

INVEST IN A
PORTFOLIO
FOR FUTURE



Nippon India Innovation Fund

(An open-ended equity scheme investing in innovation theme)

Innovation is changing the world at a very rapid pace. What worked very well yesterday may get disrupted tomorrow.

Do you believe that your portfolio also needs to be kept aligned with what may work tomorrow?

Presenting a scheme that aims to select companies that are on the cutting edge of transformation and hence may drive the future of your portfolio.

Consider investing for long term in Nippon India Innovation Fund today!

The fund seeks to invest in:



Potential beneficiaries of disruption/transformation/transition



Companies which may be future trendsetters



Potentially high quality* – high growth businesses gaining from innovation

Contact your Mutual Fund Distributor | Visit : mf.nipponindiaim.com, Customer Care : 1860 266 0111#, 91-22-69259696#(For investors outside India)

#Charges applicable.

Product Label

This product is suitable for investors who are seeking*

- Long term capital growth.
- Investment in equity and equity related securities of companies adopting Innovation theme.

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

Nippon India Innovation Fund



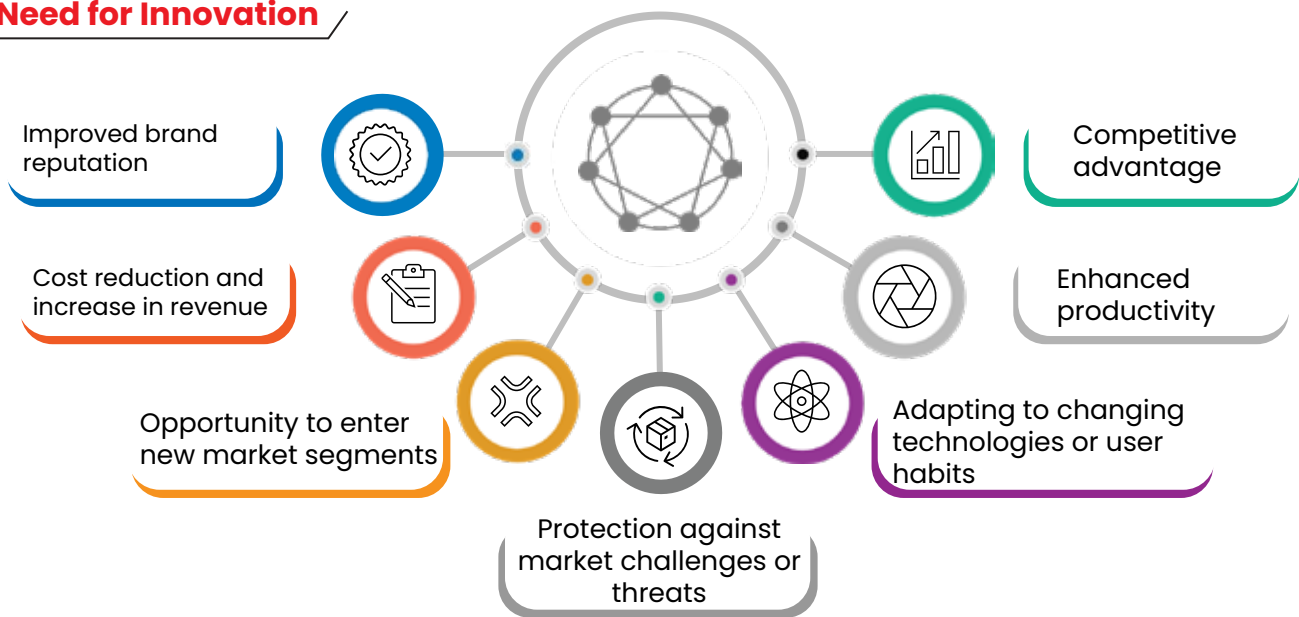
Nifty 500 TRI



*Businesses with lower leverage & higher profitability

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

Need for Innovation



Types of innovation

Product/Service Innovation	Development of new and improved products and services
Process Innovation	Changes in operational procedures or tools
Business Innovation	A company's transformation of its role in the market



Examples:

1 Product/Service Innovation

One of the leading financial services company created first of its kind lending model focused on consumer loans



No cost EMI



Quick loan disbursement



Small ticket loans

2 Process Innovation

A specialty chemicals company with track record of strategic process innovation through consistent R&D (Research & Development)

Catalysts developed in-house used across process developments

Distinguished processes

3 Business Innovation

A restaurant reviews platform transformed its business model to become one of the leading food services online platform

B2C

(Business-to-Consumer)



Dining out



Delivery



B2B

(Business-to-Business)



Customer loyalty program

Characteristics of Innovative Companies

- ✓ Relatively higher revenue growth than the industry combined with small market share in a large industry
- ✓ Large market share in a new industry with significant growth potential
- ✓ High gross margins giving capability of high R&D investments
- ✓ Access to global technology or partners
- ✓ Access to global capital



Presenting Nippon India Innovation Fund


Differentiated offering focusing on innovators across sectors


Investment Strategy


- ✓ Investment Universe: Top 500 stocks as per market capitalization
- ✓ Min 80% of investment will be in Innovative Companies
- ✓ Flexibility to invest across market caps
- ✓ Investment across sectors
- ✓ Focus on High Quality businesses*
- ✓ Growth bias
- ✓ Focus on companies taking advantage of early trends





How do we identify innovative companies


 Proven history of investing in next generation technology/platforms to disrupt businesses


 Proven history of product/ process/ service/ technological or business model innovation

 Companies in an industry going through a technological change forcing most participants to change

 Business disruptors like e commerce, fintech, platforms renewable energy, electric vehicles etc

 Companies forming a part of digital economy or gaining market share through digital economy

 Companies using data to gain significant network effect and scale

 Companies creating virtuous cycle of scale, profitability and market value to invest more in new technologies/new products cross sale

Key Next generation innovation themes driving shifts across various sectors.

- ✓ Decarbonization
- ✓ Energy Transition- Move towards EV and Hydrogen
- ✓ Artificial Intelligence
- ✓ Biotechnology
- ✓ IoT based business platforms
- ✓ Software as a service
- ✓ Manufacturing – New trains, electronics manufacturing, biotechnology, specialty chemicals etc
- ✓ Power distribution & transmission



EV: Electric vehicle, IoT: Internet of Things

Scheme Differentiation



- ✓ Higher active share
- ✓ Focus on High Quality Businesses*
- ✓ Concentrated portfolio
- ✓ Presence of some traditional sectors might be limited
- ✓ Significant focus on innovation across themes like fintech, specialty chemicals & pharma, auto & auto ancillaries, internet based businesses, MNCs etc

*Businesses with lower leverage and higher profitability

Note:The sectors mentioned are not a recommendation to buy/sell in the said sectors. The scheme may or may not have future position in the said sectors.

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

Top 10 Holdings & Sectors (As on Mar 31, 2024)

Top 10 Holdings	Weightage	Top 10 Sectors	Weightage
Info Edge (India) Limited	4.75	Retailing	13.81%
3M India Limited	4.63	Banks	11.66%
Samvardhana Motherson International Limited	3.86	Auto Components	10.92%
Bajaj Finserv Limited	3.82	Healthcare Services	6.13%
Honeywell Automation India Limited	3.56	Automobiles	5.93%
FSN E-Commerce Ventures Limited	3.55	IT - Services	5.88%
Zomato Limited	3.43	Finance	5.59%
Apollo Hospitals Enterprise Limited	3.30	Diversified	4.63%
HDFC Bank Limited	3.21	Leisure Services	3.83%
Affle (India) Limited	3.09	Industrial Manufacturing	3.56%

Scheme Features

Benchmark	Nifty 500 TRI
Minimum Application Amount	Rs. 500 & in multiples of Re. 1 thereafter
Plans & Options	(a) Growth Plan - Growth Option (b) Income Distribution cum capital withdrawal Plan - Payout Option & Reinvestment Option
Exit Load	1% if redeemed or switched out on or before completion of 1 year from the date of allotment of units. Nil, thereafter

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