



# DHFL Pramerica Long Term Equity Fund

(An Open Ended Equity Linked Savings Scheme with a statutory lock-in of 3 years and tax benefit)

- Save tax upto Rs.46,350\*
- Grow wealth
- Live your dreams

## DHFL Pramerica Long Term Equity Fund

(An Open Ended Equity Linked Savings Scheme with a statutory lock-in of 3 years and tax benefit)

### What is ELSS?

DHFL Pramerica Long Term Equity Fund, an Equity Linked Savings Scheme (ELSS), is a diversified equity mutual fund which invests majority of its corpus in equities. As per the present tax laws, eligible investors (individual/ HUF) are entitled to deduction from their gross total income, of the amount invested in equity linked saving scheme (ELSS) upto ₹ 1,50,000/- (along with other prescribed investments) under Section 80C of the Income Tax Act, 1961.

### Investment Strategy & Style

- The fund will actively manage a diversified portfolio of strong growth companies with sustainable business models.
- The fund will invest through a top up & bottom up stock-by-stock selection across market cap spectrum, with consideration given to price-to-earnings, price-to-book, and price-to-sales ratios, as well as growth, margins, asset returns, and cash flows, amongst others.
- The company-wise analysis will focus, amongst others, on the historical and current financial condition of the company, potential value creation/unlocking of value and its impact on earnings growth, capital structure, business prospects, policy environment, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research, technological know-how and transparency in corporate governance.

### Why should you invest in DHFL Pramerica Long Term Equity Fund?

- DHFL Pramerica Long Term Equity Fund is an ELSS scheme under section 80C of the Income Tax Act, 1961.
- DHFL Pramerica Long Term Equity Fund has a diversified equity portfolio across market capitalizations.
- Flexibility to increase or decrease exposure to Large, Mid or Small Cap stocks as per market cycles and the Fund Manager's view.
- Mandated three year lock-in ensures that you do not react to market swings and continue to remain invested.

### How does it compare with other tax saving options under Section 80C

ELSS has the lowest lock-in period of three years as compared to other options which have a minimum lock-in of 5 years.

	PPF	NSC	Bank FD	ULIP	DHFL Pramerica Long Term Equity Fund (ELSS)
Duration	15 Years	5 Years	5 Years	Open Ended	Open Ended
Lock-in	15 Years	5 Years	5 Years	5 Years	3 Years
Min. Amount	₹ 500	₹ 100	Variable	Variable	₹ 500
Max. Amount	₹ 1,50,000	No Limit	₹ 1,50,000	No Limit	No Limit
Max. Limit for Tax Benefit	₹ 1,50,000	₹ 1,00,000	₹ 1,50,000	₹ 1,50,000	₹ 1,50,000
Returns%	7.60% p.a.	7.60% p.a.	6.40 p.a.	Market Linked	Market Linked
Tax on Income	Tax Free	Taxable	Taxable	Tax Free	Taxable

PPF - Public Provident Fund, NSC - National Savings Certificate, FD - Fixed Deposit, ULIP - Unit Linked Insurance Plan. The above table is for illustration purpose only. Unlike PPF, NSC & Bank FD, investment in mutual funds are subject to market risks, hence, the performances may not be strictly comparable. PPF rate is effective from 1st January, 2018, Ministry of Finance (Govt. of India); NSC rate is effective 1st January 2018; Bank FD rate is as on 28th March 2018.

\*As per the present tax laws, eligible investors (individual/ HUF) are entitled to deduction from their gross total income, of the amount invested in equity linked saving scheme (ELSS) upto Rs. 1,50,000/- (along with other prescribed investments) under Section 80C of the Income Tax Act, 1961. Tax savings of Rs. 46,350/- shown above is calculated for the highest income tax slab. Long Term Capital Gain and Dividend Distribution Tax as applicable. Tax benefits are subject to the provisions of the Income Tax Act, 1961 and are subject to amendments, from time to time.

## Portfolio (Top Ten Holdings) as on April 30, 2018

Company	% to Net Assets
HDFC Bank Ltd.	9.48
ICICI Bank Ltd.	3.15
Kotak Mahindra Bank Ltd.	2.95
Tata Consultancy Services Ltd.	2.75
Infosys Ltd.	2.66
Vedanta Ltd.	2.47
Tata Global Beverages Ltd.	2.29
Housing Development Finance Corp. Ltd.	2.22
ITC Ltd.	2.21
Maruti Suzuki India Ltd.	2.17

## Portfolio Positioning

Top 3 Sectors Overweight	% Overweight	Top 3 Sectors Underweight	% Underweight
Industrials	8.54	Financials	6.51
Materials	3.71	Energy	5.99
Real Estate	2.22	Health Care	2.78

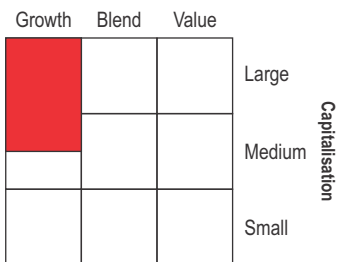
  

Top 5 Stocks Overweight	% Overweight	Top 5 Stocks Underweight	% Underweight
HDFC Bank Limited	2.46	Reliance Industries Ltd	3.55
Tata Global Beverages Ltd	2.07	HDFC Ltd	3.31
KEI Industries Ltd	2.03	ITC Ltd	2.04
Mahindra CIE Automotive Ltd	1.57	Hindustan Unilever Ltd	1.91
Vedanta Ltd	1.48	Axis Bank Ltd	1.67

The above weights are in comparison to the benchmark.

Source: Bloomberg and Internal Research. The above data as on 30th April, 2018.

## Investment Style



## Key Features



**Benchmark index:** S&P BSE 200 TR Index



**Minimum application amount:** Minimum of ₹ 500/- and in multiples of ₹ 500/- thereafter. **Minimum additional investment:** Minimum of ₹ 500/- and in multiples of ₹ 500/- thereafter. **Minimum repurchase / redemption investment:** Minimum of ₹ 100/- and in multiples of ₹ 1/- thereafter or 0.1 unit or account balance whichever is lower. **Investment Amount for SIP/STP/SWP:** **SIP: Monthly:** 10 installments of ₹500/- each and in multiples of ₹500/- thereafter. **Quarterly:** 5 installments of ₹1000/- each and in multiples of ₹500/- thereafter. **STP: Daily:** 30 installments of ₹500/- and in multiples of ₹500/- thereafter from DHFL Pramerica Insta Cash Plus Fund. **Monthly:** 10 installments of ₹ 500/- each and in multiples of ₹ 100/- thereafter. **Quarterly:** 5 installments of ₹ 1000/- each and in multiples of ₹ 100/- thereafter. **SWP (Monthly and Quarterly):** 2 (two) installments of ₹ 100/- . **STP/SWP Dates:** 1st, 7th, 10th 15th, 21st, 25th and 28th or all 7 dates. **SIP Dates:** Any date of the month except 29th, 30th and 31st day of the month.



**Exit load:** Nil



**Fund Manager:** Mr. Avinash Agarwal

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

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## Portfolio Metrics

	Portfolio	BSE 200
<b>Growth Ratio - %</b>		
FY 17-19E EPS CAGR - %	24.9%	24.4%
<b>Return Ratio - %</b>		
Return on Equity	17.4%	12.3%
<b>Leverage Ratio - %</b>		
Debt / Equity (ex-financials)	51.6%	51.8%
<b>Valuation Multiple</b>		
FY 19E Price / Earning Ratio	18.8	17.8

Source: Bloomberg and Internal Research. The above data as on 30th April, 2018.

## Portfolio Composition

	Portfolio	BSE 200
Number of stocks	70	200
Portfolio Overlap with	—	45.5%
Large Cap (1st-100th stock)	58.5%	85.6%
Mid cap (101st-250th stock)	23.8%	13.3%
Small cap (251st stock onwards)	13.1%	1.1%
Cash	4.6%	0.0%
Top 10 holding	33.2%	40.4%
Avg Market Cap - Crore	1,51,013	2,06,219

Source: Bloomberg and Internal Research. The above data as on 30th April, 2018.

**EPS:** Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share of common stock. Earnings per share serves as an indicator of a company's profitability.

**Return on Equity:** Return on equity (ROE) is the amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.

**Debt/Equity (ex-financials):** Debt/Equity Ratio is a debt ratio used to measure a company's financial leverage, calculated by dividing a company's total liabilities by its stockholders' equity. The D/E ratio indicates how much debt a company is using to finance its assets relative to the amount of value represented in shareholders' equity. (Ex-financial means excluding Banks & NBFCs)

**Price/Earnings:** The price-earnings ratio (P/E Ratio) is the ratio for valuing a company that measures its current share price relative to its per-share earnings.

## Riskometer

This product is suitable for investors who are seeking\*:

- Long-term capital appreciation
  - To generate long-term capital appreciation by predominantly investing in equity & equity related instruments and to enable eligible investors to avail deduction from total income, as permitted under the Income Tax Act, 1961 as amended from time to time.
  - Degree of risk – **MODERATELY HIGH**
- \*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.



Investors understand that their principal will be at moderately high risk