



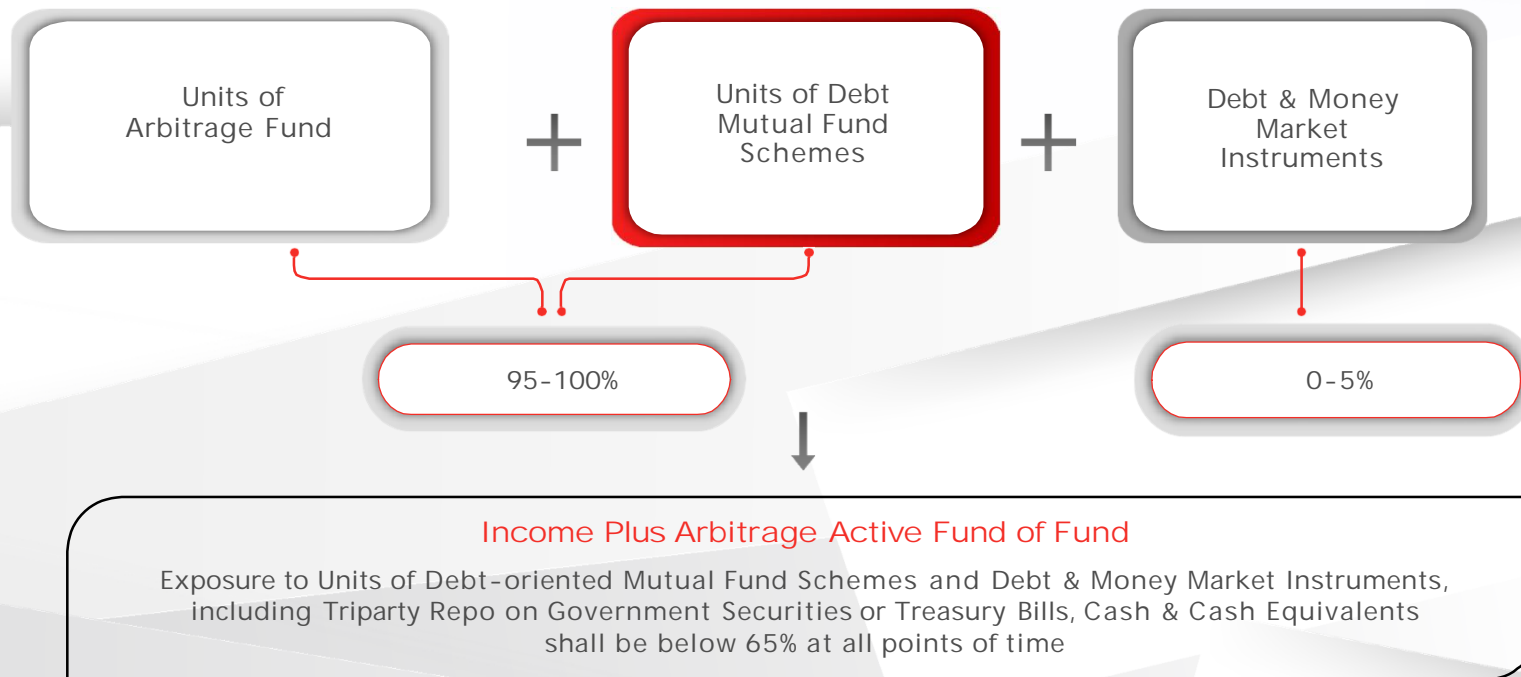
## Nippon India Income Plus Arbitrage Active Fund of Fund

A fund that tends to provide twin benefits of

-  Relatively better risk-adjusted returns
-  Tax efficiency



## INCOME PLUS ARBITRAGE ACTIVE FUND OF FUND



A blend of Debt and Arbitrage Funds that endeavors to offer potential benefits of Arbitrage Funds and Debt Funds with better tax efficiency compared to an only Debt strategy

## TAX EFFICIENCY OF FOF INVESTING < 65% IN DEBT MUTUAL FUND

For Units redeemed on or after April 01, 2025		
Particulars	Holding Period	Tax Rate
Mutual Fund with > 65% in Debt and Money Market Instruments; or Fund of Funds which invests $\geq$ 65% in units of Debt Mutual Fund Schemes and Debt and Money Market Instruments	Always STCG	Applicable Slab Rate
Fund of Funds which invest $\leq$ 65% in units of Debt Mutual Fund Schemes and Debt and Money Market Instruments	<24 Months	Slab Rate
	>24 months	12.50%

The information provided above is for informational & understanding purposes only and does not constitute professional tax advice. While we strive for the accuracy and completeness of the information provided, we make no guarantees as to its accuracy or applicability to your specific situation. Tax laws and regulations are subject to change. Nippon India Mutual Fund AMC or its employees shall not be responsible for any loss suffered by any investor as a result of the said information. Investors should consult their tax advisor before making any decision. Tax rates excluding cess and surcharge, if applicable.

## PRODUCT DIFFERENTIATION

Features	Debt Funds	Arbitrage Funds	Income Plus Arbitrage Active FoF
Asset Allocation	Limited to Debt allocation Only	Hedged Equity allocation is >65%	Mix of Debt-oriented Schemes & Arbitrage Scheme
Key Factors In Fund Selection	Investor Takes fund selection Call		Fund Manager Takes The fund selection Call
Taxation On Switch	Switching between schemes triggers taxation each time for investors		No tax liability on the scheme due to rebalancing of underlying scheme
Return Profile	Range bound with low volatility	Contingent on prevailing Arbitrage spreads in the equity market	The debt portion endeavours to generate relatively better risk-adjusted returns, while the arbitrage component seeks to create equity market spreads
Tax Rate %	Applicable Slab Rate	STCG ( $\leq 12$ months): 20%	STCG ( $\leq 24$ months): Slab Rate
		LTCG ( $> 12$ months): 12.5%	LTCG ( $> 24$ months): 12.5%

% Source: As Per Finance Act, 2025

## BENCHMARK RETURNS BACK TESTED

### 2 years Daily Rolling Returns from April 1<sup>st</sup>, 2015 to March 31<sup>st</sup>, 2025

2 years Rolling Returns Pre Tax CAGR %			
	CRISIL Short Term Bond Fund Index	Nifty 50 Arbitrage Index	60% CRISIL Short Term Bond Index + 40% Nifty 50 Arbitrage Index
Average	7.59	5.69	6.83
Min	3.74	2.84	3.78
Max	10.65	9.00	9.86

2 years Rolling Returns Post Tax CAGR %			
	CRISIL Short Term Bond Fund Index <sup>®</sup>	Nifty 50 Arbitrage Index <sup>*</sup>	60% CRISIL Short Term Bond Index + 40% Nifty 50 Arbitrage Index <sup>*</sup>
Average	5.31	4.98	5.98
Min	2.62	2.48	3.31
Max	7.45	7.88	8.63

The above simulation is done using the back-tested data and is for illustration purposes only. The same is not to be construed as return guidance in any manner whatsoever. Past performance may or may not be sustained in the future.

<sup>\*</sup>Post tax return assuming that the units have been held for more than 2 years @ 12.5%.

<sup>®</sup>Capital gains will always be short term, irrespective of the holding period, as it is a Specified Mutual Fund, assuming tax rate of 30%. The illustration does not consider cess and surcharge.

Source: ICRA ,AMFI

## TAX BENEFIT ILLUSTRATION

### LTCG - 12.5% for Fund of Funds with Debt allocation < 65%

Mutual Fund		
Type	Specified Mutual Fund	Fund of Fund Scheme with < 65% Debt allocation
Taxation	Slab rate	STCG ( $\leq 24$ months): Slab Rate
		LTCG ( $> 24$ months): 12.5%
Amount Invested	Rs. 1,00,000	Rs. 1,00,000
Investment Period	Any holding Period \$	>24 months
Assumed CAGR (%)	7%	7%
Market value of Investment	Rs. 1,14,490	Rs. 1,14,490
Capital Gains	Rs. 14,490	Rs. 14,490
Tax Rate	30%	12.50%
Tax on Capital Gains	Rs. 4,347	Rs. 1,811.25
Post Tax Gains	Rs. 10,143	Rs. 12,678.75
Post Tax Value of Investment	Rs. 1,10,143	Rs. 1,12,678.75
Post Tax CAGR %	4.95%	6.15%

CAGR: Compounded Annual Growth Rate. This table is only for illustrative purposes and based on assumption. The above illustration should not be construed to be an investment or tax advice of any nature. Actual results may vary. This example assumes a 30% tax slab and is solely for demonstrating tax calculations and excludes cess and surcharge in tax calculations. \$ Investment into specified mutual fund scheme always subject to short-term capital asset irrespective of the holding period.

 SUITABLE FOR

Investors with a horizon of at least 2 years striving for relatively better risk-adjusted returns

High Net worth Individuals looking to optimize post-tax returns

Corporates aspiring tax-efficient investment avenue

AUM - **Rs. 623.81 Cr**

Portfolio of Nippon India Income Plus Arbitrage Active Fund of Fund

Holding	% of Assets
<b>Mutual Fund Units</b>	
Nippon India Corporate Bond Fund - Direct - Growth Plan	50.11
Nippon India Arbitrage Fund - Direct - Growth Plan	41.42
Nippon India Floater Fund - Direct - Growth Plan	6.48
<b>Cash and Other Receivables</b>	<b>1.99</b>
<b>Grand Total</b>	<b>100.00</b>


**FUND FACTS**

Particulars	Nippon India Income Plus Arbitrage Active Fund of Fund
Investment Objective	The primary investment objective of the scheme is to achieve stable returns while navigating market volatilities for its investors. This objective will be pursued by strategically investing in a diversified portfolio of Open-ended Debt-oriented schemes, and units of Arbitrage funds of Nippon India Mutual Fund or any other Mutual Fund(s). There is no assurance that the investment objective of the Scheme will be achieved.
Scheme Type	An Open-ended Hybrid Fund of Fund scheme investing in Debt and Arbitrage Funds.
Minimum Application Amount	Initial Purchase: Rs 500/- and in multiples of Re.1 thereafter Additional Purchase: Rs 100/- and in multiples of Re.1 thereafter
Plans	Direct & Regular
Options	Under Each Plan: Growth & Payout of Income Distribution Cum Capital Withdrawal (IDCW) option and Re-investment of IDCW Option
Benchmark	60% CRISIL Short Term Bond Index + 40% Nifty 50 Arbitrage Index
Fund Manager	Mr. Sushil Hari Prasad Budhia, Mr. Vikash Agarwal
Exit Load	Nil

## PRODUCT LABEL AND RISKOMETER

### Nippon India Income Plus Arbitrage Active FOF

(An open-ended Hybrid Fund of Fund scheme investing in Debt and Arbitrage Funds.)

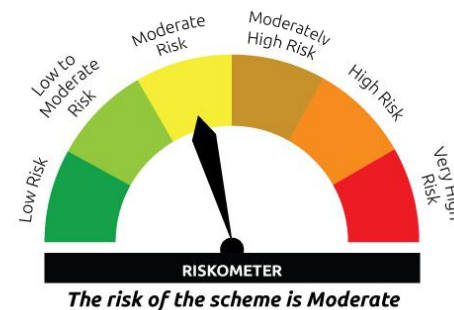
#### This product is suitable for investors who are seeking\*:

- Long Term Capital Appreciation
- An actively managed Fund of Fund that invests in Debt and Arbitrage Funds

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

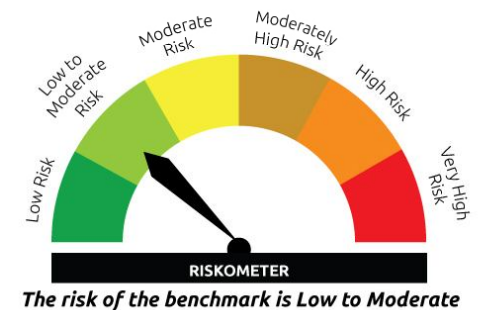
### Scheme Riskometer

Nippon India Income Plus Arbitrage  
Active Fund of Fund



### Benchmark Riskometer

60% CRISIL Short Term Bond Index + 40% Nifty 50  
Arbitrage Index



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



**Nippon India Mutual Fund**

Wealth sets you free

Thank you