



**PGIM**  
India Mutual Fund

Gain from experience

# PGIM INDIA ELSS TAX SAVER FUND

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

May 2024

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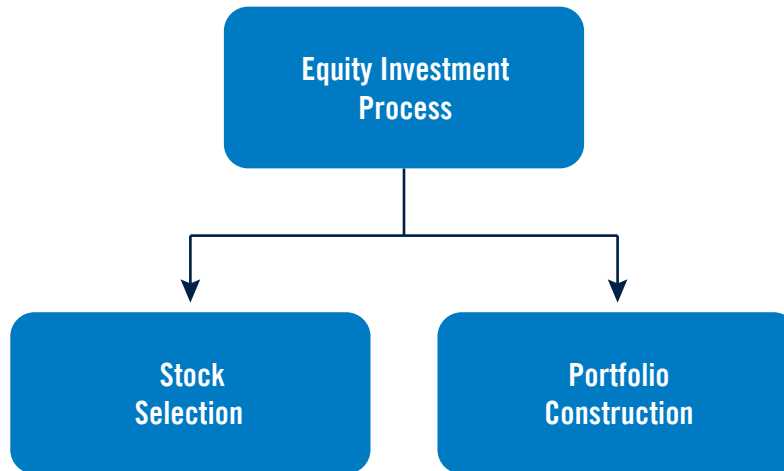
**3** Why PGIM India ELSS Tax Saver Fund?

# **PGIM India – Equity Investment Process**

# PGIM India – Equity Investment Process

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Our investment process is based on the following pillars:



## Stock selection: Criteria to build fund house universe

- The starting point for our fund house universe will be all companies with market cap greater than Rs.1,000 crores (including any IPOs)
- As of Dec-2022, there are 1037 companies with market capitalization greater than Rs 1000 crores\*
- We then look at the following 3 parameters to further filter the universe:



### Quality

- Higher than peer average RoE
- Sustainable RoE



### Growth

- Higher than peer group growth in earnings
- Sustainable earnings growth

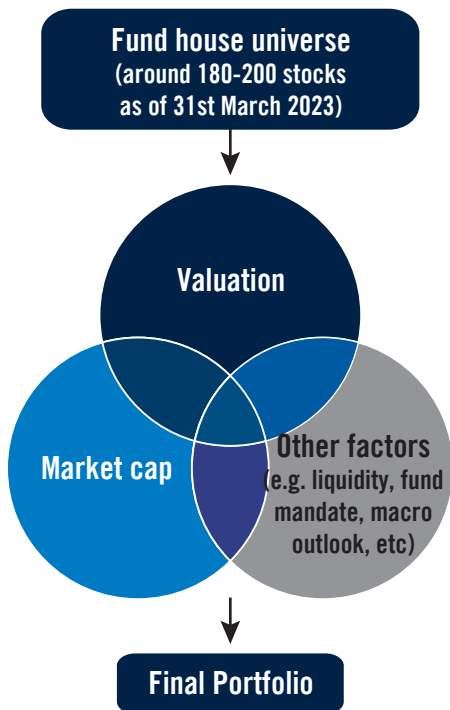


### Management

- Good quality management
- Good capital allocation track record
- Operating cash flow positive in 7 out of 10 years (ex financials) (In companies with less than 10 years of data available, at least 70% of the years should have generated positive operating cash flows)

\*Source: AMFI

# Portfolio Construction: Designing an optimal portfolio



## Portfolio construction principles

-  **Diversification**
-  **High Active Share**
-  **Lower portfolio turnover**
-  **True to mandate**

# Why Tax Saving through ELSS?

## What is an ELSS?



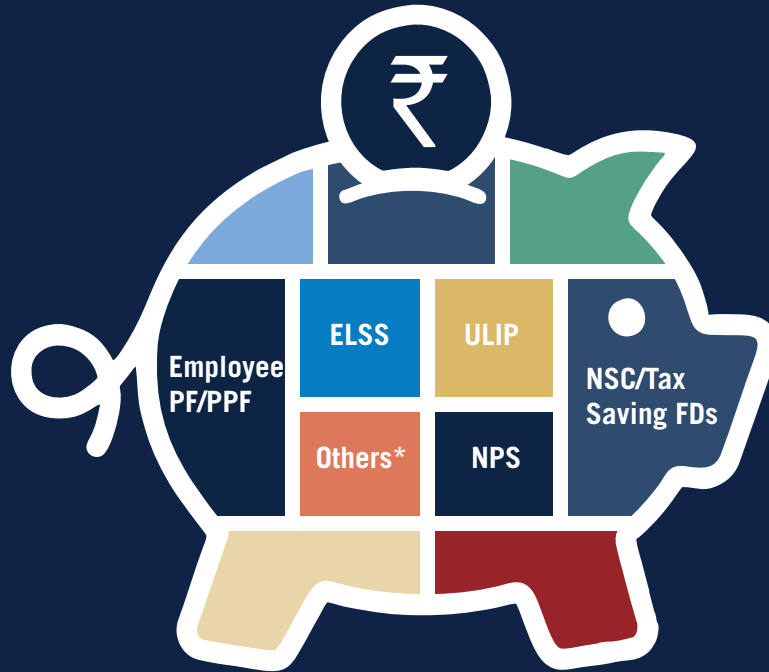
An Equity Linked Savings Scheme (ELSS), is a diversified equity mutual fund which invests **majority of its corpus in equities**. As per the present tax laws, eligible investors (individual/ HUF) are entitled to deduction from their gross total income, of the amount invested in equity linked saving scheme (ELSS) upto Rs. 150,000/- (along with other prescribed investments) under Section 80C of the Income Tax Act, 1961.

**Section 80C** of Income Tax Act, comprises of various investments and expenses that are eligible for a tax deduction. A taxpayer can claim maximum tax deduction of Rs. 1.5 Lakh for a particular financial year from his/her taxable income through investments made by him/her under the said section.

\*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) up to ₹1,50,000/- (along with other prescribed investments) under Section 80C of the Income Tax Act, 1961. Tax savings of ₹46,800/- shown above is calculated for the highest income tax slab. We have considered the current 4% educational cess on tax including cess, the tax saving per annum would amount to 31.2% of Rs. 1.5 Lakh or Rs. 46800/-. 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.



# Investment Options u/s 80C



\*Insurance Premium, Housing Loan Principal Repayment, Children's Tuition Fees

**Investor can avail a max deduction of ₹1,50,000 for investment in either one or all put together**

## Comparison of Tax-saving Investment Options

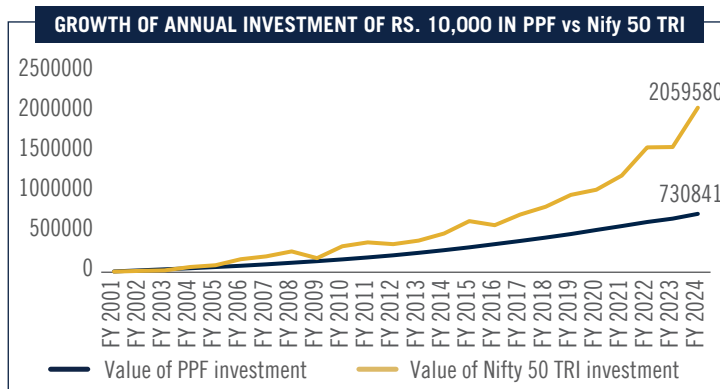
Investment	Interest rates	Guaranteed Returns	Lock in Period	Tax on returns	Premature Withdrawal
ELSS	Market Linked	No	3 Years	10% LTCG on profits above 1 Lac	Not Allowed
PPF	7.1%	Yes	15 Years	No	Allowed, but Subjected to Conditions
NPS	Market Linked	No	Till retirement	Taxable	Allowed, but Subjected to Conditions
NSC	7.7%	Yes	5 Years	Taxable	No
FD	3% - 8% depending on the bank	Yes	5 Years	Taxable on Maturity	Allowed with penalty
ULIP	Market linked	No	5 Years	No	Yes
Sukanyasamridhi	8.2%	Yes	21 Years	No	Yes
SCSS	8.2%	Yes	5 Years	Yes	Allowed, but Subjected to Conditions

**ELSS can provide growth over long term, due to exposure to equities with the added advantage of lowest lock-in period among the available options**

PPF - Public Provident Fund, NPS – National Pension Scheme, NSC - National Savings Certificate, FD - Fixed Deposit, ULIP - Unit Linked Insurance Plan, SCSS – Senior Citizen Savings Scheme. The above table is for illustration purpose only. Unlike PPF, NSC and Bank FD, Investment in mutual funds are subject to market risks, hence, the performances may not be strictly comparable. Fixed deposits offer Fixed Rate of return, while mutual funds are market linked. Bank Fixed deposits are relatively safer as they are covered under DICGC to the extent of INR 5 Lakh per account. The FD rates range as mentioned are rates offered by the State Bank of India on retail term deposits.

NSC, Sukanyasamridhi, SCSS, PPF & Bank FD rates are effective as on April 1, 2024.

# Advantages of ELSS

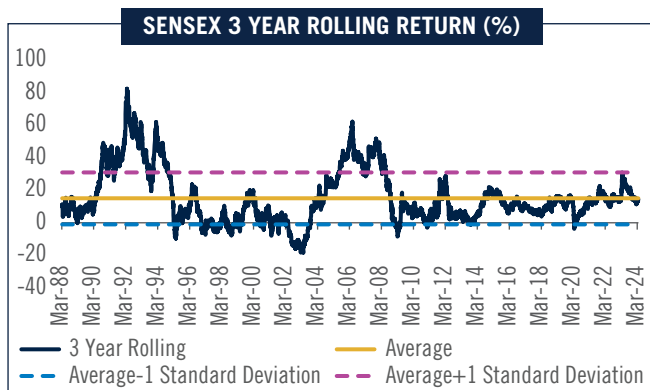


Characteristics	PPF	Equity*
Amount Invested (Rs.)	10,000/ year	10,000/ year
Period of Investment	23 years	23 years
Corpus created (Rs.)	7.31 L	20.60 L
XIRR Return	8.08%	14.81%

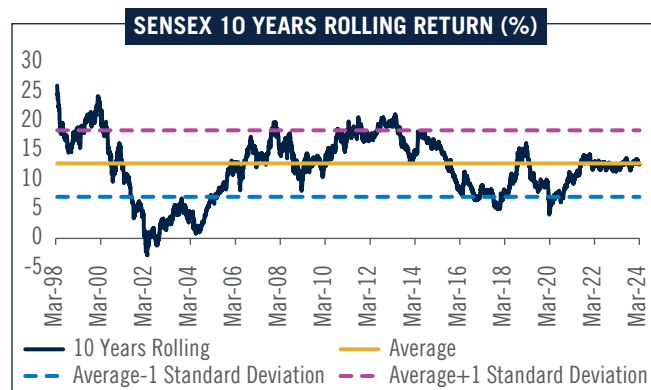
Past performance may or may not be achieved in the future. Dividend distribution is subject to availability of distributable surplus. The calculation shown is for illustration purposes only. Corpus created has been arrived at by adding the interest earned during a year to the invested amount. Interest rates used for different years for PPF are the rates notified by the competent authority from time to time. \*Equity is represented by Nifty 50 TRI. The above comparison is not a comparison with scheme returns. Investments are assumed to take place on 1st April each year. Unlike PPF, Equity investments are market-linked and hence the performance may not be strictly comparable. Data: As on March 31, 2024 Source: NSE, RBI.

# Advantages are fine, but aren't equities risky?

Equities are volatile in the short term, but have the potential to deliver better returns when invested for medium to long term



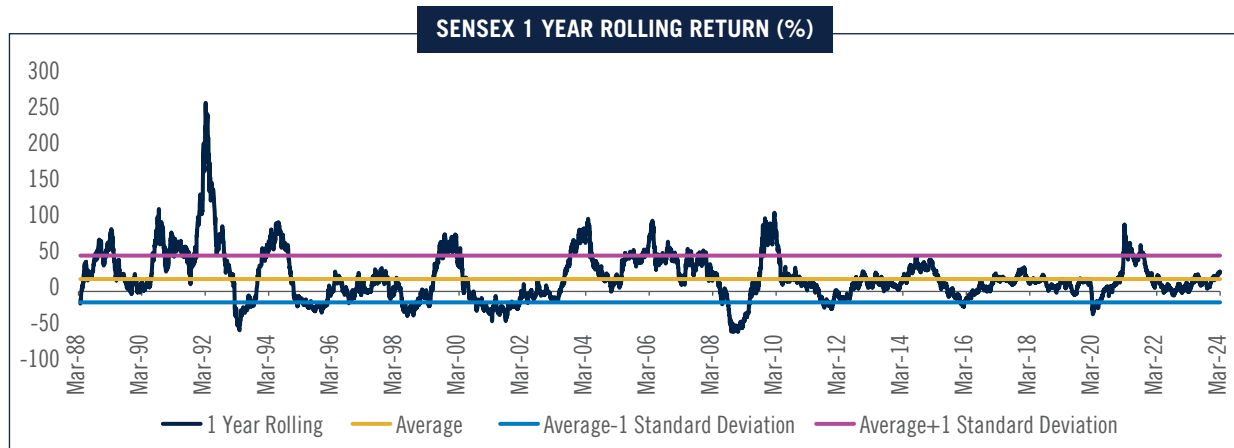
**Average return = 14.9%, Standard Deviation = 16.0%**  
**12.4% of returns have been negative in the period considered**



**Average return = 12.8%, Standard Deviation = 5.7%**  
**1.0% of returns have been negative in the period considered**

The above graphs are intended for illustration purpose only to help understand performance of the equity market, represented by daily rolling returns for 3/10 years CAGR. S&P BSE SENSEX benchmark data for 3 year Rolling Return from March 1, 1988 until March 31, 2024 and 10 year Rolling Return from March 1, 1998, until March 31, 2024

## Equities Not For Short Term



**Average return = 17.2%, Standard Deviation = 32.4%**  
**Over the period considered , the 1-year return has been negative 29.3% of the times**

The above graphs are intended for illustration purpose only to help understand performance of the equity market, represented by 1-year daily rolling returns since the inception of S&P BSE SENSEX benchmark as on March 1, 1988, until March 31, 2024.

**Why PGIM India ELSS Tax Saver Fund?**

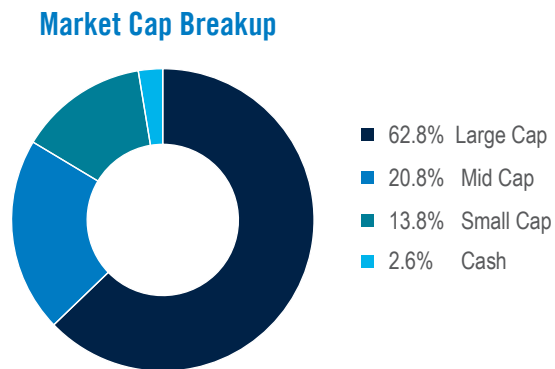
## What we look for during portfolio construction?

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<b>QUALITY</b>	<b>GROWTH VISIBILITY</b>
Sound management with a passion to move forward and the experience to manage the business during all phases of an economic cycle	Leaders/ potential leaders in the Large and Mid Cap space. Clear visibility of earnings growth over the next 3-5 years
<b>STRONG FUNDAMENTALS</b>	<b>VALUATION</b>
High and sustainable RoCE; Free Cash Flow; Established track record and proven business model; Scalability	Reasonable valuation at the time of entry given past price movement of the stock and expected growth rate of earnings.

# Portfolio Metric – Current Sector and Stock Positioning

Stock (Top 10)	% Holding
HDFC Bank Ltd.	7.00
ICICI Bank Ltd.	6.02
Reliance Industries Ltd.	5.24
Axis Bank Ltd.	4.55
Larsen & Toubro Ltd.	3.05
Avenue Supermarts Ltd.	2.96
Tata Consultancy Services Ltd.	2.88
Bharti Airtel Ltd.	2.54
Cholamandalam Investment & Finance Company Ltd.	2.42
Hindustan Aeronautics Ltd.	2.33

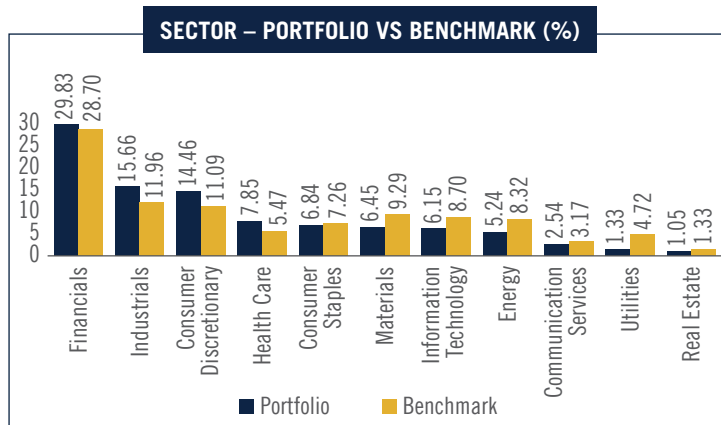


Data as on May 31, 2024. These are based on the Fund Manager's outlook and are subject to change. # The above weights are in comparison to the Benchmark, NIFTY 500 TRI. Source: Bloomberg, PGIM India.



# Portfolio Metric – Current Sector and Stock Positioning

Top 5 Stocks Overweight #	% Overweight
Axis Bank Ltd	2.61
Avenue Supermarts Ltd	2.58
Cholamandalam Investment & Finance Company Ltd.	2.12
Mankind Pharma Ltd	1.93
Hindustan Aeronautics Ltd	1.78
Top 5 Stocks Underweight #	% Underweight
Infosys Ltd	2.96
ITC Ltd	2.23
State Bank Of India	1.88
Mahindra & Mahindra Ltd	1.41
Hindustan Unilever Ltd	1.22



Data as on May 31, 2024. These are based on the Fund Manager’s outlook and are subject to change. # The above weights are in comparison to the Benchmark, NIFTY 500 TRI. Source: Bloomberg, PGIM India.

# Fund Performance

	Fund		NIFTY 500 TRI <sup>^</sup>		NIFTY 50 TRI <sup>#</sup>	
	Returns (%)	Value (INR)*	Returns (%)	Value (INR)*	Returns (%)	Value (INR)*
<b>PGIM India ELSS Tax Saver Fund-Reg(G)</b>						
Last 1 Year	18.22	11,828	35.06	13,517	22.95	12,302
Last 3 Years	14.30	14,939	18.08	16,470	14.44	14,991
Last 5 Years	15.69	20,738	17.83	22,732	14.93	20,072
Since Inception	14.11	30,610	16.37	36,152	15.07	32,863
<b>PGIM India ELSS Tax Saver Fund (G)-Direct Plan</b>						
Last 1 Year	20.02	12,008	35.06	13,517	22.95	12,302
Last 3 Years	15.94	15,591	18.08	16,470	14.44	14,991
Last 5 Years	17.29	22,219	17.83	22,732	14.93	20,072
Since Inception	15.71	34,440	16.37	36,152	15.07	32,863

Date of Inception: Regular Plan: December 11, 2015; Direct Plan: December 11, 2015. CAGR – Compounded Annual Growth Rate. <sup>^</sup>Scheme Benchmark. <sup>#</sup> Standard Benchmark. \*Based on standard investment of Rs. 10,000 made at the beginning of the relevant period. All the above returns are for the growth option.

Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Different plans have a different expense structure.

Vinay Paharia (Equity Portion) is managing this fund from April 01, 2023, Vivek Sharma (Equity Portion) is managing this fund from April 15, 2024, Utsav Mehta (Equity Portion) is managing this fund from April 15, 2024 and Bhupesh Kalyani (Debt Portion) is managing this fund from April 01, 2023.

For performance of other schemes managed by Vinay Paharia, Vivek Sharma, Utsav Mehta & Bhupesh Kalyani refer to next slides.

Performance as on May 31, 2024.

## Performance of other schemes managed by Vinay Paharia

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since
<b>Top 3 Schemes Performance (%)</b>				
PGIM India Small Cap Fund*	28.23	–	–	April 01, 2023
NIFTY Smallcap 250 TRI^	58.44	–	–	
PGIM India Midcap Opportunities Fund*	25.00	17.40	24.96	April 01, 2023
NIFTY Midcap 150 TRI^	53.82	26.69	25.60	
PGIM India Flexi Cap Fund*	18.96	11.72	17.92	April 01, 2023
NIFTY 500 TRI^	35.06	18.08	17.83	
<b>Bottom 3 Schemes Performance (%)</b>				
PGIM India Equity Savings Fund*	8.11	6.66	7.10	April 01, 2023
NIFTY Equity Savings Index^	13.05	8.90	9.51	
PGIM India Balanced Advantage Fund*	14.00	9.10	–	April 01, 2023
CRISIL Hybrid 50+50 Moderate Index^	19.14	11.38	–	
PGIM India Hybrid Equity Fund*	15.74	9.08	10.38	April 01, 2023
CRISIL Hybrid 35+65 - Aggressive Index^	23.03	13.16	14.25	

^ Scheme Benchmark. All the above returns are in CAGR. CAGR – Compounded Annual Growth Rate. The performance provided is for Regular Plan - Growth Option. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Different plans have a different expense structure. Vinay Paharia is managing 10 schemes of PGIM India Mutual Fund. \*PGIM India Midcap Opportunities Fund is co-managed by Vivek Sharma (Equity), Utsav Mehta (Equity) and Puneet Pal (Debt). \*PGIM India Flexi Cap Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity), Vivek Sharma (Equity), Chetan Gindodia (Overseas Investment) and Puneet Pal (Debt). \*PGIM India Small Cap Fund is co-managed by Utsav Mehta (Equity), Vivek Sharma (Equity), Harsh Kothari (Equity), Chetan Gindodia (Overseas Investment) and Puneet Pal (Debt). \*PGIM India Equity Savings Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity), Vivek Sharma (Equity), Chetan Chavan (Equity) and Puneet Pal (Debt). \*PGIM India Hybrid Equity Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity), Vivek Sharma (Equity), Chetan Gindodia (Overseas Investment) and Puneet Pal (Debt). \*PGIM India Balanced Advantage Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity), Chetan Chavan (Equity), Utsav Mehta (Equity), Chetan Gindodia (Overseas Investment) and Puneet Pal (Debt). Please refer to [www.pgimindiafm.com](http://www.pgimindiafm.com) for details on performance of all schemes including direct plans. Performance as on May 31, 2024.

## Performance of other schemes managed by Vivek Sharma

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since
<b>Top 3 Schemes Performance (%)</b>				
PGIM India Small Cap Fund*	28.23	–	–	April 15, 2024
NIFTY Smallcap 250 TRI^	58.44	–	–	
PGIM India Midcap Opportunities Fund*	25.00	17.40	24.96	April 15, 2024
NIFTY Midcap 150 TRI^	53.82	26.69	25.60	
PGIM India Flexi Cap Fund*	18.96	11.72	17.92	April 15, 2024
NIFTY 500 TRI^	35.06	18.08	17.83	
<b>Bottom 3 Schemes Performance (%)</b>				
PGIM India Equity Savings Fund*	8.11	6.66	7.10	April 15, 2024
NIFTY Equity Savings Index^	13.05	8.90	9.51	
PGIM India Hybrid Equity Fund*	15.74	9.08	10.38	April 15, 2024
CRISIL Hybrid 35+65 - Aggressive Index^	23.03	13.16	14.25	
PGIM India Large Cap Fund*	18.75	10.53	12.15	April 15, 2024
NIFTY 100 TRI^	28.86	15.48	15.66	

^ Scheme Benchmark. All the above returns are in CAGR. CAGR – Compounded Annual Growth Rate. The performance provided is for Regular Plan - Growth Option. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Different plans have a different expense structure. Vivek Sharma is managing 7 schemes of PGIM India Mutual Fund. \*PGIM India Midcap Opportunities Fund is co-managed by Vinay Paharia (Equity Portion), Utsav Mehta (Equity Portion), Vivek Sharma (Equity Portion) and Puneet Pal (Debt Portion). \*PGIM India Flexi Cap Fund is co-managed by Vinay Paharia (Equity Portion), Anandha Padmanabhan Anjeneyan (Equity Portion), Chetan Gindodia (Overseas Investment) and Puneet Pal (Debt Portion). \*PGIM India Small Cap Fund is co-managed by Utsav Mehta (Equity Portion), Vinay Paharia (Equity Portion), Harsh Kothari (Equity Portion), Chetan Gindodia (Overseas) and Puneet Pal (Debt Portion). \*PGIM India Equity Savings Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity Portion), Vinay Paharia (Equity Portion), Chetan Chavan (Equity Portion) and Puneet Pal (Debt Portion). \*PGIM India Hybrid Equity Fund is co-managed by Vinay Paharia (Equity), Anandha Padmanabhan Anjeneyan (Equity Portion), Chetan Gindodia (Overseas Investment) and Puneet Pal (Debt). \*PGIM India Large Cap Fund is co-managed by Vinay Paharia (Equity Portion), Anandha Padmanabhan Anjeneyan (Equity Portion) and Bupesh Kalyani (Debt Portion). Please refer to [www.pgimindiamf.com](http://www.pgimindiamf.com) for details on performance of all schemes including direct plans. Performance as on May 31, 2024.

## Performance of other schemes managed by Utsav Mehta

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since
PGIM India Small Cap Fund*	28.23	–	–	April 15, 2024
NIFTY Smallcap 250 TRI^	58.44	–	–	
PGIM India Midcap Opportunities Fund*	25.00	17.40	24.96	November 01, 2023
NIFTY Midcap 150 TRI^	53.82	26.69	25.60	
PGIM India Balanced Advantage Fund*	14.00	9.10	–	April 15, 2024
CRISIL Hybrid 50+50 Moderate Index^	19.14	11.38	–	

^ Scheme Benchmark. All the above returns are in CAGR. CAGR – Compounded Annual Growth Rate. The performance provided is for Regular Plan - Growth Option. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Different plans have a different expense structure. Utsav Mehta is managing 5 schemes of PGIM India Mutual Fund. \*PGIM India Small Cap Fund is co-managed by Vivek Sharma (Equity Portion), Vinay Paharia (Equity Portion), Harsh Kothari (Equity Portion), Chetan Gindodia (Overseas Investment) and Puneet Pal (Debt Portion). \*PGIM India Midcap Opportunities Fund is co-managed by Vivek Sharma (Equity Portion), Vinay Paharia (Equity Portion) and Puneet Pal (Debt Portion). \*PGIM India Balanced Advantage Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity Portion) Vinay Paharia (Equity), Chetan Chavan (Equity), Chetan Gindodia (Overseas) and Puneet Pal (Debt Portion). Please refer to [www.pgimindiamf.com](http://www.pgimindiamf.com) for details on performance of all schemes including direct plans. Performance as on May 31, 2024.

## Performance of other schemes managed by Bhupesh Kalyani

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since
<b>Top 3 Schemes Performance (%)</b>				
PGIM India Large Cap Fund*	18.75	10.53	12.15	April 15, 2024
NIFTY 100 TRI^	28.86	15.48	15.66	
PGIM India Liquid Fund*	7.19	5.61	5.18	September 13, 2022
CRISIL Liquid Debt A-I Index^	7.28	5.75	5.28	
PGIM India Money Market Fund*	6.97	5.40	–	September 13, 2022
CRISIL Money Market A-I Index^	7.45	5.93	–	
<b>Bottom 3 Schemes Performance (%)</b>				
PGIM India Corporate Bond Fund*	6.08	4.95	6.22	September 13, 2022
CRISIL Corporate Debt A-II Index^	7.01	5.38	6.80	
PGIM India Ultra Short Duration Fund*	6.62	5.19	6.60	September 13, 2022
CRISIL Ultra Short Duration Debt A-I Index^	7.53	5.96	5.95	
PGIM India Dynamic Fund*	6.69	4.72	5.85	September 13, 2022
CRISIL Dynamic Bond A-III Index^	6.47	5.19	7.14	

^ Scheme Benchmark. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. The above mentioned earlier are for Regular Plan - Growth Option. Above returns are in CAGR – Compounded Annual Growth Rate. Different plans have a different expense structure.

Mr. Bhupesh Kalyani is managing 10 schemes of PGIM India Mutual Fund.

\*PGIM India Ultra Short Duration Fund is co-managed by Mr. Puneet Pal. \*PGIM India Dynamic Bond Fund is co-managed by Mr. Puneet Pal. \*PGIM India Large Cap Fund is co-managed by Anandha Padmanabhan Anjeneyan (Equity Portion), Vivek Sharma (Equity Portion) and Vinay Paharia (Equity Portion). \*PGIM India Liquid Fund is co-managed by Puneet Pal (Debt). \*PGIM India Money Market Fund is co-managed by Puneet Pal. \*PGIM India Corporate Bond Fund is co-managed by Mr. Puneet Pal. Returns for the benchmark have been calculated using TRI values. Top three and bottom three schemes managed by the fund manager have been derived on the basis of last one year performance ending on May 31, 2024. Performance as on May 31, 2024

## Fund Facts

<b>Scheme Name</b>	<b>PGIM India ELSS Tax Saver Fund</b>
<b>Type of scheme</b>	An Open-Ended Equity Linked Savings Scheme with a statutory lock-in of 3 years and tax benefit
<b>Investment objective</b>	The primary objective of the Scheme is 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.
<b>Plan / Options</b>	IDCW** (Payout of Income Distribution cum Capital Withdrawal option / Reinvestment of Income Distribution cum Capital Withdrawal option) and Growth.
<b>Exit Load</b>	Nil
<b>Fund Manager</b>	Vinay Paharia (Equity Portion), Vivek Sharma (Equity Portion), Utsav Mehta (Equity Portion) and Bhupesh Kalyani (Debt Portion)
<b>Benchmark Index</b>	Nifty 500 TR Index

\*\*Income Distribution cum Capital Withdrawal option

# PGIM INDIA ELSS TAX SAVER FUND

(Earlier known as PGIM India Long Term Equity Fund)

(An open ended equity linked savings scheme with a statutory lock-in of 3 years and tax benefit)

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

- Long-term capital appreciation.
- 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 – VERY HIGH.

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

Scheme Riskometer



Investors understand that their principal will be at very high risk

Benchmark Riskometer



Nifty 500 TR Index  
Benchmark riskometer is at very high risk





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