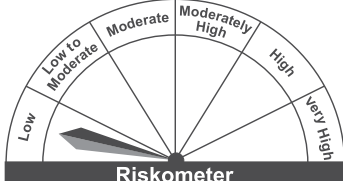
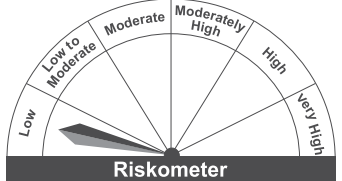


Nippon India Arbitrage Fund

(An open ended scheme investing in arbitrage opportunities)

Scheme Code : NIMF/O/H/ARB/10/03/0043

Scheme Information Document

Product Label		
This product is suitable for investors who are seeking*:	Nippon India Arbitrage Fund	NIFTY 50 Arbitrage index
<ul style="list-style-type: none"> Income over short term income through arbitrage opportunities between cash and derivative market and arbitrage opportunities within the derivative segment 	 <p>Riskometer</p> <p>Investors understand that their principal will be at Low risk</p>	 <p>Riskometer</p> <p>Benchmark Riskometer is at Low risk</p>
<p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>		

Continuous offer of the Units of the face value of Rs. 10 each for cash at NAV based prices (subject to applicable load)

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the 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.

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 /Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Nippon India Mutual Fund, Tax and Legal issues and general information on mf.nipponindiaim.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.

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

NAME OF MUTUAL FUND

Nippon India Mutual Fund (NIMF)

NAME OF ASSET MANAGEMENT COMPANY

Nippon Life India Asset Management Limited (NAM India)

CIN : L65910MH1995PLC220793

NAME OF TRUSTEE COMPANY

Nippon Life India Trustee Limited (NLITL)

CIN : U65910MH1995PLC220528

Registered Office (NIMF, NAM India, NLITL)

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HIGHLIGHTS / SUMMARY OF THE SCHEME

1. Investment objective

The investment objective of the scheme is to generate income by taking advantage of the arbitrage opportunities that potentially exists between cash and derivative market and within the derivative segment along with investments in debt securities & money market instruments.

2. Liquidity

The repurchase/redemption proceeds will be initiated within 3 working days from the date of receipt of valid requests for repurchase/redemption. In case of exceptional situations listed in AMFI Circular No.AMFI/35P/MEM-COR/74/2022-23 dated January 16, 2023, redemption payment would be made within the permitted additional timelines. The AMC will pay interest @15% per annum for the period of delay in the event of failure to dispatch the redemption or repurchase proceeds within 3 working days.

3. Benchmark

NIFTY 50 Arbitrage index

4. Transparency/NAV Disclosure

a) The AMC will calculate and disclose the first NAV within 5 working days from the date of allotment. Subsequently, the NAV will be calculated and disclosed at the close of every Business Day and uploaded on the AMFI website www.amfiindia.com and Nippon India Mutual Fund website i.e. mf.nipponindiaim.com by 11.00 p.m. on the day of the declaration of the NAV. Further, AMC shall extend facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.

If the NAVs are not available before commencement of business hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs.

(b) The NAV of the Scheme will be calculated and declared by the Fund on every Working Day. The information on NAV may be obtained by the Unitholders, on any business day from the office of the AMC / the office of the Registrar in Hyderabad or any of the other Designated Investor Service Centres. Investors may also obtain information on the purchase /sale price for a given day on any Working Day from the office of the AMC / the office of the Registrar in Hyderabad/ any of the other Designated Investor Service Centres. Investors may also note that Nippon India Mutual Fund shall service its customers through the call center from Monday to Saturday between 8.00 am to 9.00 pm. However, 24x7 facility shall be available for addressing the queries through interactive voice response (IVR). Investor may also call Customer Service Centre at 1860-266-0111 (charges applicable), and Investors outside India can call at 91-22-69259696 (charges applicable)

(c) The AMC will disclose the Half-yearly Unaudited Financial Results in the prescribed format on the NIMF website i.e. mf.nipponindiaim.com and communicate to the Unit holders within such timelines as may be prescribed under the Regulations from time to time.

(d) Providing of the Annual Reports of the respective Schemes within the stipulated period as required under the Regulations.

(e) The AMC shall disclose the scheme's portfolio in the prescribed format as on the last day of the month/Half year for all the Schemes of NIMF on or before the tenth day of the succeeding month or within such timelines and manner as prescribed by SEBI from time to time on the NIMF Website i.e. mf.nipponindiaim.com and AMFI website www.amfiindia.com

The AMC shall communicate disclosure of Portfolio on a half-yearly basis to the Unit holders as may be prescribed under the Regulations from time to time.

(f) In case of unitholders whose e-mail addresses are registered, the Mutual Funds/ AMCs shall send via email the monthly and half-yearly statement of scheme portfolio within 10 days from the close of each month/ half-year respectively.

5. Plans and Options

The Scheme offers following Plan/options:

(i) Growth Plan

a. Growth Option

(ii) Income Distribution cum capital withdrawal Plan

- a. Payout of Income Distribution cum capital withdrawal Option
- b. Reinvestment of Income Distribution cum capital withdrawal Option
- c. Monthly Payout of Income Distribution cum capital withdrawal Option
- d. Monthly Reinvestment of Income Distribution cum capital withdrawal Option

(iii) Direct Plan - Growth Plan

a. Growth Option

(iv) Direct Plan - Income Distribution cum capital withdrawal Plan

- a. Payout of Income Distribution cum capital withdrawal Option
- b. Reinvestment of Income Distribution cum capital withdrawal Option
- c. Monthly Payout of Income Distribution cum capital withdrawal Option
- d. Monthly Reinvestment of Income Distribution cum capital withdrawal Option

Direct Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Fund (i.e. investments not routed through an AMFI Registration Number (ARN) Holder).

However distribution of IDCWs will be subject to the availability of distributable surplus. Trustees reserve the right to declare a IDCW during the interim period.

The IDCW amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains. For default Plans/Option, please refer the para Titled "Plans / Options offered" covered under Section III- "UNITS AND OFFER".

The AMC, in consultation with the Trustees reserves the right to discontinue/ add more plans/ options at a later date subject to complying with the prevailing SEBI guidelines and Regulations.

Reinvestment of IDCW Payout for IDCW amount less than ₹ 100 (w.e.f. June 10, 2019)

- In case a unitholder has opted for Payout of Income Distribution cum capital withdrawal Option, the minimum amount for IDCW payout shall be ₹ 100 (net of withholding tax or any other statutory levy), else IDCW would be mandatorily reinvested. The IDCW would be reinvested in the same scheme / plan by issuing additional units of the scheme at the prevailing ex-IDCW Net Asset Value per unit on the record date. There shall be no exit load on the redemption of units allotted as a result of such reinvestment of IDCW.
- Mandatory reinvestment of IDCW would not be applicable to Unit holders holding units in Demat form, and if IDCW is declared in any applicable scheme, the amount will be paid out or reinvested as per the option selected by the unit holders.
- IDCW declared will be compulsorily paid out under the Payout of Income Distribution cum capital withdrawal Option of all schemes, for which fresh subscriptions are discontinued with effect from October 01, 2012 as per notice-cum-Addendum no. 63 dated September 28, 2012.

6. Loads

(i) Entry Load – Not Applicable

In accordance with the requirements specified by the Clause no. 10.4 of the SEBI Master circular dated May 19, 2023 no entry load will be charged for purchase / additional purchase / switch-in accepted by the Fund. Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans/ systematic transfer plans (including Salary AddVantage and Transfer of Income Distribution cum capital withdrawal plan) accepted by the Fund.

With reference to Clause 10.4.2.d of SEBI Master Circular dated May 19, 2023, there shall be no entry load for investments under SIPs registered before August 01, 2009.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

(ii) Exit Load -

- 0.25% if redeemed or switched out on or before completion of 1 month from the date of allotment of units
- Nil, if redeemed or switched out after completion of 1 month from the date of allotment of units

W.E.F. October 01, 2012, Exit Load If charged to the scheme shall be credited to the scheme immediately net of Goods and service tax, if any.

Pursuant to Clause 10.6 of SEBI Master circular dated May 19, 2023, no entry load or exit load shall be charged in respect of units allotted on reinvestment of IDCW.

(iii) Switchover Facility

Available, subject to minimum Rs. 5,000/- & any amount thereafter in switch in scheme (for opening a new folio/account) and minimum Rs 1,000 & any amount thereafter for additional switch in.

a. Inter scheme Switch - No Entry Load shall be charged. The exit load will be applicable as per the respective schemes.

b. Inter Plan/Inter Option Switch /Systematic Transfer Plan (STP):

- a) Switch/Systematic Transfer of investments made with ARN code, from Other than Direct Plan to Direct Plan of a Scheme shall be subject to applicable exit load, if any.
- b) No Exit Load shall be levied for switch/Systematic Transfer of investments made without ARN code, from Other than Direct Plan to Direct Plan of the Scheme or vice versa.

Further, the Trustees shall have a right to prescribe or modify the load structure with prospective effect subject to a maximum prescribed under the Regulations. For any change in load structure NAM India will issue an addendum and display it on the website/ Investor Service Centres.

Unitholders will have the flexibility to change the allocation of their investments among the various scheme(s) offered by the Mutual Fund, in order to suit their changing investment needs, by easily switching between the scheme(s) / plans/options of the Mutual Fund.

7. TRANSACTION CHARGES:

In accordance with Clause 10.5.1 of SEBI Master Circular dated May 19, 2023, Nippon Life India Asset Management Limited (NAM India)/ NIMF shall deduct a Transaction Charge on per purchase / subscription of Rs. 10,000/- and above, as may be received from new investors (an investor who invests for the first time in any mutual fund schemes) and existing investors. The distributors shall have an option to either "Opt-in / Opt-out" from levying transaction charge based on the type of product. Therefore, the "Opt-in / Opt-out" status shall be at distributor level, basis the product selected by the distributor at the Mutual Fund industry level.

Such charges shall be deducted if the investments are being made through the distributor/agent and that distributor / agent has opted to receive the transaction charges as mentioned below:

- **For the new investor a transaction charge of Rs 150/- shall be levied for per purchase / subscription of Rs 10,000 and above; and**
- **For the existing investor a transaction charge of Rs 100/- shall be levied for per purchase / subscription of Rs 10,000 and above.**

The transaction charge shall be deducted from the subscription amount and paid to the distributor/agent, as the case may be and the balance shall be invested. 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.

In case of investments through Systematic Investment Plan (SIP) the transaction charges shall be deducted only if the total commitment through SIP (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- and above. In such cases, the transaction charges shall be deducted in 3-4 installments.

Transaction charges shall not be deducted if:

- (a) The amount per purchases /subscriptions is less than Rs. 10,000/-;
- (b) The transaction pertains to other than purchases/ subscriptions relating to new inflows such as Switch/STP/ TIDCWP , etc.
- (c) Purchases/Subscriptions made directly with the Fund through any mode (i.e. not through any distributor/agent).
- (d) Subscription made through Exchange Platform irrespective of investment amount.

8. Minimum Application Amount

Rs 5,000 and in multiples of Re. 1 thereafter

Minimum Additional Purchase Amount

Rs 1,000 (plus in the multiple of Re.1 thereafter)

Note - Pursuant to notice cum addendum dated October 30, 2021, for investments made by designated employees in terms of Clause 6.10 of SEBI Master circular dated May 19, 2023, requirement for minimum application/ redemption amount will not be applicable.

9. PHYSICAL / DEMATERIALIZATION:

The Unit holders are given an Option to hold the units by way of an Account Statement (Physical form) or in Dematerialized ('Demat') form. Mode of holding shall be clearly specified in the KIM cum application form.

Unit holders opting to hold the units in demat form must provide their Demat Account details in the specified section of the application form. The Unit holder intending to hold the units in Demat form are required to have a beneficiary account with the Depository Participant (DP) (registered with NSDL / CDSL as may be indicated by the Fund at the time of launch of the Plan) and will be required to indicate in the application the DP's name, DP ID Number and the beneficiary account number of the applicant with the DP.

In case of subscription is through SIP the units will be allotted based as per the SID and will be credited to investors Demat account as per applicable timelines. This Option shall be available in accordance with the provision laid down in the respective schemes and in terms of guidelines/ procedural requirements as laid by the Depositories (NSDL/CDSL) / Stock Exchanges (NSE / BSE) from time to time

In case, the Unit holder desires to hold the Units in a Dematerialized /Rematerialized form at a later date, the request for conversion of units held in non-demat form into Demat (electronic) form or vice-versa should be submitted alongwith a Demat/Remat Request Form to their Depository Participants.

Units held in demat form will be transferable (except in case of Equity Linked Savings Schemes)

Demat option will not be available for subscription through Micro SIP.

10. TRANSFER OF UNITS

Units held by way of an Account Statement can be transferred. Units held in non demat form / by way of an Account Statement can be transferred. For units held in non - demat form, unit holders intending to transfer units will have to get the units Certified by submitting designated form. On receipt of the said request, RTA will mark the underlying units as Certified Units and will issue a Certified SOA for those units. The AMC / RTA, on production of Designated Transfer Form together with relevant Certified SOA and requisite documents, register the transfer and provide the Certified SOA to the transferee within 10 business days from the date of such production. Investors may note that stamp duty and other statutory levies, if any, as applicable from time to time shall be borne by the transferee.

If a person becomes a holder of the Units consequent to operation of law, or upon enforcement of a pledge, the Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units. Similarly, in cases of transfers taking place consequent to death, insolvency etc., the transferee's name will be recorded by the Fund subject to production of satisfactory evidence.

Units held in Demat form are transferable in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time. Transfer can be made only in favor of transferees who are eligible of holding units and having a Demat Account.

The delivery instructions for transfer of units will have to be lodged with the DP in requisite form as may be required from time to time and transfer will be effected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode.

I. INTRODUCTION

A. RISK FACTORS

Standard Risk Factors

- (i) Mutual Funds and securities investments are subject to market risks such as trading volumes, settlement risk, liquidity risk and default risk including the possible loss of principal and there is no assurance or guarantee that the objectives of the Scheme will be achieved.
- (ii) As the price / value / interest rates of the securities in which the scheme invests fluctuate, the value of your investment in the scheme may go up or down.
- (iii) Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.
- (iv) Nippon India Arbitrage Fund is only the name of the Scheme and does not in any manner indicate either the quality of the scheme or its future prospects and returns.
- (v) The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond initial contribution of Rs.1 lakh towards the setting up of the Mutual Fund and such other accretions and additions to the corpus.
- (vi) The present scheme is not a guaranteed or assured return scheme.
- (vii) The Mutual Fund is not guaranteeing or assuring any IDCW. The Mutual Fund is also not assuring that it will make periodical IDCW distributions, though it has every intention of doing so. All IDCW distributions are subject to the availability of distributable surplus of the Scheme.
- (viii) The Sponsor, their affiliates, associates, subsidiaries, the Mutual Fund and the AMC may invest directly or indirectly in the Scheme, over a period of time; subject to the SEBI (Mutual Funds) Regulations. These entities may acquire a substantial portion of the Scheme's Units and collectively constitute a major investor in the Scheme. Accordingly, Redemption of Units held by such entities may have an adverse impact on the Scheme because the timing of such Redemption may impact the ability of other Unit holders to Redeem their Units.
- (ix) Different types of Securities in which the Scheme would invest as given in this Scheme Information Document carry different levels and types of risks. Accordingly, the Scheme's risk may increase or decrease depending upon its investment pattern. For example, equity and equity related securities carry a higher amount of risk than debt securities. Investment decisions made by the AMC may not always be profitable.

Scheme Specific Risk Factors

(i) Risks associated with investing in Equities

Equity and Equity related instruments on account of its volatile nature are subject to price fluctuations on daily basis. The volatility in the value of the equity and equity related instruments is due to various micro and macro economic factors affecting the securities markets. This may have adverse impact on individual securities /sector and consequently on the NAV of Scheme.

The inability of the Scheme to make intended securities purchases due to settlement problems, could cause the Scheme to miss certain investment opportunities as in certain cases, settlement periods may be extended significantly by unforeseen circumstances. Similarly, the inability to sell securities held in the schemes portfolio may result, at times, in potential losses to the scheme, should there be a subsequent decline in the value of the securities held in the schemes portfolio.

Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments. This may impact the ability of the unit holders to redeem their units. In view of this, the Trustee has the right, in its sole discretion to limit redemptions (including suspending redemptions) under certain circumstances.

The Scheme may find itself invested in unlisted securities due to external events or corporate actions. This may increase the risk of the portfolio as these unlisted securities are inherently illiquid in nature and carry larger liquidity risk as compared to the listed securities or those that offer other exit options to the investors.

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

(ii) Risks associated with investing in Bonds

Investment in Debt is subject to price, credit, and interest rate risk. The NAV of the Scheme may be affected, inter alia, by changes in the market conditions, interest rates, trading volumes, settlement periods and transfer procedures.

Investing in Bonds and Fixed Income securities are subject to the risk of an Issuer's inability to meet principal and interest payments obligation (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk).

The timing of transactions in debt obligations, which will often depend on the timing of the Purchases and Redemptions in the Scheme, may result in capital appreciation or depreciation because the value of debt obligations generally varies inversely with the prevailing interest rates.

a) Interest Rate Risk

As with all debt securities, changes in interest rates will affect the Scheme's Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of longer-term securities generally fluctuate more in response to interest rate changes than do shorter-term securities. Interest rate movements in the Indian debt markets can be volatile leading to the possibility of large price movements up or down in debt and money market securities and thereby to possibly large movements in the NAV.

b) Liquidity or Marketability Risk

This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market.

c) Credit Risk

Credit risk or default risk refers to the risk which may arise due to default on the part of the issuer of the fixed income security (i.e. will be unable to make timely principal and interest payments on the security). Because of this risk debentures are sold at a yield spread above those offered on Treasury securities, which are sovereign obligations and generally considered to be free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the actual changes in the perceived level of credit risk as well as the actual event of default.

d) Reinvestment Risk

This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme or from maturities in the Scheme are reinvested. The additional income from reinvestment is the “interest on interest” component. The risk refers to the fall in the rate for reinvestment of interim cashflows.

e) Risks associated with various types of securities

	CREDIT RISK	LIQUIDITY RISK	PRICE RISK
Listed	Depends on credit quality	Relatively Low	Depends on duration of instrument
Unlisted	Depends on credit quality	Relatively High	Depends on duration of instrument
Secured	Relatively low	Relatively Low	Depends on duration of instrument
Unsecured	Relatively high	Relatively High	Depends on duration of instrument
Rated	Relatively low and depends on the rating	Relatively Low	Depends on duration of instrument
Unrated	Relatively high	Relatively High	Depends on duration of instrument

Different types of securities in which the scheme would invest as given in the Scheme Information Document carry different levels and types of risk. Accordingly, the scheme’s risk may increase or decrease depending upon its investment pattern e.g. corporate bonds, carry a higher level of risk than Government securities. Further even among corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.

(iii) Risk associated with investing in Derivatives

a) Valuation Risk

The risk in valuing the Debt & Equity derivative products due to inadequate trading data with good volumes. Derivatives with longer duration would have higher risk viz a viz the shorter duration derivatives.

b) Mark to Market Risk

The day-to-day potential for an investor to experience losses from fluctuations in underlying stock prices and derivatives prices.

c) Systematic Risk

The risk inherent in the capital market due to macro economic factors like Inflation, GDP, Global events.

d) Liquidity Risk

The risk stemming from the lack of availability of derivatives products across different maturities and with different risk appetite.

e) Implied Volatility

The estimated volatility of an underlying security’s price and derivatives price.

f) Interest Rate Risk

The risk stemming 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.

g) Counterparty Risk (Default Risk)

Default risk is the risk that losses will be incurred due to the default by the counterparty for over the counter derivatives.

h) System Risk

The risk arising due to failure of operational processes followed by the exchanges and OTC participants for the derivatives trading.

Risk attached with the use of derivatives

a) NAM India may use various derivative products, from time to time, for purposes of hedging and portfolio rebalancing in an attempt to protect the value of the portfolio and enhance Unit holder’s interest of the Scheme. As and when the Scheme trades in the derivatives market there are risk factors and issues concerning the use of derivatives that investors should understand. 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. 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 a 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. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

b) 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.

c) 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.

(iv) Risk Associated with Securitised Debt

As with any other debt instrument, the following risk factors have to be taken into consideration while investing in PTCs:

a) Credit Risk

Since most of the PTCs are drawn from a cherry picked pool of underlying assets, the risk of delay / default due to poor credit quality is low. Furthermore most of the PTCs enjoy additional cashflow coverage in terms of subordination by another lower class of PTCs or in terms of excess cash collateralisation.

b) Liquidity Risk

Since the maturity of the PTCs will be in line with the maturity of the FMP, the risk arising from low secondary market liquidity of such instruments is low.

c) Price Risk / Interest Rate Risk

The price risk of these instruments shall be in line with the maturity / duration of such instruments. However given the fact that these instruments will have a maturity profile upto 2 years, the duration risk is relatively less.

Domestic Securitised debt can have different underlying assets and these assets have different risk characteristics. These may be as given in the following example:

Security 1 -Backed by receivables of personal loans originated by XYZ Bank

Security2 - Senior Series Pass Through Certificates backed by commercial vehicles and two-wheeler loan and loan receivables from ABC Bank Limited.

Specific Risk Factors: Loss due to default and/or payment delay on Receivables, Premature Termination of Facility Agreements, Limited loss cover, Delinquency and Credit Risk, Limited Liquidity and Price Risk, Originator/Collection Agent Risk, Bankruptcy of the Originator, Co-mingling of funds.

(v) Risk associated with Securities Lending

Securities Lending is a lending of securities through an approved intermediary to a borrower under an agreement for a specified period with the condition that the borrower will return equivalent securities of the same type or class at the end of the specified period along with the corporate benefits accruing on the securities borrowed. In case the Scheme undertakes stock lending under the Regulations, it may, at times be exposed to counter party risk and other risks associated with the securities lending. Unitholders of the Scheme should note that there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary.

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Mutual Fund may not be able to sell such lent securities and this can lead to temporary illiquidity

(vi) Risk factors associated with repo transactions in corporate bonds -

In Repo transactions, also known as a repo or sale repurchase agreement, securities are sold with the seller agreeing to buy them back at later date. The repurchase price should be greater than the original sale price, the difference effectively representing interest. A repo is economically similar to a secured loan, with the buyer receiving corporate debt securities as collateral to protect against default. The Scheme may invest in repo of corporate debt securities which are subject to the following risks:

- a. **Counterparty Risk:** This refers to the inability of the seller to meet the obligation to buy back securities at the contracted price. The Investment Manager will endeavor to manage counterparty risk by dealing only with counterparties having strong credit profiles assessed through in-house credit analysis or with entities regulated by SEBI/RBI/IRDA.
- b. **Collateral Risk:** In the event of default by the repo counterparty, the schemes have recourse to the corporate debt securities. Collateral risk arises when the market value of the securities is inadequate to meet the repo obligations. This risk is mitigated by restricting participation in repo transactions only in AA and above rated money market and corporate debt securities. In addition, appropriate haircuts are applied on the market value of the underlying securities to adjust for the illiquidity and interest rate risk on the underlying instrument

(vii) Risks associated with Investment in ADR / GDR - underlying shares /Foreign Securities

The Fund may invest in overseas debt / equities / ADR's / GDR's with the approval of RBI/SEBI, subject to such guidelines as may be issued by RBI/SEBI. The net assets, distributions and income of the scheme may be affected adversely by fluctuations in the value of certain foreign currencies relative to the Indian Rupee to the extent of investments in these securities. Repatriation of such investment may also be affected by changes in the regulatory and political environments. The scheme's NAV may also be affected by a fluctuation in the general and specific level of interest rates internationally, or the change in the credit profiles of the issuers.

(viii) Other Scheme Specific Risk factors

- a) The liquidity of the Scheme's investments may be inherently restricted by trading volumes, settlement periods and transfer procedures. In the event of an inordinately large number of redemption requests, or of a re-structuring of the Scheme's investment portfolio, these periods may become significant. Please read the Sections of this Scheme Information Document entitled "Special Considerations" and "Right to Limit Redemptions" there under.
- b) Although, the objective of the Fund is to generate optimal returns, the objective may or may not be achieved. The investors may note that if the AMC/Investment Manager is not able to make right decision regarding the timing of increasing exposure in debt securities

in times of falling equity market, it may result in negative returns. Given the nature of scheme, the portfolio turnover ratio may be on the higher side commensurate with the investment decisions and Asset Allocation of the Scheme. At times, such churning of portfolio may lead to losses due to subsequent negative or unfavorable market movements.

- c) Specific Risk Factors - Credit And Rating Downgrade Risk, Prepayment And Foreclosures Risk for Senior PTC Series, Prepayment And Foreclosures Risk for Senior PTC Series, Servicing Agent Risk, Co-mingling Risk, and Bankruptcy of the Seller.
- d) The NAV of the scheme to the extent invested in Debt and Money market securities are likely to be affected by changes in the prevailing rates of interest and are likely to affect the value of the Scheme's holdings and thus the value of the Scheme's Units.
- e) The AMC may, considering the overall level of risk of the portfolio, invest in lower rated/ unrated securities offering higher yields. This may increase the risk of the portfolio.
- f) Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. The AMC may choose to invest in unlisted securities that offer attractive yields. This may increase the risk of the portfolio.
- g) While securities that are listed on the stock exchange carry lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Scheme and may lead to the Scheme incurring losses till the security is finally sold.
- h) Investment decisions made by the AMC may not always be profitable, even though it is intended to generate capital appreciation and maximize the returns by actively investing in equity and equity related securities.
- i) The tax benefits available under the scheme are as available under the present taxation laws and are available only to certain specified categories of investors and that is subject to fulfillment of the relevant conditions. The information given is included for general purposes only and is based on advise that the AMC has received regarding the law and the practice that is currently in force in India and the investors and the Unitholders should be aware that the relevant fiscal rules and 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 investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor/Unitholder is advised to consult his/her own professional tax advisor.
- j) The primary objective of the Fund Manager is to identify investment opportunities and to exploit price discrepancies in various markets. Identification and exploitation of the strategies to be pursued by the Fund Manager involve uncertainty. No assurance can be given that Fund Manager will be able to locate investment opportunities or to correctly exploit price discrepancies in the capital markets. Reduction in mis-pricing opportunities between the cash market and Future and Options market may lead to lower level of activity affecting the returns. As the Scheme proposes to execute arbitrage transactions in various markets simultaneously, this may result in high portfolio turnover and, consequently, high transaction cost. There may be instances, where the price spread between cash and derivative market is insufficient to meet the cost of carry. In such situations, the fund manager due to lack of opportunities in the derivative market may not be able to outperform liquid / money market funds.
- k) Though the constituent stocks of most indexes are typically liquid, liquidity differs across stock. Due to heterogeneity in liquidity in the capital market segment, trades on this segment do not get implemented instantly. This often makes arbitrage expensive, risky and difficult to implement.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme / Plan shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme / Plan(s). However, if such limit is breached during the NFO of the Scheme, the Fund will endeavor 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 / Plan(s) 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 / Plan(s) shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied 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.

C. SPECIAL CONSIDERATIONS

The Mutual Fund is not assuring or guaranteeing that it will be able to make regular periodical distributions to its Unit holders though it has every intention to manage the portfolio so as to make periodical income to Unit holders. Periodical distributions will be dependent on the returns achieved by the Asset Management Company through the active management of the portfolio. Periodical distributions may therefore vary from period to period, based on investment results of the portfolio.

1) Right to limit Purchase of units and/or Right to limit Redemption of units

The Trustee and AMC may, in the general interest of the Unit holders of the Scheme under this Scheme Information Document and keeping in view the unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Working Day for redemption requests of more than Rs. 2 Lakhs per folio at a scheme level. In line with the Clause 1.12 of SEBI Master Circular dated May 19, 2023 the following conditions would be applicable.

- a. Restriction may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:
 - i. Liquidity issues - when market at large becomes illiquid and affecting almost all securities. .
 - ii. 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.

- iii. Operational issues – when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).
- b. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.
- c. When restriction on redemption is imposed, the following procedure shall be applied:
 - i. No redemption requests upto INR 2 lakh shall be subject to such restriction.
 - ii. Where redemption requests are above INR 2 lakh, AMCs shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction.

However, suspension or restriction of redemption under any scheme of the Mutual Fund shall be made applicable only after the approval from the Board of Directors of the Asset Management Company and the Trustee Company. The approval from the AMC Board and the Trustees giving details of circumstances and justification for the proposed action shall also be informed to SEBI immediately.

II) Segregation of Portfolio

Creation of segregated portfolio shall be subject to guidelines specified by SEBI from time to time and includes the following:

- 1) Segregated portfolio may be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under:
 - a) Downgrade of a debt or money market instrument to 'below investment grade', or
 - b) Subsequent downgrades of the said instruments from 'below investment grade', or
 - c) Similar such downgrades of a loan rating
- 2) In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level.
- 3) Creation of segregated portfolio is optional and is at the discretion of Nippon Life India Asset Management Limited ("AMC")
- 4) AMC has a written down policy on Creation of segregated portfolio which is approved by the Trustees.

Process for Creation of Segregated Portfolio

- 1) AMC shall decide on creation of segregated portfolio on the day of credit event. Once AMC decides to segregate portfolio, it shall:
 - a) seek approval of trustees prior to creation of the segregated portfolio.
 - b) immediately issue a press release disclosing its intention to segregate such debt and money market instrument and its impact on the investors. Nippon India Mutual Fund will also disclose that the segregation shall be subject to Trustee approval. Additionally, the said press release will be prominently disclosed on the website of the AMC.
 - c) ensure that till the time the trustee approval is received, which in no case shall exceed 1 business day from the day of credit event, the subscription and redemption in the scheme will be suspended for processing with respect to creation of units and payment on redemptions.
- 2) Once Trustee approval is received by the AMC:
 - a) Segregated portfolio will be effective from the day of credit event.
 - b) AMC shall issue a press release immediately with all relevant information pertaining to the segregated portfolio. The said information will also be submitted to SEBI.
 - c) An e-mail or SMS will be sent to all unit holders of the concerned scheme.
 - d) The NAV of both segregated and main portfolios will be disclosed from the day of the credit event.
 - e) All existing investors in the scheme as on the day of the credit event will be allotted equal number of units in the segregated portfolio as held in the main portfolio.
 - f) No redemption and subscription will be allowed in the segregated portfolio.
 - g) AMC should enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests.
- 3) If the trustees do not approve the proposal to segregate portfolio, AMC will issue a press release immediately informing investors of the same.

Valuation and Processing of Subscriptions and Redemptions

- 1) Notwithstanding the decision to segregate the debt and money market instrument, the valuation should take into account the credit event and the portfolio shall be valued based on the principles of fair valuation (i.e. realizable value of the assets) in terms of the relevant provisions of SEBI (Mutual Funds) Regulations, 1996 and Circular(s) issued thereunder.
- 2) All subscription and redemption requests for which NAV of the day of credit event or subsequent day is applicable will be processed as under:
 - i. Upon trustees' approval to create a segregated portfolio -
 - Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
 - Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.
 - ii. In case trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the NAV of total portfolio.

Disclosures

In order to enable the existing as well as the prospective investors to take informed decision, the following shall be adhered to:

- 1) A statement of holding indicating the units held by the investors in the segregated portfolio along with the NAV of both segregated portfolio and main portfolio as on the day of the credit event shall be communicated to the investors within 5 working days of creation of the segregated portfolio.
- 2) Adequate disclosure of the segregated portfolio shall appear in all scheme related documents, in monthly and half-yearly portfolio disclosures and in the annual report of the mutual fund and the scheme.
- 3) The Net Asset Value (NAV) of the segregated portfolio shall be declared on daily basis.
- 4) The information regarding number of segregated portfolios created in a scheme shall appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.
- 5) The scheme performance required to be disclosed at various places shall include the impact of creation of segregated portfolio. The scheme performance should clearly reflect the fall in NAV to the extent of the portfolio segregated due to the credit event and the said fall in NAV along with recovery(ies), if any, shall be disclosed as a footnote to the scheme performance.
- 6) The disclosures mentioned in points (4) and (5) above regarding the segregated portfolio shall be carried out for a period of at least 3 years after the investments in segregated portfolio are fully recovered/ written-off.
- 7) The investors of the segregated portfolio shall be duly informed of the recovery proceedings of the investments of the segregated portfolio. Status update may be provided to the investors at the time of recovery and also at the time of writing-off of the segregated securities.

Monitoring by Trustees

In order to ensure timely recovery of investments of the segregated portfolio, trustees shall ensure that:

- The AMC puts in sincere efforts to recover the investments of the segregated portfolio.
- Upon recovery of money, whether partial or full, it shall be immediately distributed to the investors in proportion to their holding in the segregated portfolio. Any recovery of amount of the security in the segregated portfolio even after the write off shall be distributed to the investors of the segregated portfolio.
- An Action Taken Report (ATR) on the efforts made by the AMC to recover the investments of the segregated portfolio shall be placed in every Trustee meeting till the investments are fully recovered/written-off.
- Trustees will monitor the compliance of the SEBI Circular in respect of creation of segregated portfolio and disclosure in this respect shall be made in Half-Yearly Trustee reports filed with SEBI.

In order to avoid mis-use of segregated portfolio, Trustees shall ensure to have a mechanism in place to negatively impact the performance of Fund Managers, Chief Investment Officers (CIOs), etc. involved in the investment process of securities under the segregated portfolio. The new mechanism shall mirror the existing mechanism for performance incentives of the AMC, including the claw back of such amount to the segregated portfolio of the Scheme/(s).

TER for the Segregated Portfolio

- 1) AMC will not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio.
- 2) The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence.
- 3) The legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio in proportion to the amount of recovery. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.
- 4) The costs related to segregated portfolio shall in no case be charged to the main portfolio.

Definitions/Explanations:

- 1) The term 'segregated portfolio' means a portfolio, comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme.
- 2) The term 'main portfolio' means the scheme portfolio excluding the segregated portfolio.
- 3) The term 'total portfolio' means the scheme portfolio including the securities affected by the credit event.

Risks associated with segregated portfolio

Liquidity risk

1. Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer.
2. Listing of units of segregated portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.

Credit risk

3. Security comprises of segregated portfolio may not realise any value.

Illustration of Segregated Portfolio

Portfolio Date: 04-June-19

Downgrade Event Date: 04-June-19

Downgrade Security: 8.04% E Ltd NCD (MD 27/01/2022) from A- to C

Valuation Marked Down: 55%

No. of units outstanding in a scheme 10,000 units, amounting to (10,000*1181.85) Rs.118.18 lakhs

A. Total portfolio (after Credit Event before segregation)

Security	Rating	Type of the security	Qty	Price Per Unit (Rs)	Market Value (in lakhs)
7.14% A Ltd NCD (MD 09/12/2021)	CRA 1AAA	NCD	25,000	98.0144	24.5
8.02% B Ltd NCD (MD 22/05/2022)	CRA 1AAA	NCD	24,000	100.9817	24.24
8.53% C Ltd NCD Ser C (MD 03/07/20)	CRA 2AA	NCD	21,300	98.3226	20.94
D Ltd CP (MD 27/02/2020)	CRA 1 A1+	CP	25,000	94.9606	23.74
8.04% E Ltd NCD (MD 27/01/2022)	CRA 3 C*	NCD	23,700	41.2007	9.76
Cash & Cash equivalent					15
Net Assets (in lakhs)					118.18
Unit capital (no. of units)					10,000.00
NAV per unit (Rs)					1,181.85

*We have marked down the security (8.04% E Ltd NCD (MD 27/01/2022)) by 55% as it was downgraded to C from A-. Before marked down, the security was valued at Rs. 91.5571 per unit.

B. Main Portfolio (after creation of segregated portfolio)

Security	Rating	Type of the security	Qty	Price Per Unit (Rs)	Market Value (in lakhs)
7.14% A Ltd NCD (MD 09/12/2021)	CRA 1 AAA	NCD	25,000	98.0144	24.50
8.02% B Ltd NCD (MD 22/05/2022)	CRA 1 AAA	NCD	24,000	100.9817	24.24
8.53% C Ltd NCD Ser C (MD 03/07/20)	CRA 2 AA	NCD	21,300	98.3226	20.94
D Ltd CP (MD 27/02/2020)	CRA 1 A1+	CP	25,000	94.9606	23.74
Cash & Cash equivalent					15.00
Net Assets (in lakhs)					108.42
Unit capital (no. of units)					10,000.00
NAV per unit (Rs)					1,084.20

Security 8.04% E Ltd NCD (MD 27/01/2022) will be segregated into a separate portfolio.

C. Segregated Portfolio

Security	Rating	Type of the security	Qty	Price Per Unit (Rs)	Market Value (in lakhs)
8.04% E Ltd NCD (MD 27/01/2022)	CRA 3 C	NCD	23,700	41.2007	9.76
Net Assets (in lakhs)					9.76
Unit capital (no. of units)					10,000.00
NAV per unit (Rs)					97.65

Please note CRA in the above tables stands for Credit Rating Agency

Total Portfolio value after creation of segregated portfolio

	Main portfolio	Segregated portfolio	Total value (in lakhs)
No. of units	10,000	10,000	-
NAV per unit	1084.20	97.65	1181.85
Total value (in lakhs)	108.42	9.77	118.19

D. DEFINITIONS & ABBREVIATIONS

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

Aadhaar	:	Aadhaar number issued by the Unique identification Authority of India (UIDAI)
Applicable Net Asset Value (NAV)	:	Applicable NAV is the Net Asset Value per Unit at the close of the Business Day on which the application for purchase or redemption/switch is received at the designated investor service centre and is considered accepted on that day. An application is considered accepted on that day, subject to it being complete in all respects and received prior to the cut-off time on that Business Day.
AMFI	:	Association of Mutual Funds in India, the apex body of all the registered AMCs incorporated on August 22, 1995 as a non-profit organisation.

Asset Management Company (AMC/NAM India)/ Investment Manager	:	Nippon Life India Asset Management Limited, the Asset Management Company incorporated under the Companies Act, 1956, and authorized by SEBI to act as the Investment Manager to the Schemes of Nippon India Mutual Fund (NIMF)
Business Day/Working Day	:	A Business Day / Working Day means any day other than : 1. Saturday or 2. Sunday or 3. a day on which The Bombay Stock Exchange, Mumbai or National Stock Exchange Limited or Reserve Bank of India or Banks in Mumbai are closed or 4. a day on which there is no RBI clearing/settlement of securities or 5. a day on which the sale and/or redemption and /or switches of Units is suspended by the Trustees or /AMC or 6. a book closure period as may be announced by the Trustees / Asset Management Company or 7. a day on which normal business could not be transacted due to storms, floods, or 8. bandhs, strikes or any other events as the AMC may specify from time to time. The AMC reserves the right to declare any day as a Business Day or otherwise at any or all DISC.
Continuous Offer	:	Offer of the Units when the scheme becomes open-ended after the closure of the New Fund Offer.
Custodian	:	Custodian means 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. Presently, Deutsche Bank A.G., registered vide registration number IN/CUS/003 is appointed as Custodian of securities for all the schemes of NIMF, or any other custodian as may be appointed by the Trustees.
Designated Investor Service Centres (DISC / Official point of acceptance for transaction)	:	Any location as may be defined by the Asset Management Company from time to time, where investors can tender the request for subscription, redemption or switching of units, etc.
IDCW	:	Amount distributed by the scheme on the Units which may be paid out of investor's capital (Equalization Reserve), which is part of sale price that represents realized gains.
DP	:	Depository Participant means a person registered as such under sub regulation (1A) of section 12 of SEBI Act, 1992 (15 of 1992)
Entry Load	:	Load on subscriptions / switch in.
Equity related instruments	:	Equity related instruments include convertible debentures, Listed convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and such other instrument as may be specified by the Board from time to time.
Exit Load	:	Load on redemptions / switch out.
FPI	:	Foreign Portfolio Investors (FPI) as defined in Regulation 2(1) (h) of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Investment Management Agreement (IMA)	:	The Agreement entered into between Nippon Life India Trustee Limited and Nippon Life India Asset Management Limited by which NAM India has been appointed the Investment Manager for managing the funds raised by NIMF under the various Schemes and all amendments thereof.
KIM	:	Key Information Memorandum as required in terms of SEBI (MF) Regulation 29(4)
Load	:	A charge that may be levied as a percentage of NAV at the time of entry into the scheme/plans or at the time of exiting from the scheme/ plans.
Local Cheque	:	A Cheque handled locally and drawn on any bank, which is a member of the banker's clearing house located at the place where the application form is submitted.
Money Market Instruments	:	Money market instruments include Tri-party Repo on government securities or T-bills / Reverse Repo (including corporate bond Repo), certificate of deposit, commercial papers, commercial bills, treasury bills, Government securities issued by Central & State Government/ corporate bonds having an unexpired maturity up to one year, call or notice money, Term Deposits, usance bills (BRDS) and any other similar instruments as specified by the RBI/SEBI from time to time.
Net Asset Value (NAV)	:	Net Asset Value / NAV of the Units in each plan of the Scheme is calculated in the manner provided in this Scheme Information Document or as may be prescribed by Regulations from time to time. The NAV will be computed upto four decimal places.
NRI	:	Non-Resident Indian. Person resident outside India who is either a citizen of India or a Person of Indian Origin.
PIO	:	Person of Indian Origin. 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).

Plans/Options /Subscription Price	:	<p>The Scheme offers following Plan/options:</p> <p>(i) Growth Plan</p> <p>a. Growth Option</p> <p>(ii) Income Distribution cum capital withdrawal Plan</p> <p>a. Payout of Income Distribution cum capital withdrawal Option</p> <p>b. Reinvestment of Income Distribution cum capital withdrawal Option</p> <p>c. Monthly Payout of Income Distribution cum capital withdrawal Option</p> <p>d. Monthly Reinvestment of Income Distribution cum capital withdrawal Option</p> <p>(iii) Direct Plan - Growth Plan</p> <p>a. Growth Option</p> <p>(iv) Direct Plan - Income Distribution cum capital withdrawal Plan</p> <p>a. Payout of Income Distribution cum capital withdrawal Option</p> <p>b. Reinvestment of Income Distribution cum capital withdrawal Option</p> <p>c. Monthly Payout of Income Distribution cum capital withdrawal Option</p> <p>d. Monthly Reinvestment of Income Distribution cum capital withdrawal Option</p> <p>Direct Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Fund (i.e. investments not routed through an AMFI Registration Number (ARN) Holder).</p>
Purchase Price	:	Purchase Price to the investor of Units of any of the plans computed in the manner indicated in this Scheme Information Document.
Redemption Price	:	Redemption Price to the investor of Units of any of the plans computed in the manner indicated in this Scheme Information Document.
Registrar / KFintech	:	KFin Technologies Limited, who have been appointed as the Registrar or any other Registrar who is appointed by NAM India.
Nippon Life India Trustee Limited (NLITL) / Trustee / Trustee Company	:	Nippon Life India Trustee Limited, a Company incorporated under the Companies Act, 1956, and authorized by SEBI and by the Trust Deed to act as the Trustee of Nippon India Mutual Fund.
Nippon India Mutual Fund (NIMF) /Mutual Fund / the Fund	:	Nippon India Mutual Fund, a Trust under Indian Trust Act, 1882 and registered with SEBI vide registration number MF/022/95/1 dated June 30, 1995.
Reserve Bank of India (RBI)	:	Reserve Bank of India, established under the Reserve Bank of India Act, 1934.
Scheme	:	Nippon India Arbitrage Fund, An open ended scheme investing in arbitrage opportunities.
Scheme Information Document (SID)	:	Scheme Information Document issued by Nippon India Mutual Fund, offering units of Nippon India Arbitrage Fund for Subscription.
SEBI (Mutual Funds) Regulations/ SEBI (MF) Regulations/ Regulations	:	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time and such other regulations (including the Rules, Guidelines or Circulars) as may be in force from time to time to regulate the activities of Mutual Funds.
Statement of Additional Information (SAI)	:	Statement of Additional Information.
Sponsor	:	Sponsor of Nippon India Mutual Fund i.e., Nippon Life Insurance Company ("NLI") which is mutual company incorporated and existing under the laws of japan
The Securities and Exchange Board of India (SEBI)	:	The Securities and Exchange Board of India.
Tri- Party Repo	:	Tri-party repo is a type of repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction.
Trust Deed	:	Trust Deed means Trust Deed constituted in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882) and as amended from time to time. The amended Trust Deed is in accordance with SEBI (Mutual Funds) Regulations, 1996. The Trust Deed has been registered under the Indian Registration Act, 1908
Trust Fund	:	The corpus of the Trust, unit capital and all property belonging to and/or vested in the Trustee.
Unit	:	The interest of the investors in any of the plans, of the scheme which consists of each Unit representing one undivided share in the assets of the corresponding plan of the scheme.
Unitholder	:	A person who holds Unit(s) under the scheme.
Unitholders Record	:	Unit holders whose names appear on the unit holders register of the concerned plan/(s) on the date of determination of IDCW, subject to realisation of the cheque.
Website	:	Website of NIMF namely mf.nipponindiaim.com

Words and Expressions used in this Scheme Information Document and not defined shall have the same meaning as in the Regulations.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that

- a) The Scheme Information Document of Nippon India Arbitrage Fund, 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.
- b) 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.
- c) 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.
- d) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registrations are valid, as on date.

Place : Mumbai

Date : October 31, 2023

Sd/-

Muneesh Sud

Chief Legal & Compliance Officer

II. INFORMATION ABOUT THE SCHEME – NIPPON INDIA ARBITRAGE FUND

A. TYPE OF THE SCHEME

An open ended scheme investing in arbitrage opportunities

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The investment objective of the scheme is to generate income by taking advantage of the arbitrage opportunities that potentially exists between cash and derivative market and within the derivative segment along with investments in debt securities & money market instruments.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Under normal circumstances, the anticipated asset allocation would be:

Instruments	Indicative allocation (% of total assets)		
	Maximum	Minimum	Risk Profile
Equities and equity related instruments, Derivatives including index futures, stock futures, index options, & stock options, etc. #	90	65	Medium to High
Debt and Money market instruments** (including investments in securitized debt)	35	10	Low to Medium

When adequate arbitrage opportunities are not available in the Derivative and Equity markets, the anticipated alternate asset allocation on defensive considerations would be in accordance with the allocation given below. However, in case no arbitrage opportunity is available, then 100% of the remaining investible corpus (to the extent not deployed in arbitrage opportunities in the asset allocation pattern mentioned above) will be deployed in short term debt and money market instruments with tenure not exceeding 91 days (including investments in securitized debt). In this scenario also, the allocation in Equities and equity related instruments, Derivatives including index futures, stock futures, index options, and stock options, etc will continue to be made in arbitrage opportunities only.

Instruments	Indicative allocation (% of total assets)		
	Maximum	Minimum	Risk Profile
Equities and equity related instruments, Derivatives including index futures, stock futures, index options, & stock options, etc. (Only arbitrage opportunities)#	65	0	Medium to High
Debt and Money market instruments** (including investments in securitized debt)	35	10	Low to Medium
Short term Debt and Money market instruments not exceeding tenure of 91 days** (including investments in securitized debt)	100	0	Low to medium

the exposure to derivatives shown in the above asset allocation tables is exposure taken against the underlying equity investments and should not be considered for calculating the total asset allocation and/or investment restrictions on the issuer. The idea is not to take additional asset allocation with the use of derivative. The margin money deployed on these positions would be included in Money Market category.

** including securitized debt up to 30%

The Scheme shall take derivatives position based on the opportunities available subject to the guidelines issued by SEBI/RBI from time to time and in line with the overall investment objective of the Scheme.

The above Asset Allocation Patterns are only indicative. The investment manager in line with the investment objective may alter the above pattern for short term and on defensive consideration and will endeavor to rebalance the portfolio in tune with the aforesaid asset allocation pattern within 1 month of deviation, if any.

Gross investments in securities under the Scheme which includes equities, equity related instruments/securities, debt securities Money Market Instruments and derivatives (including fixed income derivatives) will not exceed 100% of the net assets of the Scheme. For the purpose of this monitoring, the Gross Investments shall mean the Long Positions of Equity and Equity related securities and the debt securities Money Market Instruments. As a measure, the short positions used for arbitrage opportunities would be based on the underlying equity.

Subject to SEBI (MF) Regulations, 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 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. As per Clause 1.14.1.2.b and Clause 2.9 of SEBI Master Circular dated May 19, 2023, such changes in the investment pattern will be for short term and for defensive consideration only. In the event of deviations, portfolio rebalancing will be carried out within 30 calendar days in such cases.

In case of any deviation (due to passive breaches) from the asset allocation of the scheme, the fund manager will carry out rebalancing within 30 business days. Where the portfolio is not re-balanced within 30 business days, justification in writing including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee. The Investment Committee, if so desires, can extend the timelines up to sixty (60) business days from the date of completion of mandated rebalancing period. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.

D. HOW THE SCHEME IS DIFFERENT FROM THE EXISTING OPEN ENDED SCHEMES OF THE MUTUAL FUND

Nippon India Arbitrage Fund is a product offered by Nippon India Mutual Fund and is not a minor modification of the existing scheme/fund/product.

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
Nippon India Growth Fund	Equity & Equity Related Instruments - 65%-100%, Debt Instruments & Money Market Instruments - 0%-35%	The primary investment objective of the Scheme is to achieve long term growth of capital by investing in equity and equity related securities through a research based investment approach. However, there can be no assurance that the investment objective of the Scheme will be realized, as actual market movements may be at variance with anticipated trends.	The portfolio shall be structured so as to keep risk at acceptable levels. This shall be done through various measures including: 1. Broad diversification of portfolio 2. Ongoing review of relevant market, industry, sector and economic parameters 3. Investing in companies which have been researched 4. Investments in debentures and bonds (where the tenure exceeds 18 months) will usually be in Investments which have been assigned investment grade ratings by any approved rating agency	The core philosophy of the fund is to focus on high quality mid cap stocks while having a small exposure to large cap stocks.	19247.23	974587
Nippon India Vision Fund	Equity & Equity Related Instruments – 70%-100%, Large Cap* Companies – 35%-65%, Mid Cap* Companies – 35%-65%, Debt & Money Market Instruments 0%-30% & Units issued by REITs and InvITs 0%-10%. *Market Capitalization: Market value of the listed company, which is calculated by multiplying its current market price by total number of shares. Large Cap: Large Cap stocks are defined as stocks of companies whose market capitalization is between 1st – 100th company in terms of full market capitalization. Mid Cap: Mid Cap stocks are defined as stocks of companies whose market capitalization is between 101st – 250th company in terms of full market capitalization	The primary investment objective of the scheme is to achieve long-term growth of capital by investment in equity and equity related securities through a research based investment approach	The portfolio shall be structured so as to keep risk at acceptable levels. This shall be done through various measures including: 1. Broad diversification of portfolio 2. Ongoing review of relevant market, industry, sector and economic parameters 3. Investing in companies which have been researched 4. Investments in debentures and bonds (where the tenure exceeds 18 months) will usually be in instruments which have been assigned investment grade ratings by any approved rating agency	The fund aims to achieve long term capital appreciation through investment in high quality large size and mid size capitalization stocks.	3579.55	366193

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
Nippon India Large Cap Fund	Equity & Equity Related Instruments – 80%-100%, Large Cap* Companies – 80%-100%, Mid & Small Cap* Companies – 0%-20%, Debt & Money Market Instruments 0%-20% & Units issued by REITs and InvITs 0%-10%. *Market Capitalization: Market value of the listed company, which is calculated by multiplying its current market price by total number of shares. Large Cap: Large Cap stocks are defined as stocks of companies whose market capitalization is between 1st – 100th company in terms of full market capitalization. Mid Cap: Mid Cap stocks are defined as stocks of companies whose market capitalization is between 101st – 250th company in terms of full market capitalization. Small Cap: Small Cap stocks are defined as stocks of companies whose market capitalization is below first 250 companies in terms of full market capitalization.	The primary investment objective of the scheme is to seek to generate long term capital appreciation by investing predominantly into equity and equity related instruments of large cap companies. The secondary objective is to generate consistent returns by investing in debt, money market securities, REITs and InvITs.	The scheme will invest predominantly into equity and equity related instruments of large cap companies. The Fund will invest at least 80% of its total assets in large cap stocks. Such companies which tend to be leaders in their respective fields with having strong financials, vast experience and robust management. Large Cap stocks tend to generate consistent long term returns with relatively less volatility. They also tend to generate relatively stronger performance during times of heightened risk aversion. The fund will have the flexibility to invest in a broad range of companies with an objective to maximize the returns, at the same time trying to minimize the risk by reasonable diversification. However, there can be no assurance that the investment objective of the scheme will be realized, as actual market movements may be at variance with anticipated trends.	The Scheme will predominantly invest in equity and equity related instruments of large cap companies.	16633.52	856414
Nippon India Multi Cap Fund	Equity & Equity Related Instruments – 75%-100%, Large Cap^ Companies – 25%-50%, Mid Cap^ Companies – 25%-50%, Small Cap^ Companies – 25%-50%, Debt & Money Market Instruments 0%-30% & Units issued by REITs and InvITs 0%-10%. *Market Capitalization: Market value of the listed company, which is calculated by multiplying its current market price by total number of shares. ^Clause 2.7 of the SEBI Master Circular for Mutual Funds dated May 19, 2023: Large Cap: Large Cap stocks are defined as stocks of companies whose market capitalization is between 1st – 100th company in terms of full market capitalization. Mid Cap: Mid Cap stocks are defined as stocks of companies whose market capitalization is between 101st – 250th company in terms of full market capitalization. Small Cap: Small Cap stocks are defined as stocks of companies whose market capitalization is 251st company onwards in terms of full market capitalization	The primary investment objective of the scheme is to seek to generate capital appreciation & provide long-term growth opportunities by investing in a portfolio constituted of equity securities & equity related securities and the secondary objective is to generate consistent returns by investing in debt and money market securities.	The Fund will endeavor to continuously analyze the performance of economy and industry, which would be reflected in the investment pattern of the fund. The Fund would seek both value & growth, which are likely to commence from the ongoing structural changes in the government policies, infrastructure spending and continuous global economic reforms which tries to integrate different economies across the globe. The primary approach to stock selection will be through the Top down approach i.e. Sector -- Industry-- Company.	The fund has the mandate to invest across companies (belonging to different sectors) and market caps - minimum 25% each in large, mid & small cap segments. The fund manager would have the flexibility to be overweight in a particular sector depending on the potential & opportunities as they arise.	20930.45	920851

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
Nippon India Quant Fund	Equity & Equity Related Instruments - 80%-100% & Debt & Money Market Instruments - 0%-20%, Units issued by REITs and InvITs - 0%-10%	The investment objective of the Scheme is to generate capital appreciation through investment in equity and equity related instruments. The Scheme will seek to generate capital appreciation by investing in an active portfolio of stocks selected on the basis of a Quant model.	The fund will invest in 30-35 stocks from a universe of S&P BSE 200 selected on the basis of a Quant Model. Quantitative methods will be used for (i) screening mechanism to choose best picks and make the stock selection universe smaller, (ii) Deciding on the portfolio weightage for better return as the investment will focus on company's size and liquidity. The quantitative model which will be used for stock selection will be based on two broad parameters viz., Stock Price movement & Financial/valuation aspects. The model will shortlist between 30-35 stocks (out of the resulting list) and the investments will be made in them on weightages defined by the fund manager.	An investment fund which focuses on stocks from constituents of S&P BSE 200. The stock selection process is based on quantitative analysis, and the proprietary system-based model will shortlist between 30-35 stocks from screening mechanism at pre-determined intervals i.e. on quarterly basis based on quantitative techniques.	42.52	4875
Nippon India Tax Saver (ELSS) Fund	Equity and Equity related securities 80%-100% and Debt and Money Market Instrument 0%-20%	The primary objective of the scheme is to generate long-term capital appreciation from a portfolio that is invested predominantly in equity and equity related instruments	The investments in the Scheme shall be in accordance with SEBI (Mutual Funds) Regulations, 1996 and Equity Linked Saving Scheme, 2005 notified by Ministry of Finance (Department of Economic Affairs) vide Notifications dated November 3, 2005 and December 13, 2005. The fund managers will follow an active investment strategy taking defensive / aggressive postures depending on opportunities available at various points of time	The fund is an open ended equity linked savings scheme which gives dual advantage of tax savings & growth potential. It is a diversified fund which aims to have minimum 50% exposure to top 100 companies by market capitalization.	12734.02	868911
Nippon India Banking & Financial Services Fund	Equity and Equity related securities of companies in the Banking and Financial services sector - 80% - 100%, Equity and Equity Related securities of companies other than Banking and Financial services sector - 0% -20%, Debt Securities & Money Market instruments- 0% -20%	The primary investment objective of the Scheme is to seek to generate continuous returns by actively investing in equity and equity related securities of companies in the Banking and Financial services sector. The AMC will have the discretion to completely or partially invest in any of the type of securities stated above with a view to maximize the returns or on defensive considerations. However, there can be no assurance that the investment objective of the Scheme will be realized, as actual market movements may be at variance with anticipated trends.	To achieve its primary objective, the fund will invest in equity and equity related securities of companies in Banking and Financial services sector.	The fund aims to generate consistent returns by investing in equity / equity related securities of companies in the Banking and Financial services sector. The fund follows an active investment strategy with an endeavor to generate alpha over the medium to long term..	4630.26	174197

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
Nippon India Pharma Fund	Equity and Equity related Instruments of companies in Pharma Sector – 80%-100%, Equity and Equity Related securities of companies other than those engaged in pharma sector - 0% - 20%, Debt Securities & Money Market instruments - 0% - 20%, & Units issued by REITs and InvITs – 0%-10%	The primary investment objective of the scheme is to seek to generate consistent returns by investing in equity and equity related or fixed income securities of Pharma and other associated companies	The fund under normal circumstances shall invest at least 80% of its net assets in equity/equity related instruments of the companies in the pharma sector. The Scheme may also invest some portion of the investible funds in equity and equity related securities of companies other than those engaged in pharma sector. The Scheme may also invest some portion of the investible funds in debt and money market instruments	A sector fund which aims to generate consistent returns by investing in large and mid-cap companies spread across all important segments of the pharmaceutical industry.	5687.80	310556
Nippon India Power & Infra Fund	Equity and Equity related Instruments of Power & Infrastructure Sectors - 80%-100%, Equity and Equity Related securities of companies other than those engaged in Power & Infrastructure - 0%-20%, Debt Securities & Money Market instruments – 0%-20%, Units issued by REITs and InvITs - 0%-10%	The investment objective of the scheme is to seek long term capital appreciation by investing in equity/equity related instruments of the companies that are engaged in power and infrastructure space in India. There is no assurance or guarantee that the investment objective of the scheme will be achieved.	The Fund will invest primarily in equity & equity related instruments of companies engaged either directly or indirectly in infrastructure-related activities. Broadly defined, infrastructure-related activities include development, operations, management and maintenance of various infrastructures such as Transportation, Energy, Resources, Communication and other infrastructure. The fund will have the flexibility to invest in a broad range of companies with an objective to maximize the returns, at the same time trying to minimize the risk by reasonable diversification. The Fund would identify companies for investment, based on the following criteria amongst others: 1. Sound Management, 2. Good track record of the company, 3. Potential for future growth 4. Industry economic scenario, 5. Strong Cashflows. Risk will be managed through adequate diversification by spreading investments over a wide range of companies. This shall be done through various measures including: 1. Broad diversification of portfolio, 2. Ongoing review of relevant market, industry, sector and economic parameters 3. Investing in companies which have been researched NAM India may, from time to time, review and modify the Scheme's investment strategy if such changes are considered to be in the best interests of the unit holders and if market conditions warrant it.	The fund focuses on companies related to power and infrastructure space. It provides opportunity to diversify within the sector, with focused approach and flexibility to invest in Power generation, Distribution, Transportation, Energy, Resources, Communication and other infrastructure-related activities.	2729.26	277632

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
Nippon India Consumption Fund	Equity & Equity related securities of companies in the domestic consumption space – 80%-100%, Equity and Equity Related securities of companies other than those engaged in domestic consumption Space - 0%-20%, Debt Securities & Money Market instruments – 0%-20% & Units issued by REITs and InvITs – 0%-10%	The primary investment objective of the scheme is to seek long term capital appreciation by investing atleast 80% of its net assets in equity/equity related instruments of the companies that are likely to benefit directly or indirectly from the domestic consumption led demand.	The scheme seeks to achieve its investment objective by investing at least 80% of its net assets in equity/equity related instruments of the companies that are likely to benefit directly or indirectly from domestic consumption led demand.	A thematic fund which focuses on investing in companies that are likely to benefit directly or indirectly from domestic consumption led demand.	535.32	36865
Nippon India Value Fund	Equity and Equity related securities 65%-100%, Debt and Money Market Instruments 0%-20% and Units issued by REITs and InvITs – 0-10%	The primary investment objective of this scheme is to seek capital appreciation and/ or to generate consistent returns by actively investing in equity/ equity related securities predominantly into value stocks.	The Fund Managers would aim to identify undervalued stocks having the potential to deliver long term superior risk-adjusted returns. Undervalued stocks would include stocks which the Fund Managers believe are trading at less than their assessed values. The identification of undervalued stocks would involve fundamental analysis. It will be based on the evaluation of various factors including but not limited to stock valuation, financial strength, cash flows, company's competitive advantage, business prospects and earnings potential. The Fund would identify companies for investment, based on the following criteria amongst others: 1. Sound Management 2. Good track record of the company 3. Potential for future growth 4. Industry economic scenario	The Fund follows a value investment strategy and seeks to identify undervalued stocks having the potential to deliver long term superior risk-adjusted returns.	5712.30	290634
Nippon India Equity Hybrid Fund (Number of Segregated Portfolios- 2)	Equity and Equity related Instruments - 65%-80%, Debt & Money Market instruments - 20%-35% & Units issued by REITs and InvITs – 0%-10%	The primary investment objective of this option is to generate consistent return and appreciation of capital by investing in a mix of securities comprising of equity, equity related instruments and fixed income instruments.	The Scheme will, under normal market conditions, invest its net assets primarily in Equity and equity related instruments and balance in fixed income securities, money market instruments and cash equivalents. For investments in equity and equity related securities, the Fund would identify companies for investment, based on the following criteria amongst others: a. Sound Management b. Good track record of the company c. Potential for future growth. Industry economic scenario	The fund focuses on reducing volatility of returns by increasing / decreasing equity exposure based on the market outlook and using a core debt portfolio to do the rebalancing. The fund can invest 65%-80% of its corpus in equity, 20%-35% in debt related instruments & 0-10% in units issued by REITs and InvITs.	3071.65	134290

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
Nippon India Focused Equity Fund	Equity and equity related securities 65% -100%, Debt instruments and money market instruments 0%-35% & Units issued by REITs and InvITs – 0%-10%	The primary investment objective of the scheme is to generate long-term capital growth by predominantly investing in an active and concentrated portfolio of equity & equity related instruments up to 30 companies across market capitalization. The secondary objective of the scheme is to generate consistent returns by investing in debt, money market securities, REITs and InvITs	The investment strategy of the scheme is to maintain an active and concentrated portfolio of equity & equity related instruments up to 30 companies across market capitalization. The aim will be to build a portfolio that adequately reflects a cross-section of the growth areas of the economy from time to time.	The fund is an open ended diversified multi cap equity scheme investing in a concentrated portfolio of 30 stocks across market cap with long term investment horizon.	7141.31	424207
Nippon India Balanced Advantage Fund	Equity & Equity Related Instruments – 65%-100%, Debt Instruments & Money Market Instruments – 0%-35% & Units issued by REITs and InvITs – 0%-10%	The primary investment objective of the scheme is to capitalize on the potential upside in equity markets while attempting to limit the downside by dynamically managing the portfolio through investment in equity & equity related instruments and active use of debt, money market instruments and derivatives.	The fund will endeavor to capitalize on the potential upside in equity markets while attempting to limit the downside by dynamically managing the portfolio through investment in equity & equity related instruments and active use of debt, money market instruments and derivatives. The fund will endeavor to minimize the risks and optimize the returns for a long term investor. The percentage allocation to unhedged equity will be decided on the basis of an internal model with following key parameters: Trend Following (Moving Averages, etc.) & Valuation	The fund is an open ended dynamic asset allocation fund which seeks to capitalize on the potential upside in equity markets while attempting to limit the downside by dynamically managing the portfolio.	7022.26	173363
Nippon India Small Cap Fund	Equity & Equity Related Securities of small cap companies including derivatives - 65%-100%, Equity & Equity Related Securities of any other companies including derivatives - 0% - 35%, debt & money market securities (including investments in securitized debt upto 30%) - 0%-35%, Units issued by REITs and InvITs – 0%-10%, Market Capitalization: Market value of the listed company, which is calculated by multiplying its current market price by total number of shares. Small Cap: Small Cap stocks are defined as stocks of companies whose market capitalization is below first 250 companies in terms of full market capitalization.	The primary investment objective of the scheme is to generate long term capital appreciation by investing predominantly in equity and equity related instruments of small cap companies and the secondary objective is to generate consistent returns by investing in debt and money market securities	The investment strategy of the Scheme is to build and maintain a diversified portfolio of equity stocks that have the potential to appreciate. The aim will be to build a portfolio that adequately reflects a cross-section of the growth areas of the economy from time to time. The fund shall primarily focus on the small cap stocks. However depending on the views of the fund manager and market conditions in the interest of the investors, the fund manager will have the flexibility to select stocks which he feels are best suited to achieve the stated objective. The fund will have the flexibility to invest predominantly in a range of Small Cap companies/stocks with an objective to maximize the returns, at the same time trying to minimize the risk by reasonable diversification.	The fund shall predominantly invest in small cap companies/stocks with an objective to maximize the returns and at the same time trying to minimize the risk by reasonable diversification.	37374.40	2777655

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
Nippon India Arbitrage Fund	Under normal circumstances, the anticipated asset allocation would be: Equities and equity related instruments, Derivatives including index futures, stock futures, index options, & stock options, etc. – 65%-90%, Debt and Money market instruments (including investments in securitized debt upto 30%) -10%-35%. When adequate arbitrage opportunities are not available in the Derivative and Equity markets, the anticipated alternate asset allocation on defensive considerations would be: Equities and equity related instruments, Derivatives including index futures, stock futures, index options, & stock options, etc. (Only arbitrage opportunities) - 0%-65%, Debt and Money market instruments (including investments in securitized debt upto 30%) - 35%-100%	The investment objective of the scheme is to generate income by taking advantage of the arbitrage opportunities that potentially exists between cash and derivative market and within the derivative segment along with investments in debt securities & money market instruments	The scheme will seek to achieve its investment objective primarily by employing various strategies which seek to exploit available arbitrage opportunities in markets. The stock selection strategy would be a blend of top down and bottom up approach without any sector or market capitalization bias. All companies selected will be analyzed taking into account the business fundamentals like nature and stability of business, prospects of future growth and scalability, financial discipline and returns, valuations in relation to broad market and expected growth in earnings, the company's financial strength and track record.	The fund is an open ended arbitrage scheme which will seek to exploit available arbitrage opportunities in the markets to achieve its investment objective.	11136.65	98250
Nippon India Japan Equity Fund	Under normal circumstances, the anticipated asset allocation would be: Equity and Equity related Instruments listed on the recognized stock exchanges of Japan* – 80%-100%, Fixed income securities including money market instruments, cash and equivalent, Treasury bills and fixed deposits of India.- 0%-20%, *Includes ADRs/GDRs issued by Indian companies or foreign companies, equity of overseas companies listed on recognized stock exchanges of Japan, units/ securities issued by overseas mutual funds or unit trusts which are registered with Japan regulators and overseas exchange traded funds (ETFs) which invest in the securities as permitted by SEBI/RBI from time to time. The fund will also invest in initial and follow on public offerings to be listed at recognized stock exchanges of Japan. (The Scheme will not invest in securitized debt & the scheme will not participate in short selling and securities lending).	The primary investment objective of Nippon India Japan Equity Fund is to provide long term capital appreciation to investors by primarily investing in equity and equity related securities of companies listed on the recognized stock exchanges of Japan and the secondary objective is to generate consistent returns by investing in debt and money market securities of India. However, there can be no assurance or guarantee that the investment objective of the scheme will be achieved.	The investment strategy of the fund would be to create a portfolio of companies which are leaders or potential leaders in the growth oriented sectors of Japan and are listed on recognized stock exchanges of Japan. The investment philosophy would be a blend of top down and bottom up approach without any extreme sector bias. The sectors would be mainly assessed on their growth potential in the mid and long term. On the other hand, companies within the selected sectors would be analyzed taking into account the business fundamentals like nature and stability of business, potential for future growth and scalability, sales volume, earning performance, corporate image, company's financial strength and track record etc. The fund will endeavor to follow a disciplined investment approach and the portfolio will be reviewed & rebalanced at regular intervals, whenever deemed necessary.	The fund will endeavor to invest in companies which are leaders or potential leaders in the growth oriented sectors of Japan and are listed on recognized stock exchanges of Japan. The fund will provide exposure to the growth story of Japan Economy along with the benefit of country diversification to the investor.	286.80	9021

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
Nippon India Retirement Fund - Wealth Creation Scheme	Under normal circumstances, the anticipated asset allocation would be: Diversified Equity and equity related securities – 65%-100%, Debt and Money market securities - 0%-35%.	The scheme endeavors to provide capital appreciation and consistent income to the investors which will be in line with their retirement goals by investing in a mix of securities comprising of equity, equity related instruments and fixed income securities.	For investments in equity and equity related securities, the Wealth Creation Scheme would identify companies for investment, based on the following criteria amongst others: a. Sound Management b. Good track record of the company c. Potential for future growth d. Industry economic scenario Besides, it is expected that a portion of the funds will also be invested in initial offerings and other primary market offerings. Risk will be managed through adequate diversification by spreading investments over a wide range of companies across sectors and market capitalization. For investments in Debt Securities, income may be generated through the receipt of coupon payments, the amortization of the discounts on debt instruments or the purchase and sale of securities in the underlying portfolio. The Fund Manager may adopt a different strategy considering the market scenario, opportunities available in different sectors and market capitalization.	Wealth creation scheme is one of the plans of Nippon India Retirement Fund which aims to provide long term growth & capital appreciation by investing primarily in Diversified Equity and equity related instruments and balance in fixed income securities, money market instruments and cash equivalents, so as to help the investor in achieving the retirement goals.	2641.15	91790
Nippon India US Equity Opportunities Fund	Under normal circumstances, the anticipated asset allocation would be: Equity and Equity related Instruments listed on the recognized stock exchanges of US – 80%-100%, Fixed income securities of India as well as U.S including money market instruments, cash and equivalent, Treasury bills and fixed deposits- 0%-20%.	The primary investment objective of Nippon India US Equity Opportunities Fund is to provide long term capital appreciation to investors by primarily investing in equity and equity related securities of companies listed on the recognized stock exchanges of US and the secondary objective is to generate consistent returns by investing in debt and money market securities of India.	The investment strategy of the fund would be to create a portfolio of high quality – high growth stocks listed on recognized stock exchanges of US. The investment philosophy would be a blend of top down and bottom up approach without any sector or market capitalization bias. All companies selected will be analyzed taking into account the business fundamentals like nature and stability of business, prospects of future growth and scalability, financial discipline and returns, valuations in relation to broad market and expected growth in earnings, the company's financial strength and track record.	The fund will provide exposure to US securities to an investor which will provide him with country diversification.	572.40	63923

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
Nippon India Equity Savings Fund (Number of Segregated Portfolios- 2)	<p>Under normal circumstances, the anticipated asset allocation would be: Equities and equity related instruments: 65%–90% of which: - Derivatives including index futures, stock futures, index options, & stock options, etc. backed by underlying equity (only arbitrage opportunities)*: 25%-70%, Unhedged Equity Position#: 20%-40%, Debt and Money market instruments** (including investments in securitized debt & margin for derivatives): 10%–35% When adequate arbitrage opportunities are not available in the Derivative and Equity markets, the anticipated alternate asset allocation on defensive considerations would be: Equities and equity related instruments: 20%–65% of which: - Derivatives including index futures, stock futures, index options, & stock options, etc. backed by underlying equity (only arbitrage opportunities)*: 0%-45%, Unhedged Equity Position#: 20%-40%, Debt and Money market instruments** (including investments in securitized debt & margin for derivatives): 35%–80%. #Denote the directional equity exposure which is not hedged. *This denotes only hedged equity positions by investing in arbitrage opportunities in the equity market. The fund manager in the above case can therefore take exposure to equivalent stock/ index futures & create completely covered positions. The margin money deployed on these positions would be included in Money Market category. ** including securitized debt up to 30%.</p>	<p>The primary investment objective of this fund is to generate income and capital appreciation by investing in arbitrage opportunities & pure equity investments along with investments in debt securities & money market instruments. However, there can be no assurance or guarantee that the investment objective of the scheme will be achieved.</p>	<p>The scheme will seek to achieve its investment objective primarily by employing various strategies which seek to exploit available arbitrage opportunities in markets along with pure equity investments. The stock selection strategy would be a blend of top down and bottom up approach without any sector or market capitalization bias. All companies selected will be analyzed taking into account the business fundamentals like nature and stability of business, prospects of future growth and scalability, financial discipline and returns, valuations in relation to broad market and expected growth in earnings, the company's financial strength and track record. The percentage allocation to un-hedged equity will be done on the basis of an internal model with Price/Book Value of Nifty 50 as the primary factor for deciding the allocation. This model will proportionately re-adjust the un-hedged Equity Position weight within the asset allocation limits stated above based on over/under valuation of the equity markets.</p>	<p>The fund invests predominantly in arbitrage opportunities along with moderate exposure to unhedged equity exposure.</p>	<p>302.95</p>	<p>11444</p>

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
Nippon India Multi Asset Fund	Equity & Equity related securities (including overseas securities /Overseas ETF) - 50%-80%, Debt & Money Market Instruments - 10%-20%, Commodities: 10%-30% (Includes Gold ETF and Exchange Traded Commodity Derivatives (ETCDs) where participation will be limited to derivatives contracts in Metals, Energy and Indices as permitted by SEBI from time to time).	The primary investment objective of Nippon India Multi Asset Fund is to seek long term capital growth by investing in equity and equity related securities, debt & money market instruments and Exchange Traded Commodity Derivatives and Gold ETF as permitted by SEBI from time to time. However, there can be no assurance or guarantee that the investment objective of the Scheme will be achieved.	To achieve the investment objective, the Scheme will invest in equity & equity related instruments, debt & money market instruments and Gold ETF and Exchange Traded Commodity Derivatives (ETCDs) as permitted by SEBI from time to time. The Scheme seeks to provide diversification across Equity, Debt and Commodity asset classes with an aim to provide superior risk adjusted returns. For investments in equity and equity related securities, the Scheme would identify companies for investment, based on the following criteria amongst others: a) Sound Management, b) Good track record of the company, c) Potential for future growth, d) Industry economic scenario.	Given that asset allocation is the key to wealth creation, the fund seeks to benefit from portfolio diversification through investment into multiple asset classes.	1537.72	79523
Nippon India Flexi cap Fund	Equity and Equity related Instruments - 65-100%; Debt and Money Market Instruments - 0-35%.	The primary investment objective of the scheme is to seek to generate capital appreciation & provide long-term growth opportunities by investing in a portfolio constituted of equity securities & equity related securities and the secondary objective is to generate consistent return by investing in debt and money market securities. The fund will have the flexibility to invest in a broad range of companies with an objective to maximize the returns, at the same time trying to minimize the risk by reasonable diversification. However there can be no assurance that the investment objective of the scheme will be realized, as actual market movements may be at variance with anticipated trends.	To achieve the investment objective, the Scheme will invest in equity & equity related instruments and debt & money market instruments as permitted by SEBI/ RBI from time to time. The Scheme seeks to provide long term wealth creation by dynamically managing the investments across large, mid and small cap stocks. For investments in equity and equity related securities, the Scheme would identify companies for investment, based on the following criteria amongst others: a) Sound Management b) Good track record of the company c) Potential for future growth d) Industry economic scenario	The Fund seeks to provide long wealth creation by dynamically managing the investments across large, mid and small cap stocks.	4895.62	379325

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
Nippon India Taiwan Equity Fund	Equity and Equity related Instruments listed on the recognized stock exchanges of Taiwan* - 80-100%; Debt and Money Market Instruments^ - 0-20%. *The fund will also invest in initial and follow on public offerings to be listed at recognized stock exchanges of Taiwan. ^Money market instruments include Tri-Party Repo/Reverse Repo (including corporate bond Repo), commercial papers (Listed), commercial bills, treasury bills, Government securities issued by Central & State Government having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time.	The primary investment objective of scheme is to provide long term capital appreciation to investors by primarily investing in equity and equity related securities of companies listed on the recognized stock exchanges of Taiwan and the secondary objective is to generate consistent returns by investing in debt and money market securities of India. However, there can be no assurance or guarantee that the investment objective of the scheme will be achieved.	The investment strategy of the fund would be to create a diversified portfolio of companies participating in the growth oriented sectors of Taiwan and are listed on recognized stock exchanges of Taiwan. The Fund will invest in companies across market capitalization. The investment philosophy would be a blend of top down and bottom up approach without any extreme sector bias. The sectors would be mainly assessed on their growth potential in the mid and long term. On the other hand, companies within the selected sectors would be analyzed taking into account the business fundamentals like nature and stability of business, potential for future growth and scalability, sales volume, earning performance, corporate image, company's financial strength and track record etc.	The Fund seeks to provide long term capital appreciation to investors by primarily investing in equity and equity related securities of companies listed on the recognized stock exchanges of Taiwan.	527.90	56373
Nippon India Innovation Fund	Equity and Equity related Instruments of companies adopting innovation theme - 80-100%; Debt and Money Market Instruments - 0-20%.	The investment objective of Nippon India Innovation Fund is to provide long term capital appreciation to investors by primarily investing in equity and equity related securities of companies seeking to benefit from innovation i.e companies that invest in innovation, research and development, new product development or new platforms to enhance their business and gain share in their respective sectors. However, there can be no assurance or guarantee that the investment objective of the scheme will be achieved.	To achieve the investment objective, the scheme will predominantly invest in equity and equity related securities of companies seeking to benefit from innovation i.e companies that invest in innovation, research and development, new product development or new platforms to enhance their business and gain share in their respective sectors. This may include but may not be limited to companies operating with innovation advantage in the following sectors/space/theme: <ul style="list-style-type: none"> • Automotive • Aerospace • Banking & Financial Services • Chemicals • Engineering/ Automation/ Robotics • Healthcare • Infrastructure • Internet • Logistics/ E commerce Delivery • Materials • Manufacturing • Media & Entertainment / Digital Advertising • Pharmaceuticals/ Biologics • Retail/Online Retail/ E commerce • Sustainable/Renewable Energy 	The Fund seeks to provide long term capital appreciation to investors by primarily investing in equities of companies seeking to benefit from innovation	956.02	96174

Scheme Name	Asset Allocation Pattern	Primary Investment Pattern	Investment Strategy	Differentiation	Month-end AUM as on 30/09/2023 (Rs Crs)	No. of Folios as on 30/09/2023
			<ul style="list-style-type: none"> • Telecom • Tourism • Education Services • Employment Services • Businesses using online platforms to enhance their business reach • Companies involved in providing payment infrastructure related to credit/debit/online money transfers, etc. • Stock and commodity exchanges • Depositories & other financial payment platforms • Online B2B platforms • The scheme may also invest in IPOs of companies seeking to benefit from innovation 			

Risk Mitigation Factors for all the above mentioned Schemes - Applicable for all the above mentioned Schemes. Robust measures implemented to mitigate Risk include, adoption of internal policies on investments and valuations, rigorous procedures for monitoring investment restrictions and effective implementation of various norms prescribed by SEBI from time to time.

E. WHERE WILL THE SCHEME INVEST?

To achieve its primary objective as mentioned above, the Fund would invest in equity and equity related securities. To achieve its secondary objective, the fund would invest in debt and money market securities. Subject to the Regulations, the corpus of the Scheme can be invested in any (but not exclusively) of the following securities:

- 1) Indian Equity and equity related securities including convertible bonds and debentures and warrants carrying the right to obtain equity shares.
- 2) ADRs / GDRs of Indian companies listed abroad
- 3) Stock futures/index futures and other such permitted derivative instruments including options.
- 4) Securities created and issued by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
- 5) Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
- 6) Debt securities issued by domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee
- 7) Corporate debt securities (of both public and private sector undertakings)
- 8) Securities issued by banks (both public and private sector) as permitted by SEBI from time to time and development financial institutions
- 9) Money market instruments permitted by SEBI, having maturities of up to one year, or in alternative investment for the call money market.
- 10) Certificate of Deposits (CDs)
- 11) Commercial Paper (CPs)
- 12) Securitised debt instruments
- 13) Any overseas debt instrument, as permitted by regulations.
- 14) The non-convertible part of convertible securities
- 15) Any other domestic fixed income securities including Structured Debt Instruments
- 16) Pass through, Pay through or other Participation Certificates representing interest in a pool of assets including receivables.
- 17) Any other securities / instruments as may be permitted by SEBI from time to time.
- 18) Investments in Equity or Equity related instruments will either in listed or to be listed companies.
- 19) The Fund may also enter into "Repo", hedging or such other transactions as may be allowed to Mutual Funds from time to time.

Investments in Tri-Party Repo on Government Securities or T-bills would be as per the RBI circular dated July 24, 2018.

Investments in Repo in corporate debt securities would be in line with Clause 12.18 of SEBI Master Circular dated May 19, 2023 and RBI circular dated July 24, 2018 and shall be made basis the policy approved by the Board of NAM India and NLITL. The significant features are as follows:

- i. As specified in the Clause 12.18.1.3 of the SEBI Master Circular dated May 19, 2023, the base of eligible securities for mutual funds to participate in repo in corporate debt securities is from AAA rated to AA and above rated corporate debt securities.

- ii. Category of counterparty & Credit rating of counterparty NIMF schemes shall enter in lending via Repo only with Investment Grade counterparties.
- iii. The Gross exposure of the scheme to repo transactions in corporate debt securities shall not be more than 10% of the net asset of the scheme.

All investment restrictions stated above shall be applicable at the time of making investment. Further, any new circular issued by RBI or SEBI on Repo would be applicable from time to time.

Applicable Haircut

RBI vide its circular dated July 24, 2018 had indicated the haircut to be applied for such transactions as follows:

Haircut/ margins will be decided either by the clearing house or may be bilaterally agreed upon, in terms of the documentation governing repo transactions, subject to the following stipulations:

- i. Listed corporate bonds and debentures shall carry a minimum haircut of 2% of market value. Additional haircut may be charged based on tenor and illiquidity of the security.
- ii. CPs and CDs shall carry a minimum haircut of 1.5% of market value.
- iii. Securities issued by a local authority shall carry a minimum haircut of 2% of market value.

Additional haircut may be charged based on tenor and illiquidity of the security.

- 20) Subject to the Regulations, the securities mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of varying maturity. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals. The Scheme may also enter into repurchase and reverse repurchase obligations in all securities held by it as per the guidelines and regulations applicable to such transactions.
- 21) The liquid schemes launched by SEBI registered Mutual Fund or schemes that invest predominantly in money market instruments / securities

Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

The scheme may participate in securities lending as permitted under the Regulations.

Securities Lending by the Fund:

The scheme shall engage in securities lending for equity investments, in line with the SEBI (Mutual Funds) Regulations, 1996, Securities Lending Scheme, 1997 and Clause 12.11 of SEBI Master Circular dated May 19, 2023 notifying framework for lending of securities and such other applicable guidelines as may be amended from time to time.

The scheme may engage in Securities Lending not exceeding 15% of the net assets of the scheme and shall not lend more than 5% of its Net Assets to a single counterparty or such other limits as may be permitted by SEBI from time to time.

In accordance with the Regulations and applicable guidelines, the Fund may engage in stock lending activities. The Securities will be lent by the Approved Intermediary against collateral received from borrower, for a fixed period of time, on expiry of which the securities lent will be returned by the borrower.

It may be noted that this activity would have the inherent probability of collateral value drastically falling in times of strong downward market trends, resulting in inadequate value of collateral until such time as that diminution in value is replenished by additional security. It is also possible that the borrowing party and/or the approved intermediary may suddenly suffer severe business setback and become unable to honor its commitments. This along with a simultaneous fall in value of collateral would render potential loss to the Scheme. Besides, there can also be temporary illiquidity of the securities that are lent out and the scheme may not be able to sell such lent out securities.

F. WHAT ARE THE INVESTMENT STRATEGIES?

The scheme will seek to achieve its investment objective primarily by employing various strategies which seek to exploit available arbitrage opportunities in markets.

The stock selection strategy would be a blend of top down and bottom up approach without any sector or market capitalization bias. All companies selected will be analyzed taking into account the business fundamentals like nature and stability of business, prospects of future growth and scalability, financial discipline and returns, valuations in relation to broad market and expected growth in earnings, the company's financial strength and track record.

The equity and derivative markets have experienced enormous growth in India in the last few years. The market provides the investor the ability to derive returns from the various strategies enumerated below.

The market is not always efficient to the extent of mispricing between the derivative market and the underlying cash market. These techniques differ in that each method attempts to exploit a different form of imperfection in the underlying equity and derivatives market and thus expose the investor to different forms of risk. However, when such opportunities are not available, the scheme may invest in short term debt securities or money market instruments.

The arbitrage strategies the Fund may adopt could be as under. The list is not exhaustive and the Fund could use similar strategies and any other strategies as available in the markets.

1) Index / Stock spot - Index / Stock Futures

The pricing of the futures is derived from underlying Nifty spot or the underlying stock. It is the cost of carry that binds the value of the futures to the underlying portfolio. When the two go out of sync, there are opportunities.

The cost of carry binds the futures price to the price of the underlying asset. The price of the futures at any given instance should typically be more than the level of Nifty at that point. Theoretically, the fair value of the futures is equal to the price of the underlying plus the cost of carry i.e. the interest rate prevailing for an equivalent credit risk, in this case is the Clearing Corporation of the Exchange. Cash and carry trades at times provide higher than the prevailing interest rates. There is an opportunity to exploit by selling the overpriced futures and buying the underlying portfolio. It may also happen that the Index / Stock Future may be at a discount. In such cases, the Scheme may buy the future and sell the stock after borrowing the same. The Scheme shall enter into a combination of the transactions simultaneously.

If the Scheme has to unwind the positions prior to the expiry on account of redemptions or any other reason, the returns would depend on the spread between the spot and futures price at which the position is unwound.

If the price differential between the spot and futures position of the subsequent month maturity is attractive near the expiry date, then the scheme may rollover* the futures position and continue with the position in the spot market.

*Rollover means unwinding the short position in the futures of the near month and simultaneously shorting the futures of the subsequent month.

The Scheme shall endeavor to deploy its assets through transactions in the above pattern, which may involve Index Futures with Stock Futures or Futures of the same stock with different expiry months.

2) ADR / GDR - underlying shares

Depository receipts can be converted into underlying domestic shares and local shares can be reconverted into depository receipts. The depository receipts could either be Global Depository Receipts (GDRs) or American Depository Receipts (ADRs). GDRs are listed on the London or the Luxembourg Stock Exchange, while ADRs are listed on the US exchanges like the New York Stock Exchange (NYSE) or the Nasdaq. Since every GDR / ADR has a given number of underlying shares, the number of shares qualifying for reconversion into GDRs / ADRs is limited to the number of shares, which were converted into local shares.

Say for instance that the ADR / GDR price is at a discount to the price of the underlying share. Converting the ADR / GDRs into the underlying shares can now result in a gain. If the ADR / GDR price is at a premium to the price of the underlying shares, then it makes sense to re-convert the underlying shares into depository receipts. All this is subject to headroom or the availability of shares for re-conversion. Say for example a particular company has issued 10 million ADRs with one underlying share per ADR. Two million ADRs have been reconverted into local shares. Therefore two million local shares can be converted to ADRs. Here the intention is to capture the spread due to mispricing in ADR/GDR and the equivalent local shares, through simultaneous long or short positions.

3) Hedging and alpha strategy

The fund will use exchange-traded derivatives to hedge the equity portfolio. The fund manager shall either use index futures and options or stock futures and options to hedge the stocks in the portfolio.

The fund will seek to generate alpha by superior stock selection and removing market risks by selling appropriate index. For example, one can seek to generate positive alpha by buying an IT stock and selling CNXIT Index future or buying a bank stock and selling Bank Index futures or buying a stock and selling the Nifty Index

4) Cash Futures Arbitrage Strategy (Only one way as funds are not allowed to short in the cash market)

The fund would look for market opportunities between the spot and the futures market. The cash futures arbitrage strategy can be employed when the price of the futures exceeds the price of the underlying stock. The fund would first buy the stocks in cash market and then sell in the futures market to lock the spread known as arbitrage return.

Buying the stock in cash market and selling the futures results into a hedge where the fund have locked in a spread and is not affected by the price movement of cash market and futures market. The arbitrage position can be continued till expiry of the future contracts. The future contracts are settled based on the last half an hour's weighted average trade of the cash market. Thus there is a convergence between the cash market and the futures market on expiry. This convergence helps the fund to generate the arbitrage return locked in earlier. However, the position could even be closed earlier in case the price differential is realized before expiry or better opportunities are available in other stocks. The strategy is attractive if this price differential (post all costs) is higher than the investor's cost-of capital.

5) Other Derivative Strategies

As allowed under the SEBI guidelines on derivatives, the fund manager will employ various other stock and index derivative strategies by buying or selling stock/index futures and/or options.

6) Corporate Action / Event Driven Strategies

a) IDCW Arbitrage

Around IDCW declaration time, the stock futures / options market can provide a profitable opportunity. Generally, the stock price decline by the IDCW amount when the stock goes ex-IDCW.

b) Buy-Back Arbitrage

When the Company announces the buy-back of its own shares, there could be opportunities due to price differential in buyback price and traded price.

c) Merger

When the Company announces any merger, amalgamation, hive off, de-merger, etc, there could be opportunities due to price differential in the cash and the derivative market.

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

The fund will, in general invest a significant part of its corpus in equities however pending investments in equities; the surplus amount of the fund should be invested in debt and money market instruments. Also whenever good investment opportunities are not available, or the equity market is not likely to perform in the view of the Fund manager the Fund will reduce its exposure to equity and during that period the surplus asset of the Fund shall be invested in debt and money market instruments. However there is no assurance that all such buying and selling activities would necessarily result in benefit for the Fund. The allocation between debt and equity will be decided based upon the prevailing market conditions, macro economic environment, and the growth potential and other economic factors of the countries, the equity market and other considerations. At time such churning could lead to higher brokerage and transaction costs.

Risk Control

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, taking care however not to dilute returns

in the process. 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.

The Scheme may also use various derivatives and hedging products from time to time, as would be available and permitted by RBI, in an attempt to protect the value of the portfolio and enhance Unitholders' interest.

Debt Market in India

The Indian Debt market is facing major shift in the recent times. The substantial growth in Mutual Fund collections in the past few years have provided an easy route for the investors to channelise their savings into the debt market, which otherwise is largely dominated by Banks and other Institutional investors.

At present, the Indian debt market is dominated by issues of Central Government bonds, Corporate Debentures and PSU Bonds. The new Securitized instruments are also very attractive in the primary market. Risk associated with securitized Debt or PTCs are credit risk, liquidity risk and price risk/interest rate risk. The other instruments available for investment are Commercial Papers, Certificate of Deposits, Government guaranteed bonds, etc.

Brief details about the instruments are given below as on Oct 3, 2023.

Instruments	Listed/ Unlisted	Current Yield Range As on Oct 3, 2023	Liquidity	Risk profile
Central Government Securities	Listed	6.73% - 7.43%	High	Low
Corporate Debentures / PSU Bonds	Listed	7.50%-7.75%	Moderate	Low
CDs (short term)	Unlisted	6.92% - 7.53%	High	Low
Call Money	Unlisted	5.00%- 6.90%	High	Low
Mibor linked Papers*	Listed	80-100 bps	Low	Low

* Range of spread of 5 year AAA Corporate bond and OIS papers of similar maturity

A brief description about yields presently available on Central Govt. Securities /Bonds & Debentures of various maturities is as follows:

Annualised yields (as on Oct 3, 2023) are:

Yrs	=< 1yr	1yr - 5yr	5yr - 10yrs	10yr - 30 yrs
Central Government securities	6.84%-7.27%	7.23%-7.44%	7.36%-7.45%	7.42%-7.57%
Debentures / Bonds (AAA rated)	7.50%-7.55%	7.65%-7.70%	7.70%-7.75%	-

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 VARIES ACCORDING TO MATURITY PROFILE, CREDIT RISK ETC

Investors are requested to take note that in case the scheme invests in securitized debt, following shall be applicable:

Disclosures with respect to securitized debt

1. How the risk profile of securitized debt fits into the risk appetite of the scheme

Securitized 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 securitized debt is similar to investing in debt securities. However it differs in following two majorly respects :-

Typically the liquidity of securitized debt is less than similar debt securities. However, this is expected to change as SEBI has issued its guidelines on listing of securitized instrument and going forward we expect more issuance of listed securitized debt.. Currently, the fund manager normally buys these with the view to hold them till maturity. For the close ended scheme, the average tenor of the securitized debt would not exceed maturity of the Scheme / Plan / Fund. For open ended scheme, average maturity of the securitized debt will be in accordance with the investment time horizon of such scheme, opportunities available in the market and interest rate views of the investment team.

For certain types of securitized 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. The fund manager price the securitized debt accordingly to compensate for reinvestment risk.

Because of these additional risks, securitized 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 securitized debt according to the nature (open ended / close ended) of the scheme.

2. Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitized debt, etc.

Originators have been broadly categorized as follows:

- i. PSU Banks;
- ii. Private Banks;
- iii. NBFC's with asset size of Rs. 1,000 crores and above; and
- iv. NBFC's with asset size of below Rs. 1,000 crores.

Before the assessment of the structure is undertaken, the originators/ underlying issuers are evaluated on the following parameters:

- Track record - good track record of the originators/ underlying issuers or its group companies.

- Willingness to pay - credible and strong management team.
- Ability to pay – good financials and business profile.
- Risk appraisal capabilities - strong and well defined risk assessment processes
- Business risk assessment of the originators based on the following factors:
 - Outlook for the economy (domestic and global)
 - Outlook for the industry
 - Company specific factors

In addition a detailed review and assessment is done including interactions with the company as well as the credit rating agency. Typically we would avoid investing in securitization transaction (without specific risk mitigant strategies / additional cash/security collaterals/ guarantees) if we have concerns on the following issues regarding the originator / underlying issuer:

- Default track record/ frequent alteration of redemption conditions / covenants;
- Very High leverage ratios of the ultimate borrower (for single-sell downs) - both on a standalone basis as well on a consolidated level;
- Very High proportion of reschedulement of underlying assets of the pool or loan, as the case may be;
- Very High 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;
- The degree of NPAs of the company being very high than the industry trends.

Further, investments in securitized debt will be done in accordance with the investment restrictions specified under the Regulations / this Scheme Information Documents which would help in mitigating certain risks. Currently, as per the Regulations, the Scheme cannot invest more than 10% of its net assets in debt instruments (irrespective of residual maturity) issued by a single issuer which are rated not below investment grade by a credit rating agency. Such investment limit may be extended to 12% of the net assets of the Scheme with the prior approval of the Board of Trustees.

3. Risk mitigation strategies for investments with each kind of originator

An analysis of the originator / Issuer is especially important in case of retail loans as the size and reach affects the credit quality and servicing of the securitized instrument. In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks at seasoning (i.e. how long the loan has been with the originator before securitization) as one way of evaluating the performance potential of the PTC. Securitization transactions may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

Investments in securitized debt will be done based on the assessment of the originator which is carried out by the Fixed Income team. In order to mitigate the risk at the issuer/originator level, the Fixed Income team will consider various factors which will include:

- size and reach of the issuer /originator
- Set up of the organization structure of the issuer /originator
- the infrastructure and follow-up mechanism of the issuer /originator
- the issuer / originator's track record in that line of business
- quality of information disseminated by the issuer/originator; and
- the Credit enhancement for different type of issuer/originator

Table 1: illustrates the framework that will be applied while evaluating investment decision relating to a securitization transaction:

" Characteristics/Type of Pool"	"Mortgage Loan "	C o m m e r c i a l Vehicle and Construction Equipment	CAR	2 Wheelers	M i c r o Finance	Personal Loans	Single Loan Sell Downs / Others
Approximate Average maturity (in Months)	Upto 180 months or lower	Upto 60 months or lower	Upto 60 months or lower	Upto 60 months or lower	Upto 12 months or lower	Upto 36 months or lower	Any Single Loan Sell Downs/ other class of securitised debt would be evaluated on a case by case basis.
Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche)	In excess of 3%	In excess of 5%	In excess of 5%	In excess of 5%	In excess of 10%	In excess of 10%	
Average Loan to Value Ratio	85% or lower	100% or lower	95% or lower	95% or lower	Unsecured	Unsecured	
Minimum Average seasoning of the Pool	3 months	3 months	3 months	3 months	1 month	1 month	
Maximum single exposure range	5%	5%	1%	1%	< 1%	< 1%	
Average single exposure range	<5%	< 5%	< 1%	< 1%	< 1%	< 1%	

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.

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

In retail securitized debt investments, we will invest majorly in asset backed pools such as Medium and Heavy Commercial Vehicles, Light Commercial Vehicles (LCV), Cars, and Construction Equipment etc. Where we invest in Single Loan Securitization, as the credit is on the underlying issuer, we focus on the credit review of the borrower. A credit analyst sets up limit for various issuers based on independent research taking into account their historical track record, prevailing rating and current financials. In addition to the framework as per the table above, we also take into account following factors, which are analyzed to ensure diversification of risk and measures identified for less diversified investments:

- Size of the loan: In retail loans securitisation, the major risk diversification is achieved on account of granularity i.e. higher number of contracts available. However, excessive reliance on very small ticket size should be avoided as it may result in difficult and costly recoveries.
- Original maturity of the pool: Ideal original maturity of the contract varies for different retail loans. For Cars / Commercial Vehicles / Construction Equipment, it lies around 60 months while for mortgage, it lies around 240 months. For microfinance loans, it lies around 12 months. Lower original maturity for asset backed retail loans means faster buildup of borrowers' equity into the asset as well as his higher borrowing capacity.
- Loan to Value Ratio: Loan to Value ratio means value of the loan taken compared to value of the assets offered as security. In case of secured loan, higher Loan to Value ratio means higher probability of losses in case asset is repossessed and sold in case of delinquency. We prefer contracts with lower loan to value ratio than higher loan to value ratio.
- Seasoning of the pool: Higher the time period the contracts have remained with the originator / issuer, the lower is the default risk on such contracts. This is because of the higher buildup of borrower's equity into the asset as the time gradually passes. We prefer higher seasoned contracts than lower seasoned contracts.
- Current performing pools: We normally ensure that majority of the contracts in the pools are current to reduce default rate. The rationale here being, as against current performing contract, the overdue contracts are certainly in higher risk category.
- Geographical Distribution: Regional/state/ branch distribution is preferred to avoid concentration of assets in a particular region/state/ branch.
- Default Rate Distribution: We prefer branches/ states where default rate is less than branches/ states where default rates are high to avoid concentration of assets from poor performing regions.
- Risk Tranching: Typically, we would avoid investing in mezzanine debt or equity of Securitized debt in the form of sub ordinate tranche, without specific risk mitigant strategies / additional cash / security collaterals/ guarantees, etc.
- Credit Enhancement Facility: We prefer credit enhancement which is in form of cash / bank guarantee than in the form of over-collateralization of the pool / excess interest spread available in the pool. The rationale here being, as against cash collateral, excess interest spread / overcollateralization collateral fluctuate in line with performance of the pool. When the performance of the pool deteriorates, there is lesser current collateral available on account of over- collateralization of the pool / excess interest spread available than the original envisaged one.
- Liquid Facility: In many retail asset classes like commercial vehicle, there can be some delay in payment from borrower due to pressure on its working capital. However, this delay usually does not go beyond 5-6 months as in the meantime he receives payment from his customers and clear his overdue portion of the loan. In that kind of asset classes, we prefer pool with liquid facility as it balances the intermittent liquidity requirement of the pool.
- Structure of the Pool: Structure of a transaction can either be at par or at a premium, depending on whether the pool principal is sold at par or at a premium to investors. We prefer pool where it is sold on par basis.

5. Minimum retention period of the debt by originator prior to securitization

For investments in PTCs, where the assets have been pooled, the minimum retention period for each of the contract should be 1 month with an average tenor of upto 24 months and 2 months for contracts with an average tenor of more than 2 years. For overall minimum retention period, please refer to Table 1.

6. Minimum retention percentage by originator of debts to be securitized

Please refer to Table 1 which illustrates additional collaterals taken against each type of asset class, which is preferred over the minimum retention percentage by the originator of the loan. The rationale is that collateral is available at all points of time and is available at all points of times in case of any fructification of any probable losses where retention percentage keeps running down as time passes and may not be fully available in case of any fructification of any probable losses

7. The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund

Investments made by the scheme in any asset are done based on the requirements of the scheme and is in accordance with the investment objectives and the asset allocation pattern of a fund. All Investments are made entirely at an arm's length basis with no consideration of any existing / consequent investments by any party related to the transaction (originator, issuer, borrower etc.). The robust credit process ensures that there is no conflict of interests when a scheme invests in securitized debt of an originator and the originator in turn makes investment in that particular scheme.

There might be instances of Originator investing in the same scheme but both the transactions are at arm's length and avoid any conflict of interest. In addition to internal controls in the fixed income investment process, there is regular monitoring by the risk management group and investment committee. Normally the issuer who is securitizing instrument is in need of money and is unlikely to have long term surplus to invest in mutual fund scheme.

Furthermore, there is clear cut segregation of duties and responsibilities with respect to Investment function and Sales function. Investment

decisions are being taken independently based on the above mentioned parameters and investment by the originator in the fund is based on their own evaluation of the fund vis a vis their investment objectives .

8. In general, the resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt.

The risk assessment process for securitized debt, as detailed in the preceding paragraphs, is same as any other credit. The investments in securitized debt are done after appropriate research by credit analyst. The ongoing performance of the pool is monitored to highlight any deterioration in its performance.

The resources for and mechanisms of individual risk assessment with the AMC for monitoring investment in securitized debt are as follows:

- Fixed Income Team - Risk assessment and monitoring of investment in Securitized Debt is done by a team comprising of Credit Analyst, Head of Fixed Income and Head of Credit Research
- In addition to internal controls in the fixed income investment process, there is regular monitoring by the risk management group and investment committee.
- Ratings are monitored for any movement - Based on the the interaction with the credit rating agency and their performance report, ratings are being monitored accordingly.
- Wherever the funds portfolio is disclosed, the AMC may give a comprehensive disclosure of Securitised debt instruments held in line with SEBI requirement.

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.

Trading In Derivatives

The scheme intends to use derivatives for the purpose of hedging and portfolio rebalancing as may be permitted by SEBI Mutual Fund regulations from time to time. Derivative transactions that can be undertaken by the Scheme include a wide range of instruments, including, but not limited to

- a) Futures
- b) Options
- c) Swaps
- d) Any other instrument, as may be permitted by statutory authorities from time to time.

Derivatives can be either exchange traded or can be over the counter (OTC). Exchange traded derivatives are listed and traded on Stock Exchanges whereas OTC derivative transactions are generally structured between two counterparties.

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.

SEBI has vide Clause 7.5 of the SEBI Master Circular dated May 19, 2023, interalia specified the guidelines pertaining to trading by Mutual Funds in Exchange Traded derivatives contract. All derivative position taken in the portfolio would be guided by the following principles.

1. Position limit for the Mutual Fund in index options contracts
 - a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crore or
 - b. 5% of the total open interest of the market in index options, whichever is higher, per Stock Exchange.This limit would be applicable on open positions in all options contracts on a particular underlying index.
2. Position limit for the Mutual Fund in index futures contracts
 - a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs. 500 crore or
 - b. 15% of the total open interest of the market in index futures, whichever is higher, per Stock Exchange.This limit would be applicable on open positions in all futures contracts on a particular underlying index.
3. Position limit for Mutual Fund for stock based derivative contracts. The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, is defined in the following manner:-

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

The MWPL and client-level position limits would remain the same as prescribed earlier by SEBI.

Position limit for each scheme of a Mutual Fund for stock based derivative contracts.
4. The scheme-wise position limit / disclosure requirements shall be –
 - a. 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 contracts on a particular underlying stock (in terms of number of contracts).
 - b. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
 - c. 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.

In terms of Clauses 12.24 and 12.25 of SEBI Master Circular dated May 19, 2023, following shall be additionally applicable:

1. The cumulative gross exposure through equity, debt, Money Market Instruments, repo in corporate bonds and derivative positions(including Fixed income derivatives) should not exceed 100% of the net assets of the scheme.
2. Mutual Funds shall not write options or purchase instruments with embedded written options.
3. The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.
4. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
5. 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.
6. 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.
7. Definition of Exposure in case of Derivative Positions: 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.

8. Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counter party 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.

The AMC retains the right to enter into such derivative transactions as may be permitted by the SEBI regulations from time to time. For risks associated with investments in derivatives investors are requested to refer Section I of Scheme Information Document.

Illustrations

Index Futures

Index Futures have been introduced by BSE and NSE. Generally three futures of 1 month 2 months and 3 months are presently traded on these exchanges. These futures expire on the last working Thursday of the respective months.

If the Nifty (Index) was 1875 at the beginning of a month and the quotes for the three futures were as under:

MONTH	BID PRICE	OFFER PRICE
1	1880	1885
2	1900	1915
3	1910	1930

The Fund can buy an Index of month 1 on the last day of the month prior to month 1 in the illustration above at an offer price of 1885. Numerical example of futures trade. Following table will give an overview of the new derivative policy permitted by SEBI:

Sl. No	Derivative Type	Limit applicable on	Limit defined
1	Index Options	Mutual Fund Level	Higher of <ul style="list-style-type: none"> • Rs 500 crores • 15% of open interest position
2	Index Future	Mutual Fund Level	Higher of <ul style="list-style-type: none"> • Rs 500 crores • 15% of open interest position
3	Index derivatives	Mutual Fund Level	Additional limits for hedging (over and above 1 & 2) <ul style="list-style-type: none"> • 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. • 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, T-Bills and similar instruments.
4	Stock derivatives	Mutual Fund	The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL). The MWPL and client-level position limits would remain the same as prescribed earlier by SEBI.

Sl. No	Derivative Type	Limit applicable on	Limit defined
5	Stock derivatives	Scheme	Higher of 1% of free float market cap or 5% of open interest in the derivatives contracts Subject to 4 above

The following is a hypothetical example of a typical likely index future trade and the associated costs.

Particulars	Index Future	Actual Purchase of Stocks
Index at the beginning of the month	1875	1875
Price of 1 Month Future	1885	
A. Execution Cost: Carry and other Index Future Costs (1885-1875)	10	Nil
B. Brokerage Cost: Assumed at 0.30% for Index Future and 0.50% for spot Stocks (0.30% of 1885) (0.50% of 1875)	5.66	9.38
C. Gains on Surplus Funds: (assumed 10% return on 90% of the money left after paying 10% margin) (10%*1875*90%*30days/365)	13.87	Nil
Total Cost (A+B-C)	1.79	9.38

In this example, the Index Future trade has resulted in profitability compared to actual purchase of the underlying index stocks. The profitability of Index Future as compared to an individual security will interalia depend upon the carrying cost, the interest available on surplus funds and the transaction cost.

There are futures based on stock indices as mentioned above as also futures based on individual stocks.

Illustrative list of strategies that can employ futures.

Strategies that employ index futures

- The fund has an existing equity portion invested in a basket of stocks. In case the fund manager has a view that the equity markets are headed downwards, the fund can then hedge the exposure to equity either fully or partially by initiating short futures positions in the index. A similar position in the long direction can also be initiated by the fund to hedge its position of cash and permissible equivalents. The extent to which this can be done is determined by existing guidelines.
- To the extent permissible by extant regulations the scheme can initiate a naked short position in an underlying index future traded on a recognized stock exchange.

In case the nifty near month future contract trading at say, 1850, and the fund manager has a view that it will depreciate going forward, the fund can initiate a sale transaction of nifty futures at 1850 without holding a portfolio of equity stocks or any other underlying long equity position. Once the price falls to 1800 after say, 20 days the fund can initiate a square-up transaction by buying the said futures and book a profit of 50. Correspondingly the fund can take a long position without an underlying cash/ cash equivalent subject to the extant regulations.

Strategies that Employ Stock Specific Futures

- Individual stock futures are also available in the Indian Equity Markets. Stock futures trade either at a premium or at discount to the spot prices, the level of premium generally reflects the cost of carry. Stock specific issues may have a bearing on futures as speculators may find futures as a cost-effective way of executing their view on the stock. However such executions usually increase the premium/discount to the spot significantly, thereby giving rise to arbitrage opportunities for a fund.
- Selling spot and buying future : In case the fund holds the stock of a company at say Rs. 1000 while in the futures market it trades at a discount to the spot price say at Rs. 980 then the fund may sell the stock and buy the futures. On the date of expiry of the stock future, the fund may reverse the transactions (i.e. Buying at Spot & Selling futures) and earn a risk-free Rs. 20/- (2% absolute) on its holdings. As this can be without any dilution of the view of the fund on the underlying stock the fund can still benefit from any movement of the price in the northward direction, i.e. if on the date of expiry of the futures, if the stock trades at 1100 which would be the price of the futures too, the fund will have a benefit of Rs. 100/- whereby the fund gets the 10% upside movement together with the 2% benefit on the arbitrage, and thus getting a total return of 12%.
- Buying spot and selling future: Where the fund holds the stock of a company trading in the spot market at Rs 1000 while it trades at Rs. 1020/- in the futures market then fund may buy the stock at spot and sell in the futures market thereby earning Rs 20. In case of adequacy of cash with the fund, this strategy may be used to enhance returns of the Scheme which was otherwise sitting on cash.
- Buying stock future: Where the scheme wants to initiate a long position in a stock whose spot price is at say, Rs.1000 and futures is at 980, then the fund may just buy the futures contract instead of the spot thereby benefiting from a lower cost option.

In case the fund has a bearish view on a stock which is trading in the spot market at Rs.1000/- and the futures market at say Rs.980/-. The fund can express such a view subject to extant SEBI regulations by initiating a short position in the futures contract. In case the view is right and the futures price depreciates to say 900/- the fund can square up the short position thereby earning a profit of Rs. 80/-

Options

Option contracts are of two types - Call and Put; the former being the right, but not obligation, to purchase a prescribed number of shares at a specified price before or on a specific expiration date and the latter being the right, but not obligation, to sell a prescribed number of shares at a

specified price before or on a specific expiration date. The price at which the shares are contracted to be purchased or sold is called the strike price. Options that can be exercised on or before the expiration date are called American Options, while those that can be exercised only on the expiration date are called European Options. Option contracts are designated by the type of option, name of the underlying, expiry month and the strike price. Numerical examples of Options

- a. Call Option (Buy): The fund buys a call option at the strike price of say Rs.1000 and pays a premium of say Rs. 50, the fund would earn profits if the market price of the stock at the time of expiry of the option is more than 1050 being the total of the strike price and the premium thereon. If on the date of expiry of the option the stock price is below Rs 1000, the fund will not exercise the option while it loses the premium of Rs 50.
- b. Put Option (Buy): The fund buys a Put Option at Rs 1000 by paying a premium of say Rs 50. If the stock price goes down to Rs. 900, the fund would protect its downside and would only have to bear the premium of Rs 50 instead of a loss of Rs 100 whereas if the stock price moves up to say Rs. 1100 the fund may let the Option expire and forego the premium thereby capturing Rs. 100 upside after bearing the premium of Rs50.

The above mentioned option positions can be initiated in both index based options as well as stock specific options. Permissible strategies involving index options and stock specific options would be the same as that of index futures and stock specific futures respectively.

The AMC retains the right to enter into such derivative transactions as may be permitted by the applicable regulations from time to time.

Debt Derivatives

In terms of Circular No. MFD.BC.191/07.01.279/1999-2000 and PD.BC.187/07.01.279/1999-2000 dated November 1, 1999 and July 7, 1999 respectively issued by Reserve Bank of India 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 AMC would undertake the same for similar purposes only.

Interest Rate Swaps (IRS)

An IRS is an agreement between two parties to exchange stated interest obligations for an agreed period in respect of a notional principal amount. The most common form is a fixed to floating rate swap where one party receives a fixed (predetermined) rate of interest while the other receives a floating (variable) rate of interest.

Forward Rate Agreement (FRA)

A FRA is basically a forward starting IRS. It is an agreement between two parties to pay or receive the difference between an agreed fixed rate (the FRA rate) and the interest rate (reference rate) prevailing on a stipulated future date, based on a notional principal amount for an agreed period. The only cash flow is the difference between the FRA rate and the reference rate. As is the case with IRS, the notional amounts are not exchanged in FRAs.

Example of a Derivatives Transaction

Basic Structure of A Swap

Bank A has a 6 month Rs 10 crores liability, currently being deployed in call. Bank B has a Rs 10 crores 6 month asset, being funded through call. Both banks are running an interest rate risk.

To hedge this interest rate risk, they can enter into a 6 month MIBOR (Mumbai Inter Bank Offered Rate) swap. Through this swap, A will receive a fixed preagreed rate (say 7%) and pay "call" on the NSE MIBOR ("the benchmark rate"). Bank A's paying at "call" on the benchmark rate will neutralize the interest rate risk of lending in call. B will pay 7% and receive interest at the benchmark rate. Bank A's receiving of "call" on the benchmark rate will neutralize his interest rate risk arising from his call borrowing.

The mechanism is as follows:

Assume the swap is for Rs.10 crore from March 1, 2002 to September 1, 2002. A is a fixed rate receiver at 7% and B is a floating rate receiver at the overnight compounded rate. On March 1, 2002 A and B will exchange only an agreement of having entered this swap. This documentation would be as per International Swaps and Derivatives Association (ISDA).

On a daily basis, the benchmark rate fixed by NSE will be tracked by them. On September 1, 2002 they will calculate the following:

- A is entitled to receive interest on Rs.10 crore at 7% for 184 days i.e. Rs. 35.28 lakh, (this amount is known at the time the swap was concluded) and will pay the compounded benchmark rate.
- B is entitled to receive daily compounded call rate for 184 days & pay 7% fixed.

On September 1, 2002, if the total interest on the daily overnight compounded benchmark rate is higher than Rs. 35.28 lakhs, A will pay B the difference. If the daily compounded benchmark rate is lower, then B will pay A the difference. Effectively Bank A earns interest at the rate of 7% p.a. for six months without lending money for 6 months fixed, while Bank B pays interest @ 7% p.a. for 6 months on Rs. 10 crore, without borrowing for 6 months fixed.

The AMC retains the right to enter into such derivative transactions as may be permitted by the SEBI regulations from time to time. For risks associated with investments in derivatives investors are requested to refer to page no. 6 of this Scheme Information Document.

Portfolio Turnover Policy

It is difficult to estimate the portfolio turnover as the Scheme is an equity Scheme. The turnover will depend upon various circumstances prevailing in the market at any point of time. However, AMC will take advantage of the opportunities that present themselves from time to time because of the inefficiencies in the securities markets. Higher portfolio turnover generally results in higher costs such as brokerage costs, stamp duty and custodian charges.

G. FUNDAMENTAL ATTRIBUTES

The Trustees, in accordance with Regulation 18(15)(A) of the SEBI (Mutual Funds) Regulations, 1996, ensure that no change in the fundamental attributes of any Scheme or the Trust or fees and expenses payable or any other change which would modify the Scheme and affect the interest of the unit holders, shall be carried out unless :-

- 1) A written communication about the proposed change is sent to each unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in the newspaper published in the language of the region where the Head Office of the Mutual Fund is situated and
- 2) The unit holders are given an option to exit at the prevailing Net Asset Value without any exit load.

For the purposes of this section, "fundamental attributes" of the scheme shall mean:

1) Type of scheme

An open ended scheme investing in arbitrage opportunities

2) Investment Objectives

(i) Main Objective: Refer to Section II - B : What Is The Investment Objective Of The Scheme?

(ii) Asset Allocation - Investment pattern : Refer to Section II - C: How will the Scheme allocate its assets?

3) Terms of Issue

(i) Liquidity provisions such as repurchase/redemption of units: Being an open-ended scheme, the units are not proposed to be listed on any stock exchange. However, the Trustee reserves the right to list the units as and when open-end Schemes are permitted to be listed under the Regulations, and if the Trustee considers it necessary in the interest of unitholders of the Scheme.

The Scheme will offer for Subscription/ Switch-in and Redemption / Switch-out of Units on every Business Day on an ongoing basis, within five business days of allotment. The redemption or repurchase proceeds shall be transferred to the unitholders within 3 working Days from the date of redemption or repurchase

(ii) Aggregate Fees and expenses charged to the Scheme

a. New Fund Offer (NFO) Expenses : Refer to Section IV - A : New Fund Offer (NFO) Expenses

b. Annual Scheme Recurring Expenses : Refer to Section IV - B : Annual Scheme Recurring Expenses

c. Any safety net or guarantee provided – Not Applicable

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

(i) A written communication about the proposed change is sent to each Unitholder 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

(ii) The Unitholders are given an option for a period of atleast 30 calendar days to exit at the prevailing Net Asset Value without any exit load.

In addition to the above conditions specified under Regulation 18 (15A), for bringing change in the fundamental attributes of any scheme(s) and the Plan(s) / Option(s), trustees shall take comments from SEBI before bringing such change(s).

H. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

NIFTY 50 Arbitrage Index

The index consists of instruments having a mix of equity and non-equity securities. The portfolios of the scheme and the index are similar not only in terms of the construct but also in terms of risk return parameters in question. Using this benchmark shall provide the investor with an independent and representative comparison with the fund portfolio.

I. WHO MANAGES THE SCHEME?

Name	Age	Educational Qualification	Type and Nature of past experience including assignments held during the past 10 years	Name of the Other Schemes managed
Mr. Anand Gupta Vice President – Equity & Exchange Traded Funds (ETFs) (Managing the Scheme - Since Sep, 2018)	48	B.Com, PGDBA	Over 30 years of experience February 2008 till date NAM India: Vice President – Dealing (Equity) - Trading in Equities and Derivatives. May 2005 - February 2008 ICICI Prudential Asset Management Company Limited, Vice President – Dealings - Trading in Equities and Derivatives. April 2003 – May 2005 Refco - Sify Securities Private Limited., Assistant Vice President – Sales Trading - Sales trading for Mutual Funds and Domestic Institutions	Nippon India Equity Savings Fund
Anju Chhajer Senior Fund Manager- Debt (Managing the Scheme - Since Feb 2020)	52	B . C o m ; Chartered Accountant	Over 27 years of experience Sept 2016 – till date - Senior Fund Manager October 2007 - Sept 2016 - NAM India: Fund Manager - Managing investments for Debt Schemes. December 1997 – September 2007 : National Insurance co. Ltd., Investment of Funds in G-Sec, Bonds, Money Market Instruments. Compliance with IRDA Guidelines. December 1996 – November 1997: D.C. Dharewa & Co., Conducting Audit for the firm and reporting to the Proprietor.	Nippon India Low Duration Fund Nippon India Liquid Fund Nippon India Japan Equity Fund Nippon India US Equity Opportunities Fund Nippon India Overnight Fund Nippon India Money Market Fund Nippon India Floating Rate Fund Nippon India Capital Protection Oriented Fund II - Plan A Nippon India Interval Fund - All Series All Series of Nippon India Fixed Horizon Fund (Co-Fund Manager)

Ms. Kinjal Desai Fund Manager - Overseas Investment (Managing the Scheme - Since May, 2018)	34	MSc (Economics)	10 years of experience From May 25, 2018 onwards Fund Manager - Overseas Investment, NAM India December 2012 to May 24, 2018 Associate Equity Investments at NAM India Assisting Lead Analyst in Equity Research, idea generation and sector Monitoring., assisting Fund Managers in stock selection and monitoring of overseas investments	Dedicated Fund Manager for Overseas Investments Nippon India ETF Hang Seng BeES Nippon India US Equity Opportunities Fund Nippon India Japan Equity Fund Nippon India Multi Asset Fund Nippon India Taiwan Equity Fund
Mr. Akshay Sharma Fund Manager (Overseas Investment) (Managing the Scheme - Since Dec, 2022)	31	PGDM - Financial services Bachelor of Engineering - Mechanical	Over 7 years of experience in Mutual Fund Products and Equity Investments From December 2022 onwards Fund Manager - Overseas Investment - Nippon Life India Asset Management Limited September 2017 - November 2022 Deputy Manager (Investment Research) - Nippon Life India Asset Management Limited May 2016 - August, 2017 Assistant Manager (Product Management) - Nippon Life India Asset Management Limited	Dedicated Fund Manager for Overseas Investments Nippon India US Equity Opportunities Fund Nippon India Japan Equity Fund Nippon India ETF Hang Seng BeES Nippon India Multi Asset Fund Nippon India Taiwan Equity Fund

J. WHAT ARE THE INVESTMENT RESTRICTIONS?

The investment policy of the scheme comply with the rules, regulations and guidelines laid out in SEBI (Mutual Funds) Regulations, 1996. As per the Regulations, specifically the Seventh Schedule, the following investment limitations are currently applicable:

- Mutual fund 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 activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of directors of the asset management company:

Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and Tri-Party Repo on Government Securities or T-bills: Provided further that investment within such limit can be made in mortgaged backed securitised debt which are rated not below investment grade by a credit rating agency registered with the Board:

Provided further that the schemes already in existence shall within an appropriate time and in the manner, as may be specified by the Board, conform to such limits

As per Clause 12.8 of SEBI Master circular dated May 19, 2023, the scheme shall not invest more than:

- 10% of its NAV in debt and money market securities rated AAA; or
- 8% of its NAV in debt and money market securities rated AA; or
- 6% of its NAV in debt and money market securities rated A and below issued by a single issuer.

The above investment limits may be extended by up to 2% of the NAV of the scheme with prior approval of the Board of Trustees and Board of Directors of the AMC, subject to compliance with the overall 12% limit specified in clause 1 of Seventh Schedule of MF Regulation.

- Mutual Funds/AMCs shall ensure that total exposure of debt schemes of mutual funds in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Such investment limit may be extended to 25% of the net assets of the scheme with the prior approval of the Board of Trustees.
- Investment in unrated debt and money market instruments, other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. by mutual fund schemes shall be subject to the following:
 - Investments should only be made in such instruments, including bills re-discounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 1996 and various circulars issued thereunder.
 - Exposure of mutual fund schemes in such instruments, shall not exceed 5% of the net assets of the schemes.
 - All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.
- Mutual fund schemes may invest in unlisted Non -Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio of the scheme subject to the condition that such unlisted NCDs have a simple structure (i.e. with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis.
- The Mutual Fund under all its schemes taken together will not own more than 10% of any companies 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.
- Transfers of investments from one scheme to another scheme in the Mutual Fund shall be allowed only if:
 - Such transfers are done at the prevailing market price for quoted instruments on spot basis;
 - The securities so transferred shall be in conformity with the investment objectives & policies of the Scheme to which such transfer has been made.

Such transfer would be in accordance with the Clause 12.30 of SEBI Master circular dated May 19, 2023 or any other circular issued by SEBI from time to time.

7. The Scheme may invest in another scheme under the same asset management company or in any other mutual fund without charging any fees, provided the aggregate inter scheme investments made by all Schemes under the same management company or in schemes under the management of any other AMC shall not exceed 5% of NAV of the Mutual Fund. [Provided that this clause shall not apply to any fund of funds scheme.]
8. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities:
Provided that a 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 the Board:
Provided further that a mutual fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by the Board.
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.
9. The Fund shall get the securities purchased or 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 fund's schemes shall not make any investment in:
 - i) Any unlisted security of an associate or group company of the sponsor
 - ii) Any security issued by way of private placement by an associate or group company of the sponsor
 - iii) The listed securities of group companies of the sponsor which is in excess of 25% of the net assets of the scheme.
 - iv) The investments by debt mutual fund schemes in debt and money market instruments of group companies of both the sponsor and the asset management company shall not exceed 10% of the net assets of the scheme. Such investment limit may be extended to 15% of the net assets of the scheme with the prior approval of the Board of Trustees
11. The Scheme shall not invest in a fund of funds scheme.
12. Pending deployment of funds of the scheme in securities in terms of the investment objectives and policies of the scheme, the Mutual Fund can invest the fund of the scheme in short term deposits of scheduled commercial banks subject to the guidelines as applicable from time to time.
Pursuant to the Clause 12.16 of SEBI Master Circular dated May 19, 2023, where the cash in the scheme is parked in short term deposits of Scheduled Commercial Banks pending deployment, the respective Plan(s) shall abide by the following guidelines:
 - "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.
 - Such short-term deposits shall be held in the name of the respective Plan(s) of the Scheme.
 - The respective Plan(s) 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 prior approval of the Trustee.
 - Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
 - The respective Plan(s) shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
 - The respective Plan(s) shall not park funds in short term deposit of a bank, which has invested in the Scheme. Further, the bank in which a scheme has short term deposit will not invest in the said scheme until the scheme has short term deposit with the bank.
 - Asset Management Company (AMC) shall not be permitted to charge investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks."
13. No term loans for any purpose will be advanced by the Scheme.
14. The Fund shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments.
15. The AMC may invest in the Scheme in the new fund offer. However, it shall not charge any investment management fee on such amounts invested by it.
16. The Scheme shall not invest more than 10% of its NAV in equity shares/equity related instruments of any company.
Provided that, the limit of 10% shall not be applicable for investments in index fund or sector/industry specific scheme. However, the Scheme at any point of time will not invest more than 10% of the NAV of the Scheme in a single company.
17. In case any company has invested more than 5% of the net asset value of a scheme, the investment made by that scheme or by any other scheme of the same Mutual Fund in that company or its subsidiaries, if any, shall be brought to the notice of the Trustees by NAM India and be disclosed in the half-yearly and annual accounts with justification for such investment provided that the latter investment has been made within one year of the date of the former investment calculated on either side.
18. The Scheme may invest in Overseas securities in accordance with the regulations as applicable from time to time.
19. The Scheme will comply with any other regulations applicable to the investments of mutual funds from time to time.
20. 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 IDCW to the Unitholders.
Provided that the Fund shall not borrow more than 20% of the net assets of any individual Scheme and the duration of the borrowing shall not exceed a period of 6 months.
In case of borrowing through repo transactions the tenor of such transaction shall not exceed a period of six months.

21. Total exposure of the scheme in a particular sector (excluding investments in Bank CDs, Tri-Party Repo on Government Securities or T-bills, G-Secs, T-Bills and AAA rated securities issued by Public Financial Institutions and Public Sector Banks and such other instruments if any, as may be specified by SEBI from time to time) shall not exceed 20% or such other percentage of the net assets of the scheme, as prescribed by SEBI from time to time, unless the scheme has specifically been exempted from the requirement by SEBI.

An additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the scheme shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) rated AA and above and registered with National Housing Bank (NHB). Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio.

However, such total investment/ exposure in HFCs shall not exceed 20% of the net assets of the scheme or such other percentage of the net assets of the scheme, as prescribed by SEBI from time to time.

Note : The sector classification shall be basis the data provided by Association of Mutual Fund in India

22. The investment of mutual fund schemes in debt instruments having Structured Obligations / Credit Enhancements shall not exceed 10% of the debt portfolio of the schemes and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the schemes:
- Unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade and
 - Supported rating of debt instruments (i.e. after factoring-in credit enhancement) is above investment grade
23. Mutual fund scheme shall not invest in unlisted debt instruments including commercial papers (CPs), other than (a) government securities, (b) other money market instruments and (c) derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used by mutual funds for hedging.
24. No mutual fund scheme shall invest more than 10 per cent of its NAV in the equity shares or equity related instruments of any company:
Provided that, the limit of 10 per cent shall not be applicable for investments in case of index fund or sector or industry specific scheme.
25. The scheme may engage in Securities Lending not exceeding 15% of the net assets of the scheme and shall not lend more than 5% of its Net Assets to a single counterparty or such other limits as may be permitted by SEBI from time to time.
26. The scheme shall participate Repo in corporate debt securities in accordance with Clause 12.18 of SEBI Master Circular dated May 19, 2023 and such other directions issued by RBI and SEBI from time to time.

The Gross exposure of the scheme to repo transactions in corporate debt securities shall not be more than 10% of the net asset of the scheme.

The cumulative gross exposure through repo transactions in Corporate debt securities along with Equity, debt, Money Market instruments and derivative positions (including fixed income derivatives) shall not exceed 100% of the net assets of the scheme or guidelines as may be specified by SEBI from time to time

The scheme shall participate repo in corporate debt securities in accordance with directions issued by RBI and SEBI from time to time

All the Schemes securities investment will be in transferable securities.

All investment restrictions stated above shall be applicable at the time of making investment.

The Scheme will not enter into any transaction, which exposes it to unlimited liabilities or results in the encumbering of its assets in any way so as to expose them to unlimited liability.

These investment limitations / parameters as expressed / linked to the net asset / net asset value / capital, shall in the ordinary course, apply as at the date of the most recent transaction or commitment to invest. Changes do not have to be effected merely because of appreciation or depreciation in value or by reason of the receipt of any rights, bonuses or benefits in the nature of capital or of any scheme of arrangement or for amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Fund, any such limits would thereby be breached. If these limits are exceeded for reasons beyond its control, AMC shall adopt as a priority objective the remedying of that situation, taking due account of the interests of the Unitholders.

The Trustee Company in consultation with AMC may alter these above stated limitations from time to time, and also to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments in order to achieve its investment objectives & policies. As such, all investments of the Scheme will be made in accordance with the Regulations including Schedule VII thereof and the Fundamental Attributes of this Scheme.

At NIMF, to ensure robust risk management and adequate portfolio diversification internal Investment policy for various debt schemes has been framed. The investment policy at NIMF specifies limits both on overall basis (across all schemes) as well as on individual scheme level. Guidelines for following parameters for liquid as well as non liquid schemes has been specified in the policy:

- Eligible Instruments: Defines the eligible instruments where the scheme can invest
- Minimum Liquidity: Defines the instruments considered as liquid instruments and the minimum investments in these instruments as a percentage of total net assets
- Maximum Illiquid component: Defines the instruments considered as illiquid and the maximum investment that can be made in these instruments as a percentage of net assets.
- Rating: Defines minimum and/ or maximum investment in a particular rating as a percentage of total portfolio.
- Maturity: Defined the weighted average maturity of a portfolio. Also defines the weighted average maturity, maximum and maturity for certain asset types like corporate bond, PTCs, Gilts etc

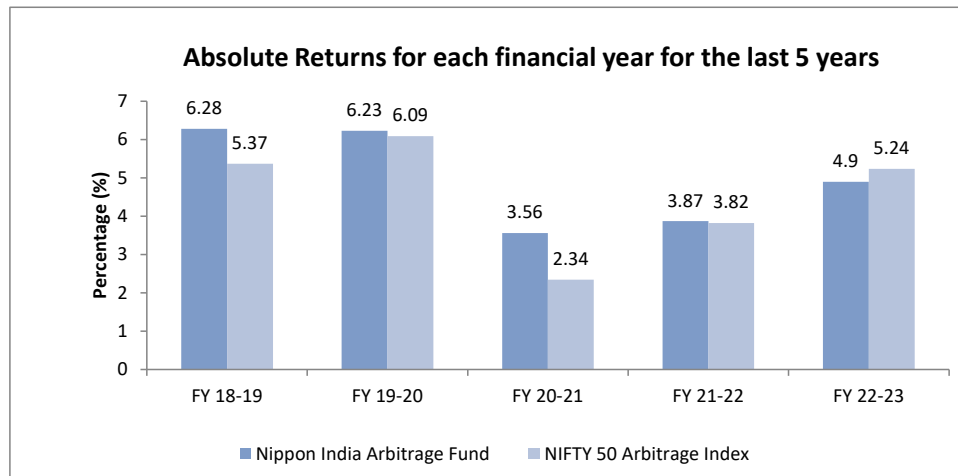
Investment by the AMC in the Scheme: In line with SEBI Regulations and circulars issued by SEBI from time to time, the AMC may invest its own funds in the scheme(s). Further, the AMC shall not charge any fees on its investment in the Scheme (s), unless allowed to do so under SEBI Regulations in the future.

K. HOW HAS THE SCHEME PERFORMED?

The Performance of the scheme is as on September 30, 2023

Compounded Annualised Returns	Scheme Returns %	Benchmark Returns %
Returns for the last 1 year	6.80	7.49
Returns for the last 3 years	4.74	5.04
Returns for the last 5 years	5.07	4.92
Returns since inception (Allotment date October 14, 2010)	6.82	6.22

Absolute Returns for each financial year for the last 5 years



Past performance may or may not be sustained in future.

TRI - Total Returns Index reflects the returns on the index arising from (a) constituent stock price movements and (b) Dividend receipts from constituent index stocks, thereby showing a true picture of returns.

In line with Clause 6.14.2.2 of the SEBI Master Circular dated May 19, 2023 the performance of the Equity Scheme is Benchmarked to the Total Return Variant of the Index.

The Benchmark of the scheme has been changed from CRISIL Liquid Fund Index to NIFTY 50 Arbitrage Index, w.e.f. October 12, 2018

Returns are of Growth Plan - Growth Option. Returns less than one year are absolute returns and returns of one year and more are compounded annualized returns. Calculations assume that all payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Face Value of the Scheme is Rs. 10/- Per unit

L. ADDITIONAL DISCLOSURES

a. Equity Top 10 holdings by issuer and sectors (As on September 30, 2023)

Holding	Weightage(%)	Sector	Allocation (%)
Tata Consultancy Services Limited	0.00%	Construction	0.00%
Persistent Systems Limited	0.00%	Industrial Products	0.00%
United Breweries Limited	0.00%	Textiles & Apparels	0.00%
Tata Chemicals Limited	0.00%	Metals & Minerals Trading	0.00%
Voltas Limited	0.00%	Oil	0.00%
Marico Limited	0.00%	Capital Markets	0.00%
Info Edge (India) Limited	0.00%	Agricultural, Commercial & Construction Vehicles	0.00%
LIC Housing Finance Limited	0.00%	Transport Services	0.00%
Divi's Laboratories Limited	0.00%	Personal Products	0.00%
Navin Fluorine International Limited	0.00%	Auto Components	0.00%

b. Debt Top 10 holdings by issuer and sectors (As on September 30, 2023)

Holding	Weightage(%)	Sector	Allocation (%)
Nippon India Mutual Fund	17.96%	Others	24.09%
Clearing Corporation of India Ltd	6.13%	Government of India	2.76%
Government of India	2.76%	Banks	2.59%
HDFC Bank Limited	2.59%	Finance	1.78%

National Bank For Agriculture and Rural Development	1.11%
Small Industries Dev Bank of India	0.44%
Power Finance Corporation Limited	0.22%
Grand Total	31.22%

Grand Total	31.22%
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Link to obtain schemes latest monthly portfolio holding - <https://mf.nipponindiaim.com/investor-services/downloads/factsheets/>

b. **Portfolio Turnover Ratio : 12.92**

c. **Aggregate Investments in the scheme by Board of Directors / Other Key Personnel as on September 30, 2023**

Particulars	Aggregate Investments (Rs. in lakhs)
Board of Directors	2.50
Fund Managers	52.96
Other Key Personnel	325.18

Note: Investment by Executive Director-cum-CEO is included in the aggregate investments by Other Key Personnel.

III. UNITS AND OFFER

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

A. NEW FUND OFFER (NFO)

This section is not applicable, as the ongoing offer of the Scheme has commenced after the NFO, and the Units are available for continuous subscription and redemption.

However details of the NFO relevant during the ongoing offer are provided below:

Plans / Options offered	<p>The Scheme offers the following Plans/Options:</p> <p>(a) Growth Plan / Direct Plan - Growth Option : The Growth Plan is designed for investors interested in capital appreciation on their investment and not in regular income. Accordingly, the Fund will not declare IDCWs under the Growth Plan. The income earned on the Growth Plan's corpus will remain invested in the Growth Plan.</p> <p>The Growth Plan has two options:</p> <p>(i) Growth Option: Under this Option, there will be no distribution of income and the returns to the investor is only by way of capital gains/ appreciation, if any, through redemption at applicable NAV of the units held by them.</p> <p>(b) Income Distribution cum capital withdrawal Plan / Direct Plan - Income Distribution cum capital withdrawal Plan : The Income Distribution cum capital withdrawal Plan has been designed for investors who require regular income in the form of IDCWs. Under the Income Distribution cum capital withdrawal Plan, the Fund will endeavor to make regular IDCW payments to the unit holders. IDCW will be distributed from the available distributable surplus after the deduction of TDS and applicable surcharge, if any.</p> <p>Income Distribution cum capital withdrawal Plan has two options:</p> <p>(i) Payout of Income Distribution cum capital withdrawal Option: Under this option IDCW warrants under this option will be initiated to the unit holders within 7 working days from the record date, in compliance to the Clause 11.4 of SEBI Master Circular dated May 19, 2023.</p> <p>(ii) Monthly Payout of Income Distribution cum capital withdrawal Option : In the Monthly Payout of Income Distribution cum capital withdrawal Option, the scheme will endeavor to declare regular IDCWs on a monthly basis. Such IDCW will be declared on the Monday preceding the last Thursday of every month or on the next working day in case, such Monday is a holiday. The IDCW declared will be paid to the unit holders within 7 working days from the record date. though the fund endeavors to pay the IDCW proceeds within three working days.</p> <p>(iii) Reinvestment of Income Distribution cum capital withdrawal Option: The Income Distribution cum capital withdrawal Plan has a Reinvestment of Income Distribution cum capital withdrawal Option whereby the IDCW distributed under the plan will be automatically reinvested at the ex-IDCW NAV on the transaction day following the record date of IDCW and additional units will be allotted accordingly. Investors desirous of opting for the same should indicate the same in the space provided in the application form.</p> <p>(iv) Monthly Reinvestment of Income Distribution cum capital withdrawal Option : In the Monthly Reinvestment of Income Distribution cum capital withdrawal Option, the scheme will endeavor to declare regular IDCWs on a monthly basis. The IDCW declared under this option would be reinvested to the credit of the unitholder's account at the ex-IDCW NAV and no IDCW payout will take place. IDCW will be declared on the Monday preceding the last Thursday of every month or on the next working day in case, such Monday is a holiday.</p> <p>The Trustees reserve the right to declare a IDCW during the interim period depending on the availability of the distributable surplus under the scheme. There is no assurance or guarantee as to the rate and frequency of IDCW distribution. The actual date of declaration of IDCW will be notified by display at the designated investor service centres.</p> <p>Please note that if no Plan/Option is mentioned / indicated in the Application form, the units will, by default, be allotted under Growth Option of Growth Plan and Reinvestment of Income Distribution cum capital withdrawal Option of the Income Distribution cum capital withdrawal Plan shall be the default sub-options.</p> <p>Investor may note that following shall be applicable for default plan</p> <table border="1"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct Plan</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular Plan/Other than Direct Plan</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct Plan</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular Plan/Other than Direct Plan</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular Plan/Other than Direct Plan</td> <td>Regular Plan/Other than Direct Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan/Other than Direct Plan</td> </tr> </tbody> </table> <p>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan/Other than Direct Plan. The AMC shall contact 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, barring under the following circumstances.</p> <p>a) Units applied under Daily Income Distribution cum capital withdrawal Plan b) If the aforesaid units are Redeemed / Switched, fully / partially into another scheme / plan.</p>	Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured	1	Not mentioned	Not mentioned	Direct Plan	2	Not mentioned	Direct Plan	Direct Plan	3	Not mentioned	Regular Plan/Other than Direct Plan	Direct Plan	4	Mentioned	Direct Plan	Direct Plan	5	Direct	Not Mentioned	Direct Plan	6	Direct	Regular Plan/Other than Direct Plan	Direct Plan	7	Mentioned	Regular Plan/Other than Direct Plan	Regular Plan/Other than Direct Plan	8	Mentioned	Not Mentioned	Regular Plan/Other than Direct Plan
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3	Not mentioned	Regular Plan/Other than Direct Plan	Direct Plan																																		
4	Mentioned	Direct Plan	Direct Plan																																		
5	Direct	Not Mentioned	Direct Plan																																		
6	Direct	Regular Plan/Other than Direct Plan	Direct Plan																																		
7	Mentioned	Regular Plan/Other than Direct Plan	Regular Plan/Other than Direct Plan																																		
8	Mentioned	Not Mentioned	Regular Plan/Other than Direct Plan																																		

	<p>Reinvestment of IDCW Payout for IDCW amount less than ₹ 100</p> <ul style="list-style-type: none"> In case a unitholder has opted for Payout of Income Distribution cum capital withdrawal Option, the minimum amount for IDCW payout shall be ₹ 100 (net of withholding tax or any other statutory levy), else IDCW would be mandatorily reinvested. The IDCW would be reinvested in the same scheme / plan by issuing additional units of the scheme at the prevailing ex-IDCW Net Asset Value per unit on the record date. There shall be no exit load on the redemption of units allotted as a result of such reinvestment of IDCW. Mandatory reinvestment of IDCW would not be applicable to Unit holders holding units in Demat form, and if IDCW is declared in any applicable scheme, the amount will be paid out or reinvested as per the option selected by the unit holders. IDCW declared will be compulsorily paid out under the Payout of Income Distribution cum capital withdrawal Option of all schemes, for which fresh subscriptions are discontinued with effect from October 01, 2012 as per notice-cum-Addendum no. 63 dated September 28, 2012. <p>Effect of IDCWs: As with the redemption of Units, when IDCWs are declared and paid with respect to the Scheme, the net assets attributable to Unitholders of Income Distribution cum capital withdrawal Plan will stand reduced by an amount equivalent to the product of the number of units outstanding and the IDCW amount per unit declared on the record date. The NAV of the Unitholders in the Growth Plan will remain unaffected by the payment of IDCWs.</p>
<p>IDCW Policy</p>	<p>When IDCWs are declared with respect to the Scheme, the net assets attributable to Unitholders in the respective Income Distribution cum Capital Withdrawal Plan/option will stand reduced by an amount equivalent to the product of the number of units eligible for IDCW and the gross amount of IDCW per unit declared on the record date. The NAV of the Unitholders in the Growth option will remain unaffected by the payment of IDCWs.</p> <p>NAM India, in consultation with the Trustees reserves the right to discontinue/ add more plans/ options at a later date subject to complying with the prevailing SEBI guidelines and Regulations.</p> <p>Process for declaration of IDCW in Unlisted Schemes/Plans</p> <ol style="list-style-type: none"> Quantum of IDCW and the record date shall be fixed by the trustees in their meeting. IDCW so decided shall be paid, subject to availability of distributable surplus. The IDCW amounts can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains. Record date shall be the date which will be considered for the purpose of determining the eligibility of investors whose names appear on the register of unit holders for receiving IDCWs. Further, the NAV shall be adjusted to the extent of IDCW distribution and statutory levy, if any, at the close of business hours on record date. Within one calendar day of the decision by the trustees, AMC shall issue notice to the public communicating the decision including the record date. The record date shall be 2 working days from the date of publication in at least one English newspaper or in a newspaper published in the language of the region where the Head Office of the mutual fund is situated, whichever is issued earlier. Before the issue of such notice, no communication indicating the probable date of IDCW declaration in any manner whatsoever may be issued by any mutual fund or distributors of its products. <p>IDCWs as and when declared will be paid to eligible unitholders, within 7 Working days from the record date, In the event of failure to initiate of IDCW payments within 7 Working days days from the record date, the AMC shall pay an interest @ 15 per cent per annum of the relevant IDCW amount to the applicable Unit holders. Interest for the delayed payment of IDCW shall be calculated from the record date.</p>
<p>Policy on Unclaimed Redemption and IDCW Amounts</p>	<p>In terms of Clause no. 14.3 of SEBI Master Circular dated May 19, 2023, the unclaimed redemption amount and IDCW amounts (the funds) may be deployed by the Mutual Fund in money market instruments and separate plan of Overnight scheme / liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts only, provided that such schemes where the unclaimed redemption and IDCW amounts are deployed shall be only those Overnight Scheme/ Liquid Scheme / Money Market Mutual Fund Schemes which are placed in A-1 cell (Relatively Low Interest Rate Risk and Relatively Low Credit Risk) of Potential Risk Class matrix as per Clause no. 17.5 of SEBI Master Circular dated May 19, 2023. Investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. The AMC will make a continuous effort to remind the investors through letters to take their unclaimed amounts. The details of such unclaimed redemption/IDCW amounts are made available to investors upon them providing proper credentials, on website of Mutual Funds and AMFI along with the information on the process of claiming the unclaimed amount and the necessary forms / documents required for the same. Further, the information on unclaimed amount along-with its prevailing value (based on income earned on deployment of such unclaimed amount), will be separately disclosed to investors through the periodic statement of accounts / Consolidated Account Statement sent to the investors. Further, the investment management fee charged by the AMC for managing the said unclaimed amounts shall not exceed 50 basis points.</p>
<p>WHO CAN INVEST This is an indicative list. Prospective investors are advised to satisfy themselves that they are not prohibited by any law governing such entity and any Indian law from investing in the Scheme and are authorized to purchase units of mutual funds as per their respective constitutions, charter documents, corporate / other authorizations and relevant statutory provisions.</p>	<p>The units of the scheme are being offered to the public for subscription. The following persons (subject, wherever relevant, to purchase of units being permitted under their respective constitutions and relevant State Regulations) are eligible to subscribe to the units:</p> <ol style="list-style-type: none"> Resident Adult Individuals, either single or jointly (not exceeding three). Non – resident Indians and persons of Indian origin residing abroad, on a full repatriation basis Parents / Lawful guardians on behalf of Minors* Hindu Undivided Families (HUFs) in the name of HUF or Karta Companies (including Public Sector Undertakings), Bodies Corporate, Trusts (through Trustees) and Co-operative Societies Banks (including Regional Rural Banks) and Financial Institutions Religious and Charitable Trusts (through Trustees), Private Trusts authorised to invest in Mutual Fund schemes under their Trust Deeds Special Purpose Vehicles (SPVs) approved by appropriate authority (subject to RBI approval)

- (9) International Multilateral Agencies approved by the Government of India
- (10) Army/Navy/Air Force / Para Military Units and other eligible institutions
- (11) Unincorporated body of persons as may be accepted by Nippon Life India Trustee Limited
- (12) Partnership Firms
- (13) Scientific and Industrial Research Organisations
- (14) Trustee, AMC or Sponsor or their associates may subscribe to Units under the Schemes.
- (15) Qualified Foreign Investors (please refer SAI for further details)
- (16) Foreign Portfolio Investors (FPI) as defined in Regulation 2(1) (h) of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
- (17) Such other individuals/institutions/body corporate etc., as may be decided by the AMC from time to time, so long as wherever applicable they are in conformity with SEBI Regulations.
- * Process for Investments made in the name of a Minor through a Guardian:
- Payment for investment by means of Cheque, Demand Draft or any other mode shall be accepted from the bank account of the minor / Minor with guardian or from a joint account of the minor with the guardian only. For existing folios, in case the pay-out bank mandate is not held solely by minor or jointly by minor and guardian, the investors are requested to provide a change of Pay-out Bank mandate request before providing redemption request.
 - Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC / FATCA details, updated bank account details including cancelled original cheque leaf of the new account and his/her specimen signature duly authenticated by banker/guardian. Investors shall additionally note that, upon the minor attaining the status of major, no further transactions shall be allowed till the status of the minor is changed to major.
Pursuant to SEBI circular dated May 12, 2023, payment for any investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. For existing folios, the AMCs shall insist upon a change of pay-out bank mandate before redemption is processed.
 - Investors are also requested to note that the process of transmission of units shall be in line with Clause 17.6 of SEBI Master Circular dated May 19, 2023 and guidelines issued by SEBI in this regard from time to time.
- Note :
1. Non Resident Indians (NRIs) and Persons of Indian Origin (PIOs) residing abroad / Foreign Portfolio Investors (FPIs) have been granted a general permission by Reserve Bank of India Schedule 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.
 2. In case of application under a Power of Attorney or by a limited company or a corporate body or an eligible institution or a registered society or a trust fund, the original Power of Attorney or a certified true copy duly notarised or the relevant resolution or authority to make the application as the case may be, or duly notarised copy thereof, alongwith a certified copy of the Memorandum and Articles of Association and/or bye-laws and / or trust deed and / or partnership deed and Certificate of Registration should be submitted. The officials should sign the application under their official designation. A list of specimen signatures of the authorised officials, duly certified / attested should also be attached to the Application Form. In case of a Trust / Fund it shall submit a resolution from the Trustee(s) authorising such purchases and redemptions.
 3. Neither this Scheme Information Document ("SID")/ Key Information Document ("KIM")/ Statement of Additional Information ("SAI") ["Scheme Related Documents"] nor the units of the scheme(s) have been registered under the relevant laws, as applicable in the territorial jurisdiction of United States of America nor in any provincial/ territorial jurisdiction in Canada. It is being clearly stated that the Scheme Related Documents and/or the units of the schemes of Nippon India Mutual Fund have been filed only with the regulator(s) having jurisdiction in the Republic of India. The distribution of these Scheme Related Documents in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of these Scheme Related Documents are required to inform themselves about, and to observe any such restrictions.
No persons receiving a copy of these Scheme Related Documents or any KIM accompanying application form jurisdiction may treat such Scheme Related Documents as an invitation to them to subscribe for units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly these Scheme Related Documents do not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of such persons in possession of the Scheme Related Documents and any persons wishing to apply for units pursuant to these Scheme Related Documents to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction.
The NAM India shall accept such investments subject to the applicable laws and such other terms and conditions as may be notified by the NAM India . The investor shall be responsible for complying with all the applicable laws for such investments.
The NAM India reserves the right to put the transaction requests on hold/reject the transaction request/ reverse allotted units, as the case may be, as and when identified by the NAM India, which are not in compliance with the terms and conditions notified in this regard.
- NAM India reserves the right to invest its own funds in the Scheme(s) upto a maximum extent of its network. As per SEBI Regulations, such investments are permitted, subject to disclosure being made in the respective Scheme Scheme Information Document s (s). Further, NAM India shall not charge any fees on its investment in the Scheme (s), unless allowed to do so under SEBI Regulations in the future.

	<p>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.</p> <p>Foreign Account Tax Compliance</p> <p>In accordance with the relevant provisions of the Foreign Account Tax Compliance Act ("FATCA") as contained in the United States Hiring Incentives to Restore Employment ("HIRE") Act, 2010, there is a likelihood of withholding tax being levied on certain income/ receipt sourced from the subjects of United States of America ("US") with respect to the schemes, unless such schemes are FATCA compliant.</p> <p>In this regard, the respective governments of India and US have signed an Inter Governmental Agreement-1 (IGA) on July 9, 2015. In the terms of this proposed IGA, Nippon India Mutual Fund ("NIMF") and/ or Nippon Life India Asset Management Limited ("NAM India"/ "AMC") classified as a "Foreign Financial Institution" and in which case NIMF and/ or NAM India would be required, from time to time, to (a) undertake the necessary due-diligence process; (b) identify US reportable accounts; (c) collect certain required information/ documentary evidence ("information") with respect to the residential status of the unit holders; and (d) directly or indirectly disclose/ report/ submit such or other relevant information to the appropriate Indian authorities. Such information may include (without limitation) the unit holder's folio detail, identity of the unit holder, details of the beneficial owners and controlling persons etc</p> <p>In this regard and in order to comply with the relevant provisions under FATCA, the unit holders would be required to fully cooperate & furnish the required information to the AMC, as and when deemed necessary by the latter in accordance with IGA and/ or relevant circulars or guidelines etc, which may be issued from time to time by SEBI or any other relevant & appropriate authorities.</p> <p>The applications which do not provide the necessary information are liable to be rejected. The applicants/ unit holders/ prospective investors are advised to seek independent advice from their own financial & tax consultants with respect to the possible implications of FATCA on their investments in the scheme(s).</p> <p>The underlying FATCA requirements are applicable from July 1, 2014 or such other date, as may be notified. In case required, NIMF/ NAM India reserves the right to change/ modify the provisions (mentioned above) at a later date. NAM India reserves the right to include / exclude new / existing categories of investors to invest in this Scheme from time to time, subject to SEBI Regulations, if any.</p>
<p>Where can you submit the filled up applications.</p>	<p>Investors may submit the duly completed application forms including Switch and auto switch request along with the payment instrument at any of the DISC of NAM India or R & T Agent.</p> <p>As per the directives issued by SEBI, it is mandatory for an investor to declare his/her bank account number in the application form. This is to safeguard the interest of unitholders from loss or theft of their redemption cheques / DDs. Investors are requested to provide their bank details in the Application.</p>
<p>How to Apply</p>	<p>Please refer to the SAI and Application form for the instructions.</p>
<p>Listing</p>	<p>Being an open-ended scheme, the units are not proposed to be listed on any stock exchange. However, the Trustee reserves the right to list the units as and when open-end Schemes are permitted to be listed under the Regulations, and if the Trustee considers it necessary in the interest of unitholders of the Scheme.</p>
<p>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.</p>	<p>The units under the scheme once repurchased, shall not be reissued.</p>
<p>Restrictions, if any, on the right to freely retain or dispose of units being offered.</p>	<p>The purchase and/or redemption of Units may be suspended with prior approval of Trustees and Asset Management Company giving the details of circumstances and justification for the proposed action shall also be informed to SEBI in advance, temporarily or indefinitely when any of the following conditions exist at one/ more Designated Investor Service Center's:</p> <ol style="list-style-type: none"> (1) The stock market stops functioning or trading is restricted; (2) Periods of extreme volatility in the stock market, fixed income or money market, which, in the opinion of the Investment Manager, are prejudicial or detrimental to the interest of the investors; (3) Natural calamity; or (4) For any bulk processing like IDCW, book closure, etc. (5) If banks do not carry-out any of the normal Banking activities at one or more Designated Investor Service Centers (6) In the event of breakdown in the means of communication used for the valuation of investments of the Scheme, without which the value of the securities cannot be accurately calculated. (7) In the event of any force majeure or disaster that affects the normal functioning of the AMC or the designated investor service centers. (8) SEBI, by order, so directs. (9) The normal time taken to process redemption and/ or purchase requests, as mentioned earlier, may not be applicable during such extraordinary circumstances. <p>However, suspension or restriction of repurchase/ redemption facility under any scheme of the Mutual Fund shall be made applicable only after the approval from the Board of Directors of the AMC and the Trustee Company. The approval from the AMC Board and the Trustees giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.</p> <p>NIMF also reserves the right at its sole discretion to withdraw sale of Units in the Scheme temporarily or indefinitely, if the AMC views that increasing the Scheme's size further may prove detrimental to the existing unit holders of the Scheme. An order/ request to purchase Units is not binding on and may be rejected by the Trustee, the AMC or their respective agents, unless it has been confirmed in writing by the AMC or its agents and (or) payment has been received.</p>

B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	<p>The Units of the Scheme(s) are available for subscription / redemption at applicable NAV based prices, subject to prevalent load provisions, if any.</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors. This is the price you need to pay for purchase/switch-in.</p>	<p>At the applicable NAV. Purchase Price: The Purchase Price will be calculated in the following way: Purchase Price = Applicable NAV Pursuant to Clause no. 10.4 of the SEBI Master circular dated May 19, 2023 there shall be no entry load for all mutual fund schemes. The same is applicable for Investments in mutual fund schemes (including additional purchases and switch-in to a scheme from other schemes) with effect from August 1, 2009, Redemptions from mutual fund schemes (including switch-out from other schemes) with effect from August 1, 2009, New mutual fund schemes launched on and after August 1, 2009 and Systematic Investment Plans (SIP) registered on or after August 1, 2009.</p>
<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors. This is the price you will receive for redemptions/switch outs. Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be: Rs. 10* (1-0.02) = Rs. 9.80</p>	<p>At the applicable NAV subject to prevailing exit load, if any. Redemption Price : The Redemption Price will be calculated in the following way : Redemption Price = Applicable NAV x (1- Exit Load) Example: If the applicable NAV is Rs. 10.00, sales/entry load is 2 per cent and the exit/repurchase load is 2 percent then the sales price will be Rs. 10.20 and the repurchase price will be Rs. 9.80.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>As per Clause 8.4.6.2 of SEBI Master circular dated May 19, 2023, in respect of purchase of units of mutual fund schemes (except liquid and overnight schemes), closing NAV of the day shall be applicable on which the funds are available for utilization irrespective of the size and time of receipt of such application subject to cut-off timing provisions. Considering the above, cut-off timings with respect to Subscriptions/Purchases including switch – ins shall be as follows:</p> <ol style="list-style-type: none"> Purchases / subscriptions (including Switch-in) in the scheme of any amount In respect of valid application received before up to 3.00 p.m. and funds for the entire amount of subscription / purchase as per the application are credited to the bank account of the scheme and are available for utilization before the cut-off time of 3.00 p.m., the closing NAV of the day shall be applicable; In respect of valid application received after 3.00 p.m. and funds for the entire amount of subscription / purchase as per the application are credited to the bank account of the scheme either on the same day or before the cut-off time on 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; Irrespective of the time of receipt of application, where funds for entire amount 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 subject to applicability of cut-off timing for application. For switch-in in the scheme of any amount: The following shall be ensured for determining the applicability of NAV: <ol style="list-style-type: none"> Application for switch-in is received before the applicable cut-off time of 3.00 p.m Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the respective switch-in schemes before the cut-off time; The funds are available for utilization before the cut-off time, by the respective switch-in schemes In case of Switch transactions from one scheme (Switch-out scheme) to other scheme (Switch-in scheme), NAV applicability shall be in line with redemption pay-outs of switch-out scheme <p>Redemptions including switch - outs In respect of valid applications received upto 3.00 p.m. by the Mutual Fund, closing NAV of the day of receipt of application, shall be applicable. In respect of valid applications received after 3.00 p.m. by the Mutual Fund, the closing NAV of the next business day shall be applicable.</p>
<p>Where can the applications for purchase/redemption switches be submitted?</p>	<p>Applications for purchase/redemption/switches be submitted at any of the Designated Investor Service Centres mentioned in this Scheme Information Document or any other location designated as such by the AMC, at a later date. The addresses of the Designated Investor Service Centres are given at the end of this Scheme Information Document and also on the website, mf.nipponindiaim.com. Investors in cities other than where the Designated Investor Service Centres (DISC) are located, may forward their application forms to any of the nearest DISC, accompanied by Demand Draft/s payable locally at that DISC.</p>

<p>Minimum amount for purchase/ redemption/switches</p>	<p>Minimum Application Amount Rs. 5,000 and in multiples of Re. 1 thereafter</p> <p>Additional Purchase Amount Rs 1000 (plus in the multiple of Re.1)</p> <p>Note - Pursuant to notice cum addendum dated October 30, 2021, for investments made by designated employees in terms of Clause 6.10 of SEBI Master circular dated May 19, 2023, requirement for minimum application/ redemption amount will not be applicable.</p> <p>Minimum Redemption Amount Redemptions can be of minimum amount of Rs.100 or any number of units.</p> <p>Minimum Switch Amount Will be as per the minimum application amount in the respective scheme which may have been opted by the Investor for switching the units/amount where the switch facility is available.</p> <p>Switch-out facility from applicable ETF schemes to Nippon India Arbitrage Fund For availing this facility, investors are requested to note the following operational modalities:</p> <ol style="list-style-type: none"> Switch-out from the Scheme will be allowed only in terms of Basket size (unit). Switch transaction will be processed subject to availability of all details as per regulatory guidelines. The applicability of the NAV in the transferee Scheme will be the NAV of the business day on which the Funds are realized in Scheme's account before cut-off time. In case of any rejection in Switch-in to the transferee Scheme, the amount will be paid to the investor as redemption proceeds. Investors to note that the pattern and sequence of holding both in the open-ended (Non-ETF) Folio and in demat account (used for ETF unit holding) should be same. However, in case there is no existing Folio, the investor has to provide the details and signatures of all holders for Folio creation in the open-ended (Non-ETF) Scheme. Investors should have the clear balance of ETF units in their demat account for execution of the Switch-out transaction from the selected ETF Scheme. <p>NIMF/NAM India reserves the right to introduce, change, modify or withdraw any of the features available in this facility from time to time.</p>
<p>Minimum balance to be maintained and consequences of non maintenance.</p>	<p>The Fund may revise the minimum/maximum amounts and methodology for redemptions as and when necessary. Such modifications shall be carried out on a prospective basis from the date of notification of such change and would not, in any manner, be prejudicial to the interests of the investors who have joined the scheme before such notification. Changes if any would be suitably communicated to the unitholders.</p>
<p>Special Products / facilities available</p>	<p>A. SPECIAL PRODUCTS</p> <ol style="list-style-type: none"> Systematic Investment Plan (SIP) Systematic Transfer Plan (STP) Nippon India Salary AddVantage Transfer of Income Distribution cum capital withdrawal plan (TIDCWP) Systematic Withdrawal Plan (SWP) Trigger Facility <p>B. SPECIAL FACILITIES</p> <ol style="list-style-type: none"> Transactions through website of Nippon India Mutual Fund mf.nipponindiam.com, Nippon India Mutual Fund mobile applications and other digital assets / platforms Facilitating transactions through Stock Exchange Mechanism Official Points of Acceptance of Transaction through MF utility Transactions through Electronic Platform of Registrar and Transfer Agent Official Point of Acceptance through MF Central <p>A. SPECIAL PRODUCTS</p> <p>1. Systematic Investment Plan (SIP)</p> <p>An investor can benefit under this facility by investing specified amounts regularly. By investing a fixed amount of rupees at regular intervals, one would end up buying more units of the Fund when the price is low and fewer units when the price is high. As a result, over a period of time, the average cost per unit to the unitholder may tend to be less than the average subscription price per unit, irrespective of whether it is a rising, falling or fluctuating market. Thus, the unitholder automatically tends to gains and averages out the fluctuations of the market, without having to monitor prices on a day-to-day basis. This concept is called "Rupee Cost Averaging".</p> <p>Minimum investment amount for investing SIP route is as follows:</p> <ol style="list-style-type: none"> Rs.100/- per month and in multiples of Re. 1/- thereafter for minimum 60 months Rs.500/- per month and in multiples of Re. 1/- thereafter for minimum 12 months Rs.1000/- per month and in multiples of Re. 1/- thereafter for minimum 6 months Rs.500/- per quarter and in multiples of Re. 1/- thereafter for minimum 12 quarters Rs.1500/- per quarter and in multiples of Re. 1/- thereafter for minimum 4 quarters Rs. 5000/- per year and in multiples of Rs. 500/- thereafter for minimum 2 years

The cheques should be drawn in favour of “Nippon India Arbitrage Fund A/c PAN” or “Nippon India Arbitrage Fund A/c First Investor Name” and crossed “Account Payee Only” and must be payable at the centre where the applications are submitted to the Customer Service Centre. In case of fresh/additional purchases, if the name of the Scheme on the application form/transaction slip differs with the name on the Cheque/Demand Draft, the application may be processed and units shall be allotted at applicable NAV of the scheme mentioned in the application / transaction slip.

An investor shall have the option of choosing for 1 or more than 1 SIP in the same scheme and same plan in the same month. SIP debit dates shall be any date from 1st to 28th of a month. Investor can also avail more than one SIP for the same debit date.

Daily and Weekly frequencies for SIP:

Nippon India Mutual Fund (“NIMF”)/ Nippon Life India Asset Management Limited (“NAM India”) has introduced Daily and Weekly Frequencies in SIP (Systematic Investment Plan) in all the eligible open-ended Schemes w.e.f. June 24, 2022. Details of the same are as listed below:

Daily SIP

- SIP Shall Commence after 25 calendar days of submission of new OTM (One Time Mandate).
- In case of OTM registered already, Daily SIP shall commence after 12 calendar days.
- If Start date is not mentioned in the mandate SIP would commence from 25th calendar day in case of new OTM and 12th calendar day in case of OTM registered already.
- SIP Date could be any date between 1st to 28th of a month. In case of mandates received with dates between 29th to 31st of a month, the SIP would commence from 1st of the subsequent month.
- Units will not be created in cases of Non Transaction Day / Holiday in case of Daily SIP.
- Daily SIP Frequency would not be available in case of Daily IDCW Plans of the Schemes.
- Termination of SIP due to 3 Consecutive reversals would defer based on the confirmation from banks. In the meantime, if any debits for subsequent installments is effected by banker, then units would get created for the same.

SIP Frequency	SIP Period	Minimum Amount
Daily	Minimum 3 months	100 per Instalment and in multiples of Rs.1 thereafter
Daily	Minimum 1 month	500 per Instalment and in multiples of Rs.1 thereafter

Weekly SIP

- SIP Dates for Weekly Frequency would be 1st, 8th, 15th & 22nd of a month.
- If Start date is not mentioned in the mandate, SIP would commence from next eligible week day after 25 calendar days in case of New OTM & 12 calendar days in case of existing OTM.

SIP Frequency	SIP Period	Minimum Amount
Weekly	Minimum 1 year	100 per Instalment and in multiples of Rs.1 thereafter
Weekly	Minimum 3 months	500 per Instalment and in multiples of Rs.1 thereafter

In case of Retirement & Tax saver schemes, the minimum amount of SIP would be Rs.500/- and in multiples of Rs.500/- for daily and weekly SIP.

Additional features like Flex SIP & Pause Facility will not be applicable in case of daily and weekly SIP Frequencies.

MICRO SYSTEMATIC INVESTMENT PLAN (“MICRO SIP”)/ PAN EXEMPT INVESTMENTS

In line with Clause 14.11 of SEBI Master Circular dated May 19, 2023 addressed to AMFI, Investments in the mutual fund schemes {including investments through Systematic Investment Plans (SIPs)} up to Rs. 50,000/- per investor per year shall be exempted from the requirement of PAN.

The maximum installment amount in case of Micro SIP shall be as follows:

1. Rs.4000 per month for Monthly frequency.
2. Rs.12000 per quarter for Quarterly frequency.
3. Rs.50000 per year for Yearly frequency.

Accordingly, for considering the investments made by an investor up to Rs. 50,000/-, an aggregate of all investments including SIPs made by an investor in a Financial Year i.e. from April to March, shall be considered and such investors shall be exempted from the requirement of PAN. However, requirements of Know Your Customer (KYC) shall be mandatory and investors seeking the above exemption of PAN will need to submit the PAN Exempt KYC Reference No (PEKRN)/ KYC Identification NO (KIN) acknowledgement issued by KRA / (Central KYC Registry) along with the application form.

This exemption is applicable only for individuals including NRIs, minors acting through guardian, Sole proprietorship firms and joint holders*. Other categories of investors e.g. PIOs, HUFs, QFIs, non - individuals, etc. are not eligible for such exemption.

* In case of joint holders, first holder must not possess a PAN.

Investors are requested to note that, incase where a lump sum investment is made during the financial year and subsequently a fresh SIP mandate request is given where the total investments for that financial year exceeds Rs. 50,000/-, such SIP application shall be rejected.

In case where a SIP mandate is submitted during the financial year and subsequently a fresh lumpsum investment is being made provided where the total investments for that financial year exceeds Rs. 50,000, such lump sum application will be rejected.

Redemptions if any, in the Micro Investment folio, shall not be considered for calculating the exemption limit for such financial year. Consolidation of folio shall be allowed only if the PEKRN in all folios is same along with other investor details.

Post Dated Cheques will not be accepted as a mode of payment for application of MICRO SIP.

The first SIP cheque/draft could be of any Business Day but subsequent Auto Debit mandate/cheques should be for any date from 1st to 28th of a month and there should be a minimum gap of at least 21 Business Days between the 1st SIP and the 2nd SIP. However, subsequent cheques/ The Auto Debit transaction dates should have a gap of at least a month or a quarter depending upon the frequency chosen. In case the criteria of 21 days is not met, the SIP would start on the same date from the next month. If the date of SIP execution is a non-Business Day for the scheme, then the units shall be allotted on the next Business Day. Investors can also start a SIP directly without any initial investment, however he has to submit the application for enrolment of SIP on any working day but the subsequent installment date of SIP shall be any date from 1st to 28th of a month with a minimum gap of at least 21 working days between the submission of application form and the 1st SIP.

In case an investor intends to continue his SIP forever; he can opt for perpetual SIP which will not have an end date. In the event if the investors want to discontinue the SIP, a written communication will be required from the investors to discontinue the same. If the SIP end date is not filled, the SIP Auto Debit will be considered perpetual till further instructions are received from the investor. Such facility of perpetual SIP will not be applicable in case mode of payment is via Post Dated Cheques.

SIP registration TAT:

- **For registrations through Online mode:**
For SIP registrations received through online mode, the registration TAT shall be 3 days (excluding the application date and the SIP start date). The same shall be applicable for SIP being registered in the folio through One Time Bank Mandate / Invest Easy Mandate where the mandate status is 'Registered'.
- **For registrations through Physical mode:**
The TAT for SIP registration through physical mode through One Time Bank Mandate / Invest Easy Mandate where the mandate status is 'Registered' shall remain 10 days (excluding the application date and the SIP start date).

For SIP being registered through any other modes or if the mandate status in the folio is other than 'Registered', the SIP registration TAT shall continue to remain 21 business days. The change in SIP registration TAT shall be applicable for SIP and such other facilities where SIP is provided currently or shall be provided in future..

Any day SIP:
Investor's registering SIP through One Time Bank Mandate / Invest Easy Mandate or through online mode (i.e. via mf.nipponindiaim.com) can select any date from 1st to 28th of a month as SIP date. If the SIP transaction date is a non-Business Day for the scheme, then the SIP installment shall be processed on the next Business Day.

Any Day SIP facility is available in SIP.

SIP Pause facility:
Under this facility, investor's will have an option to discontinue their SIP temporarily for specific number of installments. SIP would restart upon completion of the Pause period specified by the investor.

For availing this facility following points are to be noted:

- a. Pause facility shall be available only for SIPs registered under monthly frequency with a SIP installment amount of Rs.1,000/- and above;
- b. Investor can opt for pause facility only from 7th installment onwards;
- c. Investor can opt for pause facility only twice during the tenure of a particular SIP;
- d. The minimum gap between the pause request and next SIP installment date should be at least 10 days (excluding the request date and the next SIP installment date);
- e. Pause facility shall get activated from immediate next eligible installment from the date of receipt of SIP Pause request;
- f. SIP can be discontinued for minimum 1 installment and up to a maximum of 6 installments;
- g. If the pause period is coinciding with the Nippon India STEP-UP facility, the SIP installment amount post completion of pause period would be inclusive of Nippon India STEP-UP amount.

For e.g. SIP installment amount prior to Pause period is Rs.5,000/- and Nippon India STEP-UP amount is Rs.1,000/-. If the pause period is completed after date of Nippon India STEP-UP, then the SIP installment amount post completion of pause period shall be Rs.6,000/-.

The above features of SIP pause facility shall be applicable for SIP.

Modify SIP facility:
An investor investing through SIP shall have an option to modify the selected scheme and / or SIP installment amount and / or SIP end date, in the scheme wherein the SIP investments are currently being made. The said request has to be submitted at least 10 days prior to the next SIP installment date (excluding the request date and the next SIP installment date).

Modify SIP facility shall be available only to investors whose SIP is registered through One Time Bank Mandate / Invest Easy Mandate. Modify SIP request shall be liable for rejection if the modified details do not meet the amount / tenure conditions as per the Scheme Information Document of the respective scheme or the registered mandate.

If the investor submits request for Modify SIP details for a SIP registration where the Nippon India STEP-UP facility is already registered, then the Nippon India STEP-UP facility shall be cancelled immediately upon receipt of Modify SIP details request.

This facility is not available for Micro SIP.

Default SIP date:
If an investor does not mention SIP Date in the application form or multiple SIP dates are mentioned in the SIP Mandate or the SIP Date is unclear in the application form / SIP Mandate, the default SIP date shall be treated as 10th of every month/quarter as per the frequency defined by the investor.

Default SIP Enrollment period when start date is not specified:

If an investor does not mention SIP start date or the SIP start date is unclear in the application form/SIP Mandate, the SIP date will by default start from the next subsequent month after meeting the minimum registration requirement of 21 working days.

Default SIP Enrollment period when end date is not provided:

If an investor does not mention SIP end date or the SIP end date is not expressly mentioned/ unclear in the application form/SIP Mandate, the tenure of SIP will be treated as perpetual i.e. the end date shall be considered as December 2099.

Termination of SIP:

In case of three consecutive failures due to insufficient balance in bank account while processing request for SIP, NAM India shall reserve the right to terminate the SIP without any written request from the investor.

In accordance with the requirements specified by the Clause no. 10.4 of the SEBI Master circular dated May 19, 2023 no entry load will be charged with respect to applications for enrolment / registrations accepted by NIMF. Exit Load as applicable in the Scheme at the time of enrolment / registration will be applicable.

With reference to Clause 10.4.2.d of SEBI Master Circular dated May 19, 2023, there shall be no entry load for investments under SIPs registered before August 01, 2009.

This is purely for operational convenience. The unit holder is however free to discontinue from the SIP facility at any point of time by giving necessary written instructions atleast 10 business days prior to the next due date of the SIP.

Investments can be made through One Time Bank Mandate. Investments cannot be made through Post Dated Cheques (PDC).

Auto Debit facility will be available with the banks as notified by NIMF from time to time. The ECS facility would be provided at all the locations where RBI or its associate Clearing House offers this facility. The list of such banks and centers where this arrangement will be available may undergo changes from time to time as and when banks/centers are added/ deleted. Investors are advised to contact the nearest Designated Investor Service Centre for details before investing. The investor opting for Auto debit/ ECS facility will be required to sign up a mandate form on the basis of which NIMF will arrange for his account to be debited as per the frequency, amount & date chosen by the investor.

Operational procedures for the facility will be announced by the Fund from time to time. NAM India in consultation with Trustees reserves the right to withdraw this facility, modify the procedure, frequency, dates, load structure in accordance with the SEBI Regulations and any such change will be applicable only to units transacted pursuant to such change on a prospective basis.

Additional features in the Systematic Investment Plan facility:

a. Multiple Systematic Investment Plan (“Multiple SIP”) Facility

Multiple SIP Facility enables investors to start Investments under SIP (Including MICRO SIP) for various eligible schemes (one or multiple) using a single application form. This facility is for all investors. All features / terms & conditions as applicable for investments through SIP shall also be applicable for availing the Multiple SIP facility subject to the following additional requirements:

1. Through this facility an investor can register SIP for maximum of five schemes. A customized Multiple SIP form has been designed by NAM India for the same. In case if the investor wishes to register for more than five schemes a separate form has to be filled up for the same.
2. To avail this facility investor is required to fill up the “One time Bank Mandate Form” from which the amount shall be debited. However, Unit Holders who are currently registered under the Invest Easy - Individuals facility can avail this facility without registering the One Time Bank Mandate. The enrolment period specified in the SIP enrolment form should be less than or equal to the enrolment period mentioned in the One Time Bank Mandate. In case of any deviation between the tenure for Multiple SIP and tenure mentioned in One time bank mandate, the transaction shall be processed till the tenure mentioned in “One time bank mandate form”. To initiate the investment process the investor does not require to submit a physical cheque.

b. Nippon India STEP-UP facility

Under this facility the Investor can increase the SIP installment (excluding MICRO SIP) at pre-defined intervals by a fixed amount. This aims to provide the investor a simplified method of aligning SIP installment amounts with increase in investor’s earnings over the tenure of SIP. This facility is available for all investors. For availing the said facilities, investors are required to note the following:

1. Investors can register for Nippon India STEP-UP facility either during SIP enrolment or any time during the tenure of the SIP if the SIP is registered through One Time Bank Mandate or Invest Easy Mandate.

The minimum gap between the request for Nippon India STEP-UP facility and next SIP installment date should be atleast 10 days (excluding the request date and the next SIP installment date).

If an investor does not mention STEP-UP start date or the STEP-UP start date is unclear in the application form, the STEP-UP will by default start from the subsequent installment after meeting the minimum registration requirement of 10 days.

If any STEP-UP is pending for execution as per the option selected by investor earlier and investor submits the STEP-UP application again, same shall be liable for rejection.

2. The minimum amount for STEP-UP should be Rs.100 and in multiples of Rs. 100 only.

3. Monthly SIP offers STEP-UP frequency at half yearly and yearly intervals. Quarterly SIP & Yearly SIP offers STEP-UP frequency at yearly interval only. In case STEP-UP frequency is not indicated, it will be considered as Yearly by Default.
4. There should be clear indication about STEP-UP Count i.e. the number of times the SIP Installment amount should be increased. In case STEP-UP amount is mentioned and STEP-UP count is not indicated, it will be considered as 1 (One) by Default.
5. The date for Nippon India STEP-UP facility will correspond to the registered SIP.
6. The enrolment period specified in the Nippon India STEP-UP form should be less than or equal to the enrolment period mentioned in the SIP. In case of any deviation in period, the tenure of the SIP shall be considered.

Nippon India STEP-UP facility shall be applicable for SIP.

Illustration: How to calculate the Nippon India STEP-UP amount?

Monthly SIP with Half Yearly Nippon India STEP-UP Frequency:

- SIP Period: 02-Jan-2014 to 02-Dec-2015(2 Years)
- Scheme Name: Nippon India Equity Opportunities Fund
- Monthly SIP Installment Amount: Rs 1,000 SIP
- Date: 2nd of every month (24 installments)
- Nippon India STEP-UP amount: Rs. 1,000
- Nippon India STEP-UP Frequency: Half Yearly
- Nippon India STEP-UP Count: 2

SIP Installments shall be as follows:

Installment Period	From Date	To Date	Monthly SIP Installment Amount	Nippon India STEP - UP Amount	Monthly SIP Installment after STEP - UP Amount
1 to 6	2nd Jan'14	2nd Jun'14	1,000	NA	1,000
7 to 12	2nd Jul'14	2nd Dec'14	1,000	1,000	2,000
13 to 18	2nd Jan'15	2nd Jun'15	2,000	1,000	3,000
19 to 24	2nd Jul'15	2nd Dec'15	3,000	N.A.	3,000

N.A. - Not Applicable

Note: In the above table, Monthly SIP Installment Amount increases by Nippon India STEP-UP amount Rs 1,000 at half-yearly intervals. The above investment simulation is purely for illustrative purposes only and shall not be deemed as guarantee/promise of minimum returns or to depict performance of any mutual fund scheme.

c. Single Cheque for Multiple Systematic Investment Plan (“Single Cheque for Multiple SIPs”)

Single Cheque for Multiple SIPs” facility enables investors to start investments under SIP (including Micro SIP) for various eligible schemes (one or multiple) using a single cheque. Customized Multiple SIP Common Application Form and Multiple SIP Enrolment Form have been designed by NAM India for new and existing investors respectively. Investor has an option to invest up to five schemes. Single Cheque provided by investor will be considered for the purpose of first instalment purchase under/ across the schemes opted by the investor. Terms and conditions applicable for investments through SIP shall also be applicable for availing Single Cheque for Multiple SIPs facility.

This facility is available for all the investors.

Following are the additional requirements:

1. Cheque should be drawn for total amount of first instalments of all the opted SIPs.
2. The Cheque should be drawn in favour of “Nippon India Mutual Fund Subscription Pool A/c”
3. Amount mentioned in the single cheque and on the Application / Enrollment Form should be equal to total amount of first instalments of opted SIPs. In case of difference, the entire application is liable to be rejected.
4. Investments will be accepted subject to minimum investments criteria applicable as per SID of the respective schemes. Even if one of the schemes specified for investment does not satisfy the minimum investment criteria, the entire application will be liable to be rejected for all schemes.

d. FLEX Systematic Investment Plan (FLEX SIP)

“**FLEX SIP**” is a facility wherein an investor under a Designated open-ended scheme can opt to Invest variable amounts, at pre-determined intervals.

- For Flex SIP option, One Time Bank Mandate (OTBM) to be submitted along with the Flex SIP application form. Existing folios where OTBM already registered are eligible to submit Flex SIP.
- Any other SIP like ISIP based on URN, ISIP with HDFC/ Axis E-mandate are not eligible for Flex SIP.
- Flex SIP facility is offered for SIPs with monthly, Quarterly and Yearly intervals. Unit holder is free to choose the frequency of such transactions. If the investor does not select any particular frequency, default frequency shall be monthly frequency.
- Minimum number of SIP instalments and Minimum SIP amount shall be as follows:

Frequency	SIP Minimum Installments	SIP Minimum Amount
Monthly	12 Months	1000
Quarterly	12 Quarters	3000
Yearly	3 Years	6000

- To register Flex SIP, OTBM cap amount should be twice or more of the SIP base amount.
- Calculation of FLEX SIP Installment:**
 - (i) Fixed amount as per installment; or
 - (ii) The amount determined by the formula: {Fixed amount to be transferred per installment (x) Number of Installments (Installments already paid along with the current installment payable)} – market value of the investments through FLEX SIP in the Designated Scheme.
Whichever is higher.
However, debit amount cannot be more than two times of installment amount.

Illustration:

No. of Installment	NAV Applicable Date (A)	SIP Due Date (B)	NAV per Unit (C)	Market Value on Installment Date (Rs.) (D) (H) * (C)	Amount to be Invested in Flex SIP (Rs.) (E)	Cumulative Amount Invested in Flex SIP (Rs.) (F)	Units Allotted under Flex SIP (G)	Cumulative Units (H)
1	NA	01/01/2019	10	0	3,000	3000	300	300
2	25/01/2019	01/02/2019	12	3,600.00	3,000	6000	250	550
3	22/02/2019	01/03/2019	11	6,050.00	3,000	9000	272.73	822.73
4	27/03/2019	01/04/2019	9	7,404.55	4,595	13595.45	510.61	1333.33
5	26/04/2019	01/05/2019	7	9,333.33	5,667	19262.12	809.52	2142.86
6	27/05/2019	01/06/2019	8	17,142.86	3,000	22262.12	375	2517.86
7	24/06/2019	01/07/2019	10	25,178.57	3,000	25262.12	300	2817.86
8	26/07/2019	01/08/2019	12	33,814.29	3,000	28262.12	250	3067.86
9	27/08/2019	01/09/2019	13	39,882.14	3,000	31262.12	230.77	3298.63
10	26/09/2019	01/10/2019	14	46,180.77	3,000	34262.12	214.29	3512.91
11	25/10/2019	01/11/2019	15	52,693.68	1,738	36000	115.86	3628.77
12	NA	01/12/2019	13	47,174.02	SIP Cease as target amount achieved			

- SIP Dates Frequency:
 - Monthly – SIP dates between 1st to 28th of each month.
 - Quarterly - SIP dates between 1st to 28th for first month of each rolling quarter.
 - Yearly - SIP dates between 1st to 28th for first month of each year or as per investors' request.
- On the Flex SIP due date, the installment value of FLEX SIP shall be determined on the basis of Net Asset Value (NAV) on 5th day (T-5) before the installment date. If T-5th falls on a Non-Business day or falls during a book closure period, then valuation will be done based on last NAV. For e.g., if an investor opts Flex SIP cycle as 15th of each month, NAV as per process shall be considered as of 9th day (T-5). If 9th day is falling on non-business day, we consider previous latest NAV i.e., if 9th is a Sunday, we consider Friday's NAV as latest NAV.
- The first Flex SIP installment will be processed for the fixed installment amount specified by the unit holder at the time of enrolment. From the second Flex SIP installment onwards, the investment amount shall be computed as per formula.
- For all Flex SIPs received with initial investment, the calculations are made based on excluding initial cheque investment.
- The total Flex SIP installment amount invested in the designated Scheme shall not exceed the total enrollment amount specified by the unit holder at the time of enrollment i.e. amount per installment X number of installments.
- If the NAV falls continuously throughout the SIP period, no. of installments would be less than those mentioned in the application form.
- The redemption/ switch-out of units allotted in the designated Scheme shall be processed on First in First out (FIFO) basis. If there are redemption or switch transactions processed from units created under Flex SIP during the tenure of Flex SIP, the Flex SIP will be rejected and future SIP's will be suspended.
- In case the Flex SIP transaction is rejected with reason "Insufficient funds" or any other valid rejection reason (including installment defaults), the Flex SIP will be stopped immediately.
- Once the Flex SIP has been stopped the unit holder needs to provide a new request to start Flex SIP. In case the unit holder wants to suo moto discontinue the Flex SIP, the normal SIP cancellation process shall be applicable.
- In case transaction charges are applicable, the Flex SIP amount will be calculated against as on date allotted units.

General Conditions:

- Flex SIP is available only in "Growth" option.
- For FLEX SIP, investors are requested to refer the One Time Bank Mandate cum Flex SIP Enrollment Form respectively available on the website of Nippon India Mutual Fund.
For any clarifications, investors are requested to consult their financial advisors or contact the Customer Care no.: 1860 266 0111 (charges applicable)

- c) Currently, FLEX SIP facility shall be available on submission of physical application forms at Designated Investor Service Centres of the AMC. A single Flex SIP Enrolment Form can be filled for investing into one Scheme/Plan/Option only.
- NIMF / NAM India reserve the right to introduce, change, modify or withdraw any features/provisions with respect to the said facilities in any scheme/(s) from time to time.
- Operational procedures for the facility will be announced by the Fund from time to time.
- NAM India in consultation with Trustees reserves the right to withdraw this facility, modify the procedure, frequency, dates, load structure in accordance with the SEBI Regulations and any such change will be applicable only to units transacted pursuant to such change on a prospective basis.
- 2. Systematic Transfer Plan (STP)**
- STP is a facility wherein unit holders of designated open-ended schemes of NIMF can opt to transfer a Fixed amount (capital) or variable amount (capital appreciation) at regular intervals to another designated open-ended scheme of NIMF.
- A. Plans / Options available** - There are two plans available Fixed Systematic Transfer Plan and Capital Appreciation Systematic Transfer Plan. Details of which are provided as below:
- (1) Fixed Systematic Transfer Plan** - Investor has the option to transfer a fixed amount of his choice as per the options available from one any of the eligible Transferor scheme to any of the Transferee scheme. Unit holders are required to select any one of the following options under Fixed Systematic Transfer Plan.
- (i) Daily Option - where STP will be executed on Daily basis,
 - (ii) Weekly Option - where STP will be executed on 1st, 8th, 15th and 22nd of every month,
 - (iii) Fortnightly Option - where STP will be executed on 1st and 15th of every month,
 - (iv) Monthly Option - where STP will be executed on any pre-specified date of every month to be chosen by the unit holders,
 - (v) Quarterly Option - where STP will be executed on any pre-specified date of the first month of the quarter to be chosen by the unitholder.
- (2) Capital Appreciation Systematic Transfer Plan** - Investor has the option to transfer only the appreciated amount from one any of the eligible Transferor scheme to any of the Transferee scheme. Unit holders are required to select any one of the following options under Capital Appreciation Systematic Transfer Plan.
- (i) Monthly Option - where STP will be executed on 1st of every month,
 - (ii) Quarterly Option - where STP will be executed 1st of the starting month of every quarter.
- (3) Perpetual STP option** : An investor who opts for perpetual option, his STP will continue forever with no end date unless a written request for cancellation is given by the investor in this regard.
- B. Minimum amount of transfer** - The following minimum amount will be transferred in the selected Transferee Scheme under various plans / options.
- (1) Fixed Systematic Transfer Plan** - The following amount will be transferred on STP execution date, subject to applicable exit load in the Transferor Scheme:
- (i) Daily Option - Minimum of Rs. 100 and in multiples of Rs. 1 thereof
 - (ii) Weekly / Fortnight / Monthly option - Minimum of Rs. 1000 and in multiples of Rs 1 thereof
 - (iii) Quarterly option - Minimum of Rs. 3000 and in multiples of Rs 1 thereof
- (2) Capital Appreciation STP** - Monthly option or Quarterly option - A minimum of Rs. 500 and above thereof will be transferred on STP execution date, subject to applicable exit load of the transferor Scheme. In case the capital appreciation amount is less than Rs.500 on any STP due date, the systematic transfer will not be processed for that due date.
- C. Loads** - the following load structure will be applicable.
- (1) Entry Load - In accordance with the requirements specified by the Clause no. 10.4 of the SEBI Master circular dated May 19, 2023 no entry load will be charged with respect to applications for enrolment / registrations accepted by NIMF with effect from August 1, 2009.
 - (2) Exit Load - as applicable in the respective Transferor and Transferee Scheme at the time of enrolment / registration of STP will be applicable.
- D. Other Important Points**
- (1) All valid transfer requisitions would be treated as switch-out / redemption for the transferor scheme and switch-in/ subscription transactions for the transferee scheme and would be processed at the applicable NAV of the respective schemes. The difference between the NAVs of the two Schemes/ Plans will be reflected in the number of units allotted.
 - (2) This facility is not available for units which are under any Lien/Pledged or any lock-in period.
 - (3) NAM India in consultation with the Trustees, reserves the right to modify the procedure, load structure in accordance with the SEBI Regulations and any such change shall be applicable only to units transacted pursuant to such change on a prospective basis.
 - (4) The unit holders may approach/ consult their tax consultants in regard to the treatment of the transfer of units from the tax point of view.
 - (5) Minimum number of transfers required for a STP shall be two. In case of daily STP, minimum number of transfer is one month.

- (6) Unitholder has to ensure to maintain minimum balance in accordance with Plans selected in the Transferor Scheme on the transfer date / execution date under Fixed Systematic Transfer Plan. In case of insufficient balance / unclear units on the date of transfer in the folio, STP for that particular due date will be processed based on the clear balance available in the scheme. However, future STPs will continue to be active. This will help the investor to continue his STP facility seamlessly. Also if the investor continues to have insufficient balance / unclear units for three consecutive months, NAM India will have the right to discontinue the future STPs at its own discretion.
- (7) Investor can discontinue STP by providing a written notice to DISC atleast 7 calendar days (excluding of submission) prior to the due date of the next transfer date. In case of Daily STP, the cancellation will effect from the date falling after 7 calendar days.
- (8) The registered STP will be automatically terminated if units are pledged or upon receipt of intimation of death of the unit holder.
- (9) **Frequency of STP** : If an investor does not mention any frequency or mentions multiple frequencies on the STP application form or the frequency is unclear on the STP application form, the default frequency shall be monthly
- (10) **Default STP Date**: If an investor opts for Monthly or Quarterly frequency of STP but does not mention the STP Date or mentions multiple STP dates on the mandate or the STP date is unclear on the STP Mandate, the default STP date shall be treated as 10th of every month/quarter as per the frequency defined by the investor
- (11) **Default STP Enrollment period when start date is not provided**: If an investor does not mention STP start date, or the STP start date is unclear/not expressly mentioned on the STP Application form, then by default STP would start from the next subsequent cycle after meeting the minimum registration requirement of 7 working days as per the defined frequency by the investor.
- (12) **Default STP Enrollment period when end date is not provided**: If an investor does not mention STP end date or the STP end date is unclear, it will be considered as perpetual STP.
- (13) **Application processing of Systematic Transfer Plan (“STP”)**: The Enrolment form completed in all respects can be submitted at any of the Designated Investor Service Centre (DISC) of NAM India at least seven calendar days before the commencement of first execution date of STP. In case the required time of seven calendar days are not met then the STP will be processed from the next STP cycle.
- (14) NAM India in consultation with Trustees reserves the right to withdraw this facility, modify the procedure, frequency, dates, load structure in accordance with the SEBI Regulations and any such change will be applicable only to units transacted pursuant to such change on a prospective basis.

Note: It may be noted that all the transfers to Nippon India Gold Savings Fund have been termed as Nippon India Golden Transfer Step with effect from May 21, 2011. All other features under these facilities remain unchanged. Also In case if the investor exercises an option of STP - Out from Nippon India Gold Savings Fund, the same shall be termed as STP - Out and not Nippon India Golden Transfer Step.

MULTIPLE SYSTEMATIC TRANSFER PLAN:

In this facility the unit holders of one designated open ended scheme of NIMF can opt to transfer a Fixed amount (capital) at regular intervals to another one or more designated open ended schemes of NIMF.

- Eligible Transferor Scheme – All open ended scheme where STP facility is available
- Eligible Transferee Scheme – All open ended scheme where STP facility is available – Investor can specify maximum 5 transferee schemes

Investor has the option to transfer a fixed amount of his choice as per the options available from one any of the eligible Transferor scheme to any of the Transferee scheme. The investor has to specify the amount which will be transferred to the transferee schemes.

The above facility will be applicable only for Fixed Systematic Transfer Plan.

Unit holders are required to select any one of the following options:

- (i) Daily Option – where STP will be executed on Daily basis,
- (ii) Weekly Option – where STP will be executed on 1st, 8th, 15th and 22nd of every month,
- (iii) Fortnightly Option – where STP will be executed on 1st and 15th of every month,
- (iv) Monthly Option – where STP will be executed on any pre-specified date of every month to be chosen by the unit holders,
- (v) Quarterly Option - where STP will be executed on any pre-specified date of the first month of the quarter to be chosen by the unit holder

Minimum amount of transfer –

The following amount will be transferred on STP execution date, subject to applicable exit load in the Transferor Scheme:

- (i) Daily Option - Minimum of Rs. 100 and in multiples of Rs 1 thereof
- (ii) Weekly / Fortnight / Monthly option - Minimum of Rs. 500 and in multiples of Rs 1 thereof
- (iii) Quarterly option – Minimum of Rs. 1500 and in multiples of Rs 1 thereof

FLEX Systematic Transfer Plan (FLEX STP)

“FLEX STP” is a facility wherein an investor can opt to transfer variable amounts linked to the value of investments under FLEX STP on the date of transfer at pre-determined intervals from Transferor scheme to **Growth** option of a Transferee scheme.

- Flex STP offer transfer facility at Monthly and Quarterly Frequencies. Unit holder is free to choose the frequency of such transactions. If the investor does not select any particular frequency, default frequency shall be monthly frequency.

- Minimum number of STP installments and STP amount shall be as follows:

Frequency	STP Minimum Installments	STP Minimum Amount
Monthly	12 Months	1000
Quarterly	12 Quarters	3000

- Calculation of FLEX STP Installment:
 - Fixed amount as per installment; or
 - The amount determined by the formula: {Fixed amount to be transferred per installment (x) Number of Installments (Installments already paid along with the current installment payable)} – market value of the investments through FLEX STP in the Transferee Scheme on the date of transfer.
Whichever is higher.
However, STP amount cannot be more than two times of fixed installment amount.

- Illustration:

No. of Installment	NAV Applicable Date	STP Due Date	NAV per Unit	Market Value on installment date (Rs.)	Amount to be invested in Flex STP## (Rs.)	Cumulative Amount Invested in Flex STP (Rs.)	Units Allotted under Flex STP	Cumulative Units
1	NA	01/01/2019	10	0	3,000	3000	300	300
2	01/02/2019	01/02/2019	12	3,600.00	3,000	6000	250	550
3	01/03/2019	01/03/2019	11	6,050.00	3,000	9000	272.73	822.73
4	01/04/2019	01/04/2019	9	7,404.55	4,595	13595.45	510.61	1333.33
5	01/05/2019	01/05/2019	7	9,333.33	5,667	19262.12	809.52	2142.86
6	01/06/2019	01/06/2019	8	17,142.86	3,000	22262.12	375	2517.86
7	01/07/2019	01/07/2019	10	25,178.57	3,000	25262.12	300	2817.86
8	01/08/2019	01/08/2019	12	33,814.29	3,000	28262.12	250	3067.86
9	01/09/2019	01/09/2019	13	39,882.14	3,000	31262.12	230.77	3298.63
10	01/10/2019	01/10/2019	14	46,180.77	3,000	34262.12	214.29	3512.91
11	01/11/2019	01/11/2019	15	52,693.68	1,738	36000	115.86	3628.77
12	NA	01/12/2019	13	47,174.02	STP will cease as target amount achieved			

STP Amount transferred from Transferor Scheme to Transferee Scheme

- On the Flex STP due date, the installment value of FLEX STP shall be determined on the basis of NAV on the installment date (T day). If T day falls on a Non-Business day or falls during a book closure period, then valuation will be done based on NAV of Next business day. For e.g., if an investor has opted Flex STP cycle as 15th. NAV as per process shall be considered as of 15th (T day). If 15th day is falling on non-business day, we shall consider NAV as per next business day NAV i.e., if 15th is a Sunday, we shall consider NAV of next business day i.e. Monday.
- In case the amount (as specified by the formula) to be transferred under STP is not available in the Transferor Scheme in the unit holder's account for any reason, the residual amount will be transferred to the Transferee Scheme and Flex STP will be ceased.
- The redemption/ switch-out of units allotted in the Transferee Scheme shall be processed on First in First out (FIFO) basis. If there are any redemption or switch transactions processed from units created under Flex STP during the tenure of Flex STP, the Flex STP will be rejected and future STP's will be suspended.
- Once the Flex STP have been stopped the unit holder needs to provide a new request to start Flex STP. In case the unit holder wants to suo moto discontinue the Flex STP, the normal STP cancellation process shall be applicable.
- The first Flex STP installment will be processed for the fixed installment amount specified by the unit holder at the time of enrolment. From the second Flex STP installment onwards, the transfer amount shall be computed as per formula.
- The total Flex STP installment amount invested in the Transferee Scheme shall not exceed the total enrollment amount specified by the unit holder at the time of enrollment i.e. amount per installment X number of installments.
- If the NAV falls continuously throughout the STP period, no. of installments would be less than those mentioned in application form.
- Exit load shall be applicable in the transferor scheme as per Scheme Information Document (SID) of the respective schemes.

General Conditions:

- Flex STP is available only in “**Growth**” option.
- For FLEX STP, investors are requested to refer the One Time Bank Mandate cum Flex STP Enrollment Form, respectively available on the website of Nippon India Mutual Fund.
For any clarifications, investors are requested to consult their financial advisors or contact the Customer Care no.: 1860 266 0111 (charges applicable)

c) Currently, FLEX STP facility shall be available on submission of physical application forms at Designated Investor Service Centres of the AMC. A single Flex STP Enrolment Form can be filled for investing into one Scheme/Plan/Option only.

NAM India reserves the right to withdraw any of the above offerings, modify the procedure, frequency, dates, load structure in accordance with the SEBI Regulations and any such change shall be applicable only to units transacted pursuant to such change on a prospective basis.

Nippon India STP+

Under this feature, STP amount to be transferred from Transferor scheme to the specified transferee scheme will be dynamic and will be based on the prevailing market conditions.

Transferor schemes under this feature shall include for all open-ended schemes of Nippon India Mutual Fund other than the ETF schemes and specified transferee scheme shall be Nippon India Index Fund - Nifty 50 Plan, Nippon India Index Fund - S&P BSE Sensex Plan, Nippon India Nifty Smallcap 250 Index Fund and Nippon India Nifty Midcap 150 Index Fund.

Calculation of STP+ instalment/amount:

It will be determined based on NIMF's Quant based Proprietary Model. The model will take into consideration Valuations and other market indicators to derive a multiplier for amount to be transferred. Accordingly, the STP instalment can vary between 0.3X to 3X of the base STP amount opted by the investor.

For example: If base monthly STP amount is Rs 10,000 then monthly STP can range between Rs 3,000 to Rs 30,000.

The feature will be available for all the investors of all the plans and options of above mentioned schemes.

It will be offered for STPs with monthly frequency falling on 10th or 28th of every month. If the investor does not select the date, 10th will be considered as the default date.

Instalment calculation day: The instalment value of Nippon India STP+ will be determined 7 days before the instalment date (T-7). If T-7th falls on a Non-Business day or falls during a book closure period, then instalment value will be determined on the previous working day prior to the T-7th day. Similarly, if the instalment date happens to be on a Non-Business day then instalment will be invested on the next working day falling after the instalment date

Minimum number of STP instalments and STP amount shall be as follows:

STP minimum instalment	STP minimum amount
12 months	Rs 1000

Note: Nippon India STP+ is a smart STP offered by NIMF which will increase the STP instalment during favorable market conditions and vice versa. However, the feature does not guarantee any/better returns.

NIMF / NAM India reserves the right to introduce, change, modify or withdraw any features/ provisions with respect to the said facilities from time to time.

3. Nippon India Salary AddVantage

The Salient Features of Nippon India Salary AddVantage are as follows

- Under this facility, an employer enters into an arrangement with NIMF which shall enable the employer to deduct a certain amount from the salary / other payments which the employee is entitled to receive and remit the same to NIMF through a consolidated cheque / fund transfer / debit instructions or such other mode as may be applicable from time to time. The said facility can be offered by the Employer for its Employees who are on their payroll and deductions and subsequent remittance can be in the form of Systematic Investment Plans (SIP) or lump-sum/one-time subscription. All the scheme specific features/ facilities / terms & conditions (including terms and conditions of any systematic transaction) shall be applicable to investments coming through Salary AddVantage.
- In case of processing of a SIP under Salary AddVantage, the employer shall have the flexibility to decide any date (working day) of the month or the quarter on which the said deduction shall be made and remitted to NIMF. Thereafter, for the registered Systematic Investment Plan (SIP) the subsequent monthly / quarterly deductions will happen on each month / quarter on a specified date. In the interest of investors NIMF / NAM India shall process the said transactions on the date when it receives the valid requirements for processing of applications instead on the designated SIP dates. This Facility offers a flexibility of choosing any working day of the month for execution of the SIP in Salary AddVantage facility.
- This facility shall be offered only to resident individual investors of the scheme.

NIMF / NAM India reserve the right to introduce, change, modify or withdraw the features available in this facility from time to time.

4. Transfer of Income Distribution cum capital withdrawal plan (TIDCWP)

All the unit holders in the Income Distribution cum capital withdrawal Plans whether in Reinvestment of Income Distribution cum capital withdrawal Option or Payout of Income Distribution cum capital withdrawal Option with any IDCW frequency can transfer their IDCW to any other open ended Scheme by availing such facility.

The IDCW declared in the Transferor scheme will be automatically invested into the Transferee Scheme at the applicable NAV and accordingly the equivalent units will be allotted in the Transferee Scheme.

The units will be allotted in the Transferee Scheme subject to the terms and conditions mentioned in the Scheme Information Document (SID) of Transferee Scheme after deduction of applicable statutory levy, if any.

The provision of "Minimum Application Amount" specified in the SID of the opted Transferee Scheme will not be applicable for availing TIDCWP facility.

No entry and/or exit load will be charged for the units allotted on reinvestment of IDCW. Accordingly no exit load will be charged to the Transferor Scheme and no entry load will be charged for the investments in Transferee Scheme. The exit load applicable at the time of transfer will be applicable for the investments in Transferee Scheme.

This facility will not be available for units which are under any Lien/Pledged or any lock-in period.

The unitholder who wish to opt for this facility has to submit the Enrolment form complete in all respects at any of the Designated Investor Service Centre (DISC) at least 7 calendar days before the commencement of first execution date of TIDCWP

Unit holders can cancel TIDCWP facility by providing a written notice to the DISC at least 7 calendar days (excluding date of submission) prior to the due date of the next transfer date. The information need to be mentioned while submitting a cancellation request for TIDCWP are (a) Name of the unit holder (b) Folio Number (c) Transferor Scheme (d) Transferee Scheme (e) Cancellation effective date.

TIDCWP will be automatically terminated if all the units are liquidated or withdrawn from the Transferor Scheme or pledged or upon receipt of intimation of death of the unit holder.

Unit holders should clearly mention from and to which Scheme / option he / she wish to transfer their IDCW. Please note that if no Transferor Scheme or Transferee Scheme is mentioned or in case of an ambiguity the application is liable to be rejected.

Notes

It may be noted that IDCW transfer facility under Nippon India Gold Savings Fund has been termed as Golden TIDCWP with effect from May 21, 2011. All other features under this facility remain unchanged

The Trustee/AMC reserves the right to modify the facilities at any time in future on a prospective basis.

5. Systematic Withdrawal Plan (SWP)

Unitholders may utilize the SWP to receive regular monthly / quarterly / Half yearly / Yearly payments their account. The minimum amount, which the unitholder can withdraw, is Rs.500/- and in multiples of Rs. 1/-, thereafter, subject to revision by NAM India. The amount thus withdrawn will be considered as redemption and shall be converted into units and will be deducted from the unit balance in the account, of the unitholder.

Subsequent to the request made in the application, a SWP form will be sent to the Unitholder. SWP will commence only upon receipt of this prescribed form duly completed. SWP requests in any other format besides the specified format will be treated as invalid and are liable for rejection.

All SWP transactions would be reported on the 1st, 8th, 15th, 22nd transaction day[^] of the respective month/ quarter half year / year. Month, quarter, half year or year shall be calculated from the date of execution of first SWP transaction. The redemption proceeds will be posted within normal service standards to the investors. No post-dated cheques will be issued against SWP transactions. There is no limitation on the amount of withdrawals.

[^] If such day happens to be a holiday, it will be processed on next working day

The unitholder will define the frequency of withdrawals and the amount of withdrawal per SWP transaction. SWP forms received without this information will be treated as incomplete and are liable for rejection. The unitholder needs to specify the start date and the end date for SWP. In cases where the start date and the end date has not been specified in the SWP form, the SWP will continue till the balance in the account becomes nil.

If an investor does not mention SWP Date or multiple SWP dates are mentioned or the SWP Date is unclear in the application form, the default SWP date shall be treated as 1st of every month/quarter/ half year / year as per the frequency defined by the investor.

A unitholder who has opted for SWP under a specific account can also redeem or switch his units to any other eligible scheme or any other plans/options under the same scheme provided he has sufficient balance in his account, on the date of such request. SWP will automatically cease in case the unit balance becomes nil after such redemption / switch transaction.

A unitholder can put in additional subscription in the account, in accordance with conditions specified in the Offer Document for additional subscriptions, any time during the existence of the concerned account. Such additional subscriptions will in no way alter the functioning of the SWP, unless a subsequent request to the contrary is received from the unitholder in writing.

NIMF / NAM India reserve the right to introduce, change, modify or withdraw the features available in this facility from time to time.

6. Trigger Facility

Under this facility the unit holders may opt for withdrawal/ switch of units to any other plan/ scheme on happening of any one of the following events under trigger option;

A. NAV reaches or crosses a particular value : E.g. NAV reaches or crosses Rs 11.00

If NAV on the date of allotment of investment is less than Rs 11.00, the trigger will be activated when the NAV rises to Rs 11.00 or more on close of any day on which NAV is computed.

If NAV on the date of allotment of investment is more than Rs 11.00, the trigger will be activated when the NAV falls to Rs 11.00 or below on close of any day on which NAV is computed

All transactions linked with trigger will be on the basis of the applicable NAV of the transaction day following the day on which NAV reaches, crosses or falls below Rs 11.00

B. Change in the value of units held by unit holders atleast by certain percentage : E.g. Change in the value of Investment by atleast by (+ or - or +/-) 10%

The trigger will be activated when value of the unitholding rises to 10% or more at the close of any day on which the NAV is declared; or The trigger will be activated when value of the unitholding falls by 10% or more at the end of any day on which the NAV is declared; or The trigger will be activated when value of the unitholding either rises by 10% or more or falls by 10% or more on any day on which the NAV is declared.

C. Date Based Trigger: Investors can now choose any particular date to activate the trigger. Date based trigger facility enables investors to redeem / switch investments from a particular scheme on a pre-determined date to any other eligible open ended scheme offered by Nippon India Mutual Fund. The trigger would be activated on the date mentioned by the investor. Trigger will be processed with NAV of the specified date under this facility or with NAV of the subsequent business day if the specified date is a non-business day.

The unit holders can now opt for the following action, on the date of happening of the relevant events/ triggers opted under the trigger facility:

1. Full/ Partial redemption
2. Redemption to the extent of capital appreciation only
3. Full/ Partial switch into other eligible plan/ scheme of NIMF
4. Switch of only the appreciation into other plan/ scheme of NIMF

Transactions linked with the triggers will be executed at the applicable NAVs for the transaction day following the day on which the trigger situation has arisen. Further all the predetermined events i.e. rise or fall in the NAV upto a particular % or value will be compared with the value of units or NAV prevailing on the date of allotment of units, irrespective of the fact whether the trigger is opted on the date of allotment or subsequently.

For e.g. an investor has invested at Rs 11.00 and opted for full redemption, if NAV appreciates atleast by 10%, trigger will be activated on the transaction day when NAV moves to 12.10 (i.e. 10% more than Rs 11/-) or more.

Trigger facility shall be activated after 7 calendar days of the receipt of trigger request. A trigger once activated will not be reactivated in any other plan/ scheme where the Switch happens or in the same plan which retains a part of the value or in case of normal redemption /switch before the trigger is activated. Triggers will be deactivated on redemption and/or switch and/or pledge of units.

Trigger, thus, acts as a financial planning tool and enables the investor to minimise the losses and timely book profits.

NAV's of the schemes are declared at the close of the business day and hence Value of the unit holders unit holdings based on the end of day NAV will be considered as a base for activating the triggers. Accordingly, all the redemptions/ switches etc will be done on the following transaction day on which the event occurs.

Please note that trigger is an additional facility provided to the unit holders to save the time for completing the redemption/ switch formalities on happening of a particular event. Trigger is not to be conceived as an assurance on part of the Fund that the investor will manage to receive a particular sum of money/ appreciation/ and/ or fixed % of sum. Trigger is an event on happening of which the Fund will automatically redeem/ switch units on behalf of the investor on the date of happening of the event. In actual parlance, a trigger will activate an automatic transaction when the event selected for has reached a value greater or less than the specified value (trigger point).

Trigger request is required to be given per transaction by filling in the relevant form. In the event of multiple triggers for a particular transaction, the trigger request will be considered invalid and rejected.

Note: It may be noted that all the withdrawal/ switch of units to Nippon India Gold Savings Fund have been termed as Nippon India Golden Trigger with effect from May 21, 2011. All other features under these facilities remain unchanged.

NIMF / NAM India reserve the right to introduce, change, modify or withdraw the features available in this facility from time to time.

Note : In case of investments through the Systematic Investment Plan (SIP) / SIP Insure / Systematic Transfer Plan (STP) / Nippon India Salary AddVantage, which were registered without ARN Code under the existing plan (other than Direct Plan) prior to the January 1, 2013, the future transactions shall be processed under the Direct Plan of the same scheme. In case above said investments, which were registered with ARN Code under the existing plan (other than Direct Plan) prior to the January 1, 2013, and if the investors wishes to invest their future transactions under the direct plan they would be required to re-register afresh request.

All the terms & conditions of the SIP insure as applicable on the day of registration would continue for the existing Direct Investments, whose future transactions would be processed under Direct Plan.

In case of investments (with ARN code or without ARN code) through the following mode, the futures transactions shall continue to remain under the existing plan (other than Direct Plan) prior to the January 1, 2013. In case such investors wish to invest their future transactions/ investments under the Direct Plan through the below mentioned mode, they are required to re-register afresh for such special products.

- I. Transfer of Income Distribution cum capital withdrawal plan (TIDCWP)
- II. Trigger Facility
- III. Nippon India Smart Step

B. SPECIAL FACILITIES

1. TRANSACTIONS THROUGH WEBSITE OF NIPPON INDIA MUTUAL FUND MF.NIPPONINDIAIM.COM, NIPPON INDIA MUTUAL FUND MOBILE APPLICATIONS AND OTHER DIGITAL ASSETS / PLATFORMS

• Alternate Means Of Transactions - Online Transactions

Facility of online transactions is available on the official website of Nippon India Mutual Fund i.e. mf.nipponindiaim.com. Consequent to this, the said website is declared to be an “official point of acceptance” for applications for subscriptions, redemptions, switches and other facilities. The Uniform Cut -off time as prescribed by SEBI and as mentioned in the Scheme Information Documents of respective schemes shall be applicable for applications received on the website. However, investors should note that transactions on the website shall be subject to the eligibility of the investors, any terms & conditions as stipulated by Nippon India Mutual Fund/Nippon Life India Asset Management Limited., from time to time and any law for the time being in force.

• Transactions through Nippon India Mutual Fund Application

Transaction through Nippon India Mutual Fund application is a facility, whereby investors can Purchase / Switch / Redeem units, view account details & request for account statement using their Personal Computer, Tablet, Mobile Phone or any other compatible electronic devices, which has internet facility subject to certain conditions.

In order to process such transactions Internet Personal Identification Number (I-PIN) which is issued by NIMF for transacting online through the website/application should be used. For the said purpose, NIMF Application, <https://mf.nipponindiaim.com> are considered to be an “official point of acceptance”.

The Uniform Cut - off time as prescribed by SEBI and mentioned in the SID / KIM shall be applicable for applications received through such facility. This facility of transacting in mutual fund schemes is available subject to such limits, operating guidelines, terms and conditions as may be prescribed by the NIMF from time to time. NIMF / NAM India reserve the right to introduce, change, modify or withdraw the features available in this facility from time to time.

• One Time Bank Mandate Registration

In order to ease out operational hassle, NAM India has introduced this facility which enables the investors to register a onetime bank mandate. Through this facility an Investor can instruct NAM India to honour any nature of investment instruction i.e. investment either through lumpsum additional investment or an SIP. To avail this facility, an Investor has to furnish the required details / confirmation / signatures etc. in a “One time bank mandate form” and subsequently for every purchase instruction he / she is required to explicitly mention to debit the investment amount from the designated Bank which has been mentioned in the “One time bank mandate form”. Investor is also required to ensure that the amount specified in the Additional Purchase Application / SIP application is less than or equal to the upper cap limit specified in the said form. Investors who are currently registered under Invest Easy - Individuals facility may avail this facility without registering the One Time Bank Mandate. NIMF/ NAM India reserve the right to introduce, change, modify or withdraw the features available in these facilities from time to time.

• Whatsapp Facility

Nippon Life India Asset Management Limited (“NAM India”) has introduced Nippon India WhatsApp Facility (“facility”) in the Open Ended schemes (except Exchange Traded Funds (“ETFs”) and Interval Funds) of NIMF and modification in Nippon India WhatsApp Facility (“facility”) in Nippon India Liquid Fund, features of which are as listed below:

- i. In addition to Nippon India Liquid Fund (Growth Plan/Growth Option), existing investors (Resident Individuals) will now be allowed to Purchase in the Open Ended schemes (except ETFs and Interval Funds) of NIMF (any plan/option).

- ii. Further this facility will also allow existing investors (Resident Individuals) to Redeem, Switch and Register a SIP in the Open Ended schemes (except ETFs and Interval Funds) including Nippon India Liquid Fund of NIMF (any plan/option). To avail this facility existing, investors (Resident Individuals) will have to save "+91 8433938264" on their mobile phones and send "Hi" on WhatsApp through their registered mobile number. For the said purpose, "Nippon India WhatsApp Facility" shall be considered as an "official point of acceptance". Please note the uniform cut - off timing as prescribed by SEBI from time to time and mentioned in the Scheme Information Document ("SID") shall be applicable for transactions received through this facility.
 - iii. We have also introduced facilities like check the current KYC status, Get Statement of Account, Get Account Balance & Check the Summary of Last 5 transactions.
 - iv. With Additional features stated, Explore Digital Platforms feature stands removed.
All Transactions through this facility are subject to such limits, operating guidelines, Terms and Conditions as may be prescribed by NIMF from time to time. NIMF / NAM India reserves the right to introduce, change, modify or withdraw the features available in this facility from time to time.
- **TRANSACTION THROUGH "INVEST EASY - INDIVIDUALS"**
This facility is available only to the individual investor having folio with the mode of holding as single/ anyone or Survivor. Such category of investors can perform the following transactions subject to features, terms and conditions as mentioned below.
 - (i) Transact on Phone through NIMF Call Centre
 - (ii) Transactions through SMS
 - (iii) Website of Nippon India Mutual Fund mf.nipponindiaim.com

a) Who can apply

 1. Existing investors having a folio (including zero balance folio)
 2. New Investor(s) to Nippon India Mutual Fund
 3. Investor(s) with Mobile Number issued in India and/or valid Email ID.

b) Features/Process

 1. Existing Investor(s) of the Fund can register for this Facility by duly filling the Invest Easy Registration Form and submit it at any of the Designated Investor Service Centre ("DISC") of NIMF.
 2. New Investors to Nippon India Mutual Fund can register for this facility by filling the common application form along with Invest Easy Registration Form and submit it at any of the DISC of NIMF.
 3. This Facility is available with bank/branches that participate in Reserve Bank of India's Electronic Clearing Service (ECS) / Regional Electronic Clearing Services (RECS). Investor are requested to check with your bank / branch to check if your bank/branch participates in this facility. In addition to this, the NAM India/NIMF also has an auto debit tie up with ICICI Bank, IDBI Bank and State Bank of India. NAM India/NIMF may reserve right to add / delete the banks from time to time.
Investors are advised to mention their Core Banking Account number in the Invest Easy Registration Form else the form may be rejected.
 4. Investor has to provide the per transaction Upper Cap Limit in the Invest Easy Registration Form. The Per transaction Upper Cap Limit is restricted up to Rupee One Crore. Mandate with per transaction Upper Cap limit above Rupee one Crore will be rejected. The Per Transaction Upper Cap Limit is applicable only for subscription / SIP. If no amount is mentioned on the registration form then the request will be rejected.
 5. Investor(s) needs to submit the Invest Easy Registration Form Twenty Five (25) calendar days in advance for activation of this facility.
 6. Investor(s) can start using this Facility only after successful registration of the Invest Easy Registration Form with their bankers. NIMF will endeavour to provide a confirmation over email/sms/letter on successful registration with the investor bank.
 7. Folio with status Minor and Non Individuals cannot register for Invest Easy - Individuals.
 8. Transactions reported through Invest Easy – Individual facility (Transaction through NIMF SMS / Call Center / NIMF Website / NIMF Mobile Site) will be processed under the ARN code of the distributor/broker that is mentioned in the Invest Easy Registration Form. Investors may be charged with transaction charges if the distributor/broker has opted for the same. Investors are advised to check with the distributor/broker.

9. If the Invest Easy Registration Form is successfully accepted by NIMF but is rejected by the Investor bank. Subscription, Redemption and SIP through SMS will be deactivated for the investor to make an Investment in the folio. Invest easy pay mode on NIMF website will also be deactivated. However, investor can only redeem through call center with the IPIN issued by NIMF.
10. It is mandatory for investor to provide an original cancelled cheque or a copy of the cheque of the bank account to be registered failing which registration may not be accepted.
11. It is the responsibility of the investor bank / branch to ensure the Invest Easy Registration Form is registered and confirmed to the NAM India. If no confirmation of registration or rejection is received, the NAM India its agents will deem the same to be registered and confirm the registration to Unit holder(s) entirely at the risk of Unit holder(s).
12. In case the Investor wishes to cancel the Invest Easy Individual - Mandate for Purchase / SIP through Invest Easy facility. Investor will have to submit an Invest Easy Cancellation Form 21 business days prior to discontinue the Mandate.
13. In case the Investor wishes to change the Debit Bank Mandate for Purchase / SIP through Invest Easy facility. Investor will have to submit an Invest Easy change of bank form 25 calendar day prior to discontinue the existing mandate and re-register with the new bank mandate for subsequent debits to be initiated with the new bank.

c) Unitholder Information

1. Invest Easy – Individuals facility through SMS is available to the investor with the mode of holding as single/ anyone or Survivor and the SMS instruction being received from registered Mobile number in the folio.
2. Invest Easy – Individuals facility through Call Centre and website is available only for folio with mode of Holding as single/ anyone or Survivor
3. Investor should specify the(ir) Folio No, Full Name, in the Applicant Details of Invest Easy Registration Form. The applicant name and the folio number should match with the details in the existing folio. In case of mismatch of details, the Invest Easy Registration Form is liable to be rejected
4. Investors Mobile Number issued in India and/or Email ID is to be provided in the Invest Easy Registration Form or is available in the folio to avail this facility, subject to certain conditions. The Mobile Number and / or Email Id provided in the Invest Easy Registration Form will super cede the existing Mobile Number and / or Email ID available in the folio.
5. The mode of allotment for transactions reported through NIMF Call Centre or through SMS will be allotted only in physical mode. Investors cannot opt for units in Demat mode. However Investors will have an option in our website for allotment in Demat Mode
6. Investors holding units in Demat mode cannot report redemption through Invest Easy – Individual.
7. Investors who have been transacting only through the exchange platform ie Bombay Stock Exchange / National Stock Exchange cannot register for Invest Easy – Individuals.
8. Once registered under the Invest Easy – Individuals facility, the Investor would be registered for all eligible schemes. Investor(s) do not have an option to selectively choose the Scheme(s) they would like to be registered under the Invest Easy – Individuals facility.
9. The bank mandate mentioned in the Invest Easy – Individuals Form is limited/ applicable only for Purchases through Invest Easy Facility and will not be added to the registered bank details for transactions through other modes, in the folio. Third party payments are not permitted.
10. Any transaction request on a non-transaction Day will be processed on the next transaction Day in accordance with the provisions provided in the SID of the Schemes and/or Statement of Additional Information ('SAI').
11. The bank account of the customer may be debited towards purchases either on the same day of transaction or within seven business days depending on ECS cycle of RBI / Auto Debit arrangement with the bank. However, in case of non receipt of the funds, for whatsoever reasons, the transaction shall stand rejected and the units allotted, if any would be reversed.

(i) Process/features Transact on Phone through Nippon India Mutual Fund Call Centre.

1. Purchase / Redemption, SIP registration through call centre is accepted only in Rupee Amount.
2. Applicable NAV for the redemption will be dependent upon the time of completion of the call with the investor; the transaction will be electronically time-stamped.

3. The uniform cutoff time as prescribed by SEBI and mentioned in the SID of the respective schemes shall be applicable for application received through such facilities
4. The Investor will have to call the dedicated call centre of NIMF and authenticate oneself using the folio number and PIN issued by NIMF.
5. On successful authentication over the IVR, the investor would be guided over to the call centre agent to place the redemption request.
6. A confirmation message over the IVR would be read out to the investor to confirm the scheme/amount before confirming the redemption.
7. If the call cannot be connected to the call centre for whatsoever reason, the Unit holder(s) will not hold the NIMF/NAM India responsible for the same.
8. If investor email is available with NAM India/NIMF, he/she can also transact through call centre, IPIN will be issued only in physical mode and mandate registration / transaction confirmation / account statement and such other forms of communications in line with Securities & Exchange (Mutual Funds) Regulations, 1996, will be dispatched through electronic mode in line with the applicable regulations as amended from time to time. Investor may please note that the confirmation of mandate registration shall be informed to the investor through Physical Mode also.

(ii) Process/features for transact through SMS

1. Investors has to send SMS to NIMF 9664001111
2. Purchase, Redemption, SIP registration through SMS is accepted only in Rupee Amount.
3. Applicable NAV for the transaction will be dependent upon the time of receipt of the SMS into the RTA server, and will be electronically time-stamped.
4. The uniform cutoff time as prescribed by SEBI and mentioned in the SID of the respective schemes shall be applicable for application received through such facilities
5. The NAM India/NIMF will endeavor to identify multiple SMS received from the same mobile number for the same folio, Amount & scheme-plan-option. In the event of multiple SMS being received. The NAM India/NIMF will consider the first transaction received, reject the subsequent multiple SMS received on the same day.

In case investor wish to register SIP Following will be applicable:

- Debit frequency – Monthly
- Debit Cycle – 10th of every month
- Tenure – Perpetual.
- No of days required to start SIP – 10 calendar days

Investor has to send a SMS to Nippon India Mutual Fund on 9664001111

For List of schemes codes, Terms & conditions and further details , please visit mf.nipponindiaim.com

6. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information/key word or due to non-receipt of the SMS message by the RTA or due to late receipt of SMS due to mobile network congestions or due to non-connectivity or due to any reason whatsoever, the Unit holder(s) will not hold the NIMF, NAM India responsible for the same.
7. The request for transaction is to be considered as accepted, subject to realization of funds towards purchases and only on the receipt of the confirmation from NAM India/NIMF on the registered mobile number or email id of the Unit holder.
8. In case of non-receipt of confirmation by investors within a reasonable time, investor(s) are requested to immediately call up the call centre to confirm the status of the transaction.
9. In case the investor receives multiple confirmations against a single transaction, the same needs to be brought to the attention of the NAM India/NIMF.
If the Investor(s) believes there has been any an unauthorized transaction effected, the investor shall notify the NAM India/NIMF immediately.
10. If only the mobile number of the investor is registered with NAM India / NIMF, investor can execute transaction only through SMS. The confirmation pertaining to mandate registration /transaction confirmation / account statement and such other communication as required under Securities & Exchange (Mutual Funds) Regulations, 1996, will be dispatched/sent through physical mode on the registered address & SMS, other communication as required under Securities & Exchange (Mutual Funds) Regulations, 1996

(iii) Terms and conditions - Website of Nippon India Mutual Fund mf.nipponindiaim.com

1. Investors having registered Invest Easy - Individuals registered in the folio can now subscribe to the schemes of Nippon India Mutual Fund through our website mf.nipponindiaim.com and make the payment through Invest Easy Facility.
2. This facility is In addition to the existing mode of payment like Net Banking.

3. Investor(s) will have to login to the online account using the user id and password/ transaction pin to authorize the transaction for Nippon India Mutual Fund to initiate the debit instruction to the bank.
4. If only the email id of the investor is registered with NAM India / NIMF, investor can execute the following transactions:
 - Transaction through Call Center.
 - Transaction through mobile WAP (Web Access Portal) Site.
 - Transaction through NIMF website

In this regard, IPIN will be issued only in physical mode and mandate registration / transaction confirmation / account statement and such other communication as required under Securities & Exchange (Mutual Funds) Regulations, 1996, will be dispatched through electronic mode in line with the applicable regulations as amended from time to time. Investor may please note that the confirmation of mandate registration shall be informed to the investor through Physical Mode also.

Investment under Direct Plan shall not be accepted for transactions submitted through Invest Easy facility where the ARN Code is provided in the Mandate form

2. FACILITATING TRANSACTIONS THROUGH STOCK EXCHANGE MECHANISM

In terms of Clause 16.2 of SEBI Master Circular dated May 19, 2023, units of the Scheme can be transacted through all the registered stock brokers of the National Stock Exchange of India Limited and / or Bombay Stock Exchange Limited who are also registered with Association of Mutual Funds of India and are empanelled as distributors with NAM India. Accordingly such stock brokers shall be eligible to be considered as 'official points of acceptance' of NIMF.

International Security Identification Numbers (ISIN) in respect of the plans / options of the Scheme have been created and have been admitted to National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and can be transacted using the beneficiary accounts maintained with any of the respective Depository Participants (DPs). The units will be allotted in the physical or depository mode in accordance with the choice of the investor. The facility of transacting in mutual fund schemes through stock exchange infrastructure is available subject to such limits, operating guidelines, terms and conditions as may be prescribed by the respective Stock Exchanges from time to time.

Time stamping as evidenced by confirmation slip given by stock exchange mechanism shall be considered for the purpose of determining applicable NAV and cut off timing for the transaction. Where units are held by investor in dematerialised form, the demat statement issued by the DP would be deemed adequate compliance with the requirements in respect of dispatch of statements of account. In case investors desire to convert their existing physical units (represented by statement of account) into dematerialised form, NAM India will facilitate the same with Registrar and Transfer Agents, Depositories and DPs. In case the units are desired to be held by investor in dematerialised form, the KYC performed by DP shall be considered compliance with Clause 16.2.4.4 of SEBI Master Circular dated May 19, 2023.

In Terms of Clause 16.2.4.6 of SEBI Master Circular dated May 19, 2023 with effect from December 30, 2010:

1. In addition to the trading members of NSE and BSE, clearing members of registered Stock Exchanges shall be eligible to offer purchase and redemption of units of specified Schemes of NIMF on NMF II and BSE Star MF System.
2. Depository participants of registered Depositories shall be eligible to process only redemption request of units held in demat form.
3. Clearing members and depository participants will be eligible to be considered as Official Points of Acceptance of NIMF in accordance with the provisions of Clause 16.2.4.8.a of SEBI Master Circular dated May 19, 2023 and shall be required to comply with conditions stipulated for stock brokers viz. AMFI /NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund. Further, Clearing members and depository participants shall comply with the operating guidelines issued by Stock Exchange and Depositories in this regards as may be applicable.
4. Investors having demat account and purchasing and redeeming mutual fund units in demat mode through trading/ clearing members, shall receive redemption proceeds (if units are redeemed) and units (if units are purchased) through trading/ clearing member's pool account. NIMF/ NAM India/ its Registrar will pay redemption proceeds to the trading/ clearing member (in case of redemption) and trading/ clearing member in turn will pay redemption proceeds to the respective investor. Similarly, units shall be credited by NIMF/ NAM India/Registrar into trading/ clearing member's pool account (in case of purchase) and trading/ clearing member in turn will credit the units to the respective investor's demat account.
5. Payment of redemption proceeds to the trading/ clearing members by NIMF/ NAM India/ its Registrar shall discharge NIMF/ NAM India of its obligation of payment of redemption proceeds to individual investor. Similarly, in case of purchase of units, crediting units into trading/ clearing member pool account shall discharge NIMF/ NAM India of its obligation/ to allot units to individual investor.
6. It may be noted that Stock exchanges and Depositories shall provide investor grievance handling mechanism to the extent they relate to disputes between their respective regulated entity and their client and shall also monitor the compliance of code of conduct specified in the Clause 16.2.4.8.b of SEBI Master Circular dated May 19, 2023 regarding empanelment and code of conduct for intermediaries of Mutual Funds.
- 7 Pursuant to Clause 16.2.7, 16.2.9 and 16.2.10 of SEBI Master Circular dated May 19, 2023.

- a. Mutual fund Distributor (MF distributor) registered with Association of Mutual Funds in India (AMFI) and permitted by the concerned recognized stock exchanges shall be eligible to use recognized stock exchanges' infrastructure to purchase, redeem and Switch mutual fund units on behalf of their clients, directly from NIMF/ NAM India.
 - b. The MF distributors shall not handle payout and pay in of funds as well as units on behalf of investor. Pay in will be directly received by recognized clearing corporation and payout will be directly made to investor account. In the same manner, units shall be credited and debited directly from the demat account of investors.
 - c. Non-demat transactions are also permitted through stock exchange platform.
- 8 At Present, the switch facility in the units of NIMF schemes shall be made available only on BSE StAR MF platform (for other Stock Exchanges platform this facility will be made available as and when it will be introduced by them). Further, Switch transactions shall be accepted for units held in demat mode as well as in physical mode.

Modification to facility for transactions through Stock Exchange Mechanism

With a view to increase the network and enhance the service levels for investors, NIMF / NAM India extends the facility to allow commercial transactions i.e. Subscription/Redemption/ Switch/ Systematic Investment Plan (SIP) /Systematic Transfer Plan (STP) and other transactions through the infrastructure of Indian Commodity Exchange Limited (ICEX) i.e. ICEX MF platform to all the investors.

The facility shall be subject to the terms and conditions specified and guidelines issued by SEBI from time to time. The Trustee / AMC reserves the right at its sole discretion to withdraw / modify the features of the above facility.

3. OFFICIAL POINTS OF ACCEPTANCE OF TRANSACTION THROUGH MF UTILITY:

NAM India has entered into an agreement with MF Utilities India Private Limited ("MFUI"), a "Category II - Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, for usage of MF Utility ("MFU") - a shared services initiative of various asset management companies, which acts as a transaction aggregator for transacting in multiple schemes of various mutual funds with a single form and a single payment instrument.

Accordingly, all the authorized POS and website/mobile application of MFUI (available currently and also updated from time to time) shall be eligible to be considered as 'official points of acceptance' for all financial and non-financial transactions in the schemes of NIMF either physically or electronically with effect from February 6, 2015. The list of POS of MFUI is published on the website of MFUI at www.mfuindia.com.

Applicability of NAV shall be based on time stamping as evidenced by confirmation slip given by POS of MFUI and also the realization of funds in the Bank account of Nippon India Mutual Fund (and NOT the time of realization of funds in the Bank account of MFUI) within the applicable cut-off timing. The Uniform Cut - off time as prescribed by SEBI and mentioned in the SID / KIM shall be applicable for applications received through such facilities.

Investors are requested to note that MFUI will allot a Common Account Number ("CAN") i.e. a single reference number for all investments in the mutual fund industry for transacting in multiple schemes of various mutual funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form and necessary documents at the POS. The AMC and/or its Registrar and Transfer Agent shall provide necessary details to MFUI as may be needed for providing the required services to investors/distributors through MFU. Investors are requested to visit the website of MFUI i.e. www.mfuindia.com to download the relevant forms.

For any queries or clarifications related to MFU, please contact the Customer Care of MFUI on +91- 22- 6134 4316 (during the business hours on all days except Sunday and public holidays) or send an email to clientservices@mfuindia.com.

4. TRANSACTIONS THROUGH ELECTRONIC PLATFORM OF REGISTRAR AND TRANSFER AGENT

NAM India has introduced this facility w.e.f. July 13, 2018. Investors will be allowed to transact in the schemes of Nippon India Mutual Fund (NIMF) through the Electronic platform of KFin Technologies Limited (KFinTech), Registrar and Transfer Agent of NIMF, i.e. website mfs.kfintech.com and mobile application 'Kfinkart' (or any other name as specified from time to time). Consequent to this, the said website and mobile application shall be declared to be an "official point of acceptance" for applications for subscriptions, redemptions, switches and other facilities. The Uniform Cut -off time as prescribed by SEBI and as mentioned in the Scheme Information Documents of respective schemes shall be applicable for applications received on the website / mobile application.

NIMF/NAM India reserves the right to introduced, change, modify or withdraw the features available in these facilities from time to time.

5. OFFICIAL POINT OF ACCEPTANCE THROUGH MF CENTRAL:

Pursuant to the Clause 16.6 of SEBI Master Circular dated May 19, 2023, to comply with the requirements of RTA inter-operable Platform for enhancing investors' experience in Mutual Fund transactions / service requests, the QRTA's, KFin Technologies Limited and Computer Age Management Services Limited (CAMS) have jointly developed MFCentral – A digital platform for Mutual Fund investors.

MFCentral is created with an intent to be a one stop portal / mobile app for all Mutual fund investments and service-related needs that significantly reduces the need for submission of physical documents by enabling various digital / phygital services to Mutual fund investors across fund houses subject to applicable T&Cs of the Platform. MFCentral will be enabling various features and services in a phased manner. MFCentral may be accessed using <https://mfcentral.com/> and a Mobile App in future.

With a view to comply with all provisions of the aforesaid circular and to increase digital penetration of Mutual funds, NIMF / NAM India designates MFCentral as its Official point of acceptance (DISC – Designated investor Service Centre) w.e.f. 23rd September 2021.

Any registered user of MFCentral, requiring submission of physical document as per the requirements of MFCentral, may do so at any of the designated Investor Service centres or collection centres of Kfintech or CAMS.

Accounts Statements	<p>In accordance with Clause 14.4 of SEBI Master Circular dated May 19, 2023 the investor whose transaction has been accepted by the NAM India/NIMF shall receive a confirmation by way of email and/ or SMS within 5 Business Days from the date of receipt of transaction request, same will be sent to the Unit holders registered e-mail address and/or mobile number.</p> <p>Thereafter, a Consolidated Account Statement (“CAS”) shall be issued in line with the following procedure:</p> <ol style="list-style-type: none"> 1. Consolidation of account statement shall be done on the basis of PAN. In case of multiple holding, it shall be PAN of the first holder and pattern of holding. 2. The CAS shall be generated on a monthly basis and shall be issued on or before 15th of the immediately succeeding month to the unit holder(s) in whose folio(s) transaction(s) has/have taken place during the month. 3. In case there is no transaction in any of the mutual fund folios then CAS detailing holding of investments across all schemes of all Mutual Funds will be issued on half yearly basis [at the end of every six months (i.e. September/ March)] on or before 21st of the immediately succeeding month. 4. Investors having MF investments and holding securities in Demat account shall receive a Consolidated Account Statement containing details of transactions across all Mutual Fund schemes and securities from the Depository by email / physical mode. 5. Investors having MF investments and not having Demat account shall receive a Consolidated Account Statement from the MF Industry containing details of transactions across all Mutual Fund schemes by email / physical mode. <p>The word ‘transaction’ shall include purchase, redemption, switch, IDCW payout, IDCW reinvestment, systematic investment plan, systematic withdrawal plan, and systematic transfer plan.</p> <p>CAS shall not be received by the Unit holders for the folio(s) wherein the PAN details are not updated. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN. For Micro SIP and Sikkim based investors whose PAN details are not mandatorily required to be updated Account Statement will be dispatched by NAM India/NIMF for each calendar month on or before 10th of the immediately succeeding month.</p> <p>The Consolidated Account statement will be in accordance to Clause 14.4.3 of SEBI Master Circular dated May 19, 2023.</p> <p>In case of a specific request received from the Unit holders, NAM India / NIMF will provide the account statement to the investors within 5 Business Days from the receipt of such request.</p> <p>Investors are requested/encouraged to register/update their email id and mobile number of the primary holder with the AMC/RTA through our Designated Investor Service Centres (DISCs) in order to facilitate effective communication.</p>
IDCW	<p>The IDCW payments shall be initiated to the unitholders within 7 working days from the record date, in compliance to the Clause 11.4 of SEBI Master Circular dated May 19, 2023.</p>
Redemption	<p>The redemption or repurchase proceeds shall be transferred to the unitholders within 3 working Days from the date of redemption or repurchase.</p> <p>Further, investors are requested to note that processing of Redemption or Repurchase transactions without PAN in respect of Non-PAN-Exempt folios has been restricted with effect from September 30, 2019.</p> <p>For all such Non-PAN-Exempt folios, investors are requested to update PAN by submitting suitable request along with PAN card copy at any of the Designated Investor Service Centre (“DISC”) of Nippon India Mutual Fund (NIMF) and then submit Redemption or new Systematic Withdrawal Plans (SWPs) requests.</p> <p>With respect to existing SWPs registered without PAN in Non-PAN-Exempt folios, the same shall be restricted with effect from October 16, 2019 till PAN is updated in the folio.</p> <p>Investors are also requested to note further that it is mandatory to complete the KYC requirements for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor.</p> <p>Accordingly, completion of KYC requirements shall be mandatory and with effect from February 28, 2020, all financial transactions (including redemptions, switches etc.) will be processed only if the KYC requirements are completed.</p> <p>Unit holders are advised to use the applicable KYC Form for completing the KYC requirements and submit the form at the Designated Investor Service Centre (“DISC”) of Nippon India Mutual Fund or KFin Technologies Limited</p>
How to Redeem	<p>The Units can be redeemed at the Redemption Price.</p> <p>A Unitholder has the option to request for a redemption either by amount (in Rupees) or by number of Units. If the redemption request indicates both amount (in Rupees) and number of Units, the latter will be considered. Where a Rupee amount is specified or deemed to be specified for redemption, the number of Units redeemed will be the amount redeemed divided by the Redemption Price. Alternatively, a unitholder can request closure of his account, in which case, the entire unit balance lying to the credit of his account will be redeemed.</p> <p>The number of Units so redeemed will be subtracted from the unitholder’s account balance and a statement to this effect will be issued to the unitholder.</p> <p>In case the balance in unitholder’s account does not cover the amount of redemption request the Fund may close the unitholder’s account and send the entire such (lesser) balance to the unitholders.</p> <p>If an investor has purchased Units on more than one working day, the Units purchased prior in time (i.e. those Units which have been held for the longest period of time), will be deemed to have been redeemed first, i.e. on a First In First Out Basis.</p> <p>Units purchased by cheque / DD will be marked under lien and will not be redeemed until after realisation of the cheques/DD.</p>

	<p>Note: The processing of Redemption/Switch/Various transaction request (s) where realization status is not available, NIMF shall keep the units allotted to investor on hold for redemption/switch/Various transactions till the time the payment is realized towards such purchase transaction(s).</p> <p>In case if the customer submits a redemption / switch / Various other transaction request like SWP, STP when the units are on hold, NIMF reserves the right to reject/ partially process the redemption/switch/ Various transaction request, as the case may be, based on the realization status of the units held by the investor. In all the above cases (i.e., rejection/partial processing), intimation will be sent to the investor accordingly. Whenever a redemption/switch/ Various transaction request is rejected then an investor needs to submit a fresh request for reprocessing the same.</p> <p>Units which are not redeemed /switched out on account of the request being rejected due to non realization of funds, will be processed only upon confirmation of realization status and submission of a fresh redemption/switch request for such transactions.</p> <p>The transaction slip can be used by the investor to make a redemption or Inter scheme Switch or Inter plan Switch or Inter Option Switch by entering the requisite details in the transaction slip and submitting the same at the Designated Investor Service Centre. Transaction slips can be obtained from any of the Designated Investor Service Centres. Alternatively, the investor can transact through NAM India's digital assets (website and app) for the aforesaid transactions.</p> <p>While submitting the details for processing any transactions which inter alia includes redemptions, switch out, and systematic transfers etc. there has to be a specific mention about the plan (Direct Plan or Other than Direct Plan) from which the transactions has to be initiated. If no plan is mentioned, redemption request will be processed on a first in first out (FIFO) basis considering both the plans.</p> <p>NAM India reserves the right to provide the facility of redeeming units of the Scheme through an alternative mechanism as may be decided by the Fund from time to time. The alternative mechanism may include electronic means of communication such as redeeming units online through the website(s) etc.</p>
<p>Where to submit the Redemption request</p>	<p>The unitholder should submit the transaction slip for a redemption / switch or request for closure of his / her account at any of the Designated Investor Service Centres. Alternatively, the investor can transact through NAM India's digital assets (website and app) for the aforesaid transactions.</p>
<p>Payment of Redemption Proceeds</p>	<p>Payment of Redemption proceeds, for all open ended schemes, also enclosed SID</p> <p>Resident Investors</p> <p>The Fund proposes to pay redemption proceeds in the following manner:</p> <ol style="list-style-type: none"> i. Directly to the bank account of unitholders through Direct Credit / RTGS / NEFT: Direct credit facility will be available only with select bankers with whom the Mutual Fund currently has a tie-up in place or will tie-up for such a facility at a later date. As per the directive issued by SEBI, it is mandatory for an investor to declare his / her bank account number and accordingly, investors are requested to give their bank account details in the application form. The Mutual Fund, on a best effort basis, and after scrutinizing the names of the banks where unitholders have their accounts, will instruct the bank for the payment of redemption proceeds to the unitholder's bank account. ii. For cases not covered above: Unitholders will receive redemption proceeds by cheques, marked "A/c. Payee only" and drawn in the name of the sole holder / first-named holder (as determined by the records of the Registrar). The Bank Name and Bank Account No., as specified in the Registrar's records, will be mentioned in the cheque. In case any investor does not give his bank details, for any reason whatsoever, the Fund shall in no way be responsible for any loss, on payment made without the Payee Bank details in the instrument. The cheque will be payable at par in all the cities where such facility is available with the specified bankers. For other cities, Demand Drafts will be issued payable at the city of his residence after deducting the Demand Draft charges. <p>Non Resident Investors</p> <ol style="list-style-type: none"> i. Repatriation Basis: When units have been purchased through remittance in foreign exchange from abroad by cheque / draft issued from proceeds of the unitholders' FCNR deposit or from funds held in the unitholders' Non Resident (External) account kept in India, the proceeds can be remitted to the unitholder in foreign currency (any exchange rate fluctuation will be borne by the unitholder). The proceeds can also be sent to his Indian address for crediting to his NRE / FCNR / non-resident (Ordinary) account or NRSR account, if desired by the unitholder. ii. Non Repatriation Basis: When units have been purchased from funds held in the unitholders' non-resident (Ordinary) account, the proceeds will be sent to the unitholders Indian address for crediting to the unitholders' Non-Resident (Ordinary) account. <p>It may be noted that the investors of NIMF shall be given the payout of redemption as an additional mode of payment through electronic mode as may be specified by Reserve Bank of India from time to time. This is an additional mode of payments over and above existing mode. In order to effect such payments through electronic mode, data validation exercise will be carried out by NAM India through one of the banking channels which will enable NAM India to validate the investor data with the Bank records. It may be noted that if NAM India unable to provide such credits due to various reasons, then payment will be made in accordance with the mode as specified.</p> <p>The Fund may make other arrangements for effecting payment of redemption proceeds in future.</p>

<p>Delay in payment of redemption / repurchase proceeds</p>	<p>The Asset Management Company 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).</p> <p>The period of five working days for computation of interest payable for delay in refund of subscription amounts during on-going offer period shall be reckoned from the date of purchase transaction as per timestamp / applicable NAV, provided the application form / online transaction is received along with the payment and the funds have been realized.</p> <p>Where the subscription amount and the application / online transaction are received separately, the period of five working days for computation of interest payable for delay in refund of subscription amounts shall be reckoned from the later of the date of identifying the remitter details, based on the credit provided by the bank or receipt and time stamping of application / online transaction.</p> <p>It is clarified that the interest will be payable only in those cases where the credit pertains to a subscription in the scheme backed by a transaction request by the customer and such subscription is rejected by the AMC.</p> <p>Refund will be initiated 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. In both cases, the bank account number and bank name, as specified in the application, will be mentioned in the refund order. The bank and/ or collection charges, if any, will be borne by the applicant. All the refund payments will be initiated in the manner as may be specified by SEBI from time to time.</p>
<p>Dispatch of Proceeds</p>	<p>As per SEBI Regulations, the Mutual Fund shall transfer the redemption proceeds within the maximum period allowed, which is currently 3 working days from the date of receipt of the redemption request at the Designated Investor Service Centres.</p> <p>In case of exceptional situations listed in AMFI Circular No.AMFI/35P/MEM-COR/74/2022-23 dated January 16, 2023, redemption payment would be made within the permitted additional timelines. A Transaction Confirmation Slip / Fresh Account Statement will also be sent to the Unitholders reflecting the new unit balance in his Account. For payments made other than through direct transfers, the redemption proceeds shall be dispatched through ordinary mail (with or without UCP) or Registered Post or by Courier, unless otherwise required under the Regulations, at the risk of the unitholder</p>
<p>Effect of Redemptions</p>	<p>On the Fund - The Unit capital and Reserves of the Scheme will stand reduced by an amount equivalent to the product of the number of Units redeemed and the Applicable NAV as on the date of redemption.</p> <p>On the unitholder's account - The balances in the unitholder's account will stand reduced by the number of Units redeemed.</p>
<p>Additional Purchases/ Inter Scheme Switch / Inter Plan Switch / Inter Option Switch/ Systematic Transfer Plan (STP)</p>	<p>The transaction slip can be used by the investor to make additional purchases / Inter Scheme Switches / Inter Plan Switches or Inter Option Switches by entering the requisite details in the transaction slip and submitting the same along with the payment instrument (wherever applicable) at the Designated Investor Service Centre. The transaction slip is attached at the bottom of the Account Statement or can also be obtained from any of the Designated Investor ServiceCentres. Alternatively, the investor can quote his existing folio number and use Common Application Form to make additional purchases under the same plan/option in the Scheme.</p> <p>Unitholders may switch their repurchase able holdings (which are not under any lien) in Nippon India Arbitrage Fund to any other eligible NIMF Scheme and vice versa. The transfer would be done at the applicable NAV based prices. The difference in the applicable net asset values of the two schemes / plans / options will be reflected in the number of Units allotted.</p> <p>NAM India, in consultation with the Trustees, reserves the right to modify this structure, in accordance with SEBI Regulations. However, any such change shall be applicable only to units transacted pursuant to such change.</p> <p>As per the directives issued by SEBI, it is mandatory for an investor to declare his/her bank account number in the application form.</p> <p>This is to safeguard the interest of unitholders from loss or theft of their redemption cheques / DDs. Investors are requested to provide their bank details in the Application Form failing which the same will be rejected as per current Regulations. NAM India reserves the right to change the procedures in respect of subscriptions or Inter-Scheme Switches or Inter- Plan/option Switches from time to time.</p> <p>a) Switch/Systematic Transfer of investments made with ARN code, from Other than Direct Plan to Direct Plan of a Scheme shall be subject to applicable exit load, if any. (subject to statutory taxes and levies, if any)</p> <p>b) No Exit Load shall be levied for switch/Systematic Transfer of investments made without ARN code, from Other than Direct Plan to Direct Plan of the Scheme or vice versa. (subject to statutory taxes and levies, if any)</p> <p>Please refer SAI for further details.</p>
<p>Accounting of Units on Flexible / First In First Out (FIFO) Basis</p>	<p>If an investor has purchased Units on more than one working day, the Units purchased prior in time (i.e. those Units which have been held for the longest period of time), will be deemed to have been redeemed first, i.e. on a First In First Out Basis.</p>
<p>Fractional Units</p>	<p>Allotment of units against subsequent purchases / redemption of Units on an ongoing basis shall be done in fractional units, rounded off upto three decimal places.</p>

Transfer, Nomination, Underwriting, Fund and Mode of Holding Transmission, Lien, Pledge, Borrowing by the	Please refer SAI for details.
Applicability of Stamp Duty	Pursuant to Notification No. S.O. 1226(E) and G.S.R. 226(E) dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019 and Clause no. 10.1 of SEBI Master Circular dated May 19, 2023, a stamp duty @ 0.005% of the transaction value would be levied on applicable mutual fund transactions, with effect from July 01, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase/switch-in transactions (including IDCW reinvestment) to the unitholders would be reduced to that extent.
Third party Cheques	Third party Cheques Investment/subscription made through third party cheque(s) will not be accepted for investments in the units of Nippon India Mutual Fund barring few exception issued by AMFI from time to time for the 'third party payments'. For more details refer to SAI.
Multiple Bank accounts	The unit holder/ investor can register multiple bank account details under its existing folio by submitting separate form available on the website of the AMC at mf.nipponindiaim.com. For more details refer to SAI.
Know Your Client (KYC) Norms	<p>Know Your Client (KYC) Norms With effect from 1st January 2011, KYC (Know Your Customer) norms are mandatory for investors for making investments in Mutual Funds, irrespective of the amount of investment Further, in order to reduce hardship and help investors dealing with SEBI intermediaries, SEBI vide its Clause 16.2.4.4 of Master Circular dated May 19, 2023 informing SEBI registered intermediaries as mentioned therein to follow, with effect from January 01, 2012, a uniform KYC compliance procedure for all the investors dealing with them on or after that date. SEBI also issued KYC Registration Agency ("KRA") Regulations 2011 and the guidelines in pursuance of the said Regulations and for In-Person Verification ("IPV"). SEBI has issued circular no. CIR/MIRSD/ 66 /2016 dated July 21, 2016 and no. CIR/ MIRSD/120 /2016 dated November 10, 2016, for uniform and smooth implementation of CKYC norms for onboarding of new investors in Mutual funds with effect from 1st Feb 2017. For more details refer to SAI.</p> <p>Implementation of the Prevention of Money-laundering (Maintenance of Records) Second Amendment Rules, 2017 with respect to seeding of Aadhaar number:</p> <p>Investors are requested to note the following requirements in relation to submission of Aadhaar number and other prescribed details to Nippon India Mutual Fund (NIMF) / Nippon Life India Asset Management Limited ("the AMC") / KFin Technologies Limited (KFintech) its Registrar and Transfer Agent:</p> <ol style="list-style-type: none"> Where the investor is an individual, who is eligible to be enrolled for Aadhaar number, the investor is required to submit the Aadhaar number issued by UIDAI. If such an individual investor is not eligible to be enrolled for Aadhaar number, and in case the Permanent Account Number (PAN) is not submitted, the investor shall submit the PAN or one certified copy of an officially valid document containing details of his identity and address and one recent photograph along with such other details as may be required by the Mutual Fund. The investor is required to submit PAN as defined in the Income Tax Rules, 1962. Where the investor is a non-individual, Aadhaar numbers and PANs (as defined in Income-tax Rules, 1962) of managers, officers or employees or persons holding an attorney to transact on the investor's behalf is required to be submitted, apart from the constitution documents. In case PAN is not submitted, an officially valid document is required to be submitted. If a person holding an authority to transact on behalf of such an entity is not eligible to be enrolled for Aadhaar and does not submit the PAN, certified copy of an officially valid document containing details of identity, address, photograph and such other documents as prescribed is required to be submitted. <p>It may be noted that the requirement of submitting Form 60 is not applicable for investment in mutual fund units. For more details kindly refer SAI and FAQs on our website mf.nipponindiaim.com</p> <p>Investors are requested to note that pursuant to the direction issued by Hon'ble Supreme Court on March 13, 2018 in Writ Petition (Civil) no. 494/ 2012 and Notification No. 1/2018/F. No. P.12011/24/2017-ES Cell-DoR from Ministry of Finance (Department of Revenue) dated March 31, 2018 the effective date for mandatory submission of Aadhaar has been deferred till further notice.</p>

C. PERIODIC DISCLOSURES

Net Asset Value 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.	The AMC will calculate and disclose the first NAV within 5 working days from the date of allotment. Subsequently, the NAV will be calculated and disclosed at the close of every Business Day and uploaded on the AMFI website www.amfiindia.com and Nippon India Mutual Fund website i.e. mf.nipponindiaim.com by 11.00 p.m. on the same business day. Further, AMC will extend facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.
Half yearly Disclosures: Portfolio / Financial Results 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.	(i) Half Yearly disclosure of Un-Audited Financials for the Schemes of NIMF: Before expiry of one month from the close of each half year i.e. on March 31 or September 30, the Fund shall host a soft copy of half – yearly unaudited financial results on the website of the NIMF i.e. mf.nipponindiaim.com and that of AMFI www.amfiindia.com. A notice advertisement communicating the investors that the financial results shall be hosted on the website shall be published in one national English daily newspaper and in a newspaper in the language of the region where the Head Office of the fund is situated.

	<p>(ii) Half Yearly disclosure of Scheme's Portfolio:</p> <p>The fund shall disclose the scheme's portfolio in the prescribed format as on the last day of the Half year for all the Schemes of NIMF on or before the tenth day of the succeeding month or within such timelines and manner as prescribed by SEBI from time to time on the NIMF Website i.e. mf.nipponindiaim.com and AMFI site www.amfiindia.com</p> <p>In case of unitholders whose e-mail addresses are registered, the Mutual Funds/ AMCs shall send via email the half-yearly statement of scheme portfolio within 10 days from the close of each half-year respectively.</p> <p>AMC will provide a physical copy of the statement of its scheme portfolio, without charging any cost, on specific request received from a unitholder.</p>
Monthly Disclosure of Schemes' Portfolio Statement	<p>The fund shall disclose the scheme's portfolio in the prescribed format as on the last day of the month for all the Schemes of NIMF on or before the tenth day of the succeeding month or within such timelines and manner as prescribed by SEBI from time to time on the NIMF Website i.e. mf.nipponindiaim.com and AMFI site www.amfiindia.com</p> <p>In case of unitholders whose e-mail addresses are registered, the Mutual Funds/ AMCs shall send via email both the monthly statement of scheme portfolio within 10 days from the close of each month respectively.</p> <p>AMC will provide a physical copy of the statement of its scheme portfolio, without charging any cost, on specific request received from a unitholder.</p>
Monthly & Annual Disclosure of Riskometer	<p>In accordance with Clause 17.4 of SEBI Master circular dated May 19, 2023. The Risk-o-meter shall have following six levels of risk:</p> <ul style="list-style-type: none"> i. Low Risk ii. Low to Moderate Risk iii. Moderate Risk iv. Moderately High Risk v. High Risk and vi. Very High Risk <p>The evaluation of risk levels of a scheme shall be done in accordance with the aforesaid circular.</p> <p>The fund shall communicate any change in risk-o-meter by way of Notice cum Addendum and by way of an e-mail or SMS to unitholder.</p> <p>Further Risk-o-meter of scheme shall be evaluated on a monthly basis and Risk-o-meter along with portfolio shall be disclosed on NIMF website and on AMFI website within 10 days from the close of each month.</p> <p>Additionally, NIMF shall disclose the risk level of all schemes as on March 31 of every year, along with number of times the risk level has changed over the year, on its website and AMFI website.</p>
Disclosure of Benchmark Riskometer	<p>Pursuant to Clause 5.16 of SEBI Master Circular dated May 19, 2023, the AMC shall disclose risk-o-meter of the scheme and benchmark in all disclosures including promotional material or that stipulated by SEBI wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed to the investors in which the unit holders are invested as on the date of such disclosure.</p>
Annual Report	<p>The scheme wise annual report shall be hosted on the website of the AMC and on the website of the AMFI soon as may be possible but not later than four months from the date of closure of the relevant accounting year. The AMC shall publish an advertisement every year in all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the scheme wise annual report on the website of the AMC.</p> <p>The AMC shall email the annual report or an abridged summary thereof to the unitholders whose email addresses are registered with the Fund. The unitholders whose e-mail addresses are not registered with the Fund are requested to update / provide their email address to the Fund for updating the database. Physical copy of scheme wise annual report or abridged summary shall be provided to investors who have opted to receive the same.</p> <p>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> <p>As per regulation 56(3A) of the Regulations, copy of scheme wise Annual Report shall be also made available to unitholder on payment of nominal fees.</p> <p>A link of the scheme annual report or abridged summary shall be displayed prominently on the website of NAM India i.e. at mf.nipponindiaim.com</p>
Scheme Summary Document	<p>The AMC has provided on its website a standalone scheme document for all the Schemes which contains all the details of the Scheme viz. Scheme features, Fund Manager details, investment details, investment objective, expense ratios, portfolio details, etc.</p>

Associate Transactions	Please refer to Statement of Additional Information (SAI).					
Taxation 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.	Taxation of income earned on mutual fund units under the Income Tax Act 1961 as amended by The Finance act, 2023.					
	Equity Oriented Funds - for FY 2023-24					
	Income in the hands of →	Individual & HUF	Other than Individual & HUF	NRI		
	Nature of Income ↓					
	Income Distribution	As per applicable tax rates	As per applicable tax rates	As per applicable tax rates		
	Dividend Distribution Tax	The Finance Act, 2020, abolished dividend distribution tax (DDT) and tax exemption on income received from mutual fund in the hands of investor. as provision of section 10 (35) is rescinded. Further, Income is taxable in the hands of investor as mentioned above.				
	Long Term Capital Gain ^{3 & 4}	10%	10%	10%		
	Short Term Capital Gain ^{3 & 4}	15%	15%	15%		
	Securities Transaction Tax (STT)					
	From April 1, 2023 onwards	0.001%	0.001%	0.001%		
	Notes					
	1. The Finance Act, 2020 introduced a new section 194K to provide that any person responsible for paying to a resident investor any income in respect of units of a Mutual Fund specified under clause (23D) of section 10 shall at the time of credit of such income to the account of the payee or at the time of payment thereof by any mode, whichever is earlier, deduct income-tax there on at the rate of 10%. 2. "Equity oriented fund" has been defined to mean a fund set up under a scheme of a mutual fund specified under clause (23D) of section 10 and, — a) In a case where the fund invests in the units of another fund which is traded on a recognized stock exchange, - (i) A minimum of 90 % of the total proceeds of such funds is invested in the units of such other fund ; and (ii) such other fund also invests a minimum of 90% of its total proceeds in the equity shares of domestic companies listed on recognized stock exchange; and b) in any other case, a minimum of 65 % of the total proceeds of such fund is invested in the equity shares of domestic companies listed on recognized stock exchange. 3. (a) Short Term Capital Gain would mean gain on sale/redemption/repurchase of mutual fund units held for not more than 12 months (b) Long term Capital Gain would mean gain other than Short Term Capital Gain and shall be computed without considering indexation benefit. Further, Threshold benefit of Rs. 1,00,000/- p.a. available on such long-term capital gain. 4. Surcharge applicable for FY 2023-24:					
Assessee	If income below Rs. 0.50 crore	If income exceeds Rs. 0.50 crore but less than Rs. 1 crores	If income exceeds Rs. 1 crore but less than Rs. 2 crores	If income exceeds Rs. 2 crore but less than Rs. 5 crore	If income exceeds Rs. 5 crore but less than Rs. 10 crore	If income exceeds Rs.10 crores
	Surcharge	Surcharge	Surcharge	Surcharge	Surcharge	Surcharge
#Individual (including proprietorships), Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individual (BOI)	NIL	10%	15%	15%	15%	15%
Co-operative Society, Local Authority and Partnership Firms (including LLPs)	NIL	NIL	12%	12%	12%	12%
Indian Corporate	Nil	NIL	7%	7%	7%	12%
Foreign Companies	Nil	NIL	2%	2%	2%	5%

	<p>5. Finance Act, 2018 had discontinued “Education Cess on income-tax” and “Secondary and Higher Education Cess on income-tax”. However, a new Cess introduced “Health and Education Cess” applicable at the rate of 4% of income tax including surcharge wherever applicable w.e.f April 1, 2018.</p> <p>6. Nippon India Mutual Fund is registered with SEBI and as such is eligible for benefits under Section 10 (23D) of the Income Tax Act, 1961. Accordingly, its entire income is exempt from tax.</p> <p>7. For further details on taxation please refer to the clause on Taxation in the Statement of Additional Information.</p>
<p>Investor services</p>	<p>Mr. Milind Nesarikar is the Investor Relations Officer for the Fund. All related queries should be addressed to him at the following address:</p> <p>Mr. Milind Nesarikar Nippon Life India Asset Management Limited 20th Floor, Tower A, Peninsula Business Park, Ganapatrao Kadam Marg, Lower Parel (W), Mumbai - 400 013. Tel No. +91 022 6954 8000; Fax No. +91 022 6954 8199 Email: Milind.Nesarikar@nipponindiaim.com</p> <p>Online Dispute Resolution Platforms</p> <p>1. SCORES</p> <p>SCORES is a web based centralized grievance redressal system which enables investors to lodge and follow up their complaints and track the status of redressal of such complaints online. Through this system, the investor should be able to submit his/her complaint on an online basis, which shall then be monitored and forwarded by the concerned Desk Officer(s) at SEBI to the concerned AMC’s, who would then in-turn be required to suitably redress & upload status thereof on this platform itself, within the stipulated time period. For redressal of complaints, Investors can visit www.scores.gov.in.</p> <p>2. Online Dispute Resolution (ODR) Portal:</p> <p>Pursuant to SEBI Circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023 read with SEBI Circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023, common Online Dispute Resolution (‘ODR’) Portal has been established in order to harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market.</p> <p>The investors can access the link to ODR portal viz. https://smartodr.in which is also made available on our website.</p>

D. COMPUTATION OF NAV

The Net Asset Value (NAV) of the Units will be determined daily or as prescribed by the Regulations. The NAV shall be calculated in accordance with the following formula, or such other formula as may be prescribed by SEBI from time to time.

$$\text{NAV} = \frac{\text{Market/Fair Value of Scheme's Investments} + \text{Receivables} + \text{Accrued Income} + \text{Other Assets} - \text{Accrued Expenses} - \text{Payables} - \text{Other Liabilities}}{\text{Number of Units Outstanding}}$$

Rounding off policy for NAV

Net Asset Value of the Units in the Scheme is calculated in the manner provided in this Scheme Information Document or as may be prescribed by Regulations from time to time. The NAV will be computed upto four decimal places.

Policy on computation of NAV in case of investment in foreign securities

The exchange gain / loss resulting from the foreign securities exchange rates conversion shall be recognized as unrealized exchange gain / loss in the books of the Scheme on the day of valuation. Further, the exchange gain / loss resulting from the settlement of assets / liabilities denominated in foreign currency shall be recognized as realized exchange gain /loss in the books of the scheme on the settlement of such assets / liabilities for NAV computation.

For further detail on valuation of foreign securities, please refer SAI.

Example: If the applicable NAV is Rs. 10.00, sales/entry load is 2 per cent and the exit/repurchase load is 2 percent then the sales price will be Rs. 10.20 and the repurchase price will be Rs. 9.80.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the schemes.

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 paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc. The NFO expenses shall be borne by the AMC.

Being an ongoing Scheme details as regard NFO expenses have not been provided herein.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the scheme. As specified under Section II - C of this document, the scheme will invest a minimum of sixty-five per cent of its net assets in equity and equity related instruments, thus the scheme will be considered as equity oriented scheme for the purpose of limits of total expense ratio as defined under regulation 52 of the SEBI Regulations. These expenses include Investment Management and Advisory Fee charged by the AMC and other expenses 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. The AMC would update the current expense ratios on the website of the mutual fund at least three working days prior to the effective date of the change. Further Actual Expense ratio will be disclosed at the following link <https://mf.nipponindiaim.com/investor-services/downloads/total-expense-ratio-of-mutual-fund-schemes>

Estimated Expense Structure

Particulars	% of Net Assets
Investment Management and Advisory Fees	Up to 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 IDCW 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.	
Goods & Service Tax on expenses other than investment and advisory fees	
Other Expenses #	
Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c)	Up to 2.25%
Additional expenses under regulation 52 (6A) (c)#	Up to 0.05%
Additional expenses under Section 52 (6A) (b) for gross new inflows from specified investors and cities	Up to 0.30%

(# Expenses charged under the said parameters shall be in line with the Regulation 52 of SEBI (MF) Regulations or such other basis as specified by SEBI from time to time.)

Illustration – Impact of Expense Ratio on the Returns	
Value of Rs 1 lac on 12% annual returns in 1 year, considering 1% Expense Ratio	
Amount Invested	100,000.00
NAV at the time of Investment	10.00
No of Units	10,000.00
Gross NAV at end of 1 year (assuming 12% annual return)	11.20
Expenses (assuming 1% Expense Ratio on average of opening and closing NAV)	0.11
Actual NAV at end of 1 year post expenses (assuming Expense Ratio as above)	11.09
Value of Investment at end of 1 year (Before Expenses)	112,000.00
Value of Investment at end of 1 year (After Expenses)	110,940.00

Note: Please note that the above is an approximate illustration of the impact of expense ratio on the returns, where the Gross NAV has been simply reduced to the extent of the expenses. In reality, the actual impact would vary depending on the path of returns over the period of consideration. Expenses will be charged on daily net assets.

These estimates have been made in good faith as per the information available to the Investment Manager based on past experience and are subject to change inter-se as per actual but the total expenses shall not exceed the limits permitted by SEBI. Types of expenses charged shall be as per the SEBI (MF) Regulations. The purpose of the above table is to assist the investor in understanding the various costs and expenses that an investor in the scheme will bear directly or indirectly.

Mutual funds /AMCs may charge Goods & Service Tax on investment and advisory fees to the scheme in addition to the maximum limit as prescribed in regulation 52 of the SEBI Regulations.

Goods & Service Tax on other than investment and advisory fees, if any, shall be borne by the scheme within the maximum limit as per regulation 52 of the SEBI Regulations.

Mutual Funds/AMCs will annually set apart at least 2 basis points on daily net assets within the maximum limit as per regulation 52 of the SEBI Regulations for investor education and awareness initiatives.

Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, and no commission shall be paid from such plan.

However, no Investment Management fees would be charged on NAM India's investment in the Scheme. The Trustee Company, shall be entitled to receive a sum computed @ 0.05% of the Unit Capital of all the Schemes of NIMF on 1st April each year or a sum of Rs.5,00,000/- whichever is lower or such other sum as may be agreed from time to time in accordance with the SEBI Regulations or any other authority, from time to time.

Investors are requested to note that the total expense ratio of the open ended equity oriented scheme including the investment management and advisory fee shall not exceed the limits stated in Regulation 52(6) (c) which are as follows:

- (i) On the first Rs. 500 crores of the daily net assets - 2.25%;
- (ii) On the next Rs. 250 crores of the daily net assets - 2.00%;
- (iii) On the next Rs. 1,250 crores of the daily net assets - 1.75%;
- (iv) On the next Rs. 3,000 crores of the daily net assets - 1.60%;
- (v) On the next Rs. 5,000 crores of the daily net assets - 1.50%;
- (vi) On the next Rs. 40,000 crores of the daily net assets - Total expense ratio reduction of 0.05% for every increase of Rs. 5,000 crores of daily net assets or part thereof;
- (vii) On the balance of the assets - 1.05%;

The above expenses are fungible within the overall maximum limit prescribed under SEBI (Mutual Funds) Regulations, 1996, which means there will be no internal sub-limits on expenses and AMC is free to allocate them within the overall TER.

In terms of Regulation 52(1) of SEBI (Mutual Funds) Regulations, 1996, all scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, will necessarily be paid from the scheme only within the regulatory limits and not from the books of AMC, its associate, sponsor, trustee or any other entity through any route. Provided that the expenses that are very small in value but high in volume may be paid out of AMC's books. Such expenses shall be paid out of AMC books at actuals or not exceeding 2 bps of respective scheme AUM, whichever is lower. List of such miscellaneous expenses may be provided by AMFI in consultation with SEBI or as specified/amended by AMFI/SEBI from time to time.

In addition to the limits specified in regulation 52(6), the following costs or expenses may be charged to the scheme as per new sub regulation 6A, namely-

- (a) Brokerage and Transaction costs incurred for the execution of trades may be expensed out in the scheme to the extent of 0.12 per cent of the value of trades in case of cash market transactions and 0.05 per cent of the value of trades in case of derivatives transactions. Any payment towards brokerage and transaction costs incurred for the execution of trades, over and above the said 0.12 per cent and 0.05 per cent 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 of the SEBI (Mutual Funds) Regulations, 1996. Any expenditure in excess of the said prescribed limit (including brokerage and transaction costs, if any) shall be borne by the AMC or by the Trustee or Sponsors.;
- (b) expenses not exceeding of 0.30 per cent of daily net assets, if the new inflows from such investors and cities, as specified by SEBI from time to time are at least-
 - (i) 30 per cent of gross new inflows in the scheme, or;
 - (ii) 15 per cent of the average assets under management (year to date) of the scheme, whichever is higher:

Provided that if inflows from such cities is less than the higher of sub-clause (i) or sub-clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis:

Provided further that expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities.

Provided further that 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;

- (c) additional expenses, incurred towards different heads mentioned under sub-regulations (2) and (4), not exceeding 0.05 per cent of daily net assets of the scheme.

The Fund will strive to reduce the level of these expenses so as to keep them well within the maximum limits allowed by SEBI. Expenses on an ongoing basis will not exceed the percentage of the daily net assets or such maximum limits as may be specified by SEBI Regulations from time to time.

C. 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. For the current applicable structure, please refer to the website of the AMC mf.nipponindiaim.com or may call at Customer Service Centre at 1860-266-0111 (charges applicable), and Investors outside India can call at 91-22-69259696 (charges applicable) or your distributor.

Load amounts are variable and are subject to change from time to time. NAM India, in consultation with the Trustees, reserves the right to change the load structure if it so deems fit in the interest of smooth and efficient functioning of the scheme. Any imposition or enhancement in the load shall be applicable on prospective investments only. However, NAM India shall not charge any load on issue of units allotted on reinvestment of IDCW for existing as well as prospective investors. At the time of changing the load structure:

- (i) The addendum detailing the changes may be attached to Scheme Information Documents and key information memorandum. The addendum may be circulated to all the distributors/brokers so that the same can be attached to all Scheme Information Documents and key information memoranda already in stock.
- (ii) Arrangements may be made to display the addendum in the Scheme Information Document in the form of a notice in all the investor service centres and distributors/brokers office.
- (iii) The introduction of the exit load alongwith the details may be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load.
- (iv) 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.
- (v) Any other measures which the mutual funds may feel necessary.

Applicable Load Structure:

The following Load Structure is applicable during the new fund offer and continuous offer including SIP installments in the scheme till further notice.

Entry Load: Not Applicable

In accordance with the requirements specified by the Clause no. 10.4 of the SEBI Master circular dated May 19, 2023 no entry load will be charged for purchase / additional purchase / switch-in accepted by the Fund. Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans/ systematic transfer plans accepted by the Fund.

With reference to Clause 10.4.2.d of SEBI Master Circular dated May 19, 2023, there shall be no entry load for investments under SIPs registered before August 01, 2009.

Exit Load:

- 0.25% if redeemed or switched out on or before completion of 1 month from the date of allotment of units
- Nil, if redeemed or switched out after completion of 1 month from the date of allotment of units

W.E.F. October 01, 2012, Exit Load If charged to the scheme shall be credited to the scheme immediately net of Goods and service tax, if any.

Switchover Facility:

Available, subject to minimum Rs. 5000/- & any amount thereafter in switch in scheme (for opening a new folio/account) and minimum Rs 1000 & any amount thereafter for additional switch in.

Inter scheme Switch: At the applicable exit loads in the respective schemes.

Inter Plan/Inter Option Switch /Systematic Transfer Plans (STP):

a) Switch / Systematic transfer of investments made with ARN code, from Other than Direct Plan to Direct Plan of a Scheme shall be subject to applicable exit load, if any.

b) No Exit Load shall be levied for Switch / Systematic transfer of investments made without ARN code, from Other than Plan to Direct Plan of the Scheme or vice versa.

Pursuant to Clause no. 10.4 of the SEBI Master circular dated May 19, 2023, upfront commission shall be paid directly by the investor to the AMFI Registered Distributor based on the investor's assessment of various factors including the services rendered by the AMFI Registered Distributor.

According to the said circular, exit load of upto 1% of the redemption value charged to the Unit Holder by the Mutual Fund on redemption of units shall be retained by the scheme in a separate account and will be utilized for payment of commission to the AMFI Registered Distributor and to meet other marketing and selling expenses.

Any amount in excess of 1% of the redemption value charged to the Unit Holder as exit load shall be credited to the Scheme immediately. The investor is requested to check the prevailing load structure of the scheme before investing.

For any change in load structure NAM India will issue an addendum and display it on the website/Investor Service Centres.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Pursuant to the Clause no. 10.4 of the SEBI Master circular dated May 19, 2023, no entry load shall be charged for all the mutual fund schemes. Therefore the procedure for the waiver of load for direct application is no longer applicable.

E. TRANSACTION CHARGES:

In accordance with Clause 10.5.1 of SEBI Master Circular dated May 19, 2023, Nippon Life India Asset Management Limited (NAM India)/ NIMF shall deduct a Transaction Charge on per purchase / subscription of Rs. 10,000/- and above, as may be received from new investors (an investor who invests for the first time in any mutual fund schemes) and existing investors. The distributors shall have an option to either "Opt-in / Opt-out" from levying transaction charge based on the type of product. Therefore, the "Opt-in / Opt-out" status shall be at distributor level, basis the product selected by the distributor at the Mutual Fund industry level.

Such charges shall be deducted if the investments are being made through the distributor/agent and that distributor / agent has opted to receive the transaction charges as mentioned below:

- **For the new investor a transaction charge of Rs 150/- shall be levied for per purchase / subscription of Rs 10,000 and above; and**

- **For the existing investor a transaction charge of Rs 100/- shall be levied for per purchase / subscription of Rs 10,000 and above.**

The transaction charge shall be deducted from the subscription amount and paid to the distributor/agent, as the case may be and the balance shall be invested. 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.

In case of investments through Systematic Investment Plan (SIP) the transaction charges shall be deducted only if the total commitment through SIP (i.e. amount per SIP installment x No. of installments) amounts to Rs. 10,000/- and above. In such cases, the transaction charges shall be deducted in 3-4 installments.

Transaction charges shall not be deducted if:

- (a) The amount per purchases /subscriptions is less than Rs. 10,000/-;
- (b) The transaction pertains to other than purchases/ subscriptions relating to new inflows such as Switch/STP/ TIDCWP , etc.
- (c) Purchases/Subscriptions made directly with the Fund through any mode (i.e. not through any distributor/agent).
- (d) Subscription made through Exchange Platform irrespective of investment amount.

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

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.

NIL

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 Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, 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.

Not Applicable

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 Trustees /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.

There was no 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 Trustees /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 except the below investigation

There is an ongoing investigation by SEBI with respect to Nippon India Mutual Fund's (formerly Reliance Mutual Fund) investments in AT1 bonds issued by Yes Bank Limited.

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 Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

In terms of the SEBI [Mutual Fund] Regulations, 1996 (as amended from time to time), the mutual fund schemes are permitted to invest in securitized debt. Accordingly, investments in certain Pass Through Certificates ("PTC's") of a securitization trust ("the Trust") were made through some of schemes of Nippon India Mutual Fund ("the Fund"). The returns filed by few of these securitisation Trusts whose PTCs were held by the Fund were taken up for scrutiny by the Income Tax Authorities which raised demand initially on the Trusts. However, on failure to recover, the Income Tax Authorities sent the demand notices to the Fund for Assessment Years 2009-10 and 2010-11. The Fund in consultation with its tax & legal advisors has contested the applicability of such demand and proceedings there on are still pending. It may be noted that this is a matter, which is not restricted only to the Fund but is an Industry issue. Accordingly, through the Association of Mutual Funds in India (AMFI), the matter has also been appropriately escalated to the Ministry of Finance, in order to seek necessary clarifications, reliefs and if required, to carry out necessary amendments to the relevant provisions of the Income Tax Act, 1961. In addition to the above the AMC is party to certain litigations in various courts, commissions etc. which are in ordinary course of business & have no material impact.

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 SID, or which has been notified by any other regulatory agency, shall be disclosed.

There was no 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 SID, or which has been notified by any other regulatory agency.

For and behalf of the Board of Directors of
Nippon Life India Asset Management Limited
[Asset Management Company for Nippon India Mutual Fund]
Sd/-
(Sundeep Sikka)
Executive Director & Chief Executive Officer

Mumbai
October 31, 2023

