of 1st, 5th, 10th, 15th, 20th, 25th of the month / calendar quarter will be considered as separate SIP instruction for the purpose of fulfilling the criteria under "Minimum no. of installments" section above.</li> <li>7. The SIP enrollment will be discontinued if: <ol style="list-style-type: none"> <li>a. 3 consecutive SIP installments in case of Monthly &amp; Quarterly frequency are not honoured (due to non-availability of funds).</li> <li>b. the Bank Account (for Standing Instruction) is closed and request for change in bank account (for Standing Instruction) is not submitted at least 30 days before the next SIP Auto Debit installment due date.</li> </ol> </li> <li>8. The SIP mandate may be discontinued by a Unit holder by giving a written notice of 30 days to any of the Official Point(s) of Acceptance.</li> </ol> <p>Investors can avail of the SIP facility during the NFO period as well. However, in such a case the SIP must be through the NACH or Direct Debit. The first investment in SIP during the NFO period shall be through a cheque only.</p> <p>The AMC reserves the right to introduce SIP facility at any other frequencies or on any other dates as the AMC may feel appropriate from time to time.</p> <p><b>ii)Systematic Investment Plan (SIP) Top-UP Facility:</b></p> <p>It is a facility wherein an investor who is enrolling for SIP has an option to increase the amount of the SIP installment by a fixed amount at pre-defined intervals. Thus, an investor can progressively start increasing the amount invested, allowing them to gradually increase the investment corpus in a systematic manner. The salient features of this facility are as</p>
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	<p>follows:</p> <ol style="list-style-type: none"> <li>1. New investors can opt for it at the time of initiating the SIP. Existing unitholders can opt for it at the time of SIP renewal.</li> <li>2. Investor can opt for an amount-based Cap whereby they can choose the amount from which the top-ups will cease (even though the SIP will continue at this final amount till the expiry date). In case the top-up amount-based cap is not chosen, the top-up will occur at the chosen frequency (half-yearly /yearly) until the SIP expiry date (Please refer to illustrations 1 - A and 2 - A below)</li> <li>3. The amount of each such SIP installment cannot exceed the Daily One Time Mandate (OTM) limit for purchases in scheme(s) of PPFAS Mutual Fund from all modes (lump sum as well as SIP). In case of any conflict, such SIP installment will have precedence over any lump sum purchases undertaken on that day. Any lumpsum purchase exceeding the OTM limit will be reversed within three working days of the relevant intimation received from the unitholder's bank.</li> <li>4. Minimum Top-up Amount for the said facility will be Rs. 500/- &amp; in multiple of Re. 500/- thereafter. Forms where a specific amount is not clearly mentioned are liable to be rejected.</li> <li>5. Frequency for the Top up facility: Investors can choose either 'Half-Yearly' or 'Yearly' Top-Up increments under Monthly SIP options. In case SIP Top-Up frequency is not mentioned, the default frequency will be considered as 'Yearly' for monthly SIP.</li> <li>6. The facility is available only for the investors who submit "NACH / One Time Mandate (OTM) Form" mentioning the 'Maximum Amount'. This will limit the total investment to the pre-determined 'maximum amount'.</li> <li>7. Once the SIP Top-Up upper limit is reached, the Top-Up will be discontinued. However, the SIP will continue at this upper limit for the remaining SIP enrollment period (subject to it not exceeding the daily OTM limit).</li> <li>8. The initial investment under the SIP Top-UP will be subject to minimum SIP investment requirement applicable from time to time (As on date, this figure is Rs. 1000/-).</li> <li>9. Once enrolled, the Top-up details cannot be modified. However, investors can choose to cancel the Top-Up, by filling in the relevant Form and continue with the same SIP.</li> <li>10. For further details and Forms, investors are requested to refer the website (<a href="http://amc.ppfas.com">http://amc.ppfas.com</a>) or contact the Corporate Office of PPFAS Mutual Fund.</li> <li>11. The above terms apply for both, offline and online modes of</li> </ol>
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application, as and when initiated by the Fund.

12. All the other provisions of the SID/KIM except as specifically modified herein above remain unchanged.

**iii) Systematic Transfer Plan (STP):**

This facility enables the Unit holder to transfer fixed amount periodically from one scheme of the Mutual Fund ("Transferor Scheme") to another ("Transferee Scheme") by redeeming units of the Transferor Scheme at the Applicable NAV, subject to Exit Load, if any and investing the same amount in Transferee Scheme at the Applicable NAV, on a recurrent basis for a specified period at specified frequency as per the investor's STP mandate. Investors may register for STP using a prescribed enrollment form. STP facility is offered by the Scheme subject to following terms and conditions:

Particular	Frequency available
STP transaction Date	1st, 5th, 10th, 15th, 20th, or 25th of every month.
Minimum no. of installments and Minimum amount per installment	6 Installments of Rs. 500/- each and in multiples of Re.500/- each.
Minimum unit holder's account balance or minimum amount of application at the time of STP enrolment in the Transferor Scheme	Rs.3000/-

Note: Anyone or more STP transaction dates from the available dates can be elected by the Unit Holders under the Monthly frequencies.

Default Frequency – Monthly

Default Date (for monthly frequency) – 10th of every month

The amount transferred under the STP from the Transferor Scheme to the Transferee Scheme shall be effected by redeeming units of Transferor Scheme at Applicable NAV, after payment of Exit Load, if any, and subscribing to the units of the Transferee Scheme at Applicable NAV in respect of each STP investment. If any STP transaction due date falls on a non-Business Day, then the respective transactions will be processed on the immediately succeeding Business Day.

If the STP period or no. of installments is not specified in the transaction Form, the STP transactions will be processed until the balance of units in the unit holder's folio in the Transferor/Source Scheme becomes zero.

STP registered for more than one date or all dates of 1st, 5th, 10th, 15th, 20th, 25th of the month will be considered as separate STP instruction for the purpose of fulfilling the criteria under "Minimum no. of installments" section above.

The AMC reserves the right to introduce STP facility at any other frequencies or on any other dates as the AMC may feel appropriate from time to time.

The load structure in the Transferee/Target Scheme prevailing at time of



	<p>submission of STP application (whether for fresh enrollment or extension) will be applicable for all the investment through STP specified in such application.</p> <p>The STP mandate may be discontinued by a Unit holder by giving a written notice of 7 working days to any of the Official Point(s) of Acceptance prior to the due date of the next transfer date. On receipt of such request, the STP facility will be terminated. STP will be terminated automatically if all the Units are liquidated or withdrawn from the Transferor/Source Scheme or pledged or upon the Fund's receipt of notification of death or incapacity of the Unit holder.</p> <p>Units marked under lien or pledge in the Transferor/Source Scheme will not be eligible for STP.</p> <p>In case the unit balance in the Transferor/Source Scheme is lesser than amount specified by the unit holders for STP, the AMC will transfer remaining unit balance to the Transferee/Target Scheme.</p> <p>STP in a folio of minor will be registered only upto the date of minor attaining majority even though the instruction may be for the period beyond that date.</p> <p>The AMC / Trustee reserves the right to change / modify the terms and conditions under the STP prospectively at a future date.</p> <p><b>iv) Systematic Withdrawal Plan (SWP): (only post completion of lock-in period):</b></p> <p>This facility enables unit-holders to withdraw a fixed sum from the Scheme (subject to completion of lock-in period of 3 years from the date of allotment of respective units) on a recurrent basis for a specified period at specified frequency by providing a single mandate/ standing instruction. The amount thus withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unitholder. Investors may register for SWP using a prescribed enrollment form. SWP facility is offered by the Scheme subject to following terms and conditions:.</p> <ul style="list-style-type: none"> <li>-The unit-holder can choose 1st, 5th, 10th, 15th, 20th and 25th of the month as the SWP date (in case the date selected falls on a non-business day, the transaction will be effected on the next business day of the scheme.) the default SWP date will be 10th of every month. The SWP frequency will be monthly.</li> <li>-The minimum SWP installment size is Rs. 1000/- and in multiple of Re. 1 thereafter and SWP request should be for a minimum period of 12 months.</li> <li>-Minimum unit holder's account balance or minimum amount of application at the time of SWP enrolment in the Transferor Scheme should be Rs.12000/-</li> <li>-A minimum period of 15 calendar days shall be required for registration of SWP. Unit-holder may change the amount (but not below the minimum specified amount)/ frequency by giving a written notice at any Investor Service Center at least 15 calendar days prior to next SWP execution date.</li> <li>-The SWP may be terminated by a written notice of 15 calendar days by</li> </ul>
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	<p>a unit-holder. This SWP termination request may be sent to the office of AMC or at any Investor Service Center</p> <p>-SWP will be automatically terminated if all units are liquidated or withdrawn from the scheme or pledged or upon receipt of intimation of death of unit-holder.</p> <p>-Load structure prevailing at the time of submission of the SWP application will apply for all installments indicated in such application</p> <p>Unitholders can enroll themselves for the facility by submitting the duly completed Systematic Withdrawal enrolment Form at any of the Investor Service Centers (ISCs)/ Official Points of Acceptance (OPAs). The AMC/ Trustee reserve the right to change / modify the terms and conditions under the SWP prospectively at a future date..</p> <p><b>v) Investment through “PPFAS SELFINVEST” (Mobile &amp; Web App)</b></p> <p>PPFAS Mutual Fund has launched ‘PPFAS Self Invest’ a mobile application available on Android (Google Play) and iOS (App store). Existing investors can register for PPFAS Self Invest after completing a simple One-Time-Password (OTP) based registration process and choosing their Mobile Personal Identification Number (M-PIN) for each Folio.</p> <p><b>Key Features:</b></p> <ul style="list-style-type: none"> <li>- Create new Folios</li> <li>- Purchase additional units</li> <li>- Initiate Systematic Investment Plans online (iSIPs)</li> <li>- Have Account Statements sent to their email ID.</li> <li>- View the latest Factsheet</li> </ul> <p><b>vi)Transactions through Electronic Mode:</b></p> <p>The Mutual Fund may (at its sole discretion and without being obliged in any manner to do so and without being responsible and /or liable in any manner whatsoever), allow transactions in Units by electronic mode (web/ electronic transactions) including transactions through the various web sites with which the AMC would have an arrangement from time to time. Subject to the investor fulfilling certain terms and conditions as stipulated by AMC from time to time, the AMC, Mutual Fund, Registrar or any other agent or representative of the AMC, Mutual Fund, the Registrar may accept transactions through any electronic mode including web transactions and as permitted by SEBI or other regulatory authorities from time to time</p> <p><b>vii)Registration of Multiple Bank Accounts in respect of an Investor Folio:</b></p> <p>An Investor can register with the Fund upto 5 bank accounts in case of individuals and HUFs and upto 10 in other cases.</p> <p>Registering of Multiple Bank Accounts will enable the Fund to systematically validate the pay-in of funds and avoid acceptance of third party payments. For the purpose of registration of bank account(s), Investor should submit Bank Mandate Registration Form (available at the AMC Website, office of AMC and Official point of Acceptance) together with any of the following documents:</p> <p>Cancelled original cheque leaf in respect of bank account to be registered where the account number and names of the account holders</p>
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	<p>are printed on the face of the cheque; or Bank statement or copy of Bank Pass Book page with the Investor's Bank Account number, name and address.</p> <p>The above documents will also be required for change in bank account mandate submitted by the Investor.</p> <p>The AMC will register the Bank Account only after verifying that the sole/ first joint holder is the holder / one of the joint holders of the bank account. In case, if a copy of the above documents is submitted, Investor shall submit the original to the AMC/ Investor Service Centre for verification and the same shall be returned.</p> <p>In case of Multiple Registered Bank Account, Investor may choose one of the registered bank accounts for the credit of redemption/dividend proceeds (being - Pay-out bank account). Investor may however, specify any other registered bank accounts for credit of redemption proceeds at the time of requesting for the redemption.</p> <p>Investor may change such Payout Bank account, as necessary, through written instructions.</p> <p>However, if request for redemption is received together with a change of bank account (unregistered new bank account) or before verification and validation of new bank account, the redemption request would be processed to the currently registered default old bank account.</p> <p>Bank account which is stated first shall be treated as default bank account.</p> <p>For further details please refer to paragraph on Registration of Multiple Bank Accounts in respect of an Investor Folio in the SAI.</p> <p>The AMC reserves the right to alter/ discontinue all / any of the above mentioned special product(s)/ facility(ies) at any point of time. Further, the AMC reserves the right to introduce more special product(s) / facility(ties) at a later date subject to prevailing SEBI Guidelines and Regulations.</p> <p><b>viii) Facility to purchase / redeem units of the scheme(s) through stock exchange(s).</b></p> <p>PPFAS Mutual Fund is introducing the facility to purchase and redeem units of PPFAS Mutual Fund scheme/s through Stock Exchange Platform, in accordance with SEBI Circulars No. CIR/MRD/DSA/32/2013 dated October 4, 2013, Circular No. SEBI/IMD/CIR No. 11/183204/ 2009 dated November 13, 2009 and Circular No. CIR/IMD/DF/17/2010 dated November 9, 2010.</p> <p><b>The following are the salient features of the facility introduced for the benefit to investors</b></p> <ol style="list-style-type: none"> <li>1. This facility i.e. purchase/redemption of units will be available to both existing and new investors.</li> <li>2. The investors will be eligible to purchase /redeem units of the aforesaid scheme.</li> <li>3. All trading members of BSE &amp; NSE who are registered with AMFI as Mutual Fund Advisors, mutual fund distributors registered with the AMFI and who are permitted by the respective recognised stock exchange and</li> </ol>
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	<p>who have signed up with PPFAS Asset Management Private Limited and also registered with BSE &amp; NSE as Participants ("AMFI certified stock exchange brokers") will be eligible to offer this facility to investors. In order to facilitate transactions in mutual fund units through the stock exchange infrastructure, BSE has introduced BSE STAR MF Platform and NSE has introduced NMF-II. Further, the units of PPFAS Mutual Fund scheme/(s) are permitted to be transacted through clearing members of the registered Stock Exchanges and Depository Participants of Registered Depositories are permitted to process only redemption request of units held in demat form as per SEBI Circular No. CIR/IMD/DF/17/2010 dated November 9, 2010.</p> <p>4. BSE StAR MF and NMF-II are electronic platforms introduced by BSE &amp; NSE respectively for transacting in units of mutual funds. The units of eligible Scheme are not listed on BSE &amp; NSE and the same cannot be traded on the Stock Exchange. The window for purchase/redemption of units on BSE &amp; NSE will be available between 9 a.m. and 3 p.m. or such other timings as may be decided.</p> <p>5. PPFAS Mutual Fund has entered into an arrangement with BSE &amp; NSE for facilitating transactions in select PPFAS Mutual Fund scheme/s through the AMFI certified stock exchange brokers. Investors who are interested in transacting in eligible schemes of PPFAS Mutual Fund should register themselves with AMFI certified stock exchange brokers.</p> <p>6. The eligible AMFI certified stock exchange brokers, Clearing members of recognised stock exchanges and Depository Participants will be considered as Official Points of Acceptance (OPA) of PPFAS Mutual Fund as per applicable guidelines.</p> <p>7. Investors have an option to hold the units in physical or dematerialized form.</p> <p>8. Investors will be able to purchase/redeem units in eligible scheme/s in the following manner:</p> <p><b>i. Purchase of Units:</b></p> <p><b>a. Physical Form</b> - The investor who chooses the physical mode is required to submit all requisite documents along with the purchase application (subject to applicable limits prescribed by BSE/NSE) to the AMFI certified stock exchange brokers.</p> <p>The AMFI certified stock exchange broker shall verify the application for mandatory details and KYC compliance.</p> <p>After completion of the verification, the purchase order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.</p> <p>The investor will transfer the funds to the AMFI certified stock exchange brokers.</p> <p>Allotment details will be provided by the AMFI certified stock exchange brokers to the investor.</p> <p><b>b. Dematerialized Form-</b></p> <ul style="list-style-type: none"> <li>• The investors who intend to deal in depository mode are required to have a demat account with CDSL/NSDL.</li> <li>• The investor who chooses the depository mode is required to place an order for purchase of units (subject to applicable limits prescribed by</li> </ul>
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	<p>BSE/NSE) with the AMFI certified stock exchange brokers.</p> <ul style="list-style-type: none"> <li>• The investor should provide their depository account details to the AMFI certified stock exchange brokers.</li> <li>• The purchase order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.</li> <li>• The investor will transfer the funds to the AMFI certified stock exchange brokers.</li> <li>• Allotment details will be provided by the AMFI certified stock exchange brokers to the investor.</li> </ul> <p><b>ii. Redemption of Units:</b></p> <p><b>a. Physical Form-</b></p> <ul style="list-style-type: none"> <li>• The investor who chooses the physical mode is required to submit all requisite documents along with the redemption application (subject to applicable limits prescribed by BSE/NSE) to the AMFI certified stock exchange brokers.</li> <li>• The redemption order will be entered in the Stock Exchange system and an order confirmation slip will be issued to investor.</li> <li>• The redemption proceeds will be credited to the bank account of the investor, as per the bank account details recorded with PPFAS Mutual Fund.</li> </ul> <p><b>b. Dematerialized Form-</b></p> <ul style="list-style-type: none"> <li>• The investors who intend to deal in depository mode are required to have a demat account with CDSL/NSDL and units converted from physical mode to demat mode prior to placing of redemption order.</li> <li>• The investor who chooses the depository mode is required to place an order for redemption (subject to applicable limits prescribed by BSE/NSE) with the AMFI certified stock exchange brokers. The investors should provide their Depository Participant with Depository Instruction Slip with relevant units to be credited to Clearing Corporation pool account.</li> <li>• The redemption order will be entered in the system and an order confirmation slip will be issued to investor.</li> </ul> <p>Provisions of Point 9 and 10 shall be applicable with respect to investors having demat account and purchasing or redeeming mutual fund units through stock exchange brokers and clearing members:</p> <p>9. Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member pool account. PPFAS Asset Management Private Limited (the "AMC") /PPFAS Mutual Fund (the "Mutual Fund") shall pay proceeds to the broker/ clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by the AMC/ Mutual Fund into broker/ clearing member pool account (in case of purchase) and broker/clearing member in turn shall credit the units to the respective investor's demat account.</p> <p>10. Payment of redemption proceeds to the broker/clearing members by AMC/Mutual Fund shall discharge AMC/ Mutual Fund of its obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge AMC/Mutual Fund of its obligation to allot units to individual investor.</p> <p>11. Applications for purchase/redemption of units which are incomplete /invalid are liable to be rejected.</p> <p>12. Separate folios will be allotted for units held in physical and demat mode. In case of non-financial requests/applications such as change of</p>
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	<p>address, change of bank details, etc. investors should approach Investor Service Centres (ISCs) of PPFAS Mutual Fund if units are held in physical mode and the respective Depository Participant(s) if units are held in demat mode.</p> <p>13. An account statement will be issued by PPFAS Mutual Fund to investors who purchase/ redeem their units under this facility in physical mode. In case of investors who intend to deal in units in depository mode, a demat statement will be sent by Depository Participant showing the credit/debit of units to their account.</p> <p>14. The applicability of NAV will be subject to guidelines issued by SEBI on Uniform cut-off timings for applicability of NAV of Mutual Fund Scheme(s)/Plan(s).</p> <p>15. Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and PPFAS Mutual Fund to participate in this facility.</p> <p>16. Investors should get in touch with Investor Service Centres (ISCs) of PPFAS Mutual Fund for further details.</p> <p>17. The Mutual Fund distributors (registered) shall not handle payout and pay in of funds as well as units on behalf of investor. In the same manner, units shall be credited and debited directly from the demat account of investors, in accordance with applicable SEBI guidelines.</p>
<b>Switching Options</b>	<p>Unit holders under the Scheme holding units in non-demat form have the option to Switch part or all of their Unit holdings in the Scheme to another scheme established by the Mutual Fund, or within the Scheme from one Plan / Option to another Plan / Option (subject to completion of lock-in period, if any) which is available for investment at that time subject to applicable exit load. This Option will be useful to Unit holders who wish to alter the allocation of their investment among the Scheme(s)/ Plan(s) / Option(s) of the Mutual Fund in order to meet their changed investment needs.</p> <p>The Switch will be affected by way of a Redemption of Units [On a First In First Out (FIFO) basis] from the Scheme / Plan and a re-investment of the Redemption proceeds in the other Scheme / Plan and accordingly, to be effective, the Switch must comply with the Redemption rules of the Scheme and the issue rules of the other scheme (e.g. as to the minimum number of Units that may be redeemed or issued, Exit / Entry Load etc). The price at which the Units will be Switched out of the Scheme(s) will be based on the Redemption Price, and the proceeds will be invested in the other Scheme/ Plan at the prevailing sale price for units in that Scheme / Plan.</p> <p>Exit Load for switches within the Scheme:</p> <p>(i) No exit load shall be levied for switching between Options under the same Plan within the Scheme.</p> <p>(ii) Switch of investments from Regular Plan to Direct Plan under the same Scheme/ Plan shall be subject to applicable exit load, unless the investments were made directly i.e. without any distributor code. However, any subsequent switch-out or redemption of such investments from Direct Plan will not be subject to any exit load.</p> <p>(iii) No exit load shall be levied for switch-out from Direct Plan to Regular Plan under the same Scheme/ Plan. However, any subsequent switch-out or redemption of such investment from Regular Plan shall be subject</p>

	<p>to exit load based on the original date of investment in the Direct Plan.</p> <p>The Switch request can be made on a pre-printed form or by Transaction Slip which should be submitted at any of the Official Point(s) of Acceptance.</p> <p>The AMC reserves the right to modify the load structure for Switching between Plans within the Scheme or Options within the respective Plans at a future date.</p>
<b>Account Statements:</b>	<p>Under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996, the AMC/ RTA is required to send consolidated account statement for each calendar month to all the investors in whose folio, transaction has taken place during the month. Further, SEBI vide its circular having ref. no. CIR/MRD/DP/31/2014 dated November 12, 2014, in order to enable a single consolidated view of all the investments of an investor in Mutual Fund and securities held in demat form with Depositories, has required Depositories to generate and dispatch a single consolidated account statement for investors having mutual fund investments and holding demat accounts.</p> <p>In view of the said requirements the account statements for transactions in units of the Fund by investors will be dispatched to the investors in following manner:</p> <p><b>I. Investors who do not hold Demat Account</b></p> <p>Further, on acceptance of application for subscription, an allotment confirmation specifying the number of Units allotted will be sent by way of e-mail and/or SMS to the applicant's registered e-mail address and/or mobile number within five Business Days from the date of receipt of transaction request from the unit holder(s).</p> <p>The AMC shall send first account statement for a new folio separately with all details registered in the folio by way of a physical account statement and/or an email to the investor's registered address / e-mail address not later than five business days from the date of receipt of subscription request from the unit holder</p> <p>Consolidated Account Statement (CAS), based on PAN of the holders, shall be sent by AMC/ RTA to investors not holding demat account, for each calendar month within 10th day of the succeeding month to the investors in whose folios, transactions have taken place during that month.</p> <p>CAS shall be sent by AMC/RTA every half yearly (September/ March), on or before 10th day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios there have been no transactions during that period.</p> <p>CAS sent by AMC/RTA is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and holding at the end of the month.</p> <p><b>II. Investors who hold Demat Account</b></p> <p>On acceptance of application for subscription, an allotment confirmation Specifying the number of Units allotted will be sent by way of e-mail</p>

	<p>and/or SMS to the applicant's registered e-mail address and/or mobile number within five Business Days from the date of receipt of transaction request from the unit holder(s).</p> <p>CAS, based on PAN of the holders, shall be sent by Depositories to investors holding demat account, for each calendar month within 10th day of the succeeding month to the investors in whose folios, transactions have taken place during that month.</p> <p>CAS shall be sent by Depositories every half yearly (September/March), on or before 10th day of succeeding month, detailing holding at the end of the six month, to all such investors in whose folios and demat accounts there have been no transactions during that period.</p> <p>In case of demat accounts with nil balance and no transactions in securities and in mutual fund folios, the depository shall send account statement in terms of regulations applicable to the depositories.</p> <p>CAS sent by Depositories is a statement containing details relating to all financial transactions made by an investor across all mutual funds viz. purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, bonus etc. (including transaction charges paid to the distributor) and transaction in dematerialised securities across demat accounts of the investors and holding at the end of the month.</p> <p>Following provisions shall be applicable to CAS sent through AMC/ RTA and CAS sent through depositories:</p> <ol style="list-style-type: none"> <li>i. Investors are requested to note that for folios which are not included in the CAS, AMC shall henceforth issue monthly account statement to the unit holders, pursuant to any financial transaction done in such folios; the monthly statement will be sent on or before 10th day of succeeding month. Such statements shall be sent in physical form if no email id is provided in the folio.</li> <li>ii. The statement sent within the time frame mentioned above is provisional and is subject to realisation of payment instrument and/or verification of documents, including the application form, by the RTA/AMC</li> <li>iii. In the event the folio/demat account has more than one registered holder, the first named Unit holder/Account holder shall receive the CAS (AMC/RTA or Depository). For the purpose of CAS (AMC/RTA or Depository), common investors across mutual funds/depositories shall be identified on the basis of PAN. Consolidation shall be based on the common sequence/order of investors in various folios/demat accounts across mutual funds / demat accounts across depository participants.</li> <li>iv. Investors whose folio(s)/demat account(s) are not updated with PAN shall not receive CAS. Investors are therefore requested to ensure that their folio(s)/demat account(s) are updated with PAN.</li> <li>v. For Unit Holders who have provided an e-mail address in KYC records, the CAS will be sent by e-mail.</li> <li>vi. The Unit Holder may request for a physical account statement by writing to/calling the AMC/RTA. In case of a specific request received from the unit holders, the AMC/RTA shall provide the account statement to the unit holders within 5 business days from the receipt of such request.</li> </ol>
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	<p>vii. Account Statements shall not be construed as proof of title and are only computer printed statements indicating the details of transactions under the Schemes during the current financial year and giving the closing balance of Units for the information of the Unit Holder.</p> <p>viii. Non-transferable Unit Certificates will be sent, if an applicant so desires, within 5 Business Days of the receipt of a request for the certificate. Unit Certificates will not be issued for any fractional Units entitlement.</p> <p>ix. Units held, either in the form of Account Statement or Unit Certificates, are non-transferable. The Trustee reserves the right to make the Units transferable at a later date subject to SEBI (MF) Regulations issued from time to time.</p> <p>x. In case an investor has multiple accounts across two Depositories, the depository with whom the account has been opened earlier will be the default Depository.</p> <p><b>For SIP/STP/SWP transactions:</b></p> <p>Account Statement for SIP/STP/SWP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter.</p> <p>A soft copy of the Account Statement shall be mailed to the investors under SIP/STP/SWP to their e-mail address on a monthly basis, if so mandated.</p> <p>However, the first Account Statement under SIP/STP/SWP shall be issued within 10 working days of the initial investment/transfer.</p> <p>In case of specific request received from investors, Mutual Funds shall provide the account statement to the investors within 5 working days from the receipt of such request without any charges.</p> <p><b>Annual Account Statement:</b></p> <p>The Mutual Fund shall provide the Account Statement to the Unitholders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</p> <p>Note: If the investor(s) has/have provided his/their email address in the application form or any subsequent communication in any of the folio belonging to the investor(s), Mutual Fund / Asset Management Company reserves the right to use Electronic Mail (email) as a default mode to send various communication which include account statements for transactions done by the investor(s). The investor shall from time to time intimate the Mutual Fund / its Registrar and Transfer Agents about any changes in the email address.</p>
<b>Transmission of Units and Nomination Facility</b>	<p>In case of Parag Parikh Tax Saver Fund , as per the ELSS, in the event of the death of the 'Assessee', the nominee or legal heir as the case may be shall be able to withdraw the investment only after the completion of 1 (one) year from the date of allotment of the Units to the 'Assessee'.</p>

<p><b>Redemption:</b></p>	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.</p> <p>A Transaction Slip can be used by the Unit Holder to request for Redemption. The requisite details should be entered in the Transaction Slip and submitted at an ISC/Official Point of Acceptance. Transaction Slips can be obtained from any of the ISCs/Official Points of Acceptance. The redemption/ switch would be permitted to the extent of credit balance in the unit-holder's account.</p> <p>The redemption/ switch request can be made by specifying either the number of units or the amount (in rupees) to be redeemed. In case the investor specifies the number of units and amount to be redeemed, the number of units shall be considered for redemption. In case the unit-holder does not specify the number of units or amount to be redeemed, the redemption request will not be processed.</p> <p>For details regarding the minimum amount for redemption please see the point on Minimum amount for purchase/redemption switches in this document.</p> <p>In the larger interest of the unitholders of the Scheme, the AMC may, in consultation with the Trustee, keeping in view unforeseen circumstances / unusual market conditions, limit the total number of units which may be redeemed on any business day to such a percentage of the total number of units issued and outstanding under Scheme/plan as the AMC may determine. For details, please refer to paragraph on Right to limit Redemption in the SAI. The AMC reserves the right to, in consultation with the Trustee, suspend the purchase and/ or redemption of units temporarily or indefinitely, in case of unforeseen extraordinary circumstances. For details, please refer to paragraph on 'Suspension of Purchase and / or Redemption of Units and Dividend Distribution' in the SAI.</p> <p>Redemption proceeds will be paid to the investor through Real Time Gross Settlement (RTGS), NEFT, Direct Credit, a/c payee cheque or demand draft or such other mode as may be permitted.</p> <p><b>Redemption by investors transacting through the Stock Exchange mechanism</b></p> <p>Investors who wish to transact through the stock exchange shall place orders for redemptions as currently practiced for secondary market activities. Investors must submit the Delivery Instruction Slip to their Depository Participant on the same day of submission of redemption request, within such stipulated time as may be specified by NSE/BSE, failing which the transaction will be rejected. Investors shall seek redemption requests in terms of number of Units only and not in Rupee amounts. Redemption amounts shall be paid by the AMC to the bank mandate registered with the Depository Participant.</p> <p><b>Redemption under dematerialized mode:</b></p> <p>As an alternative, redemption request can be placed through Depository Participants &amp; Exchanges specified intermediaries where NSE NMF II/ BSE STAR platform is available for trading of Mutual Fund Units. The redemption requests submitted to the AMC / Registrar directly are liable to be rejected.</p> <p>If the investor wishes to redeem the units hold in demat mode with the AMC in such case the investor is required to convert such units in the</p>
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	<p>physical mode by submitting request for Rematerialisation to the Depository Participants and after conversion of such units into the physical mode to the AMC for redemption of such units.</p> <p>The Trustee may mandatory redeem units of any unitholders in the event that it is found that the unitholders has submitted information either in the application or otherwise that is false, misleading or incomplete or units are held by a unitholder in breach of the regulation.</p> <p>Units can be redeemed (sold back to the Mutual Fund) at the Redemption Price during the Ongoing Offer Period</p> <p><b>Payment of redemption proceeds- Resident Investors:</b></p> <p>In case of Unit holders having a bank account with certain banks with which the Mutual Fund would have an arrangement from time to time, the redemption proceeds shall be electronically credited to their account. In case of specific requests, redemption proceeds will be paid by way of cheques/demand drafts in favour of the unitholder (registered holder of the Unit or, if there are more than one registered holder, only to the first registered holder) through "Account Payee" cheque / demand draft with bank account number furnished to the Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI, even in cases where investments are made in cash). Redemption cheques will be sent to the Unit holder's address (or, if there is more than one holder on record, the address of the first-named Unit holder).</p> <p><b>Redemption by NRIs:</b> For NRIs, redemption proceeds will be remitted depending upon the source of investment as follows:</p> <p>Where the payment for the purchase of the units redeemed was made out of funds held in NRO account, the redemption proceeds will be credited to the NRI investor's NRO account</p> <p>Where the units were purchased on repatriation basis and the payment for the purchase of the units redeemed was made by inward remittance through normal banking channels or out of funds held in NRE / FCNR account, the redemption proceeds will be credited to his NRE / FCNR / NRO account</p> <p>Note: i. The Fund will not be liable for any delays or for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs / FIIs.</p> <p>ii. Payment to NRI / FII Unit holders will be subject to the relevant laws / guidelines of the RBI as are applicable from time to time (also subject to deduction of tax at source as applicable).</p> <p>iii. The Fund may make other arrangements for effecting payment of redemption proceeds in future.</p> <p>iv. The cost related to repatriation, if any will be borne by the Investor.</p> <p><b>Effect of Redemptions:</b> The balances in the unit-holder's account will stand reduced by the number of units redeemed. Units once redeemed will be extinguished and will not be reissued.</p> <p><b>Units can be redeemed (sold back to the Mutual Fund) at the Redemption Price during the Ongoing Offer Period subject to a lock in period of 3 (three) years as per the ELSS.</b></p> <p>Where Units under a Scheme are held under both Regular and Direct Plans and the redemption / Switch request pertains to the Direct Plan, the same must clearly be mentioned on the request (along with the folio number), failing which the request would be processed from the Regular</p>
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	<p>Plan. However, where Units under the requested Option are held only under one Plan, the request would be processed under such Plan.</p> <p><b>Unclaimed Redemptions and Dividends:</b>  As per the SEBI circular no. MFD / CIR / 9 / 120 / 2000, dated November 24, 2000, the unclaimed redemption and dividend amounts shall be deployed by the Fund in call money market or money market instruments only. The investment management fee charged by the AMC for managing such unclaimed amounts shall not exceed 50 basis points. Investors claiming these amounts during a period of three years from the due date shall be paid at the prevailing NAV. After a period of three years, this amount shall be transferred to a pool account and the investors can claim the said amounts at the NAV prevailing at the end of the third year. Income earned on such funds shall be used for the purpose of investor education. The AMC shall make a continuous effort to remind investors through letters to take their unclaimed amounts. The details of such unclaimed amounts shall be disclosed in the annual report sent to the Unit Holders.</p> <p>Further, according to circular no. SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016 the unclaimed Redemption and dividend amounts may be deployed in separate plan of Liquid scheme/Money market mutual fund scheme floated by Mutual Funds specifically for deployment of the unclaimed Redemption and dividend amounts.</p> <p>The AMC reserves the right to provide the facility of redeeming Units of the Scheme through an alternative mechanism including but not limited to online transactions on the Internet through the AMC website or any other website, etc., as may be decided by the AMC from time to time. The alternative mechanisms would be applicable to only those investors who opt for the same in writing and/or subject to investor fulfilling such conditions as the AMC may specify from time to time.</p> <p>Unit-holders should note that while remitting your redemption proceeds, tax will be deducted at source in accordance with applicable tax laws.</p> <p><b>Bank Details:</b>  In order to protect the interest of Unit holders from fraudulent encashment of redemption / dividend cheques, SEBI has made it mandatory for investors to provide their bank details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund. Applications without complete bank details shall be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques / warrants and / or any delay / loss in transit. Also, please refer to point on Registration of Multiple Bank Accounts in respect of an Investor Folio given in this document.</p>
<b>Delay in payment of redemption / repurchase proceeds/ dividend</b>	<p>Under normal circumstances, the redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase. The AMC shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum). However, the AMC will not be liable to pay any interest or compensation or any amount otherwise, in case the AMC / Trustee is required to obtain from the investor / unitholders, verification of identity or such other details relating to subscription for units under any applicable law or as may be requested by a regulatory body or any government authority, which may result in delay in processing the application.</p>

## C. PERIODIC DISCLOSURES

<p><b>Net Asset Value</b> This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The first NAV of the Scheme will be calculated and disclosed within a period of 5 business days from the date of allotment. Subsequently, the AMC will calculate and disclose the NAVs on all the Business Days. The AMC shall update the NAVs on its website (<a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a>) and of the Association of Mutual Funds in India - AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) before 9.00 p.m. on every Business Day.</p> <p>Due to any reason, if the NAVs of the Scheme are not available before the commencement of Business Hours on the following day, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.</p> <p>SEBI circular, CIR/IMD/DF/21/2012 dated 13<sup>th</sup> September 2012 states that Mutual Fund shall declare separate NAV for Direct and Regular Plan.</p> <p>Accordingly, Direct and Regular Plan shall have different NAV. The difference in NAV will be the commission paid to distributor/s. NAV will be declared with 4 decimal points.</p> <p>Information regarding NAV can be obtained by the unitholders' or investors by calling or visiting the nearest ISC or visiting the website of the Mutual Fund.</p>
<p><b>Monthly and Half yearly Disclosures: Portfolio / Financial Results</b> This is a list of securities where the corpus of the Scheme is currently invested. The market value of these investments is also stated in portfolio disclosures advertisement.</p>	<p>The AMC shall disclose portfolio of the Scheme along with ISIN as on the last day of each month / half year on its website viz. <a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a> and on the website of AMFI viz. <a href="http://www.amfiindia.com">www.amfiindia.com</a> within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format. In case of Unitholders whose e-mail addresses are registered, the AMC shall send via e-mail both the monthly and half-yearly statement of the Scheme portfolio within 10 days from the close of each month/ half-year respectively. Further, the AMC shall publish an advertisement in all India edition of at least two daily newspapers, one each in English and Hindi, every half year disclosing the hosting of the half-yearly statement of the schemes' portfolio(s) on the AMC's website and on the website of AMFI. The AMC shall provide a physical copy of the statement of the Scheme portfolio, without charging any cost, on specific request received from a Unitholder.</p>
<p><b>Half Yearly Results</b></p>	<p>The Mutual Fund shall within one month from the close of each half year (i.e. 31st March and 30th September), host a soft copy of its unaudited financial results on its website <a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a>. The Mutual Fund shall also publish an advertisement disclosing the hosting of such financial results on its website, in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of the Mutual Fund is situated. The unaudited financial results shall also be displayed on the website of AMFI.</p>
<p><b>Annual Report</b></p>	<p>The scheme wise annual report shall be hosted on the website of the AMC / Mutual Fund (<a href="http://www.amc.ppfas.com">www.amc.ppfas.com</a>) and AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e. 31st March each year). Further, the physical copy of the scheme wise annual report shall be made available to the Unitholders at the registered / corporate office of the AMC at all times.</p> <p>In case of Unitholders whose e-mail addresses are registered with the Fund, the AMC shall e-mail the annual report or an abridged summary thereof to such Unitholders. The Unitholders whose e-mail addresses are not registered with the Fund may submit a request to the AMC / Registrar &amp; Transfer Agent to update their email ids or communicate their preference to continue receiving a physical copy of the scheme wise annual report or an abridged summary</p>

	<p>thereof. Unitholders may also request for a physical or electronic copy of the annual report / abridged summary, by writing to the AMC at mf@ppfas.com from their registered email ids or calling the AMC on the toll free number 1800 266 7790 or by submitting a written request at any of the nearest investor service centers of the Fund.</p> <p>Further, the AMC shall publish an advertisement in all India edition of at least two daily newspapers, one each in English and Hindi, every year disclosing the hosting of the scheme wise annual report on its website and on the website of AMFI. The AMC shall provide a physical copy of the abridged summary of the annual report, without charging any cost, on specific request received from a Unitholder.</p>																		
Associate Transactions	Please refer to Statement of Additional Information (SAI).																		
Repurchase and Sale Price-Limits	The repurchase price shall not be lower than 93% of the NAV and the sale price shall not be higher than 107% of the NAV and the difference between the repurchase price and sale price shall not exceed 7% on the sale price.																		
<b>Taxation</b> The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes. <i>(mention the tax rates as per the applicable tax laws)</i>	<p>PPFAS Mutual Fund is a Mutual Fund registered with the Securities &amp; Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from the Income tax in accordance with the provisions of section 10(23D) of the Income Tax Act, 1961 (the Act). The applicability of tax laws, if any, on PPFAS Mutual Fund/ Scheme(s)/ investments made by the Scheme(s)/ investors/ income attributable to or distributions or other payments made to Unitholders are based on the understanding of the current tax legislations.</p> <table><tr><td></td><td><b>Resident Investors^^</b></td><td><b>Mutual Fund^^</b></td></tr><tr><td colspan="3">Equity Oriented Funds</td></tr><tr><td><b>Tax on Dividend:</b></td><td>Nil</td><td>Dividend Distribution Tax (DDT): 10%* (refer note 1 below)</td></tr><tr><td colspan="3"><b>Capital Gains:</b></td></tr><tr><td>Long Term (Period of holding more than 12 months)</td><td>10% without indexation# + applicable Surcharge^ + 4% Cess\$</td><td>Nil</td></tr><tr><td>Short Term (Period of holding less than or equal to 12 months)</td><td>15% + applicable Surcharge^+ 4% Cess\$</td><td>Nil</td></tr></table> <p><b>Note:</b> 1. Finance Act, 2018 has amended section 115R to provide that on income distributed to any person by an equity oriented fund shall be liable to pay additional income tax. For the purpose of determining the tax payable, the amount of distributed income be increased to such amount as would, after reduction of tax from such increased amount, be equal to the income distributed by the Mutual Fund. The impact of the same has not been reflected above.</p>		<b>Resident Investors^^</b>	<b>Mutual Fund^^</b>	Equity Oriented Funds			<b>Tax on Dividend:</b>	Nil	Dividend Distribution Tax (DDT): 10%* (refer note 1 below)	<b>Capital Gains:</b>			Long Term (Period of holding more than 12 months)	10% without indexation# + applicable Surcharge^ + 4% Cess\$	Nil	Short Term (Period of holding less than or equal to 12 months)	15% + applicable Surcharge^+ 4% Cess\$	Nil
	<b>Resident Investors^^</b>	<b>Mutual Fund^^</b>																	
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<b>Capital Gains:</b>																			
Long Term (Period of holding more than 12 months)	10% without indexation# + applicable Surcharge^ + 4% Cess\$	Nil																	
Short Term (Period of holding less than or equal to 12 months)	15% + applicable Surcharge^+ 4% Cess\$	Nil																	

	<p>2. Equity Oriented Funds will also attract Securities Transaction Tax (STT) at applicable rates.</p> <p>3. As per Section 80C of the Income-tax Act, 1961 and subject to the conditions prescribed therein, an Individual / Hindu Undivided Family (HUF) is entitled to a deduction from Gross Total Income upto Rs. 1.50 lac (along with other prescribed investments) for amounts invested in units of ELSS.</p> <p>* plus surcharge at the rate of 12% and 4% Cess\$</p> <p>#Finance Act, 2018 has withdrawn the exemption granted under section 10(38) to long term capital gains arising on transfer of units of equity oriented mutual funds by introduction of section 112A to provide that long term capital gains arising from transfer of a long term capital asset being a unit of an equity oriented fund shall be taxed at 10% without indexation and foreign currency fluctuation benefit of such capital gains exceeding one lakh rupees. The concessional rate of 10% shall be available only if securities transaction tax (STT) has been paid on transfer in case of units of equity-oriented mutual funds. Further, the amendment to section 55 of the Act provides for a grandfathering provision upto January 31, 2018.</p> <p>4. Section 80C benefit available under this scheme including units created under dividend reinvestment option.</p> <p>^ Surcharge rates are as under:</p> <p><b>- In case of Corporate Assesseees:</b></p> <p>i. Where the taxable income exceeds Rs. 1 crore but less than Rs. 10 Crores- At the rate of 7% (Marginal Relief in Surcharge, if applicable)</p> <p>ii. Where the taxable income exceeds Rs. 10 crore - At the rate of 12% (Marginal Relief in Surcharge, if applicable)</p> <p><b>- In case of Non- Corporate Assesseees:</b></p> <p>i. for individuals, HUF, association of persons, body of individuals and artificial juridical person, surcharge at 10% where income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore and surcharge at 15% where income exceeds Rs. 1 crore is applicable.</p> <p>ii. for firm, co-operative society and local authority, surcharge at 12% is applicable where income exceeds Rs. 1 crore.</p> <p>\$ Finance Act, 2018 has provided that the Health and Education Cess shall be applicable at 4% instead of "Education Cess at the rate of 2% and Secondary and Higher Education Cess at 1%" on aggregate of base tax and surcharge.</p> <p>^^ The information given herein is as per the prevailing tax laws.</p> <p><b>For Further details on taxation, please refer to the Section on 'Taxation on investing in Mutual Funds' in 'Statement of Additional Information ('SAI'). Investors should be aware that the fiscal rules/ tax laws may change and there can be no guarantee that the current tax position may continue indefinitely. In view of the individual nature of tax implications, investors are advised to consult their professional tax advisor.</b></p>
<b>Investor services</b>	<p>Investors can enquire about NAVs, Unit Holdings, Valuation, Dividends, etc. or lodge any service request at toll-free number 1800 266 7790. Alternately, the investors can call the AMC head office as well for any information. In order to protect confidentiality of information, the service representatives at the AMC's head office/ AMC ISCs may require personal information of the investor for</p>

	<p>verification of his identity. The AMC will at all times endeavour to handle transactions efficiently and to resolve any investor grievances promptly.</p> <p>Investor grievances should be addressed to the ISC of the AMC, or at CAMS ISC directly. All grievances received at the ISC of the AMC will then be forwarded to CAMS, if required, for necessary action. The complaints will closely be followed up with CAMS by the AMC to ensure timely redressal and prompt investor service.</p> <p>CAMS call Centre will be handling the investor's query/complaint/grievances along with AMC staff who will also be available at your service.(Contact details are available on the website)</p> <p>Investors can also address their queries to the Investor Relations Officer, Mr. Aalok Mehta, 81/82, 8th Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230-Nariman Point, Mumbai- 400 021. Investors may also send their complaints by email to <a href="mailto:mf@ppfas.com">mf@ppfas.com</a>.</p>
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#### D. COMPUTATION OF NAV

The Net Asset Value (NAV) per Unit of the Scheme(s) will be computed by dividing the net assets of the Scheme(s) by the number of Units outstanding under the Scheme on the valuation date. The Mutual Fund will value its investments according to the valuation norms, as specified in Schedule VIII of the SEBI (MF) Regulations, or such norms as may be specified by SEBI from time to time. NAV of Units under each Scheme / Plan shall be calculated as shown below:

$$\text{NAV (Rs) per unit} = \frac{\begin{array}{l} \text{Market or Fair Value of the Scheme's Investments} \\ + \text{Current Assets including Accrued income} \\ - \text{Current Liabilities and Provisions} \end{array}}{\text{No. of Units outstanding under the Scheme / Plan/ Option on the Valuation day}}$$

The AMC will calculate and disclose the NAV of the Scheme(s) at the close of every Business Day.

Separate NAV will be calculated and disclosed for each Plan/Option.

The NAV of the Scheme(s) will be calculated up-to 4 decimals. Units will be allotted up-to 3 decimals.

NAV will also be displayed on the website of the Mutual Fund. In addition, the ISCs would also display the NAV.

#### IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the schemes and also about the transaction charges, if any, to be borne by the investors.

##### A. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees, marketing and advertising expenses, Registrar & Transfer Agents' expenses, printing and stationary, bank charges etc.

The entire amount subscribed by the investor subject to deduction of transaction charges, if any, in the scheme during the New Fund Offer (NFO) will be available to the scheme for investment.

In accordance with the provisions of SEBI Circular no. SEBI/IMD/CIR No. 1/64057/06 dated April 04, 2006 and SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, the NFO expenses shall be borne by the AMC/ Trustee/Sponsor and not by the scheme of mutual fund.



## B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that following % of the daily net assets of the Scheme will be charged to the Scheme as expenses. Please refer to the table below for details. For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund viz. <http://amc.ppfas.com>.

## C. SCHEME EXPENSE STRUCTURE:

Expense Head	% of daily Net Assets
Investment Management and Advisory Fees	Upto 2.25%
Trustee fee	
Audit fees	
Custodian fees	
RTA Fees	
Marketing & Selling expense incl. agent commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and dividend redemption cheques and warrants	
Costs of statutory Advertisements	
Cost towards investor education & awareness (at least 2 bps)	
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	
GST on expenses other than investment and advisory fees	
GST on brokerage and transaction cost	
Other Expenses	
Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i)	Upto 2.25%
Additional expenses under regulation 52 (6A) (c)^	Upto 0.05%

Additional expenses for gross new inflows from specified cities	Upto 0.30%
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^ In terms of SEBI Circular No SEBI/HO/IMD/DF2/CIR/P/2018/15 dated February 02, 2018, in case exit load is not levied / not applicable, the AMC shall not charge the said additional expenses.

All scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of the Asset Management Companies (AMC), its associate, sponsor, trustee or any other entity through any route.

**Notes: Expense structure for Direct Plan will be lower than the regular plan to the extent of Commission.**

Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid/ charged under Direct Plan.

These estimates have been made in good faith as per the information available to the Investment Manager and are subject to change inter-se or in total subject to prevailing Regulations. The AMC may incur actual expenses which may be more or less than those estimated above under any head and/or in total. Type of expenses charged shall be as per the SEBI Regulations.

Fungibility of expenses: The expenses towards Investment Management and Advisory Fees under Regulation 52 (2) and the various sub-heads of recurring expenses mentioned under Regulation 52 (4) of SEBI (MF) Regulations are fungible in nature. Thus, there shall be no internal sub-limits within the expense ratio for expense heads mentioned under Regulation 52 (2) and (4) respectively.

As per Para B of the SEBI Circular No. CIR/IMD/DF/21/ 2012 dated September 13, 2012, GST shall be charged as follows:

1. GST on investment management and advisory fees shall be charged to the Scheme in addition to the maximum limit of TER as prescribed in Regulation 52 (6) of the SEBI (MF) Regulations.
2. GST on other than investment management and advisory fees, if any, shall be borne by the Scheme within the maximum limit of TER as prescribed in Regulation 52 (6) of the SEBI (MF) Regulations.
3. GST on exit load, if any, shall be paid out of the exit load proceeds and exit load net of GST, if any, shall be credited to the Scheme.
4. GST on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under Regulation 52 of the SEBI (MF) Regulations.

**Total Expense Ratio Charged to the Scheme at plan level will be as follows:**

Plan	TER*
Direct	1.25%
Regular	2.25%

\*Exclusive of GST on management fees.

The AMC shall charge the Mutual Fund with investment and advisory fee as prescribed in the SEBI (MF) Regulations from time to time. Presently, the SEBI (MF) Regulations permit fees as follows:

**The recurring expenses of the Scheme shall be as per the limits prescribed under the SEBI (MF) Regulations. These are as follows:**

**Total Recurring Expense as a % of Daily Average Net Assets\*\***

- on the first Rs.100 cores of the daily net assets 2.50%;
- on the next Rs.300 cores of the daily net assets 2.25%;

- on the next Rs.300 crores of the daily net assets 2.00%;
- on the balance of the assets 1.75%;

\*\* Minimum of 0.02% shall be allocated annually to investor education and awareness initiatives

It is possible that the AMC may charge the maximum recurring expenses provided above as investment management and advisory fees. In such case the other recurring expenses will not be charged to the Scheme.

In terms of SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, the AMC shall annually set apart at least 0.02% on daily net assets within the maximum limit of recurring expenses as per Regulation 52 for investor education and awareness initiatives.

**In addition to the limits specified above as permitted under Regulation 52 (6A) of the SEBI Regulations, the following costs or expenses may be charged to the Scheme:**

1. brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12% in case of cash market transactions and 0.05% in case of derivatives transactions;

In accordance with SEBI circular no. CIR/IMD/DF/24/ 2012 dated November 19, 2012, any payment towards brokerage and transaction cost, over and above the said 0.12% and 0.05% for cash market transactions and derivatives transactions respectively, may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 (6) of the SEBI (MF) Regulations, 1996.

2. expenses not exceeding of 0.30% of daily net assets, if the new inflows from beyond the top 30 cities are at least:  
 (i) 30 % of gross new inflows in the Scheme or;  
 (ii) 15 % of the average assets under management (year to date) of the Scheme,  
 whichever is higher:

In case inflows from such cities are less than the higher of (a) or (b) above, such expenses on daily net assets of the Scheme shall be charged on proportionate basis in accordance with SEBI Circular no. CIR/IMD/ DF/21/2012 dated September 13, 2012 read with SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2018/16 dated February 2, 2018.

The amount so charged shall be utilised for distribution expenses incurred for bringing inflows from such cities. However, the amount incurred as expense on account of inflows from such cities shall be credited back to the Scheme in case the said inflows are redeemed within a period of one year from the date of investment.

Currently, SEBI has specified that the above additional expense may be charged for inflows from beyond 'Top 30 cities'. Top 30 cities shall mean top 30 cities based on Association of Mutual Funds in India (AMFI) data on 'AUM by Geography - Consolidated Data for Mutual Fund Industry' as at the end of the previous financial year.

3. Expenses not exceeding 0.05% p.a. of daily net assets towards Investment Management and Advisory Fees and the various sub-heads of recurring expenses mentioned under Regulation 52 (2) and (4) respectively of SEBI (MF) Regulations. However, in terms of SEBI Circular No SEBI/ HO/ IMD/ DF2/ CIR/P/ 2018/15 dated February 02, 2018, in case exit load is not levied / not applicable, the AMC shall not charge the said additional expenses.

The total expenses of the Scheme including the Investment Management and Advisory Fee shall not exceed the limits stated in Regulation 52 of the SEBI (MF) Regulations. Any expenditure in excess of the SEBI regulatory limits shall be borne by the AMC or by the Trustee or the Sponsor.

The total expense ratios of the schemes of the Fund are available in downloadable spreadsheet format on the AMC website and AMFI website. Any change in the current expense ratios will be updated at least three working days prior to the effective date of the change. For the total expense ratio details of the Scheme, investors may visit <https://amc.ppfas.com/statutory-disclosures/total-expense-ratio-TER/> available on the website of the AMC viz., [www.amc.ppfas.com](http://www.amc.ppfas.com) and AMFI's website viz., [www.amfiindia.com](http://www.amfiindia.com).

**Illustration: Impact of Expense Ratio on Scheme's return:**

Expense ratio, normally expressed as a percentage of Average Assets under Management, is calculated by dividing the permissible expenses under the Regulations by the average net assets.

To further illustrate the above, for the Scheme under reference, suppose an Investor invested ₹ 10,000/- under the Growth Option, the impact of expenses charged will be as under:

	Regular Plan			Direct Plan		
	Amount (₹)	Units	NAV (₹)	Amount (₹)	Units	NAV (₹)
Invested on March 31, 2017 (A)	10,000.00	950.299	10.523	10,000.00	931.619	10.734
Value of above investment as on March 31, 2018 (post all applicable expenses) (B)	10,902.89	950.299	11.473	10,977.89	931.619	11.784
Expenses charged during the year (other than Distribution Expenses/Commission) (C)	150.00			150.00		
Distribution Expenses/Commission charged during the year (D)	75.00			0.00		
Value of above investment as on March 31, 2018 (after adding back all expenses charged) (E) [E= B+C+D]	11,127.89	950.299	11.710	11,127.89	931.619	11.945
Returns (%) (post all applicable expenses) (F) [F= (B-A)/A]	9.03%			9.78%		
Returns (%) (without considering any expenses) (G) [G= (E-A)/A]	11.28%			11.28%		

**D. TRANSACTION CHARGES**

SEBI with the intent to enable investment by people with small saving potential and to increase reach of Mutual Fund products in urban areas and in smaller towns, wherein the role of the distributor is vital, has allowed AMCs vide its circular No. Cir/IMD/ DF/13/ 2011 dated August 22, 2011 to deduct transaction charges for subscription of Rs. 10,000/- and above. The said transaction charges will be paid to the distributors of the Mutual Fund products.

In accordance with the said circular, AMC / Mutual Fund will deduct the transaction charges from the subscription amount and pay to the distributors (who have opted to receive the transaction charges) as shown in the table below. Thereafter, the balance of the subscription amount shall be invested (distributors' decision to opt in or opt out of levying transaction charges is applicable at plan/option/product level).

- Transaction charges shall be deducted for Applications for purchase/ subscription received through distributor/ agent as under:

Investor Type	Transaction Charge
First Time Mutual Fund Investor	Transaction charge of Rs. 150/- for subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the distributor/ agent of the first time investor. The balance of the subscription amount shall be invested.
Investor other than First Time Mutual Fund Investor	Transaction charge of Rs. 100/- per subscription of Rs. 10,000 and above, Mutual Fund will deduct from the subscription amount and pay to the distributor/ agent of the investor. The balance of the subscription amount shall be invested.

However, transaction charges in case of investments through SIP shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- or more. The transaction charges shall be deducted in 3-4 installments.

Identification of investors as "first time" or "existing" will be based on Permanent Account Number (PAN) at the First/ Sole Applicant/ Guardian level. Hence, Unit holders are urged to ensure that their PAN / KYC is updated with the Fund. Unit holders may approach any of the Official Points of Acceptances of the Fund i.e. Investor Service Centres (ISCs) of the Fund/ offices of our Registrar and Transfer Agent, M/s. Computer Age Management Services Pvt. Ltd in this regard.

It may be noted that Transaction Charges shall not be deducted:

- (a) where the distributor of the investor has not opted to receive any Transaction Charges (distributors' decision to opt in or opt out of levying transaction charges is applicable at plan/option/product level);
- (b) for purchases / subscriptions/ total commitment amount in case of SIP of an amount less than Rs. 10,000/-;
- (c) for transactions other than purchases / subscriptions relating to new inflows i.e through switches, etc.;
- (d) for purchases / subscriptions made directly with the Fund (i.e. not through any distributor);
- (e) for purchases / subscriptions routed through Stock Exchange(s) as applicable.

## E. LOAD STRUCTURE

Load is an amount, which is paid by the investor to subscribe to the units or to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC (<http://amc.ppfas.com>) or call at Toll Free No. 1800 266 7790 or your distributor.

### Details of Load Structure (On Ongoing basis)

Particulars (as a % of Applicable NAV) #	Parag Parikh Tax Saver Fund
<b>Entry Load</b>	<b>Not Applicable</b> In terms of SEBI circular no. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009 has notified that, w.e.f. August 01, 2009 there will be no entry load charged to the schemes of the Mutual Fund and the upfront commission to distributors will be paid by the investor directly to the ARN Holder (AMFI registered Distributor), based on the investors' assessment of various factors including the service rendered by the distributor.
<b>Exit Load</b>	The Scheme will not charge any Exit Load

#Applicable for normal subscriptions / redemptions including transactions under special products such as SIP, STP, SWP, switches, etc. offered by the AMC

Under the Scheme, the Trustee / AMC reserves the right to modify / change the Load structure if it so deems fit in the interest of smooth and efficient functioning of the Mutual Fund. The AMC reserves the right to introduce / modify the

Load Structure depending upon the circumstances prevailing at that time subject to maximum limits as prescribed under the SEBI (Mutual Funds) Regulations.

The Load may also be changed from time to time and in the case of an Exit / Redemption Load this may be linked to the period of holding. The investor is requested to check the prevailing load structure of the scheme before investing.

The Redemption Price however, will not be lower than 93% of the NAV, and the Sale Price will not be higher than 107% of the NAV, provided that the difference between the Redemption price and Sale price at any point in time shall not exceed the permitted limit as prescribed by SEBI from time to time which is presently 7% calculated on the Sale Price.

Any imposition or enhancement of Exit Load in the load shall be applicable on prospective investments only. However, AMC shall not charge any load on issue of bonus units and units allotted on re-investment of dividend for existing as well as prospective investors. At the time of changing the load structure the AMC / Mutual Fund may adopt the following procedure:

1. The addendum detailing the changes will be attached to Scheme Information Document and Key Information Memorandum and displayed on our website <http://amc.ppfas.com>. The addendum will be circulated to all the distributors / brokers so that the same can be attached to all Scheme Information Document and Key Information Memorandum already in stock.
2. Arrangements will be made to display the changes / modifications in the Scheme Information Document in the form of a notice in all the Investor Service Centers and distributors / brokers office.
3. The introduction of the Load along with the details will be stamped in the acknowledgment slip issued to the investors on submission of the application form and will also be disclosed in the Account Statement or in the covering letter issued to the Unit holders after the introduction of such Load.
4. A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.
5. GST on exit load, if any, shall be paid out of the exit load proceeds. The entire exit load (net of GST), charged, if any, shall be credited to the Scheme.
6. Any other measure which the Mutual Fund may feel necessary.

## **F. WAIVER OF LOAD FOR DIRECT APPLICATIONS**

### **Not Applicable**

Pursuant to SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load shall be charged for all mutual fund schemes. Therefore, the procedure for waiver of load for direct applications is no longer applicable.

## **V. RIGHTS OF UNITHOLDERS**

Please refer to SAI for details.

## **VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY**

This section shall contain the details of penalties, pending litigation, and action taken by SEBI, other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

### **Not Applicable.**

2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to shareholders or debenture holders and depositors, or for economic offenses, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

**Nil.**

3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

**Nil.**

4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustee /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

**Nil.**

5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the Scheme Information Document, or which has been notified by any other regulatory Agency, shall be disclosed.

**Nil.**

The Scheme under this Scheme Information Document was approved by the Board of Directors of PPFAS Trustee Company Private Limited (Trustee to PPFAS Mutual Fund) on December 18, 2018. The Trustee has ensured that the Scheme is a new product offered by PPFAS Mutual Fund and is not a minor modification of its existing schemes.

**Note:**

**(a)Further, any amendments / replacement / re-enactment of SEBI (MF) Regulations subsequent to the date of the Scheme Information Document shall prevail over those specified in this Scheme Information Document.**

**(b)Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.**

For and on behalf of

**PPFAS Asset Management Private Limited.**

Sd/-

Neil Parag Parikh

Chief Executive Officer & Director.

Date: January 08, 2019

## LIST OF INVESTOR SERVICE CENTRES AND OFFICIAL POINTS OF ACCEPTANCE OF TRANSACTIONS

### OFFICE OF PPFAS ASSET MANAGEMENT PRIVATE LIMITED IDENTIFIED AS OFFICIAL POINTS OF ACCEPTANCE AND INVESTOR SERVICE CENTRES

For updated list of CAMS ISCs - Please visit <https://amc.ppfas.com>

**AMC Office- Mumbai:** 81/82, 8<sup>th</sup> Floor, Sakhar Bhavan, Ramnath Goenka Marg, 230, Nariman Point, Mumbai-400021

### OFFICES OF COMPUTER AGE MANAGEMENT SERVICES PRIVATE LIMITED IDENTIFIED AS OFFICIAL POINTS OF ACCEPTANCE

**Andhra Pradesh:** 40-1-68, Rao & Ratnam Complex, Near Chennupati Petrol Pump, M.G Road, Labbipet, Vijayawada - 520010. Door No 48-3-2, Flat No 2, 1st Floor, Sidhi Plaza, Near Visakha Library, Srinagar, Visakhapatnam - 530016. Door No 5-38-44, 5/1 Brodipet, Near Ravi Sankar Hotel, Guntur - 522002. 97/56, I Floor, Immadisetty Towers, Ranganayakulapet Road, Santhapet, Nellore - 524001. Door No: 6-2-12, 1st Floor, Rajeswari Nilayam, Near Vamsikrishna Hospital, Nyapathi Vari Street, T Nagar, Rajahmundry - 533101. Shop No : 6, Door No: 19-10-8, (Opp to Passport Office), AIR Bypass Road, Tirupati - 517501. Bandi Subbaramaiah Complex, D.No:3/1718, Shop No: 8, Raja Reddy Street, Kadapa - 516001. 15-570-33, I Floor Pallavi Towers, Subash Road, Opp Canara Bank, Anantapur - 515001. H.No.43/8, Upstairs Uppini Arcade, N R Peta, Kurnool - 518004. No.33-1, 44 Sri Sathya Complex, Main Road, Kakinada - 533001. Door No 4—4-96, 1st Floor, Vijaya Ganapathi Temple Back Side, Nanubala Street, Srikakulam - 532001. **Assam:** A. K. Azad Road, Rehabari Tinali, Old Post Office Lane, Opp Nirmal Sagar Apartment, Guwahati - 781008. Bhowal Complex Ground Floor, Near Dena Bank, Rongagora Road, Tinsukia - 786125. **Bihar:** G-3, Ground Floor, OM Complex Near Saket Tower, SP Verma Road, Patna - 800001. Brahman Toli, Durgasthan Gola Road, Muzaffarpur - 842001. Krishna, I Floor, Near Mahadev Cinema, Dr.R. P. Road, Bhagalpur - 812002. Ground Floor, Belbhadrapur, Near Sahara Office, Laheriasarai Tower Chowk, Laheriasarai, Darbhanga - 846001. **Chattisgarh:** Shop No. 117, Ground Floor, Khicharia Complex, Opp IDBI Bank, Nehru Nagar Square, Bilai - 490020. HIG, C-23 Sector - 1, Devendra Nagar, Raipur - 492004. 2nd Floor, Gwalani Chambers, St Xavier School Road, Front of CIT (Income Tax) Office, Vyapar Vihar, Bilaspur - 495001. **Goa:** No.108, 1st Floor, Gurudutta Bldg, Above Weekender, M G Road, Panaji - 403001. B-301, Reliance Trade Center, Opp Grace Nursing Home, Near Cafe Tato, V.V. Road (Varde Valaulikar), Margao - 403601. Office no. CF-8, 1st Floor, Business Point, Above Bicholim Urban Co-op Bank, Angod, Mapusa - 403507. No DU 8, Upper Ground Floor, Behind Techoclean Clinic, Suvidha Complex Near ICICI Bank, Vasco - 403802. **Gujarat:** 111- 113, 1 st Floor - Devpath Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, Ahmedabad - 380006. Plot No.629, 2nd Floor, Office No.2-C/2-D, Mansukhlal Tower, Beside Seventh Day Hospital, Opp Dhiraj Sons, Athwalines, Surat - 395001. 103 Aries Complex, BPC Road, Off R.C.Dutt Road, Alkapuri, Vadodara - 390007. 101, A.P. Tower, B/H, Sardhar Gunj, Next to Nathwani Chambers, Anand - 388001. 305-306, Sterling Point, Waghawadi Road, Opp HDFC BANK, Bhavnagar - 364002. 207, Manek Centre, P N Marg, Jamnagar - 361001. Office 207 - 210, Everest Building, Harihar Chowk, Opp Shastri Maidan, Limda Chowk, Rajkot - 360001. 3rd floor, Gita Nivas, Opp Head Post Office, Halar Cross Lane, Valsad - 396001. C/o Vedant Shukla Associates, 16 Shivani Park, Opp Shankeshwar Complex, Kaliawadi, Navsari - 396445. Data Solution, Office No:17, 1st Floor Municipal Building, Opp Hotel Prince, Station Road, Bhuj - 370001. "Aastha Plus", 202-A, 2nd Floor, Sardarbag Road, Near. Alkapuri, Opp. Zansi Rani Statue, Junagadh - 362001. Shop No - F - 56, First Floor, Omkar Complex, Opp Old Colony, Near Valia Char Rasta, GIDC, Ankleshwar - 393002. 1st Floor, Subhadra Complex, Urban Bank Road, Mehsana - 384002. 208, 2nd Floor, HEENA ARCADE, Opp. Tirupati Tower, Near G.I.D.C. Char Rasta, Vapi - 396195. F-108, Rangoli Complex, Station Road, Bharuch - 392001. F-142, First Floor, Ghantakarna Complex, Gunj Bazar, Nadiad - 387001. 10/11, Maruti Complex, Opp. B R Marbles, Highway Road, Unjha - 384170. A/177, Kailash Complex, Opp. Khedut Decor Gondal - 360311. S-7, Ratnakala Arcade, Plot No. 231, Ward - 12/B, Gandhidham - 370201. D-78, First Floor, New Durga Bazar, Near Railway Crossing, Himmatnagar - 383001. 3rd Floor, T - 11, Opp. Government Quarters College Road, Palanpur - 385001. 2 M I Park, Near Commerce College, Wadhwan City, Surendranagar - 363035. **Haryana:** B-49, 1st Floor, Nehru Ground, Behind Anupam Sweet House NIT, Faridabad - 121001. SCO - 16, Sector - 14, First floor, Gurgaon - 122001. SCO 83-84, First Floor, Devi Lal Shopping Complex, Opp RBL Bank, G.T.Road, Panipat - 132103. 205, 2nd floor, Building No 2 Munjal Complex, Delhi Road, Rohtak - 124001. 124-B/R, Model Town, Yamuna Nagar - 135001. 12, Opp. Bank of Baroda, Red Square Market, Hisar - 125001. Shop no 48, Opp Peer, Bal Bhawan Road, Ambala City - 134003. M G Complex, Bhawna Marg, Beside Over Bridge, Sirsa - 125055. 7, IInd Floor, Opp Bata Showroom, Kunjapura Road, Karnal - 132001. **Himachal Pradesh:** I Floor, Opp. Panchayat Bhawan Main gate, Bus stand, Shimla - 171001. 1st Floor, Above Sharma General Store, Near Sanki Rest house, The Mall, Solan - 173212. **Jammu & Kashmir:** JRDS Heights, Lane Opp. S&S Computers, Near RBI Building, Sector 14, Nanak Nagar Jammu - 180004. **Jharkhand:** Mazzanine Floor, F-4, City Centre, Sector 4, Bokaro Steel City, Bokaro - 827004. Urmila Towers, Room No: 111(1st



Floor) Bank More, Dhanbad - 826001. Millennium Tower, "R" Road Room No:15 First Floor, Bistupur, Jamshedpur - 831001. 4, HB Road No: 206, 2nd Floor Shri Lok Complex, H B Road, Near Firayalal, Ranchi - 834001. S S M Jalan Road, Ground floor, Opp. Hotel Ashoke, Caster Town, Deoghar - 814112. Municipal Market, Annanda Chowk, Hazaribag - 825301. **Karnataka:** Trade Centre, 1st Floor 45, Dikensen Road ( Next to Manipal Centre ), Bengaluru - 560042. No. G 4 & G 5, Inland Monarch, Opp. Karnataka Bank, Kadri Main Road, Kadri, Mangalore - 575003. 1st Floor, 221/2A/1B, Vaccine Depot Road, Near 2nd Railway gate, Tilakwadi, Belgaum - 590006. 13, 1st Floor, Akkamahadevi Samaj Complex, Church Road, P.J.Extension, Davangere - 577002. No.204 - 205, 1st Floor ' B ' Block, Kundagol Complex, Opp. Court, Club Road, Hubli - 580029. No.1, 1st Floor, CH.26 7th Main, 5th Cross (Above Trishakthi Medicals), Saraswati Puram, Mysore - 570009. 60/5, Mullangi Compound, Gandhinagar Main Road ( Old Gopalswamy Road ) Bellary, Karnataka, 583101. No.65, 1st Floor, Kishnappa Compound, 1st Cross, Hosmane Extn, Shimoga - 577201. Pal Complex, 1st Floor, Opp. City Bus Stop, SuperMarket, Gulbarga - 585101. Basement floor, Academy Tower, Opposite Corporation Bank, Manipal - 576104. **Kerala:** 1st Floor, K C Centre, Door No.42/227-B, Chittoor Road, Opp. North Town Police Station, Kacheripadym, Cochin - 682018. 29/97G 2nd Floor, Gulf Air Building, Mavoor Road, Arayidathupalam, Calicut - 673016. Jacob Complex, Building No - Old No-1319F, New No - 2512 D, Behind Makkil Centre, Good Sheperd Road, Kottayam - 686001. Room No. 26 & 27, Dee Pee Plaza, Kokkalai, Trichur - 680001. R S Complex, Opp of LIC Building, Pattom PO, Trivandrum - 695004. Kochupilamoodu Junction, Near VLC, Beach Road, Kollam - 691001. Room No.PP.14/435, Casa Marina Shopping Centre, Talap, Kannur - 670004. 10/688, Sreedevi Residency, Mettupalayam Street, Palakkad - 678001. 24/590-14, C.V.P Parliament Square Building Cross Junction, Tiruvalla - 689101. Doctor's Tower Building, Door No. 14/2562, 1st floor, North of Iorn Bridge, Near Hotel Arcadia Regency, Alleppey - 688001. **Madhya Pradesh:** 101, Shalimar Corporate Centre 8-B, South Tukogunj, Opp.Greenpark, Indore - 452001. Plot no 10, 2nd Floor, Alankar Complex, Near ICICI Bank, MP Nagar, Zone II, Bhopal - 462011. G-6 Global Apartment, Kailash Vihar Colony, Opp. Income Tax Office, City Centre, Gwalior - 474002. 8, Ground Floor, Datt Towers, Behind Commercial Automobiles, Napier Town, Jabalpur - 482001. Shop No. 01, Near Puja Lawn, Prarasia Road, Chhindwara - 480001. 1st Floor, Gurunanak Dharmakanta, Jabalpur Road, Bargawan, Katni - 483501. Dafria & Co, No.18, Ram Bagh, Near Scholar's School, Ratlam - 457001. Opp. Somani Automobile, S Bhagwanganj Sagar - 470002. 123, 1st Floor, Siddhi Vinayaka Trade Centre, Saheed Park, Ujjain - 456010. **Maharashtra:** Rajabahdur Compound, Ground Floor, Opp Allahabad Bank, Behind ICICI Bank, 30, Mumbai Samachar Marg, Fort, Mumbai - 400023. 145, Lendra, New Ramdaspath, Nagpur - 440010. Nirmiti Eminence, Off No. 6, I Floor, Opp Abhishek Hotel, Mehendale Garage Road, Erandawane, Pune - 411004. 81, Gulsham Tower, 2nd Floor 81, Gulsham Tower, 2nd Floor 81, Near Panchsheel Talkies, Amaravati - 444601. Office No. 1, 1st Floor, Amodi Complex, Juna Bazar, Aurangabad - 431001. Rustomji Infotech Services, 70, Navipeth, Opp. Old Bus Stand, Jalgaon - 425001. 2 B, 3rd Floor, Ayodhya Towers, Station Road, Kolhapur - 416001. Ruturang Bungalow, 2 Godavari Colony Behind Big Bazar, Near Boys Town School, Off College Road, Nasik - 422005. Flat No 109, 1st Floor A Wing, Kalyani Tower, 126 Siddheshwar Peth, Near Pangal High School, Solapur - 413001. 117 / A / 3 / 22, Shukrawar Peth, Sargam Apartment, Satara - 415002. Opp. RLT Science College, Civil Lines, Akola - 444001. 3rd Floor, Nalanda Chambers, "B" Wing, Gokhale Road, Near Hanuman Temple, Naupada, Thane - 400602. CTS No 411, Citipoint, Gundivali, Teli Gali, Above C.T. Chatwani Hall, Andheri - 400069. Jiveshwar Krupa Bldg, Shop. NO.2, Ground Floor, Tilak Chowk, Harbhat Road, Sangli - 416416. Shop No 6, Ground Floor, Anand Plaza Complex, Bharat Nagar, Shivaji Putla Road, Jalna - 431203. 3, Adelaide Apartment, Christain Mohala, Behind Gulshan-E-Iran Hotel, Amardeep Talkies Road, Bhusawal - 425201. B, 1+3, Krishna Encloave Complex, Near Hotel NatrajNagar, Aurangabad Road, Ahmednagar - 414001. House No 3140, Opp Liberty Furniture, Jamnalal Bajaj Road, Near Tower Garden, Dhule - 424001. Office NO - 2, Kohinoor Complex, Near Savarkar Natya Theatre, Nachane Road, Ratnagiri - 415639. Pushpam, Tilakwadi, Opp. Dr. Shrotri Hospital, Yavatmal - 445001. **New Delhi:** 7-E, 4th Floor, Deen Dayaal Research Institute Building, Swami Ram Tirath Nagar, Near Videocon Tower, Jhandewalan Extension, New Delhi - 110055. Flat no.512, Narian Manzil, 23 Barakhamba Road, Connaught Place, New Delhi - 110001. **Orissa:** Plot No -111, Varaha Complex Building, 3rd Floor, Station Square, Kharvel Nagar, Unit 3, Bhubaneswar - 751001. First Floor, Upstairs of Aaroon Printers, Gandhi Nagar Main Road, Berhampur - 760001. Near Indian Overseas Bank, Cantonment Road, Mata Math, Cuttack - 753001. 1st Floor, Mangal Bhawan Phase II, Power House Road Rourkela - 769001. C/o Raj Tibrewal & Associates, Opp. Town High School, Sansarak Sambalpur - 768001. B C Sen Road, Balasore - 756001. **Pondicherry:** S-8, 100, Jawaharlal Nehru Street (New Complex, Opp. Indian Coffee House), Pondicherry - 605001. **Punjab:** Deepak Tower, SCO 154-155, 1st Floor-Sector 17, Chandigarh - 160017. U/GF, Prince Market, Green Field, Near Traffic Lights, Sarabha Nagar Pulli, Pakhowal Road, Ludhiana - 141002. SCO - 18J, 'C' Block Ranjit Avenue, Amritsar - 140001. 367/8, Central Town, Opp.Gurudwara, Diwan Asthan, Jalandhar - 144001. 35, New Lal Bagh Colony, Patiala - 147001. 2907 GH, GT Road, Near Zila Parishad, Bhatinda - 151001. Near Archies Gallery, Shimla Pahari Chowk, Hoshiarpur - 146001. Gandhi Road, Opp Union Bank of India, Moga - 142001. **Rajasthan:** R-7, Yudhisthir Marg, C-Scheme, Behind Ashok Nagar Police Station, Jaipur - 302001. AMC No. 423/30 Near Church, Opp T B Hospital, Jaipur Road, Ajmer - 305001. 256A, Scheme No:1, Arya Nagar, Alwar - 301001. C/o Kodwani Associates, Shop No 211-213, 2nd floor, Indra Prasth Tower, Syam Ki Sabji Mandi, Near Mukerjee Garden Bhilwara - 311001. 1/5, Nirmal Tower, 1st Chopasani Road, Jodhpur - 342003. B-33 'Kalyan Bhawan, Triangle Part, Vallabh Nagar, Kota - 324007. 32 Ahinsapuri, Fatehpura Circle, Udaipur - 313004. 18 L Block, Sri Ganganagar - 335001. F 4, 5 Bothra Complex, Modern Market Bikaner - 334001. 3, Ashok Nagar, Near Heera Vatika, Chittorgarh - 312001. **Tamilnadu:** Ground

Floor No.178/10, Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam-Chennai - 600034. Old # 66 New # 86, Lokamanya Street (West), Ground Floor, R.S.Puram, Coimbatore - 641002. 1st Floor, 278, North Perumal Maistry Street (Nadar Lane), Madurai - 625001. 197, Seshaiyer Complex, Agraharam Street, Erode - 638001. No.2, I Floor Vivekananda Street, New Fairlands, Salem - 636016. 1(1), Binny Compound, II Street, Kumaran Road, Tirupur, - 641601. 1 Floor, Mano Prema Complex, 182 / 6, S.N High Road, Tirunelveli - 627001. No 8, 1st Floor, 8th Cross West Extn, Thillainagar, Trichy - 620018. No.1, Officer's Line 2nd Floor, MNR Arcade Opp. ICICI Bank, Krishna Nagar, Vellore - 632001. Jailani Complex47, Mutt Street, Kumbakonam - 612001. 126 G, V.P.Towers, Kovai Road, Basement of Axis Bank, Karur - 639002. 16A/63A, Pidamaneri Road, Near Indoor Stadium, Dharmapuri - 636701. No.9/2, 1st Floor, Attibele Road, HCF Post, Behind RTO office, Mathigiri, Hosur - 635110. 156A / 1, First Floor, Lakshmi Vilas Building, Opp. District Registrar Office, Trichy Road, Namakkal - 637001. No 59 A/1, Railway Feeder Road(Near Railway Station)Rajapalayam - 626117. 4B/A16, Mangal Mall Complex, Ground Floor, Mani Nagar, Tuticorin - 628003. No.158, Rayala Tower-1, Anna salai, Chennai - 600002. **Telangana:** HNo.7-1-257, Upstairs S B H Mangamathota, Karimnagar - 520001. Shop No: 11 - 2 - 31/3, 1st floor, Philips Complex, Balajinagar, Wyrna Road, Near Baburao Petrol Bunk, Khammam - 507001. 208, II FloorJade Arcade Paradise Circle, Hyderabad - 500003. Hno. 2-4-641, F-7, 1st Floor, A.B.K Mall, Old Bus Depot Road, Ramnagar, Hanamkonda, Warangal - 506001. **Tripura:** Advisor Chowmuhani (Ground Floor), Krishnanagar, Agartala -799001. **Uttarakhand:** 204/121 Nari Shilp Mandir Marg, Old Connaught Place, Dehradun - 248001. 22, Civil Lines, Ground Floor, Hotel Krish Residency, Roorkee - 247667. **Uttar Pradesh:** 1st Floor 106 to 108, City Centre Phase II, 63/ 2, The Mall, Kanpur -208001. FF-26, Konark Building, 1st Floor, RDC - Rajnagar, Ghaziabad - 201002. No. 4, 1st Floor, Centre Court Building, 3/C, 5 - Park Road, Hazratganj Lucknow - 226001. No. 8, 2nd Floor, Maruti Tower Sanjay Place, Agra - 282002. 30/2, A&B, Civil Lines Station, Besides Vishal Mega Mart, Strachey Road, Allahabad - 211001. Shop No. 3, Second Floor, The Mall Cross Road, A.D. Chowk Bank Road, Gorakhpur - 273001. 108 1st Floor, Shivam Plaza, Opp Eves Cinema, Hapur Road, Meerut - 250002. H 21-22, Ist Floor, Ram Ganga Vihar Shopping Complex, Opposite Sale Tax Office, Moradabad - 244001. Office no 1, Second floor, Bhawani Market, Building No. D-58/2-A1, Rathyatra Beside Kuber Complex, Varanasi - 221010. Opp SBI Credit Branch, Babu Lal Kharkana Compound, Gwalior Road, Jhansi - 284001. City Enclave, Opp. Kumar Nursing Home, Ramghat Road, Aligarh - 202001. F-62-63, Butler Plaza Commercial Complex, Civil Lines, Bareilly - 243001. 1st Floor, Krishna Complex, Opp. Hathi Gate, Court Road, Saharanpur - 247001. C-81, First Floor, Sector 2 Noida, Near JCB Office, Noida - 201301. CAMS C/O RAJESH MAHADEV & CO, SHOP NO 3, JAMIA COMLEX STATION ROAD, BASTI - 272002. Amar Deep Building 3/20/14, IInd floor, Niyawan, Faizabad - 224001. Durga City Centre, Nainital Road, Haldwani - 263139. 248, Fort Road, Near Amber Hotel, Jaunpur - 222001. 159/160 Vikas Bazar Mathura - 281001. 17, Anand Nagar Complex, Opposite Moti Lal Nehru Stadium, SAI Hostel, Jail Road, Rae Bareilly - 229001. Bijlipura, Near Old Distt Hospital, Jail Road , Shahjahanpur - 242001. Arya Nagar, Near Arya Kanya School, Sitapur - 261001. 967, Civil Lines, Near Pant Stadium, Sultanpur - 228001. **West Bengal:** City Plaza Building, 3rd floor, City Centre, Durgapur -713216. Saket Building, 44 Park Street, 2nd Floor, Kolkata - 700016. Block – G 1st Floor, P C Chatterjee Market Complex, Rambandhu Talab PO, Ushagram, Asansol - 713303. 399, G T Road, Basement of Talk of the Town, Burdwan - 713101. 17B Swamiji Sarani, Siliguri - 734001. A – 1/50, Block A, Kalyani - 741235. Shivhare Niketan, H.No.291/1, Ward No-15, Malancha Main Road, Opp UCO Bank, Kharagpur - 721301. 2A, Ganesh Chandra Avenue, Room No.3A, Commerce House 4th Floor, Kolkata - 700013. 1st Floor, New Market Complex, Durgachak Post Office, Durgachak, Haldia - 721602. Daxhinapan Abasan, Opp Lane of Hotel, Kalinga, SM Pally, Malda - 732101.

## **PPFAS Mutual Fund**

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