

Dear Investors,

Demonetization is an important step towards “Equal Opportunity for Every Indian”. It’s the single biggest economic event in the history of India. A much-required, bold and patriotic decision, any normal politician would have preferred to avoid due to the vote bank risk. Almost every citizen will go through some difficulties and inconveniences in the short term.

Equity investments also could be affected in the short term, but the Big-Picture is getting brighter and beautiful. Revenue and profitability of some companies could be affected in the coming one or two quarters during this transformation process. Listed companies, being organized in doing businesses, will be major beneficiaries of GST, Demonetization and other upcoming revolutionary reforms. Many small & medium companies will embrace changes happening and be managed more professionally, creating wealth for shareholders. Let us continue to explore, identify and invest in stocks adapting to new environment.

I have spent a quarter century of my life, learning & analyzing businesses, economy and the economy-related politics. I am proud that I could change the financial profile of thousands of families by sharing ideas & principles of Value Investing and managing funds legitimately and ethically.

Considering the potential of India’s structurally Wealthy Economy, we have no excuse for keeping half a billion people in poverty. I don’t feel like a ‘Proud Indian’ when so many fellow Indians suffer! Sustained rise in corruption over the decades has affected the efficiency and quality of ‘Economy Management’ by politicians. Faster economic progress through long-term visionary policies should be the way forward. I am confident that this first-time-serious War against corruption and black money could transform India – make her richer, better and beautiful.

It is unfortunate that a part of the media is against this bold move of the establishment with an agenda. They have a tendency to mislead, exaggerate and misinterpret everything against the democratically elected Govt. It is easy to find flaws in the implementation process by RBI, but we must also understand the challenges of such massive scale and reach of operations using the existing banking system – with an appreciable level of secrecy.

We have a duty to the Nation to bear with current short-term inconveniences for making India a much better country to live in! Remember that you and me make the Nation, it’s not about Narendra Modi, BJP or Congress!

Jai Hind!

Porinju Veliyath  
12 November 2016