

ICICI Prudential Value Fund – Series 13

NFO Period – 25th April 2017 to 9th May 2017

Benchmark – S&P BSE 500 Index

This Product is suitable for investors who are seeking*:

- Long term wealth creation
- A close ended equity fund that aims to provide capital appreciation by investing in a well diversified portfolio of stocks through fundamental analysis.

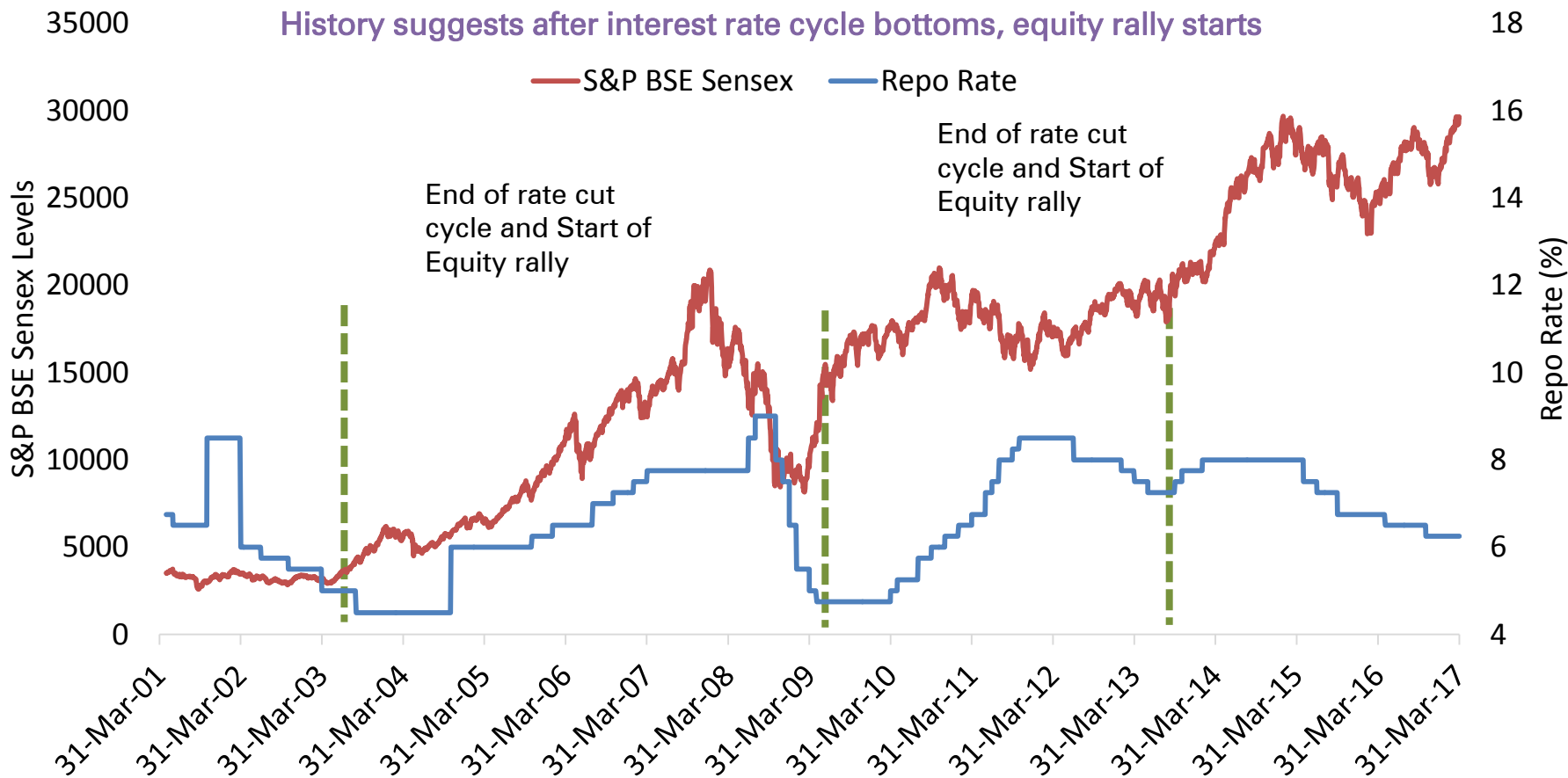


*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

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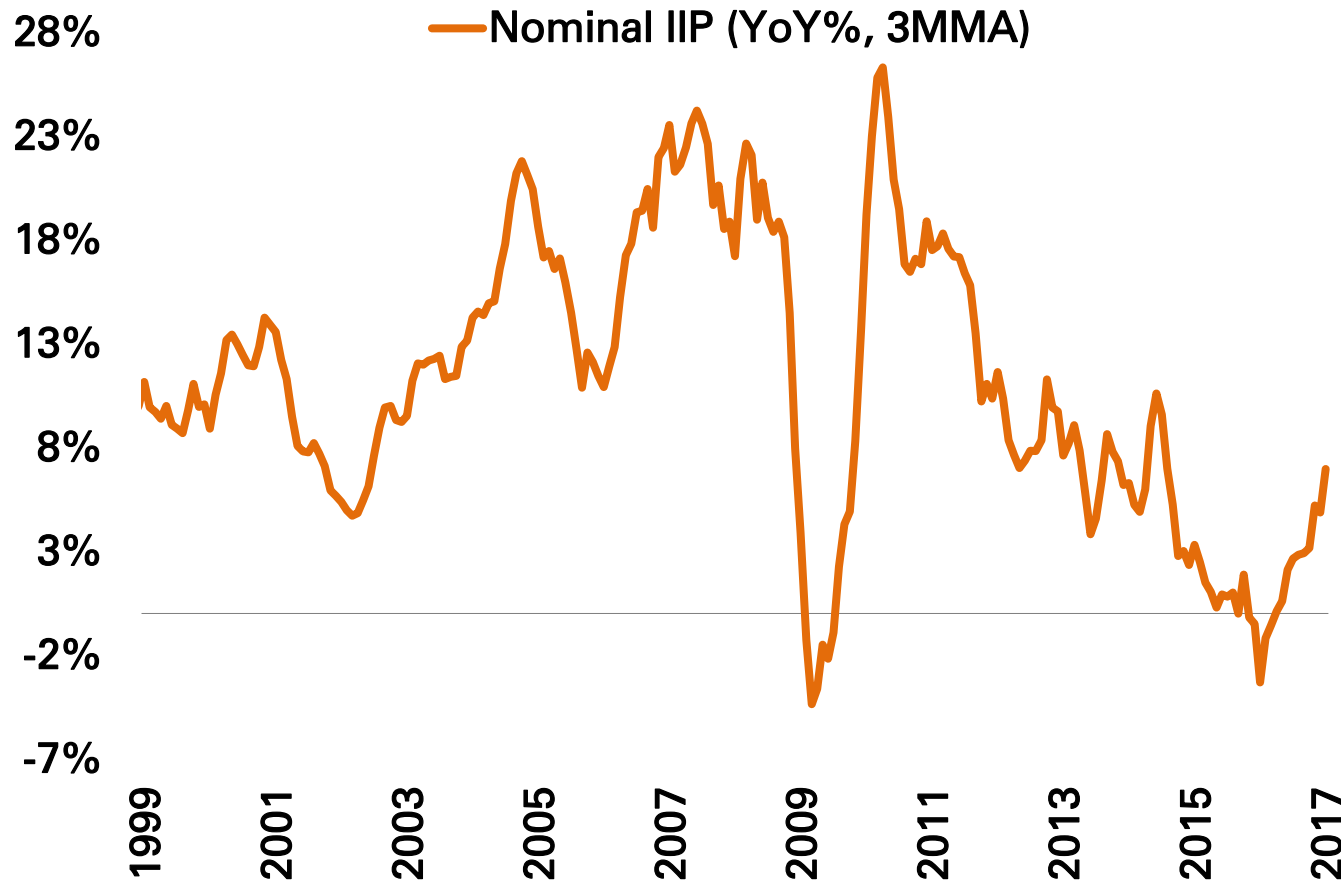
Why Equities Now? Fixed Income Rally is Generally Followed By Equity



Source: Bloomberg, data as of March 31, 2017. Past performance may or may not be sustained in future; RBI: Reserve Bank of India.

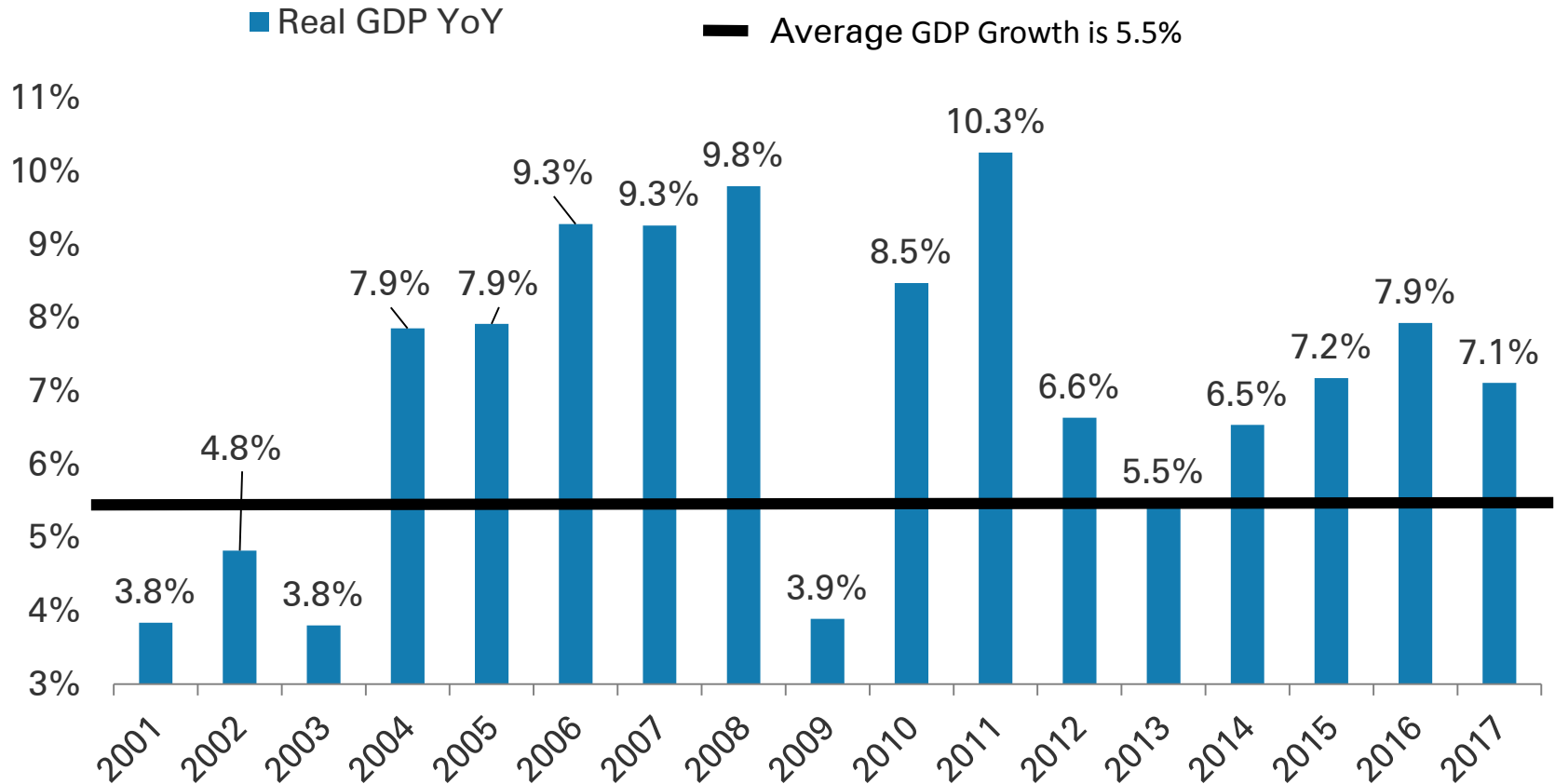
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Nominal IIP – On The Path To Growth



The increase in IIP suggests that the negative impact of demonetisation is fading and that remonetisation is well underway. Therefore, businesses are expected to recover and go forward.

GDP Growth – The Bottom of the Cycle is Behind us



Over the last few years, India has taken a host of economic reforms initiative, including the Goods and Services Tax (GST) and liberalisation of the FDI regime, with a view to improve business climate and promote growth. The GST is expected to roll out from July 2017.

All these initiatives combined is expected to help pick-up of GDP growth-rate.

Current Opportunities

- > Unorganised to Organised
- > Infrastructure Sector



Unorganised to Organised Shift



GST

Introduction of GST will help create a level-playing field for UnOrganised sector and Organised sector.

Demonetisation

The demonetisation drive is expected to benefit Organised sectors.

Benefit Organised Players



Opportunity:
This may result in higher topline and bottom line growth for branded companies.

Will Lower tax evasion, increase compliance. Facilitate seamless movement of goods.

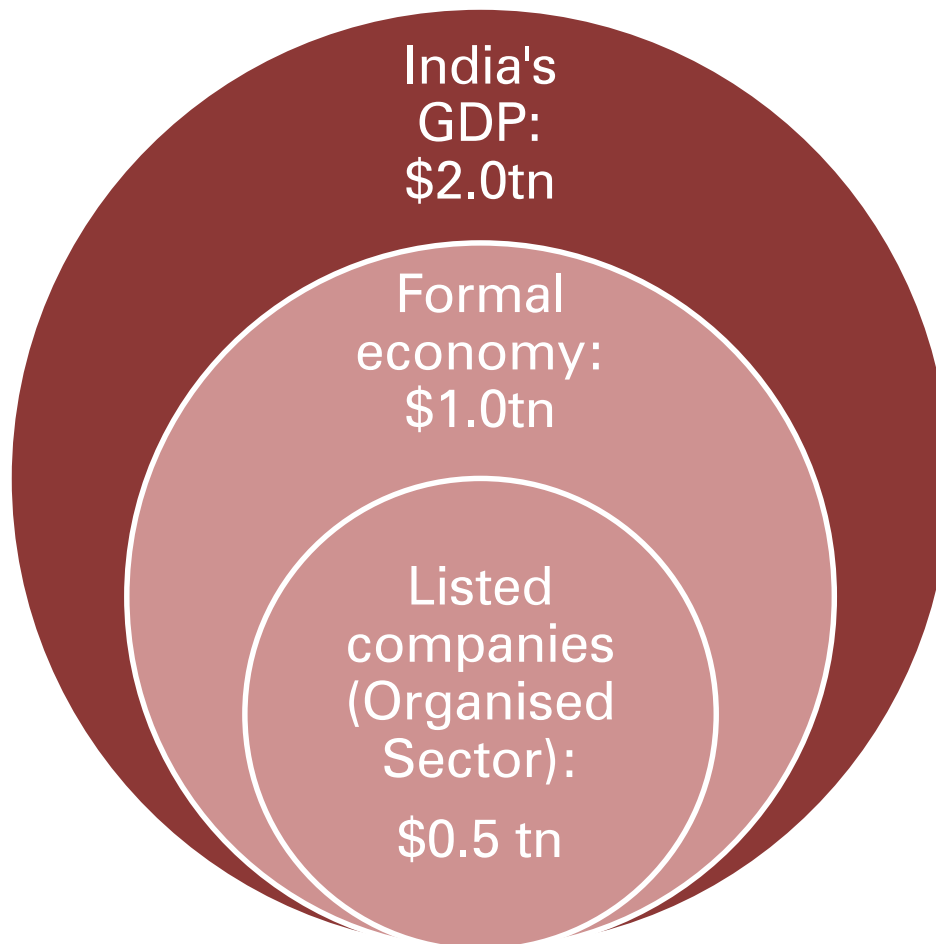
This can shift consumers away from local manufactures

Consumers to use more cashless medium of transaction.

Source: Edelweiss Securities; GST - Goods & Service Tax

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India: On The Cusp of Accelerated Shift to Organized Segment



This share has huge scope to increase as the overall economy moves from informal to formal aided by various government reforms

Contribution of organised/listed companies is currently 1/4th of the economy

Source: Edelweiss Securities; All \$ represents United States Dollar

Opportunity Seen as there is a shift towards Organised economy



Sectors with high share of Unorganised Businesses	Share of Unorganised Businesses in Sector
✓ Food Services	90%
✓ Apparel	80%
✓ Plywood	70%
✓ Sanitary ware	60%
✓ Tiles	50%
✓ Footwear	50%
✓ Electric Goods	40%
✓ Pipes	40%
✓ Small Appliances	40%
✓ Paints	30%

Source: Company data, Credit Suisse estimates

Organised Vs. Unorganised



Strategy of Organised Players	Strategy of UnOrganised Players
Large Distribution Network	Scattered Distribution Network and More Regional Bias
<ul style="list-style-type: none"> - Superior Quality - Accounting of Taxes - Thus, Optimally Priced 	<ul style="list-style-type: none"> - Inferior Quality - Under Reporting of Tax - Thus, Sub-Optimally Priced
Branding – Familiarity & Trust	Brand Push – Offer higher margins to distribution channel
Economies of Scale	Diseconomies of scale

GDP Contribution



GDP Contribution

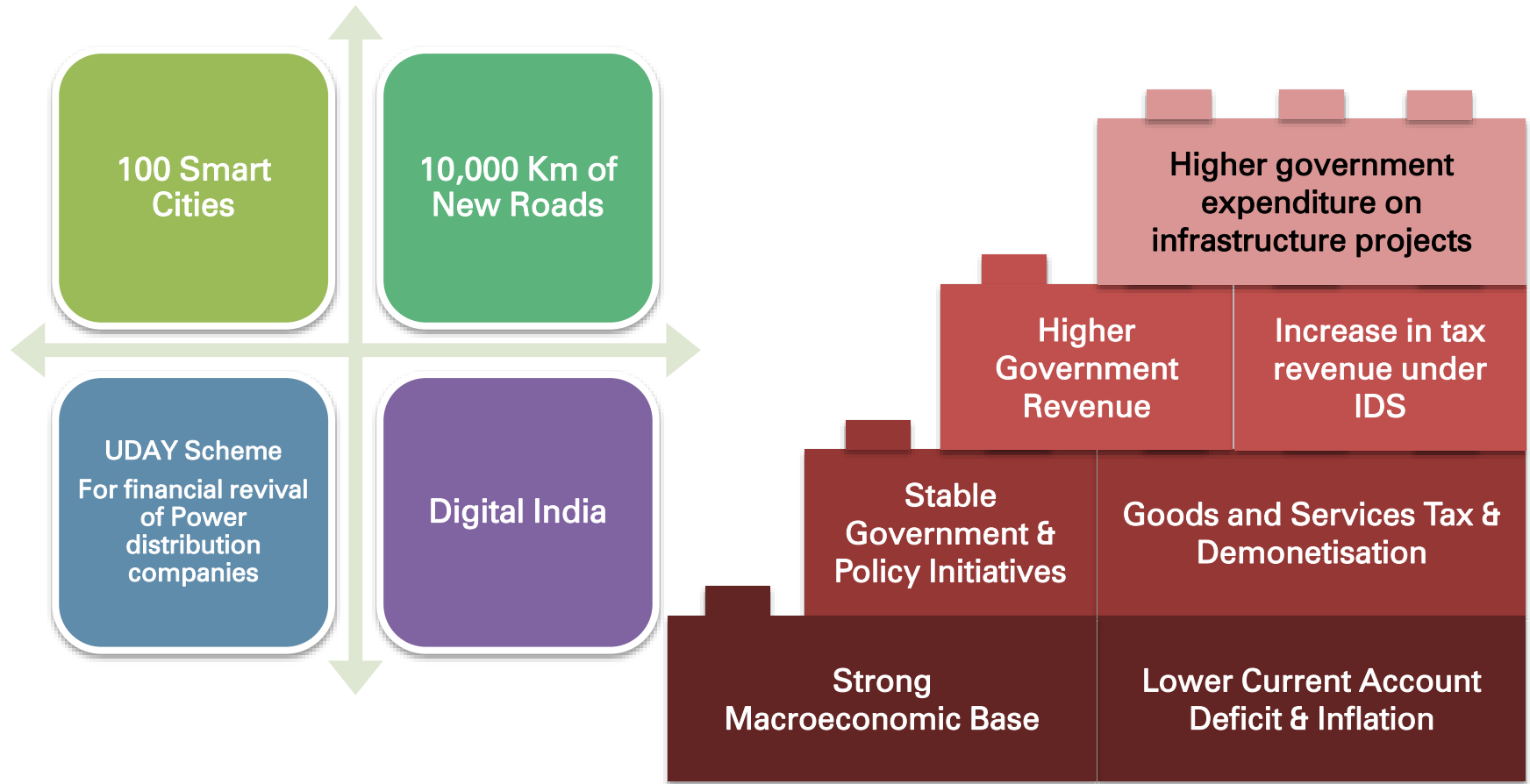
Source: National Commission for Enterprises in the UnOrganised Sector

Current Opportunities

- > Unorganised to Organised
- > **Infrastructure Sector**



Why Infrastructure Sector?



Sources : CLSA | UDAY: Ujwal DISCOM Assurance Yojana | IDS: Income Disclosure Scheme

Infrastructure Sector



POWER: Government's focus on lowering debts of power distribution companies and infrastructure expansion in rural and urban areas.

MINERALS / MINING: Could grow in tandem with expected increase in demand for power, operational efficiency, and attractive valuations.

TELECOM: India's demographic advantage, rapid growth in data consumption, and government initiatives such as Digital India.

CONSTRUCTION & CONSTRUCTION PROJECTS: Government's focus on infrastructure expansion in rural and urban areas. They could also leverage on excess capacity.

TRANSPORTATION: Could benefit from the implementation of Goods and Services Tax (GST), operational efficiency, and attractive valuations.

Government Boost for Cement Consumption



100 Smart Cities
Funding:
INR 48,000 crore

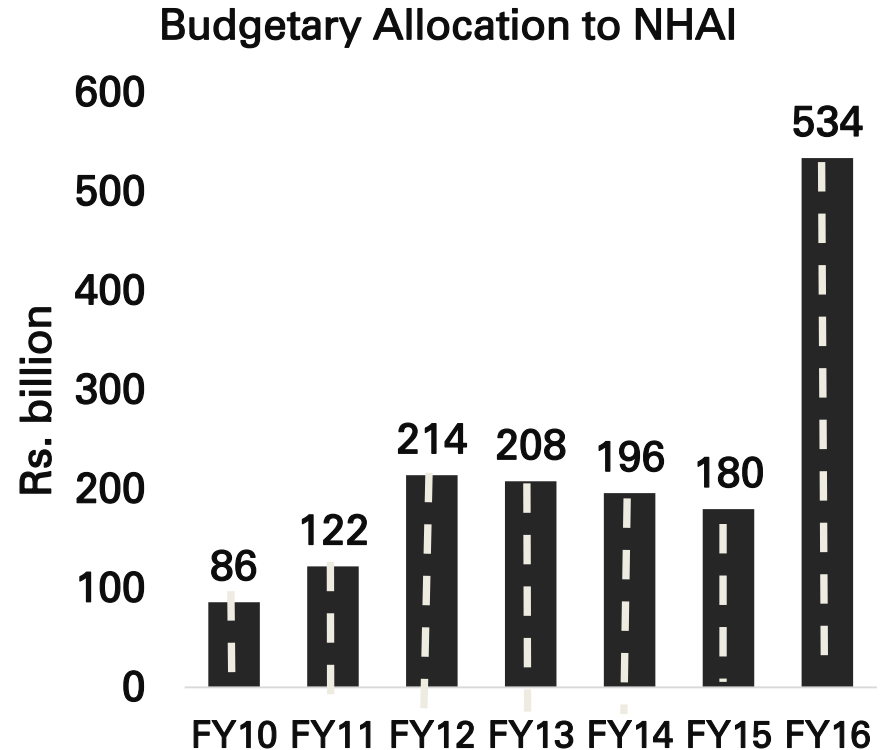
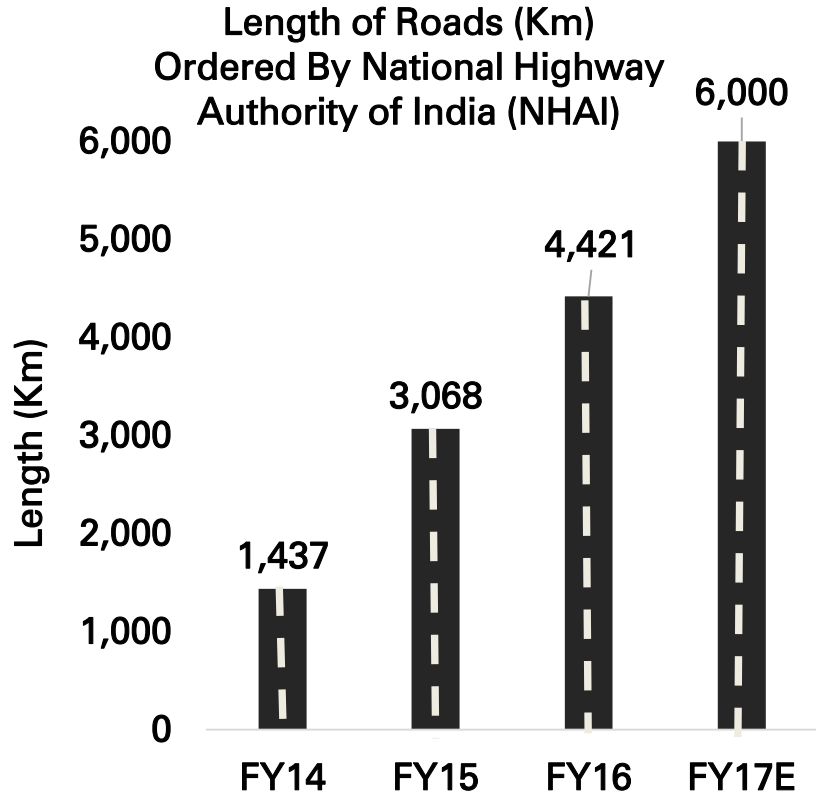
10,000 Km of New Roads
Funding:
INR 97,000 crore



Affordable Housing : 20 Mn Homes by 2022

Source: Union Budget 2017-18;

Transportation Sector: Numbers Pave The Way



Sectors that contribute raw material and companies involved in the creation of roads can benefit from higher allocation in budget on road infrastructure creation.

Source: Citigroup Global Markets India Private Limited, Ministry of Road Transport and Highways, and Shipping. All figures are approximate. FY17E: estimated

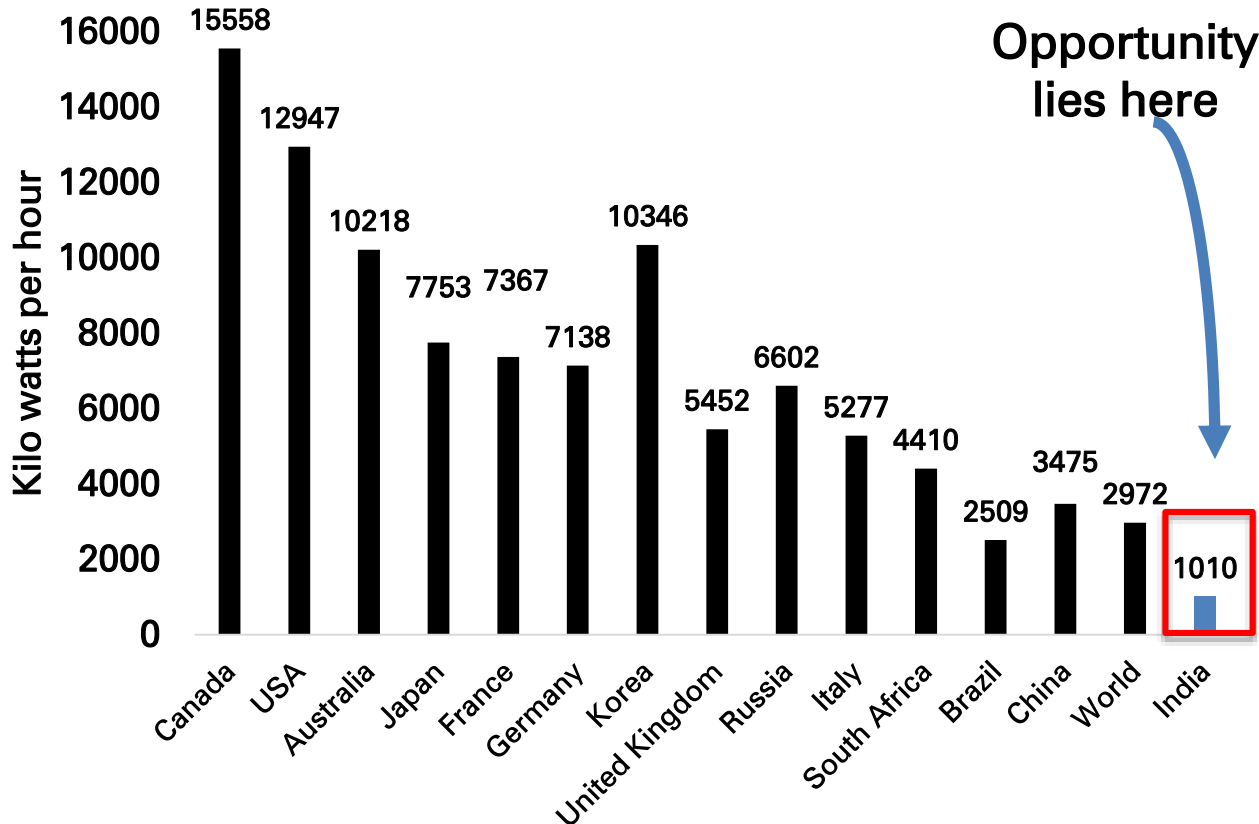
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Power Sector: Power-Packed Potential



India vs. World

Per Capita Consumption in 2014-15



Opportunity lies here

Availability of power will increase and will aid demand for white goods.

Sectors that will benefit from increase in power demand:

- Consumer Durables
- Manufacturing
- Power Companies

Source: Central Electricity Authority; All figures are approximate; PriceWaterHouse Cooper; Kwh: Kilo watt hours. The figures are approximate. *these figures are estimated

Investment Strategy



- **Flexicap Strategy**
- **Bottom-up approach**
- **Fund intends to invest in 25-30* stocks given at particular point in time.**
- **Sector Themes**
 - Unorganised to Organised
 - Infrastructure sector

* The No. of Stocks provided is to explain the investment philosophy and the actual No. may go up and down depending on than prevailing market conditions at the time of investment. The fund may invest up to 30 stocks depending on the discretion of the Fund Managers. The stock selection and investment strategy will be as per the Scheme Information Document

Scheme Features



Tenure	:	1329 days
NFO Period	:	25th April 2017 to 9th May 2017
MICR cheques	:	Till end of business day on 9th May 2017
RTGS and transfer cheques	:	Till end of business day on 9th May 2017
Switches	:	Switches from equity schemes -9th May 2017; Till cut off time (specified for switch outs in the source scheme) 9th May 2017 from other schemes
Option to be launched	:	ICICI Prudential Value Fund - Series 13 - Dividend ICICI Prudential Value Fund - Series 13 Direct Plan - Dividend
Entry / Exit Load	:	Nil
Minimum Application Amount	:	Rs.5,000/- (plus in multiple of Re.10)
Liquidity	:	To be listed
Benchmark	:	S&P BSE 500 Index
Fund Manager	:	S. Naren & George Joseph*

* Mr. Ihab Dalwai for investment in ADR/GDR/ Foreign securities. \$ Actual number of stocks may go up or down depending on market conditions at the time of investment. The asset allocation and investment strategy of the scheme is subject to the provisions of the SID.

Disclaimers and Risk Factors



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

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