



**Staying FIXED
gets you nowhere.
Take some risk!**

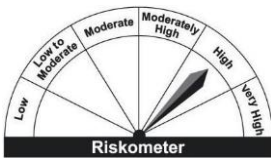
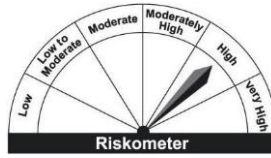
Nippon India Credit Risk Fund (Number of Segregated Portfolios - 2)

(An open ended debt scheme predominantly investing in AA and below rated corporate bonds (excluding AA+ rated corporate bonds). Relatively High interest rate risk and Relatively High Credit Risk)

Investment Horizon: 2 - 3 years

Contact your Mutual Fund Distributor | Visit mf.nipponindiaim.com

Call 1860 266 0111#, 91-22-6925 9696# (For investors outside India)

| Product label | | | Potential Risk Class | | | |
|---|---|---|-----------------------------|--------------------------|--------------------|---------------------------|
| <p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> Income over short to medium term Investment predominantly in AA and below rated corporate bonds <p>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</p> | <p>Nippon India Credit Risk Fund</p>  <p>Riskometer</p> <p>Investors understand that their principal will be at High risk</p> | <p>NIFTY Credit Risk Bond Index C-III</p>  <p>Riskometer</p> <p>Benchmark Riskometer is at High risk</p> | Credit Risk → | Relatively Low (Class A) | Moderate (Class B) | Relatively High (Class C) |
| | | | Interest Rate Risk ↓ | | | |
| | | | Relatively Low (Class I) | | | |
| | | | Moderate (Class II) | | | |
| | | | Relatively High (Class III) | | | C-III |

Nippon India Credit Risk Fund

- The primary investment objective of this Scheme is to generate optimal returns consistent with moderate level of risk. This income may be complemented by capital appreciation of the portfolio. Accordingly, investments shall predominantly be made in Debt and Money Market Instruments
- The fund invests based on short to medium term interest rate view and shape of the yield curve. It endeavours to maintain a moderate duration in the range of 1.5 – 2.5 years and invests in well researched credits/ structures for yield enhancement
- It is ideal for investors who have a low appetite for interest rate volatility and seeking accrual returns
- The fund is intended for investors having a holding period of 2 – 3 years

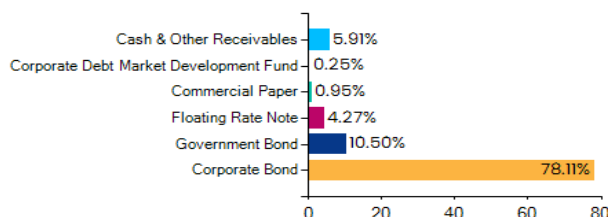
Scheme Details

| | |
|----------------|---|
| Inception Date | June 08, 2005 |
| Fund Size | Month end AUM: Rs. 1,031.20 Crs (February 29, 2024) |
| Benchmark | NIFTY Credit Risk Bond Index C-III |
| Fund Manager# | Sushil Budhia |
| Entry Load | • Nil |
| Exit Load** | 10% of the units allotted shall be redeemed without any exit load, on or before completion of 12 months from the date of allotment of units. Any redemption in excess of such limit in the first 12 months from the date of allotment shall be subject to the following exit load. Redemption of units would be done on First in First out Basis (FIFO): •1% if redeemed or switched out on or before completion of 12 months from the date of allotment of units • Nil, if redeemed or switched out after completion of 12 months from the date of allotment of units. ** If charged, the same shall be credited to the scheme immediately net of goods & service tax, if any |

Why Invest in Nippon India Credit Risk Fund

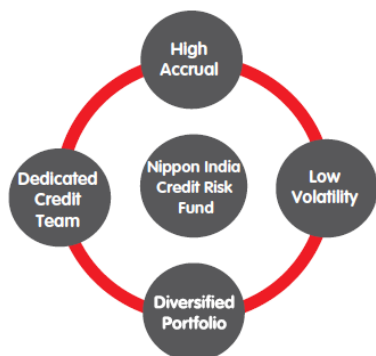
- ❖ Suitable fund for all kinds of interest rate scenario as the fund emphasis is on maintaining relatively high carry on an ongoing basis.
- ❖ The fund also endeavors to provide protection in a rising yield scenario on a steep yield curve mainly because of roll down in maturity and higher gross yields due to the exposure to high accrual assets.
- ❖ Dedicated credit team assessing the credit worthiness of the issuers enabling the fund manager to make investments in private sector credits.
- ❖ This fund is well positioned for investors with a holding period of 2 – 3 years.

Asset Allocation as on February 29, 2024



#Kinjal Desai: Dedicated Fund Manager for Overseas Investments

Fund at a Glance



To maintain a healthy Risk Return Ratio, within these asset classes the fund manager strives to maintain a balanced exposure in the portfolio through different rating profile.

Portfolio Features as on February 29, 2024

| | |
|---------------------------|------------|
| Weighted Average YTM* | 9.02% |
| Modified Duration | 1.84 Years |
| Weighted Average Maturity | 2.21 Years |

*In case of semi annual YTM, it has been annualised

Current Investment Strategy

- ❖ The fund strategy is to benefit from accrual-based returns by running a moderate duration portfolio which maintains a prudent balance in exposure towards short to medium tenor corporate bonds and PTCs.
- ❖ It endeavors to generate alpha by investing in well researched private sector credit exposures in the plain vanilla and structured space.
- ❖ To ensure reasonable liquidity in the portfolio at all points of time, the strategy is to ladder the portfolio in terms of maturity while striving to maintain modified duration in the range of 1.5 to 2.5 years.
- ❖ The fund will endeavor to maintain higher carry and run moderate duration strategy in line with market expectations.

Note: Above mentioned current investment strategy is based on the prevailing market conditions and is subject to change within the limits of the SID basis the fund manager's view

Granularity of Portfolio

- ❖ Lower Concentration
- ❖ Smaller Exposures
- ❖ Large Number of Issuers
- ❖ Not more than 5% of exposure in a single issuer

- Fund Management team cumulative work experience of over 100 years.
- Research team cumulative work experience of over 70 years.

Nippon India Credit Risk Fund

Main Portfolio as on February 29, 2024

| Company/Issuer | Rating | % of Assets |
|---|-----------------|---------------|
| Commercial Paper | | 0.95% |
| Trust Investment Advisors Private Limited (TRUST GROUP) | CARE A1+ | 0.95% |
| Corporate Bond | | 78.11% |
| Summit Digital Infrastructure Limited (BROOKFIELD GROUP) | CRISIL AAA | 5.84% |
| JSW Steel Limited | CARE AA | 5.32% |
| Godrej Industries Limited | CRISIL AA | 4.81% |
| IndInfravit Trust (INVIT sponsored by CPPIB) | ICRA AAA | 4.75% |
| Nirma Limited | CRISIL AA | 4.36% |
| Godrej Properties Limited | ICRA AA+ | 4.36% |
| Greenlam Industries Limited (GREENLAM GROUP) | ICRA AA- | 4.29% |
| Small Industries Dev Bank of India | CRISIL AAA | 3.9% |
| Piramal Capital & Housing Finance Limited | ICRA AA | 3.88% |
| DLF Cyber City Developers Limited | ICRA AA+ | 3.86% |
| IndoStar Capital Finance Limited | CRISIL AA- | 3.83% |
| Spandana Sphoorty Financial Limited | FITCH A/FITCH A | 3.75% |
| Renserv Global Private Limited | CARE A+(CE) | 3.68% |
| Vivriti Capital Private Limited (VIVRITI) | ICRA A/ICRA A | 3.42% |
| U.P. Power Corporation Limited (U.P. State PSU (Structured escrow mechanism for payments & Guarantee by government of Uttar Pradesh)) | CRISIL A+(CE) | 2.93% |
| Profectus Capital Private Limited (Profectus Capital Group) | CRISIL A- | 2.52% |
| Vastu Finserve India Private Limited | CARE AA- | 2.4% |
| Torrent Power Limited (Torrent group) | CRISIL AA+ | 1.94% |
| ONGC Petro Additions Limited | ICRA AA | 1.45% |
| Century Textiles & Industries Limited | CRISIL AA | 1.44% |
| India Shelter Finance Corporation Limited (INDIA SHELTER FINANCE GROUP) | ICRA A+ | 1.34% |
| Andhra Pradesh State Beverages Corporation Limited (A.P.State PSU (Structured escrow mechanism for payments & Guarantee by government of Andhra Pradesh)) | FITCH AA(CE) | 1.1% |
| Tata Power Company Limited | CARE AA | 1.02% |

| | | |
|---|-----------|--------------|
| SMFG India Home Finance Company Limited | CARE AAA | 0.97% |
| Nuvoco Vistas Corporation Limited (Nirma Group) | CRISIL AA | 0.96% |
| Floating Rate Note | | 4.27% |
| Macrotech Developers Limited | ICRA A+ | 3.69% |
| Profectus Capital Private Limited (Profectus Capital Group) | CRISIL A- | 0.58% |
| Government Bond | | 10.5% |
| Government of India | SOV | 10.5% |
| Corporate Debt Market Development Fund | | 0.25% |
| Corporate Debt Market Development Fund Class A2 | | 0.25% |
| Cash & Other Receivables | | 5.91% |
| Grand Total | | 100% |

Segregated Portfolio – 2 as on February 29, 2024

| Company/Issuer | Rating | % of Assets |
|-------------------------------------|--------|-------------|
| Corporate Bond | | 0% |
| Yes Bank Limited BASEL III | ICRA D | 0% |
| Cash & Other Receivables | | 100% |
| Grand Total | | 100% |

Note: Segregated Portfolio 2 - Yes Bank Limited has been segregated from the scheme's portfolio due to rating downgrade by ICRA to "D" on March 6, 2020.

Risk factors: Trading volumes and settlement periods may restrict liquidity and debt investments. 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. The NAV may also be subjected to risk associated with investment in derivatives, foreign securities or script lending as may be permissible by the Scheme Information Document.

Disclaimers:

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