



**PGIM India Mutual Fund**  
**SCHEME INFORMATION DOCUMENT**

**SECTION - I**

**PGIM India ELSS Tax Saver Fund**

(An Open Ended Equity Linked Savings Scheme with a statutory lock-in of 3 years and tax benefit)

**Product labeling for the scheme is as follow:**

<b>This product is suitable for investors who are seeking*</b>		
<ul style="list-style-type: none"> <li>Long-term capital appreciation.</li> <li>To generate long-term capital appreciation by predominantly investing in equity &amp; equity related instruments and to enable eligible investors to avail deduction from total income, as permitted under the Income Tax Act, 1961 as amended from time to time.</li> </ul>	<p><b>Scheme Riskometer</b></p>  <p>Very High - Investors understand that their principal will be at very high risk</p>	<p><b>Benchmark Riskometer</b></p>  <p>Benchmark riskometer is at very high risk AMFI Tier 1 Benchmark – NIFTY 500 TR Index</p>

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

**Continuous Offer for Units of NAV based prices**

<b>Name of the Mutual Fund</b>	PGIM India Mutual Fund
<b>Name of the Asset Management Company</b>	PGIM India Asset Management Private Limited
<b>Name of the Trustee Company</b>	PGIM India Trustees Private Limited
<b>Address of the entities</b>	4 <sup>th</sup> Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai - 400051.
<b>Website</b>	www.pgimindiamf.com

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 circulars issued thereunder 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(s) 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 PGIM India Mutual Fund, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on [www.pgimindiamf.com](http://www.pgimindiamf.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, [www.pgimindiamf.com](http://www.pgimindiamf.com).

The Scheme Information Document (Section I and II) should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated June 26, 2024.

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**Part. I HIGHLIGHTS / SUMMARY OF THE SCHEME**

<b>Sr. No.</b>	<b>Title</b>	<b>Description</b>
<b>I.</b>	<b>Name of the Scheme</b>	PGIM India ELSS Tax Saver Fund
<b>II.</b>	<b>Category of the Scheme</b>	ELSS
<b>III.</b>	<b>Scheme Type</b>	An Open Ended Equity Linked Savings Scheme with a statutory lock-in of 3 years and tax benefit
<b>IV.</b>	<b>Scheme Code</b>	PGIM/O/E/ELS/15/05/0017
<b>V.</b>	<b>Investment objective</b>	<p>The primary objective of the Scheme is to generate long-term capital appreciation by predominantly investing in equity &amp; equity related instruments and to enable eligible investors to avail deduction from total income, as permitted under the Income Tax Act, 1961 as amended from time to time.</p> <p>However, there is no assurance that the investment objective of the scheme will be achieved. The Scheme does not guarantee/ indicate any returns.</p> <p>The Scheme has been prepared in accordance with the notification dated November 3, 2005 and December 13, 2005 issued by the Government of India notified under section 80C of the Income-tax Act, 1961. As per section 80C of the Income-tax Act, 1961 and subject to provisions, eligible investors (i.e. Individual, HUF, Specified AOP/BOI) are entitled to a deduction from gross total income upto Rs. 150,000/- (along with other prescribed investments) for amount invested in PGIM India ELSS Tax Saver Fund.</p>
<b>VI.</b>	<b>Liquidity / listing details</b>	<p>The Scheme offers Units for Subscription / switch in at NAV based prices on all Business Days on an ongoing basis. However, redemption / switch out shall be allowed after the mandatory lock-in period of 3 years from the date of allotment.</p> <p>Under normal circumstances the AMC shall dispatch the redemption proceeds within 3 business days from date of receipt of valid redemption request (after the mandatory lock-in period of 3 years from the date of allotment) from the Unit holder.</p> <p>In case of exceptional circumstances as prescribed under paragraph 14.1.3 of SEBI Master Circular for Mutual Funds dated May 19, 2023 and amended from time to time, redemption or repurchase proceeds shall be transferred / dispatched to Unitholders within the time frame prescribed for such exceptional circumstances.</p> <p>Currently the Units of the Scheme are not proposed to be listed on any stock exchange.</p>
<b>VII.</b>	<b>Benchmark (Total Return Index)</b>	<p>NIFTY 500 TR Index</p> <p>As required under clause 1.9 of Master Circular dated May 19, 2023, the benchmark has been selected from amongst those notified by AMFI as the first tier benchmark to be adopted by mutual funds and which are reflective of the category of the scheme.</p>

		<p>The NIFTY 500 index represents top 500 companies selected based on full market capitalization from the eligible universe. The Scheme intends to invest in a portfolio of equity instruments diversified across market capitalisations which is best captured by the NIFTY 500 Index. Hence, it is an appropriate benchmark for the Scheme. The Total Return (TR) Version of the Index will be used for performance comparison.</p>
<b>VIII.</b>	<b>NAV Disclosure</b>	<p>The NAV of the Scheme will be calculated and disclosed on all Business Days. The AMC shall update the NAVs on the website of the AMC (<a href="http://www.pgimindiamf.com">www.pgimindiamf.com</a>) and of the Association of Mutual Funds in India-AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) before 11:00 p.m.. on every Business Day.</p> <p>For further details, please refer Section II.</p>
<b>IX.</b>	<b>Applicable Timelines</b>	<p>Dispatch of redemption proceeds:</p> <p>The AMC shall dispatch the redemption proceeds within 3 business days from date of receipt of valid redemption request from the Unit holder.</p> <p>Dispatch of IDCW:</p> <p>The IDCW proceeds shall be remitted to the Unitholder within 7 business days from the record date.</p>
<b>X.</b>	<b>Plans &amp; Options</b>  Plans/Options and sub options under the Scheme	<p>The Scheme shall offer two plans viz Regular Plan and Direct Plan.</p> <p>Direct Plan is only for investors who purchase /subscribe Units in the Scheme directly with the Fund and is not available for investors who route their investments through a Distributor and is offered in accordance with paragraph 2.5 of SEBI Master Circular for Mutual Funds dated May 19, 2023.</p> <p>Each Plan has two Options, viz., Growth Option and Payout of Income Distribution cum Capital Withdrawal Option (IDCW– Payout).</p> <p><b>Default Option/Facility:</b></p> <p>The investor must clearly specify his/her choice of Option/Facility in the application form, in the absence of which, the Default Option/Facility would be applicable and the application will be processed accordingly:</p> <p><b>Default Option:</b> Growth Option (if the investor has not indicated choice between ‘Growth’ or ‘IDCW Payout’ Options).</p> <p>All plans/options under the Scheme shall have common portfolio.</p> <p>Kindly refer SAI for detailed disclosure on:</p> <ol style="list-style-type: none"> <li>i. Default plans and options;</li> <li>ii. Treatment of purchase/switch/ Systematic Investment Plans (SIPs)/ Systematic Transfer Plans (STPs) transactions received through distributors who are suspended temporarily or terminated permanently by AMFI.</li> <li>iii. Treatment of applications under “Direct” / “Regular” Plans;</li> <li>iv. Other updates</li> </ol>

<b>XI.</b>	<b>Load structure</b>	<b>Exit Load:- Nil</b>
<b>XII.</b>	<b>Minimum Application Amount / Switch in</b>	<b>Initial Purchase / Switch in</b> – Minimum of Rs. 5,00/- and in multiples of Rs.500/- thereafter.
<b>XIII.</b>	<b>Minimum Additional Purchase amount</b>	<b>Additional Purchase</b> – Minimum of Rs.5,00/- and in multiples of Rs. 5,00/-thereafter.
<b>XIV.</b>	<b>Minimum Redemption / switch out amount</b>	<b>Redemption / switch out Amount</b> – Minimum of Rs. 1,000/- and in multiples of Re.1/- thereafter or account balance whichever is lower.
<b>XV.</b>	<b>New Fund Offer Period</b> This is the period during which a new scheme sells its units to the investors.	Not Applicable.  The Scheme is open on an ongoing basis for subscription/ redemption at NAV based prices.
<b>XVI.</b>	<b>New Fund Offer Price</b> This is the price per unit that the investors have to pay to invest during the NFO	Not Applicable.  The Scheme is open on an ongoing basis for subscription/ redemption at NAV based prices.
<b>XVII.</b>	<b>Segregated portfolio/side pocketing disclosure</b>	The AMC has a written down policy on Creation of segregated portfolio which is approved by the Trustees. Creation of Segregated Portfolio shall be subject to guidelines specified by SEBI from time to time.  Creation of Segregated portfolio is optional and is at the discretion of the AMC. Currently, no segregated portfolio created under the Scheme.  For details, on writeup of Segregated portfolio kindly refer SAI.
<b>XVIII.</b>	<b>Swing pricing disclosure</b>	Not Applicable, as the scheme is an Equity Oriented Scheme.
<b>XIX.</b>	<b>Stock lending/short selling</b>	The Scheme does not engage in stock lending / short selling.
<b>XX.</b>	<b>How to Apply and other details</b>	Investor can obtain application form / Key Information Memorandum (KIM) from AMC branch offices, Investor services centers and RTA's (Kfin) branch office. Investors can also download application form / Key Information Memorandum (KIM) from our website ( <a href="http://www.pgimindiamf.com">www.pgimindiamf.com</a> ).  The list of the Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the Mutual Fund is available on the website of the AMC. i.e. <a href="http://www.pgimindiamf.com">www.pgimindiamf.com</a>  Please refer to the SAI and Application form for the instructions.  For further details, please refer Section II.
<b>XXI.</b>	<b>Investor services</b>	Investors may make any service request or complaints or enquiries by calling the AMC's Investor Helpline "1800 266 7446 " (toll-free) or send an e-mail to <a href="mailto:care@pgimindia.co.in">care@pgimindia.co.in</a>

		<p>The customer service representatives may require personal information of the customer for verification of the customer's identity in order to protect confidentiality of information. The AMC will at all times endeavour to handle transactions efficiently and to resolve any grievances promptly. For any queries / complaints / feedbacks investors may contact:</p> <p><b>Mr. Ranjit Venugopal,</b>          PGIM India Mutual Fund          Investor Relations Officer          1 D, First Floor, Century Plaza          No. 560/561 - Anna Salai, Teynampet          Chennai – 600018.</p> <p>Tel: +91-44-40745800</p>
<b>XXII.</b>	<b>Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes) (as applicable)</b>	<p><b>Lock -in:</b></p> <p>Redemption of Units can be made only after a period of three years (lock-in period) from the date of allotment of Units proposed to be redeemed as prescribed in the ELSS regulations.</p> <p>The Trustee reserves the right to change the lock-in period prospectively from time to time, in the event of amendment(s) to the ELSS regulations with respect to the lock-in period.</p>
<b>XXIII.</b>	<b>Special product/facility available during the NFO and on ongoing basis</b>	<p>The Special Products / Facilities available on an ongoing basis are as follows:</p> <ol style="list-style-type: none"> <li>i. Systematic Investment Plan (SIP)</li> <li>ii. Top-up facility under Systematic Investment Plan</li> <li>iii. Systematic Investment Plan ('SIP') Pause Facility</li> <li>iv. Systematic Transfer Plan (STP)</li> <li>v. Systematic Withdrawal Plan (SWP)</li> <li>vi. Facility to transact in the Scheme through MF Utility Portal</li> <li>vii. Facility to Purchase/Redeem Units of the Scheme(s) through Stock Exchange(s)</li> <li>viii. Application / Request Through Fax / Online Transactions</li> </ol> <p>For further details of above special products / facilities, kindly refer SAI.</p>
<b>XXIV</b>	<b>Weblink</b>	<p>Weblink for TER for last 6 months, Daily TER and Scheme Factsheet:</p> <p>TER (Last 6 months and daily TER):  <a href="https://www.pgimindiamf.com/statutory-disclosure/portfolio-related/expense-ratio">https://www.pgimindiamf.com/statutory-disclosure/portfolio-related/expense-ratio</a></p> <p>Scheme Factsheet: <a href="https://www.pgimindiamf.com/forms-and-updates/fund-factsheet">https://www.pgimindiamf.com/forms-and-updates/fund-factsheet</a></p>

**DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

It is confirmed that:

- (i) The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time;
- (ii) All legal requirements connected with the launching of the Scheme and also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with;
- (iii) 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 scheme;
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
- (v) The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct.
- (vi) A confirmation that the AMC has complied with the compliance checklist applicable for Scheme Information Documents and other than cited deviations/ that there are no deviations from the regulations.
- (vii) Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.
- (viii) The Trustees have ensured that PGIM India ELSS Tax Saver Fund approved by them is a new product offered by PGIM India Mutual Fund and is not a minor modification of any existing scheme/fund/product.

Place: Mumbai  
Date: June 26, 2024

**Name** : Sandeep Kamath  
**Designation** : Head - Compliance & Legal

## Part II. INFORMATION ABOUT THE SCHEME

### A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

The asset allocation in the Scheme under normal circumstances will be as follows:

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Equity & Equity Related Instruments*	80%	100%
Cash, Money Market Instruments & Liquid schemes of PGIM India Mutual Fund	0%	20%

\*Equity related instruments include cumulative convertible preference shares and fully convertible debentures and bonds of companies. It may also include partly convertible issues of debentures and bonds including those issued on rights basis subject to the condition that, as far as possible, the nonconvertible portion of the debentures so acquired or subscribed, shall be disinvested within a period of twelve months.

In accordance with the Equity Linked Savings Scheme (ELSS) guidelines, investments in equity and equity related instruments shall be to the extent of at least 80% of net assets of the scheme in equity and equity related instruments as specified above. The Scheme will strive to invest its funds in the manner stated above within a period of six months from the date of closure of the NFO. However, in exceptional circumstances, this requirement may be dispensed with by the Scheme in order that the interest of the investors is protected.

Further, pending deployment of funds, the Scheme may invest the funds in short - term money market instruments or other liquid instruments or both. After three years of the date of allotment of units, the Scheme may hold upto twenty percent of net assets of the Scheme in short - term money market instruments and other liquid instruments to enable redemption of investment of those unit holders who would seek to tender the units for repurchase.

**Indicative Table:** (Actual instrument/percentages may vary subject to applicable SEBI circulars)

Sr. No.	Type of Instrument	Percentage of exposure	Circular references*
1.	Derivatives	The Scheme does not intend to invest in derivatives.	-
2.	Securitized Debt	The Scheme does not intend to invest in securitized debt instruments.	-
3.	Securities lending and Borrowing	The Scheme does not intend to engage in securities lending	-
4.	Overseas securities	The Scheme does not intend to invest in overseas/foreign securities.	-
5.	Other/own mutual funds	The scheme may invest in the units of Mutual Fund Schemes.  Such investment shall not exceed 5% of the net asset value of the Fund.	Clause 4 of Seventh Schedule of SEBI (Mutual Funds) Regulations, 1996.
6.	Repo/ reverse repo transactions in corporate debt securities	The Scheme does not intend to invest in repos/ reverse repos in corporate bonds.	-
7.	Credit Default Swaps	The scheme will not participate in Credit Default Swaps.	-



8.	Short selling of securities	The Scheme does not intend to engage in short selling.	-
9.	Debentures linked to Equity Market	The Scheme will not invest in debentures whose coupon rates are linked to equity market.	-

In terms of paragraph 12.24 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the cumulative gross exposure through equity, debt, money market instruments and derivative positions, repo transactions in corporate debt securities and other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time shall not exceed 100% of the net assets of the scheme.

Pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme. The AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines prescribed under paragraph 12.16 of SEBI Master Circular for Mutual Funds dated May 19, 2023, as amended from time to time. The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:-

- a. "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.
- b. Such short-term deposits shall be held in the name of the Scheme.
- c. The Scheme 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 the approval of the Trustee.
- d. 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.
- e. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- f. The Scheme shall not park funds in short-term deposit of a bank which has invested in the said Scheme. Further Trustees/AMC shall also ensure that a bank in which scheme has short term deposit does not invest in the Scheme until the Scheme has short term deposits with such bank.
- g. AMC shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks.

However, the above provisions will not apply to term deposits placed as margins for trading in cash and derivatives market.

#### **Portfolio Rebalancing:**

In accordance with paragraph 2.9 of SEBI Master Circular for Mutual Funds dated May 19, 2023, in case of deviation from the mandated asset allocation due to passive breaches (occurrence of instances not arising out of omission and commission of AMCs), the portfolio would be rebalanced within 30 business days from the date of deviation. Where the portfolio is not rebalanced within 30 business days, justification for the same shall be placed before the Investment Committee and reasons for the same shall be recorded in writing. 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 objective of the scheme.

In case the portfolio of schemes is not rebalanced within the aforementioned mandated plus extended timelines, AMCs shall:

- i. not be permitted to launch any new scheme till the time the portfolio is rebalanced.
- ii. not to levy exit load, if any, on the investors exiting such scheme(s)

#### **Short term defensive consideration:**

Due to market conditions, the AMC may invest beyond the range set out in the asset allocation. Such deviations shall normally be for a short term and defensive considerations in line with paragraph 1.14.1.2(b) of SEBI Master Circular for Mutual Funds dated May 19, 2023 and the fund manager will rebalance the portfolio within 30 calendar days from the date of deviation.

#### **B. WHERE WILL THE SCHEME INVEST?**

Subject to the Regulations and other prevailing laws as applicable, 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) 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)
- 3) Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
- 4) Debt securities issued by domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee.
- 5) Securities issued by banks (both public and private sector) as permitted by SEBI from time to time and development financial institutions
- 6) Money market instruments permitted by SEBI, having maturities of up to one year, or in alternative investment for the call money market.
- 7) Tri-Party Repo (TREPS)
- 8) Certificate of Deposits (CDs)
- 9) Commercial Paper (CPs)
- 10) The non-convertible part of convertible securities
- 11) Pending deployment of the funds as per the investment objective of the Scheme, the Funds may be parked in short term deposits of the Schedule Commercial Bank, subject to guidelines and limits specified by SEBI.
- 12) The liquid schemes launched by SEBI registered Mutual Fund or schemes that invest predominantly in money market instruments / securities
- 13) Any other instruments, as may be permitted by RBI / SEBI / such other Regulatory Authority, from time to time, subject to regulatory approval

The securities mentioned above could be listed or permitted unlisted, privately placed, secured or unsecured, rated or un-rated and of any maturity, as enabled under SEBI Regulations/ circulars/ RBI. The securities may be acquired from primary market/ Initial Public Offer (IPO), secondary market operations, private placement or negotiated deals.

### **C. WHAT ARE THE INVESTMENT STRATEGIES?**

The Fund will actively manage a diversified portfolio of strong growth companies with sustainable business models. Since investing requires disciplined risk management, the AMC would incorporate safeguards seeking to control risks in the portfolio construction process. Risk is also expected to be reduced through diversification of the portfolio, which the AMC aims to achieve by spreading the investments over a range of industries, sectors and market capitalizations.

The Investment Manager will select equity securities on a top-down and bottom-up, stock-by-stock basis, with consideration given to price-to-earnings, price-to-book, and price-to-sales ratios, as well as growth, margins, asset returns, and cash flows, amongst others. The Investment Manager will use a disciplined quantitative analysis of financial operating statistics. In selecting individual investment opportunities for the portfolio, the Investment Manager will conduct in-house research in order to identify various investment opportunities. The company-wise analysis will focus, amongst others, on the historical and current financial condition of the company, potential value creation/unlocking of value and its impact on earnings growth, capital structure, business prospects, policy environment, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research, technological know-how and transparency in corporate governance.

#### **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. Stock specific risk will be minimized by investing only in those companies that have been analyzed by the Investment Team at the AMC. For investments in debt securities, the AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous and in-depth credit evaluation of the securities proposed to be invested in, will be carried out by the investment team of the AMC. Rated Debt instruments in which the Scheme invests will be of investment grade as rated by a credit rating agency. The AMC will be guided but not limited by the ratings of Rating Agencies such as CRISIL, CARE, ICRA and Fitch or any other rating agencies that may be registered with SEBI from time to time. In case a debt instrument is not rated, investment will be

in accordance with Guidelines approved by the Board. Further, all investments in the unrated paper are periodically reviewed by Investment Committee and the Board of AMC & Trustee Company.

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

### Portfolio Turnover

The Scheme is an open-ended scheme. It is expected that there would be a number of subscriptions and redemptions (after the lock-in period) on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

### D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

**Benchmark (Total Returns Index):** NIFTY 500 TR Index. As required under clause 1.9 of SEBI Master Circular dated May 19, 2023, the benchmark has been selected from amongst those notified by AMFI as the first tier benchmark to be adopted by mutual funds and which are reflective of the category of the scheme.

The NIFTY 500 index represents top 500 companies selected based on full market capitalization from the eligible universe. The Scheme intends to invest in a portfolio of equity instruments diversified across market capitalisations which is best captured by the NIFTY 500 Index. Hence, it is an appropriate benchmark for the Scheme. The Total Return (TR) Version of the Index will be used for performance comparison.

The Trustee/AMC reserves the right to change the benchmark for evaluating the performance of the Scheme from time to time, in conformity with the investment objective of the Scheme and the appropriateness of the benchmark, subject to SEBI guidelines and other prevalent guidelines.

### E. WHO MANAGES THE SCHEME?

Mr. Vivek Sharma, Mr. Utsav Mehta and Mr. Vinay Paharia are the equity fund managers for the scheme. Mr. Bhupesh Kalyani is the debt fund manager for the scheme.

Name & Designation & Tenure in managing scheme	Age / Educational Qualifications	Brief Experience	Name of other Schemes under his management
<b>Mr. Vivek Sharma</b>  Fund Manager – Equity  <b>Tenure in managing scheme:</b> Managing from April 15, 2024	<b>Age:-</b> 41  <b>Qualification:-</b> PGDM - Finance	Over 14 years of experience in Equity market, research and fund management : <ul style="list-style-type: none"> <li>• April 09, 2024 onwards - PGIM India Asset Management Pvt Ltd. - Fund Manager – Equity</li> <li>• September 01, 2023 to March 20, 2024 - Edelweiss Asset Management Limited - Fund Manager – Equity</li> <li>• March 09, 2017 to August 18, 2023 - PGIM India Asset Management Private Limited - Fund Manager – Equity</li> </ul> October 01, 2010 to March 06, 2017 - ICICI Securities Ltd - Research Analyst.	PGIM India Midcap Opportunities Fund, PGIM India Large Cap Fund, PGIM India Flexi Cap Fund, PGIM India Hybrid Equity Fund, PGIM India Equity Savings Fund, and PGIM India Small Cap Fund.
<b>Mr. Utsav Mehta</b>  Fund Manager – Equity  <b>Tenure in managing scheme:</b> Managing from April 15, 2024	<b>Age:</b> 36 Years  <b>Qualification:</b> B.Com., CFA	Over 13 years of experience in Equity market, research and fund management: <ul style="list-style-type: none"> <li>• October 23, 2023 onwards - PGIM India Asset Management Pvt Ltd. - Vice</li> </ul>	PGIM India Midcap Opportunities Fund, PGIM India Large and Midcap Fund, PGIM India Balanced Advantage Fund, PGIM India Small Cap Fund.

		President - Fund Manager - Equity. <ul style="list-style-type: none"> <li>September 2018 to October 2023 - Edelweiss Asset Management Ltd - VP, Alternatives.</li> <li>June 2014 to September 2018 - Ambit Capital - Sector Analyst - Institutional Equities.</li> <li>January 2014 to May 2014 - MF Advisors LLP - Analyst – Investments.</li> </ul> November 2012 - December 2013 - Ambit Capital - Associate – Investment Research	
<b>Mr. Vinay Paharia</b>  Chief Investment Officer  <b>Tenure in managing scheme:</b> Managing from April 01, 2023	<b>Age:</b> 44 Years  <b>Qualification:</b> B.Com., M.M.S	Collectively over 20 years of experience in Indian financial markets, primarily in equity research & Fund Management  <ul style="list-style-type: none"> <li>January 27, 2023 onwards - PGIM India Asset Management Private Limited - Chief Investment Officer</li> <li>April 2018 to January 2023 - Union Asset Management Company Ltd. Last Position Held - Chief Investment Officer.</li> <li>January 2007 to March 2018 – Invesco Asset Management Company Ltd. Last Position Held – Fund Manager - Equity</li> </ul>	PGIM India Midcap Opportunities Fund, PGIM India Large Cap Fund, PGIM India Large and Midcap Fund, PGIM India Hybrid Equity Fund, PGIM India Equity Savings Fund, PGIM India Flexi Cap Fund, PGIM India Balanced Advantage Fund, PGIM India Retirement Fund and PGIM India Small Cap Fund
<b>Mr. Bhupesh Kalyani</b>  Fund Manager – Fixed Income  <b>Tenure in managing the scheme:</b> Managing from April 01, 2023	<b>Age:</b> 48 years  <b>Qualification:</b> ACA, Grad CWA	Over 19 years of experience in fund management of fixed income securities:  <ul style="list-style-type: none"> <li>September 13, 2022 onwards - PGIM India Asset Management Pvt Ltd. - Fund Manager – Fixed Income;</li> <li>January 25, 2017 - September 06, 2022 - IDBI Mutual Fund - Debt Fund Manager;</li> <li>August 2012 - August 2016 - Star Union Dai-ichi Life Insurance - Debt Fund Manager;</li> <li>November 2009 - August 2012- Tata Mutual Fund - Dealer – Fixed Income.</li> </ul>	PGIM India Large Cap Fund (Debt Portion)  PGIM India Ultra Short Duration Fund, PGIM India Liquid Fund, PGIM India Overnight Fund, PGIM India Dynamic Bond Fund, PGIM India Corporate Bond Fund, PGIM India Money Market Fund, PGIM India CRISIL Gilt Index - Apr 2028 Fund and PGIM India Gilt Fund (Jointly with Mr. Puneet Pal)

**F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?**

Existing Equity Schemes of the Mutual Fund:-

Sr. no.	Name of the Scheme	Category of the Scheme	Type of the Scheme
1.	PGIM India Large and Midcap Fund	Large & Mid Cap Fund	An open ended equity scheme investing in both large cap and mid cap stocks.
2.	PGIM India Flexi Cap Fund	Flexi Cap Fund	An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks.
3.	PGIM India Large Cap Fund	Large Cap Fund	An open ended equity scheme predominantly investing in large cap stocks
4.	PGIM India Midcap Opportunities Fund	Mid Cap Fund	An open ended equity scheme predominantly investing in mid cap stocks
5.	PGIM India Small Cap Fund	Small Cap Fund	An open-ended equity scheme predominantly investing in small cap stocks

For details of asset allocation of all the existing Schemes of PGIM India Mutual Fund, you may refer to [www.pgimindiamf.com](http://www.pgimindiamf.com)

#### G. HOW HAS THE SCHEME PERFORMED?

Performance of scheme is as on **May 31, 2024:**

Compounded Annualised Returns <sup>^^</sup>	Regular Plan Returns <sup>^</sup> (%)	Direct Plan Returns <sup>^</sup> (%)	Benchmark Returns <sup>#</sup> (%)
Last 1 Year	18.22	20.02	35.06
Last 3 Years	14.30	15.94	18.08
Last 5 Years	15.69	17.29	17.83
Since Inception	14.11	15.71	16.37

Past performance may or may not be sustained in future & should not be used as a basis of comparison with other investments.

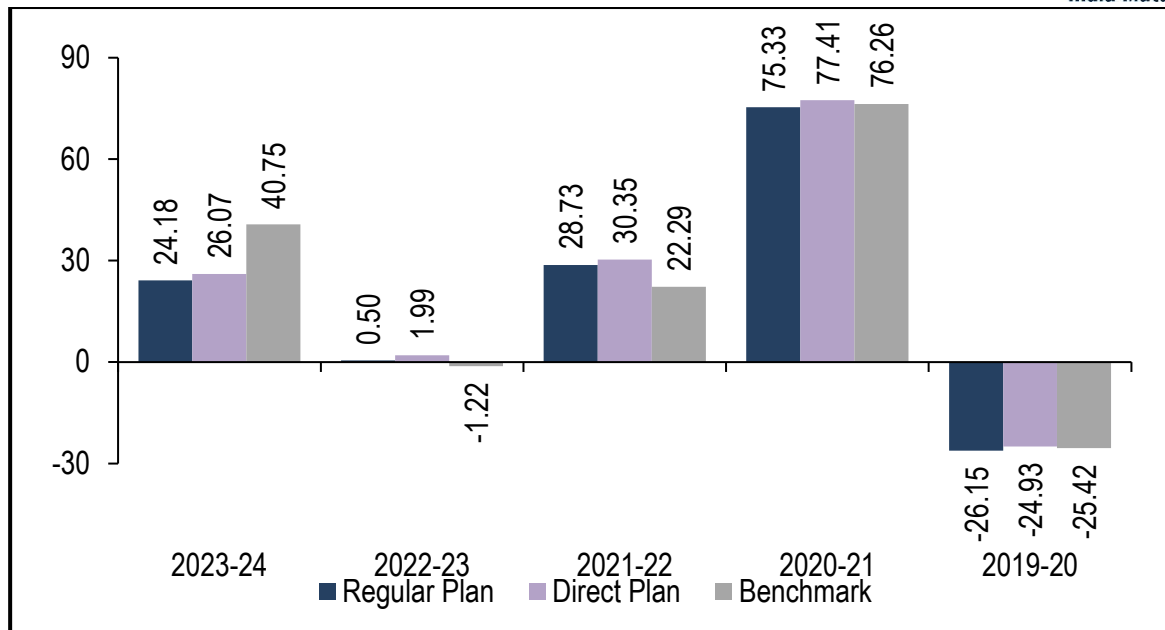
<sup>^</sup> Returns are calculated on Growth Option NAV.

<sup>^^</sup> Returns are calculated on Compounded Annualised basis for a period of more than a year and on an absolute basis for a period of less than or equal to a year.

<sup>#</sup> NIFTY 500 TR Index.

Inception Date: Regular Plan & Direct Plan: December 11, 2015

#### Absolute returns for each financial year



Returns are computed from the date of allotment/1<sup>st</sup> April, as the case may be, to 31st March of the respective financial year.

**H. ADDITIONAL SCHEME RELATED DISCLOSURES:**

**1. Scheme’s Portfolio (top 10 holdings by issuer and fund allocation towards various sectors) :**

- **Top 10 holdings by issuer:** <https://www.pgimindiamf.com/statutory-disclosure/sid-kim-sai-related-disclosures>
- **Fund allocation towards various sectors:** <https://www.pgimindiamf.com/statutory-disclosure/sid-kim-sai-related-disclosures>

**2. Portfolio Disclosure(monthly and half yearly):** <https://www.pgimindiamf.com/statutory-disclosure/financials>

**3. Portfolio turnover ratio of the Scheme as on May 31, 2024:** 0.45

**4. Aggregate investment in the scheme by Fund Manager as on May 31, 2024:**

Sr. No.	Category of Persons	Net Value		Market Value (in Rs.)
		Units	NAV Per Unit	
	Concerned Scheme’s Fund Manager(s)			
1.	Vinay Paharia	5253.793	34.44	1,80,940.63
2.	Utsav Mehta	847.543	34.44	29,189.38
3.	Vivek Sharma	1155.35	34.44	39,790.25
4.	Bhupesh Kalyani	4748.858	34.44	1,63,550.67

For any other disclosure w.r.t investments by key personnel and AMC directors including regulatory provisions in this regard kindly refer SAI.

**5. Investments of AMC in the Scheme:**

The AMC may invest in the Scheme, subject to the Regulations and to the extent permitted by its Board from time to time. As per the existing Regulations, the AMC will not charge investment management and advisory fee on the investment made by it in the Scheme.

Please refer <https://www.pgimindiamf.com/statutory-disclosure/financials> for Investments of AMC in the Scheme.

### **Part III- OTHER DETAILS**

#### **A. COMPUTATION OF NAV**

NAV of Units under the Scheme will be calculated by following method:

NAV (Rs.) =	Market or Fair Value of Scheme's investments + Current Assets - Current Liabilities and Provisions
	No. of Units outstanding under the Scheme

The NAV shall be calculated up to two decimal places. However the AMC reserves the right to declare the NAVs up to additional decimal places as it deems appropriate. Separate NAV will be calculated and disclosed for each Plan/Option. The AMC will calculate and disclose the NAV of the Scheme on all the Business Days.

The valuation of the Scheme's assets and computation of the Scheme's NAV shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

#### **The numerical illustration of the above method is provided below:**

Market or Fair Value of Scheme's investment (Rs.) = 1,15,12,05,600.00

Current Assets (Rs.) = 60,00,000.00

Current Liabilities (Rs.) = 40,00,000.00

No of units Outstanding under the scheme = 10,00,00,000

$$\text{NAV Per Unit (Rs.)} = \frac{115,12,05,600 + 60,00,000 - 40,00,000}{10,00,00,000} = 11.53$$

The aforesaid provision pertaining to "Calculation of NAV" shall apply in respect of each individual scheme and / or plan as the case may be. The NAV per unit above is rounded off to two decimals

The NAV will be calculated as of the close of every Business Day.

#### **Methodology for calculation of sale and re-purchase price of the units of mutual fund scheme:**

<p><b>Ongoing price for subscription (purchase)/ switch-in (from other Schemes of the Mutual Fund) by investors.</b></p> <p>This is the price you need to pay for purchase /switch-in.</p>	<p>At the applicable NAV.</p> <p>Ongoing Price for subscription = Applicable NAV*(1+ Entry Load, (if any))</p> <p>Example:</p> <p>If the Applicable NAV is Rs.10, Entry Load is nil then sales price will be</p> <p>= Rs. 10* (1+0)</p> <p>= Rs. 10</p>
<p><b>Ongoing price for redemption (sale) /switch outs (to other schemes of the Mutual Fund) by investors.</b></p>	<p>At the applicable NAV, subject to prevailing exit load.</p> <p>Redemption Price = Applicable NAV*(1- Exit Load, (if any))</p> <p>Example:</p> <p>If the Applicable NAV is Rs.10, Exit Load is 1% then redemption price will be</p>



This is the price you will receive for redemptions/switch outs.	= Rs. 10* (1-0.01)
	= Rs. 9.90

The Redemption Price will not be lower than 95% of the NAV or as permitted / prescribed under the SEBI Regulations from time to time.

For other details such as policies w.r.t computation of NAV, rounding off, investment in foreign securities, procedure in case of delay in disclosure of NAV etc. Kindly refer SAI.

## B. 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. all such expenses are borne by the AMC.

## C. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the Scheme. These expenses include the Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' Fee, marketing and selling costs etc. as given below:

The AMC has estimated that up to 2.25 % of the daily net assets of the scheme will be charged to the scheme as expenses.

### Operating & recurring expenses under regulation 52 (6) & 52 (6A):

- a) The total expense ratio that can be charged to the Scheme, excluding issue or redemption expenses, whether initially borne by the mutual fund or by the AMC, but including the investment management and advisory fee shall be as follows:

Assets under management Slab (In Rs. crore)	Total expense ratio limits (p.a.)
on the first Rs.500 crores of the daily net assets	2.25%
on the next Rs.250 crores of the daily net assets	2.00%
on the next Rs.1,250 crores of the daily net assets	1.75%
on the next Rs.3,000 crores of the daily net assets	1.60%
on the next Rs.5,000 crores of the daily net assets	1.50%
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
On balance of the assets	1.05%

- b) In addition to the annual recurring expenses stated in (a) above, the following costs or expenses may be charged to the Scheme:-
- Brokerage and transaction cost incurred for the purpose of execution shall be charged to the schemes as provided under Regulation 52 (6A) (a) upto 0.12 percent and 0.05 per cent for cash market transactions and derivatives transactions respectively. Any payment towards brokerage & transaction costs, 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.
  - Additional Expenses not exceeding of 0.30 per cent of daily net assets of the schemes, if the new inflows from beyond top 30 cities (as per SEBI Regulations /Circulars/ AMFI data) are at least (i) 30 per cent of gross new inflows from retail investors\* 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.



\*Inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as in flows from “retail investors.

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

Note: Pursuant to the directions received from SEBI vide its letter no. SEBI/HO/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023 read along with AMFI communication dated March 02, 2023, w.e.f March 01, 2023 no additional expense shall be charged on the new inflows received on or after March 01, 2023 from specified cities as per Regulation 52 (6A) (b) till any further guidance is received from SEBI in this regard.

- iii. Additional expenses not exceeding 0.05 per cent of daily net assets of the scheme, towards the investment and advisory fees or various other permissible expenses; (It may be noted that these expenses will not be charged in case the scheme does not charge an exit load)

Within such total recurring expenses charged to the Scheme as above, the investment management and advisory fee (charged as a percentage of daily net assets) would be as decided by the AMC from time to time, provided that the investment management and advisory fee shall not exceed the aggregate of expenses charged under clause (a) and (b) (iii) above.

In terms of paragraph 10.1.16 of SEBI Master Circular for Mutual Fund dated May 19, 2023, the AMC shall annually set apart at least 0.02% on daily net assets within the maximum limit of recurring expenses as per Regulation 52 for investor education and awareness initiatives.

The maximum annual recurring expenses of the Scheme including the investment management and advisory fee (together with additional management fee wherever applicable) shall not exceed the limit stated in Regulation 52 read with paragraph 10.1 of SEBI Master Circular for Mutual Fund dated May 19, 2023 as explained above.

**Goods and Services tax (GST):-**

- AMC may charge GST on investment and advisory fees of the Scheme in addition to the maximum limit of TER as per the Regulation 52(6) and (6A).
- GST on expenses other than investment and advisory fees: AMC may charge GST on expenses other than investment and advisory fees of the Scheme, if any within the maximum limit of TER as per the Regulation under 52(6) and (6A).
- GST on brokerage & transaction cost: GST on brokerage and transaction costs which are incurred for the purpose of execution of trade, will be within the limit of expenses as per the Regulation 52(6) and (6A). Further, the Goods and Services tax on exit load, if any, shall be paid out of the exit load proceeds and the exit load net of Goods and Services tax, if any, shall be credited back to the scheme.

All fees and expenses charged in the Direct Plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under the Regular Plan. The Direct Plan under the Scheme shall have a lower expense ratio as compared to the Regular Plan. Commission/ Distribution expenses will not be charged in case of Direct Plan. The Direct Plan shall also have separate NAV. For the actual current expenses being charged, the investor may refer to the website of the Mutual Fund ([www.pgimindiamf.com](http://www.pgimindiamf.com)). Further, the disclosure of Total Expense Ratio (TER) on a daily basis shall also be made on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)). The Mutual Fund would update the expense ratios on the website at least three business days prior to the effective date of the change. Additionally, TER is also available on website <https://www.pgimindiamf.com/statutory-disclosure/portfolio-related/expense-ratio>.

The AMC has estimated the following total expenses for the first Rs. 500 Crores of the daily net assets of the Scheme.

Expense Head	% of daily Net Assets (Regular Plan)
--------------	--------------------------------------

Investment Management and Advisory Fees	Upto 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 for cash market trades and 5 bps for derivatives transactions.	
Goods and Services Tax on expenses other than investment and advisory fees	
Goods and Services Tax on brokerage and transaction cost	
Other Expenses*	
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c)</b>	<b>Upto 2.25%</b>
Additional expenses for gross new inflows from specified cities i.e. beyond top 30 cities	Upto 0.30%

\*Any other expenses which are directly attributable to the Scheme, except those expenses which are specifically prohibited, may be charged with the approval of the Trustee within the overall limits specified in the SEBI (Mutual Funds) Regulations.

The purpose of the above table is to assist the investor in understanding the various costs & expenses that an investor in the Scheme will bear directly or indirectly. The above estimates have been made in good faith as per the information available to the AMC, and are subject to change inter-se, or in total, on account of any change in SEBI Regulations or otherwise. The actual expenses incurred may be lower than the estimated rates mentioned above. The AMC will strive to reduce the level of these expenses so as to keep them well within the maximum limit allowed by SEBI. All types of expenses charged to the Scheme shall be in accordance with the SEBI (MF) Regulations.

The entire exit load (net of Goods and Services Tax), charged, if any, shall be credited to the Scheme.

#### **Illustration of impact of expense ratio on scheme's returns**

<b>Particulars</b>	<b>Regular Plan</b>	<b>Direct Plan</b>
Amount Invested at the beginning of the year (in Rs.)	10,000.00	10,000.00
Returns after Brokerage and Transaction Cost but before other expenses and Investment Management and Advisory Fees (in Rs.)	1,000.00	1,000.00
Returns after Brokerage and Transaction Cost but before other expenses and Investment Management and Advisory Fees (%)	10.00%	10.00%
Distribution Expenses (in Rs.)	150.00	0.00
Expenses other than Distribution Expenses (in Rs.)	20.00	20.00
Investment Management and Advisory Fees (in Rs.)	60.00	60.00
Returns after Brokerage and Transaction Cost ,other expenses and Investment Management and Advisory Fees (in Rs.)	770.00	920.00

The present illustration is calculated pursuant to the requirements of paragraph 5.8.2.2 of SEBI Master Circular for Mutual Fund dated May 19, 2023. The purpose of an illustration is to purely explain the impact of expense ratio charged to the Scheme and should not be construed as providing any kind of investment advice or guarantee

of returns on investments. Actual returns on your investment may be more, or less. The expenses of the Direct Plan under the Scheme will be lower to the extent of distribution expenses/commission. The NAVs published by the AMC are net of scheme expenses and they reflect return on investment to investors, provided investment is not subject to exit load. Any tax impact has not been considered in the above example, in view of the individual nature of the tax implications. Each investor is advised to consult his or her own financial advisor.

#### **D. LOAD STRUCTURE**

Exit Load is an amount which is paid by the investor to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time.

The load structure of the Scheme is as follows:

Type of Load	Load chargeable (as % age of NAV)
Exit	NIL

The entire exit load (net of Goods and Services Tax), charged, if any, shall be credited to the Scheme.

The AMC/Trustee reserves the right to change / modify the Load structure of the Scheme, subject to maximum limits as prescribed under the Regulations.

#### **Exit Load for switches within the Scheme:**

- a) Where the investments were routed through a distributor (i.e. made with distributor code), any Switch of Units from the Regular Plan to Direct Plan of a Scheme shall be subject to applicable exit load, if any. However, any subsequent switch - out or redemption of such investments from the Direct Plan will not be subject to any exit load;
- b) Where investments were made directly i.e. without any distributor code, exit load will not be levied on switch of Units from Regular Plan to Direct Plan of that Scheme. However, any subsequent switch-out or redemption will be subject to exit load applicable from the original date of investment;
- c) No exit load shall be levied in case of switch of Units from Direct Plan to Regular Plan of a Scheme. However, any subsequent switch-out or redemption of such investment from the Regular Plan shall be subject to exit load based on the original date of investment in the Direct Plan.

#### **Load exemptions:**

- a) No Exit Load will be charged on issue of bonus units and units allotted on reinvestment of IDCW for existing as well as prospective investors

Any change in the load structure shall be applicable on prospective investments only. For any change in load structure, the AMC will issue an addendum and display it on its Website ([www.pgimindiamf.com](http://www.pgimindiamf.com)) and Investor Service Centers. The addendum will also be circulated to all the distributors / brokers, so that the same can be attached to all SIDs and Key Information Memorandum in stock till the same is updated and reprinted. The AMC would make arrangements to display the addendum to the SID in the form of a notice at all the Investor Service Centers. The introduction/change in the Exit Load would be disclosed in the statement of accounts issued after the introduction of such Load. Any other measures which the Mutual Fund may feel necessary would be undertaken.

The investors are requested to check the prevailing load structure of the Scheme before investing. *For the current applicable exit load structure, please refer to the website of the AMC ([www.pgimindiamf.com](http://www.pgimindiamf.com)) or may call at 1800 266 7446 (toll free no.) or your distributor.*

## Section II

### I. Introduction

#### A. Definitions/interpretation

For detailed description please click the <https://www.pgimindiamf.com/statutory-disclosure/sid-kim-sai-related-disclosures>

#### B. Risk Factors

##### i. Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal;
- As the price/value/interest rates of the securities in which the Scheme invests fluctuates, the value of your investment in the Scheme may go up or down;
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme;
- The name of the Scheme does not in any manner indicate either the quality of the scheme or its future prospects and returns;
- Save as otherwise provided in the Regulations, the Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs.100,000/- made by it towards setting up the Fund;
- The present Scheme is not guaranteed or assured return schemes.

##### ii. Scheme Specific Risk Factors

Some of the Scheme specific risk factors include, but not limited, to the following:-

#### 1. Risks associated with investments in Equities

- Equity and equity related securities may be volatile and hence are prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme portfolio. Also, the value of the Scheme investments may be affected by interest rates, currency exchange rates, changes in law / policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual securities, a specific sector or all sectors.
- Investments in equity and equity related securities involve a degree of risk and investors should not invest in the equity Schemes unless they can afford to take the risk of losing their investment.

#### 2. Risk associated with investing in Fixed Income Securities

- **Interest Rate Risk:** Market value of fixed income securities is generally inversely related to interest rate movement. Accordingly, value of portfolio of the scheme may fall if the market interest rate rise and may appreciate when the market interest rate comes down.
- **Credit Risk:** - This is risk associated with default on interest and /or principal amounts by issuers of fixed income securities. In case of a default, scheme may not fully receive the due amounts and NAV of the scheme may fall to the extent of default.
- **Spread Risk:** - Credit spreads on corporate bonds may change with varying market conditions. Market value of debt securities in portfolio may depreciate if the credit spreads widen and vice –versa. Similarly,

in case of floating rate securities, if the spreads over the benchmark security / index widen, then the value of such securities may depreciate.

- **Liquidity Risk:** - Liquidity condition in market varies from time to time. In an environment of tight liquidity, necessity to sell securities may have higher than usual impact cost. Further, liquidity of any particular security in portfolio may lessen depending on market condition, requiring higher discount at the time of selling.
- **Counterparty Risk:** - This is the risk of failure of counterparty to a transaction to deliver securities against consideration received or to pay consideration against securities delivered, in full or in part or as per the agreed specification. There could be losses to the Scheme in case of a counterparty default.
- **Re-investment Risk:** - Investment in fixed income securities carries re-investment risk. Interest rates prevailing on the coupon payment or maturity date may differ from the purchase yield of the security. This may result in final realized yield to be lower than that expected at the time of purchase.
- **Risks envisaged and Mitigation measures for repo transactions : -**
  - (i) Counterparty Risks – Risks could arise if the Counterparty does not return the security (in a borrowing transaction) as contracted or pay interest (lending transaction) on the due date. This risk is largely mitigated, as the choice of counterparties is ‘restricted’ and their credit ratings and overall credit risk levels are taken into account before entering into such transactions.
  - (ii) Settlement Risks – Operational risks are lower as such trades are settled on a DVP (Delivery versus Payment – Safe settlement) basis. The trades are settled on a bilateral basis in the OTC segment.
  - (iii) Collateral / Credit Risk – In the event of the scheme being unable to pay back the money to the Counterparty as contracted, the counter party may dispose of the assets (as they have sufficient margin) and the net proceeds if any after such disposal may be refunded to the scheme. The value of the collateral will be monitored on a daily basis and shortfalls if any will lead to demand on the counterparty to top up collateral. In ability to comply with top up requests could lead to liquidation of security / collateral and an early / premature termination of the agreement.
- The Scheme at times may receive large number of redemption requests, leading to an asset-liability mismatch and therefore, requiring the investment manager to make a distress sale of the securities leading to realignment of the portfolio and consequently resulting in investment in lower yield instruments

Due to lock in requirements under the ELSS Guidelines, in case of the death of the unit holder, the nominee/legal heir, as the case may be, shall be able to redeem units only after the completion of one year, or at any time thereafter, from the date of allotment of units to the deceased unit holder.

### 3. Risks associated with segregated portfolio

- Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer.
- Security comprising of segregated portfolio may not realise any value
- 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.

### 4. Risks associated with investing in Tri-Party Repo through CCIL (TREPS)

The mutual fund is a member of securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. CCIL maintains prefunded resources in all the

clearing segments to cover potential losses arising from the default member. In the event of a clearing member failing to honor his settlement obligations, the default Fund is utilized to complete the settlement. The sequence in which the above resources are used is known as the “Default Waterfall”. As per the waterfall mechanism, after the defaulter’s margins and the defaulter’s contribution to the default fund have been appropriated, CCIL’s contribution is used to meet the losses. Post utilization of CCIL’s contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members. Thus the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

**5. Risks factors associated with processing of transaction through Stock Exchange Mechanism:**

The trading mechanism introduced by the stock exchange(s) is configured to accept and process transactions for mutual fund units in both Physical and Demat Form. The allotment and/or redemption of Units through NSE and/or BSE or any other recognised stock exchange(s), on any Business Day will depend upon the modalities of processing viz. collection of application form, order processing/settlement, etc. upon which the Fund has no control. Moreover, transactions conducted through the stock exchange mechanism shall be governed by the operating guidelines and directives issued by respective recognized stock exchange(s).

**6. Risk on Right to limit redemption:**

Subject to the approval of Board of Directors of the AMC and Trustee Company and immediate intimation to SEBI, a restriction on redemptions may be imposed by the Scheme under certain exceptional circumstances, which the AMC / Trustee believe that may lead to a systemic crisis or event that constrict liquidity of most securities or the efficient functioning of markets (subject to lock in period, if any). Please refer to the paragraph “Right to Limit Redemptions” for further details.

**7. Risks associated with investment in mutual fund units:**

Investment in units of Mutual Fund scheme involves investment risks such as, but not limited to, trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal. The value of units of mutual fund scheme may fluctuate based on the price / value / interest rates of the underlying securities in which the mutual fund scheme invests. The value of underlying securities may be affected, inter-alia, by changes in market environment, interest rates, changes in credit rating, trading volumes, settlement periods and transfer procedures. The NAV is also exposed to price/interest rate risk and credit risk and may be affected inter-alia, by the counterparty’s ability or willingness to meet its contractual obligations, government policy, volatility and liquidity in the money markets and pressure on the exchange rate of the rupee. Investment in units of mutual fund scheme is also exposed to risk of suspension of subscriptions / redemptions of the units, change in fundamental attributes etc. Since the Scheme may invest in schemes of Mutual Funds, scheme specific risk factors of each such mutual fund scheme will be applicable to the Scheme portfolio.

**C. Risk Mitigation Strategies:**

The Fund by utilizing a holistic risk management strategy will endeavor to manage risks associated with investing in equity and debt markets. The risk control process involves identifying & measuring the risk through various risk measurement tools.

The Fund has identified following risks of investing in equity and debt and designed risk management strategies, which are embedded in the investment process to manage such risks.

Nature of Risk	Risk Mitigation Measures by AMC
<b>For making investment in equity schemes</b>	
<b>Liquidity Risk:</b> Trading volumes, settlement periods and transfer procedures may restrict the liquidity of underlying investments.	All trades are executed on the two leading exchanges, the NSE and BSE. The internal investment process incorporates the days required to sell as an important criteria for investment decisions. The fund seeks to control such risk by investing in such stocks having strong fundamentals, sound



	<p>financial strength and superior quality of management and highly liquid papers. Further, the days required to liquidate an investment is actively monitored by our internal systems. This ensures that the liquidity risk in the portfolio is minimized.</p>
<p><b>Settlement Risk:</b> Different segments of Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Schemes to make intended securities' purchases due to settlement problems could cause the Schemes to miss certain investment opportunities.</p>	<p>The portfolio invests only in stocks listed on the BSE and/or the NSE. Both these exchanges are regulated by SEBI. The counterparty risk and settlement risk for all trades on the NSE is guaranteed by the National Securities Clearing Corporation Ltd. (a wholly owned subsidiary of the NSE); and by the Trade Guarantee Fund of BSE. Fixed income investments for equity schemes are limited to highly liquid money market instruments and used only as a cash management tool. Therefore, this minimizes the settlement risk in the portfolio.</p>
<p><b>Volatility Risk:</b> Equity securities and equity related securities are volatile and prone to price fluctuations on a daily basis.</p>	<p>The schemes has a diversified portfolio to counter the volatility in the prices of individual stocks. Diversification in the portfolio reduces the impact of high fluctuations in daily individual stock prices on the portfolio.</p>
<p><b>For making investment in fixed income and money markets</b></p>	
<p><b>Credit Risk:</b> Debt securities are subject to the risk of an issuer's inability to meet principal and interest payments on the obligations.</p>	<p>The fund has a strong credit research process. The credit team analyses and approves each issuer before investment by the schemes. There is a regulatory and internal cap on exposure to each issuer. This ensures a diversified portfolio and reduced credit risk in the portfolio.</p>
<p><b>Liquidity Risk:</b> The corporate debt market is relatively illiquid vis-à-vis the government securities market. Even though the government securities market is more liquid compared to that of other debt instruments, on occasions, there could be difficulties in transacting in the market due to extreme volatility or unusual constriction in market volumes or on occasions when an unusually large transaction has to be put through.</p>	<p>The schemes are envisaged to be actively managed portfolios. The liquidity and volatility of a security are important criteria in security selection process. This ensures that liquidity risk is minimized.</p>
<p><b>Investing in unrated securities:</b> Lower rated or unrated securities are more likely to react to developments affecting the market and the credit risk than the highly rated securities which react primarily to movements in the general level of interest rates. Lower rated securities also tend to be more sensitive to economic conditions than higher rated securities.</p>	<p>The schemes have a strong credit research process and as such all investments, rated or unrated, are analyzed and approved by the credit team before investment by the schemes. Further there is a regulatory and internal cap on exposure to unrated issuers, limiting exposure to unrated securities.</p>
<p><b>Settlement Risk:</b> Delays or other problems in settlement of transactions could result in temporary periods when the assets of the Scheme are not invested and no return is earned thereon.</p>	<p>The AMC has well laid out processes and systems, which mitigate operational risks attached with the settlement process.</p>
<p><b>Reinvestment Risk:</b> This risk refers to the interest rate levels at which cash flows received from the securities in the Plans are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.</p>	<p>Reinvestment risk is an inherent feature of the portfolio management process. It may be managed, to a certain extent, by seeking to invest in securities with relatively low intermittent cash flows.</p>

## II. Information about the scheme:

### A. Where will the scheme invest:

Subject to the Regulations and other prevailing laws as applicable, 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) 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)
- 3) Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)
- 4) Debt securities issued by domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee.
- 5) Securities issued by banks (both public and private sector) as permitted by SEBI from time to time and development financial institutions
- 6) Money market instruments permitted by SEBI, having maturities of up to one year, or in alternative investment for the call money market.
- 7) Tri-Party Repo (TREPS)
- 8) Certificate of Deposits (CDs)
- 9) Commercial Paper (CPs)
- 10) The non-convertible part of convertible securities
- 11) Pending deployment of the funds as per the investment objective of the Scheme, the Funds may be parked in short term deposits of the Schedule Commercial Bank, subject to guidelines and limits specified by SEBI.
- 12) The liquid schemes launched by SEBI registered Mutual Fund or schemes that invest predominantly in money market instruments / securities
- 13) Any other instruments, as may be permitted by RBI / SEBI / such other Regulatory Authority, from time to time, subject to regulatory approval

The securities mentioned above could be listed or permitted unlisted, privately placed, secured or unsecured, rated or un-rated and of any maturity, as enabled under SEBI Regulations/ circulars/ RBI. The securities may be acquired from primary market/ Initial Public Offer (IPO), secondary market operations, private placement or negotiated deals.

### Position of Debt Market in India

The Indian debt market, one of the largest in Asia, is developing rapidly buoyed by a multitude of factors including new instruments, increased liquidity, deregulation of interest rates and improved settlement systems. The major players in the Indian debt markets today are banks, financial institutions, insurance companies, pension funds, provident funds and mutual funds. The instruments in the market can be broadly categorized as those issued by corporates, banks, financial institutions and those issued by state/central governments. The risks associated with any investments are - credit risk, interest rate risk and liquidity risk. While corporate papers carry credit risk due to changing business conditions, government securities do not have credit risk as they are sovereign in nature. Interest rate risk is present in all debt securities and depends on a variety of macroeconomic factors. The largest segment of the Indian Debt market consists of the Government of India securities where the daily average trading volume is in excess of Rs. 40,000 crores, with instrument tenors ranging from short dated Treasury Bills to long dated securities extending upto 50 years. The Corporate bond market, though relatively less liquid, is also fast developing with an increased participation from the banks, financial institutions, mutual funds, provident funds, insurance companies and corporate treasuries. Public Financial Institutions, Public Sector Undertakings and Private AAA Corporates are the major issuers. Corporate bonds majorly are issued as fixed rate bonds. The yield curve usually tends to be positive sloping i.e. yield of shorter dated securities being lower than that of longer dated ones.

The money markets in India essentially consist of call money market (i.e. market for overnight and term money between banks and institutions), repo transactions (temporary sale with an agreement to buy back the securities at a future date at specified price), Tri-Party Repo, commercial papers (CPs, short term unsecured promissory note, generally issued by corporates), certificate of deposits (CDs, issued by banks) and Treasury Bills (issued by RBI). A predominantly institutional market, the key money market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates.



The various instruments currently available for investments are:

Issuer	Instrument	Maturity	Yields (%) as on May 31, 2024	Liquidity
GOI	Treasury Bill	91 days	6.81%	High
GOI	Treasury Bill	364 days	6.98%	High
GOI	Short Dated	1-3 Years	6.95% - 7.00%	High
GOI	Medium Dated	3-5 Years	6.97% - 7.03%	High
GOI	Long Dated	5-10 Years	6.97% - 7.04%	High
Corporate	Taxable Bonds (AAA)	1-3 Years	7.50% - 7.75%	Medium
Corporate	Taxable Bonds (AAA)	3-5 Years	7.45% - 7.70%	Low to medium
Corporate	CPs (A1+)	3 months	7.12% - 7.20 %	Medium to High
Corporate	CPs (A1+)	1 Year	7.63% - 7.70%	Medium

Source: CCIL/Market reports

The actual yields will, however, vary in line with general levels of interest rates and debt/money market conditions prevailing from time to time.

#### B. What are the investment restrictions?

Pursuant to Regulations, specifically the Seventh Schedule and amendments thereto, the following investment restrictions are currently applicable to the Scheme:

- The Scheme shall not invest more than 10% of its NAV in the equity shares or equity related instruments of any company;
- The Mutual Fund under all its Schemes shall not own more than 10% of any company's 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.

- All investments by the Scheme in equity shares and equity related instruments shall only be made provided such securities are listed or to be listed;
- The Scheme shall not invest more than 10% of its net assets in debt instruments comprising money market & 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 SEBI Act. Such investment limit may be extended to 12% of the net assets of the Scheme with the prior approval of the Trustees and the Board of the AMC. Accordingly, within the limits specified in the clause 1 of Seventh Schedule of the MF Regulation, following prudential limits shall be followed, for schemes other than Credit risk funds:

A mutual fund 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.

Such limit shall not be applicable for investments in government securities, treasury bills & Tri-party Repo. Provided further that investment within such limit can be made in mortgage backed securitised debts which are rated not below investment grade by a credit rating agency registered with SEBI. Provided further that

such limit shall not be applicable for investments in case of debt exchange traded funds or such other funds as may be specified by the Board from time to time.

- The Scheme shall not invest in unlisted debt instruments including commercial papers, except Government Securities and other money market instruments and derivative products such as Interest Rate Swaps, Interest Rate Futures, etc. which are used by mutual fund for hedging: Provided that Mutual Fund Schemes may invest in unlisted non-convertible debentures up to a maximum of 10% of the debt portfolio of the scheme subject to such conditions as may be specified by SEBI from time to time:

Provided further that mutual fund schemes shall comply with the norms under this clause within the time and in the manner as may be specified by SEBI:

Provided further that the norms for investments by mutual fund schemes in unrated debt instruments shall be specified by SEBI from time to time.

Note:

- As per paragraph 12.1 of SEBI Master Circular dated May 19, 2023, SEBI has issued following guidelines w.r.t investment in unlisted debt & money market instruments
- Mutual fund scheme may invest in unlisted non-convertible debentures (NCDs) that 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.
- All fresh investments by mutual fund schemes in CPs would be made only in CPs which are listed or to be listed with effect from one month from the date of operationalization of framework for listing of CPs or January 01, 2020, whichever is later

- 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

I. 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.

II. Exposure of mutual fund schemes in such instruments, shall not exceed 5% of the net assets of the schemes.

III. All such investments shall be made with the prior approval of the Board of AMC and Trustees.

e) Restrictions on Investment in debt instruments having Structured Obligations / Credit Enhancements:

The investment of mutual fund schemes in the following instruments 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.
- For the purpose of this provision, 'Group' shall have the same meaning as defined in 12.9.3.3 of SEBI Master Circular for Mutual Funds dated May 19, 2023.
- Investment limits as mentioned above shall not be applicable on investments in securitized debt instruments, as defined in SEBI (Public Offer and Listing of Securitised Debt Instruments) Regulations 2008.

Investment in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares

- The Scheme may invest in another scheme of the Mutual Fund or any other mutual fund. The aggregate inter-scheme investment made by all the schemes under the same management or in schemes under management of any other asset management company shall not exceed 5% of the net asset value of the Fund. No investment management fees shall be charged by the Scheme for investing in other schemes of the Mutual Fund or in the schemes of any other mutual fund.

- The Scheme shall not make any investment in:
  - a. Any unlisted Security of an associate or group company of the Sponsor; or
  - b. Any Security issued by way of private placement by an associate or group company of the Sponsor; or
  - c. the listed Securities of group companies of the Sponsor which is in excess of 25% of the net assets of the Scheme of the Mutual Fund.
- Transfer of investments from one scheme to another scheme in the Mutual Fund is permitted provided –
  - a) such transfers are done at the prevailing market price for quoted instruments on Spot Basis (Spot Basis shall have the same meaning as specified by a stock exchange for spot transactions); and
  - b) the Securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.
  - c) The same are in line with paragraph 12.30 of SEBI Master Circular for Mutual Funds dated May 19, 2023.
- In the event that the Scheme invests in the convertible debentures or bonds of companies as stated in the indicative asset allocation, in such cases the Scheme shall not have total exposure exceeding 20% of its net assets in the debt and money market instruments of a particular sector (excluding investments in Bank Certificate of Deposits, Short Term Deposits of scheduled commercial banks, Tri-Party Repo, Government of India Securities, Treasury Bills and AAA rated Securities issued by Public Financial Institutions and Public Sector Banks). Provided that 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 such exposure to Housing Finance Companies (HFCs) only. Further, an additional exposure of 5% of the net assets of the scheme shall be allowed for investment in securitized instruments based on retail housing loan portfolio and/or affordable housing loan portfolio. Additional exposure to securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank and the total investment/exposure in HFCs shall not exceed 20% of the net assets of the Scheme.
- The Mutual Fund shall get the Securities purchased or transferred in the name of the Fund on account of the Scheme, wherever investments are intended to be of a long-term nature.
- The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases take delivery of the relevant securities and in all cases of sale, deliver the securities.
- The Scheme shall not invest in a Fund of Funds scheme.
- Pending deployment of funds of a Scheme in terms of the investment objectives of the Scheme, the AMC may invest the funds of the Scheme in short term deposits of scheduled commercial banks in accordance with the guidelines set out by SEBI under the Regulations. The Scheme will comply with the following guidelines/restrictions for parking of funds in short term deposits:-
  - a. "Short Term" for parking of funds shall be treated as a period not exceeding 91 days.
  - b. Such short-term deposits shall be held in the name of the Scheme.
  - c. The Scheme 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 the approval of the Trustee.
  - d. 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.
  - e. The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
  - f. The Scheme shall not park funds in short-term deposit of a bank which has invested in the said Scheme. Further Trustees/AMC shall also ensure that a bank in which scheme has short term deposit does not invest in the Scheme until the Scheme has short term deposits with such bank.
  - g. AMC shall not charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks

However, the above provisions will not apply to term deposits placed as margins for trading in cash and derivatives market.

- Save as otherwise expressly provided under SEBI (Mutual Funds) Regulations, 1996, the Scheme shall not advance any loans.
- 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/or IDCW to the Unit holders. Provided that the Fund shall not borrow more than 20% of the net assets of the individual Scheme and the duration of the borrowing shall not exceed a period of 6 month.

All investment restrictions shall be applicable at the time of making investment. The AMC/Trustee may alter these above stated restrictions from time to time to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective.

### C. Fundamental Attributes

Following are the Fundamental Attributes of the Scheme, in terms of Clause 1.14 of SEBI Master Circular for Mutual Funds dated May 19, 2023:

#### i. **Type of scheme:**

An Open Ended Equity Linked Savings Scheme with a statutory lock-in of 3 years and tax benefit.

#### ii. **Investment Objective:**

- **Main Objective**

The primary objective of the Scheme is to generate long-term capital appreciation by predominantly investing in equity & equity related instruments and to enable eligible investors to avail deduction from total income, as permitted under the Income Tax Act, 1961 as amended from time to time.

However, there is no assurance that the investment objective shall be realized.

The Scheme has been prepared in accordance with the notification dated November 3, 2005 and December 13, 2005 issued by the Government of India notified under section 80C of the Income-tax Act, 1961. As per section 80C of the Income-tax Act, 1961 and subject to provisions, eligible investors (i.e. Individual, HUF, Specified AOP/BOI) are entitled to a deduction from gross total income upto Rs. 150,000/- (along with other prescribed investments) for amount invested in PGIM India ELSS Tax Saver Fund.

- Investment pattern: Please refer to section 'Asset Allocation' under Section I Part II – A.

#### iii. **Terms of Issue:**

- Liquidity provisions such as listing, repurchase, redemption. **Refer Section I, Part I – highlights / summary of the Scheme**
- Aggregate fees and expenses charged to the Scheme. **Refer Section I, Part III, Point no. C- Annual Scheme recurring Expenses**
- The Scheme does not provide any safety net or guarantee.

In accordance with Regulation 18(15A) of the SEBI (Mutual Funds) Regulations and Clause 1.14.1.4 of SEBI Master Circular for Mutual Funds dated May 19, 2023, the Trustee will ensure that no change in the Fundamental Attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the Trust or fees and expenses payable or any other change which would modify the Scheme and the Plan(s) /Option(s) there under and affect the interest of the Unit holders is carried out unless:

- a. SEBI has reviewed and provided its comments on the proposal;

- b. written communication about the proposed change is sent to each Unit holder 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
- c. the Unit holders are given an option for a period of 30 calendar days to exit at the prevailing NAV without any exit load.

**D. Other Scheme Specific Disclosures:**

<p>Listing and transfer of units</p>	<p>The Scheme is an open ended equity scheme under which sale and repurchase (after the mandatory lock-in period of 3 years) will be made on a continuous basis and therefore listing on stock exchanges is not envisaged. However, the Trustee/AMC reserves the right to list the Units.</p> <p>Units of the Scheme held in the Demat form are fully and freely transferable (after the mandatory lock-in period of 3 years) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 2018 as may be amended from time to time through off market deals or in accordance with the stock exchange rules, upon the Scheme being listed. Transfers should be only in favor of transferees who are eligible for holding Units under the Scheme.</p> <p>Units of the Scheme are freely transferable in demat and non demat mode.</p> <p>If a person becomes a holder of the Units consequent to operation of law, or upon enforcement of a pledge, the Mutual 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 transmission of Units consequent on the death of a unitholder, the transferee's name will be recorded by the AMC / Registrar subject to production of satisfactory evidence and completing the requisite procedure / documentation (as explained in SAI).</p>
<p>Dematerialization of units</p>	<p>The investors shall have an option to hold the Units in demat mode. In case of SIP transactions, the units will be allotted based on the applicable NAV, the same will be credited to unitholder's Demat account on a weekly basis, upon realization of funds/ credit confirmation. For example, for fund realization/ credit confirmation received from the bankers from Monday to Friday of a week, the Units will be credited to unitholder's Demat account with the DP in the following week on Monday.</p> <p>To hold the Units in demat mode, the investor will be required to have a beneficiary account with a Depository Participant (DP) of the NSDL/CDSL and will be required to mention in the application form, DP's Name, DP ID and Beneficiary Account No. with the DP at the time of subscribing to the Units. The AMC will credit the Units to the Beneficiary Account of Unit holder within five working days from the date of clearance of the investor's cheque.</p> <p>If a Unit holder desires to opt for dematerialization of units held under physical account statement at a later date, he will be required to make an application to AMC/ RTA/DP in Conversion Request Form (available on the website of the Mutual Fund or with the DPs) along with Statement of Account, a copy of Client Master Report (CMR) or Transaction Statement (only the page of Transaction Statement reflecting the name and pattern of holding) issued by its Depository Participant. Application for issue of Units in demat mode may be submitted to any of the OPAs / ISCs or DPs. The AMC will credit the Units to the Beneficiary Account of Unit holder within two working days from receipt of demat request.</p> <p>In case the unit holders do not provide their Demat Account details, or the demat details provided in the application form are incomplete / incorrect or do not match with the details with the Depository records, the Units will be allotted in physical account statement mode provided the application is otherwise complete in all respect and accordingly, an Account Statement shall be sent to them.</p>

<p>Minimum Target amount          (This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.)</p>	<p>Not Applicable. The Scheme is open on an ongoing basis for subscription/ redemption at NAV based prices.</p>
<p>Maximum Amount to be raised (if any)</p>	<p>Not Applicable</p>
<p>Dividend Policy (IDCW)</p>	<p>Under the Income Distribution cum Capital Withdrawal option, the Trustee will have the discretion to declare the IDCW, subject to availability of distributable surplus calculated in accordance with the Regulations. Further investors are requested to note that the amounts can be distributed out of investors capital (Equalization Reserve) which is part of a sale price that represents realized gains. The actual declaration of IDCW and frequency will inter-alia, depend on availability of distributable surplus calculated in accordance with the Regulations and the decisions of the Trustee shall be final in this regard. There is no assurance or guarantee to the Unit holders as to the rate of IDCW nor that the IDCW will be paid regularly.</p> <p><b><u>IDCW Distribution Procedure</u></b></p> <p>In accordance with Chapter 11 of SEBI Master Circular for Mutual Fund dated May 19, 2023 the procedure for IDCW distribution would be as under:</p> <ol style="list-style-type: none"> <li>1. Quantum of IDCW and the record date will be fixed by the Trustee. IDCW so decided shall be paid, subject to availability of distributable surplus.</li> <li>2. Within one calendar day of decision by the Trustee, the AMC shall issue notice to the public communicating the decision about the IDCW including the record date, 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.</li> <li>3. 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 IDCW. The Record Date will be 2 business days from the date of issue of notice.</li> <li>4. The NAV will be adjusted to the extent of IDCW distribution and statutory levy, if any, at the close of business hours on record date.</li> </ol>
<p>Allotment (Detailed procedure)</p>	<p>All applicants will receive full and firm allotment of Units, provided the applications are complete in all respects and are found to be in order. The AMC retain the sole and absolute discretion to reject any application. Allotment to NRIs//FPIs will be subject to RBI approval, if any, required.</p> <p>An applicant in a scheme whose application has been accepted shall have the option either to receive the statement of accounts or to hold the units in dematerialised form and the asset management company shall issue to such applicant, a statement of accounts specifying the number of units allotted to the applicant or issue units in the dematerialized form as soon as possible but not later than five working days from the date of closure of the initial subscription list or from the date of receipt of the application.</p> <p>In case of Unit holder who have provided their e-mail address the Fund will provide the Account Statement only through e-mail message, subject to Regulations and unless otherwise required. In cases where the email does not reach the Unit holder, the Fund /</p>



	<p>its Registrar &amp; Transfer Agents will not be responsible, but the Unit holder can request for fresh statement. The Unit holder shall from time to time intimate the Fund / its Registrar &amp; Transfer Agent about any changes in his e-mail address.</p> <p>All Units will rank pari passu, among Units within the same Option in the Scheme concerned as to assets, earnings and the receipt of IDCW distributions, if any, as may be declared by the Trustee.</p> <p>In case the Unit Holder desires to hold Units in dematerialized/ rematerialized form at a later date, the request for conversion of Units held in non-dematerialized form into dematerialized form or vice-versa should be submitted along with a dematerialized/rematerialized request form to their Depository Participants.</p>
Refund	<p>If application is rejected, full amount will be refunded within 5 working days of rejection of application. If refunded later than 5 working days @ 15% p.a. for delay period will be paid and charged to the AMC.</p>
<p>Who can invest</p> <p><i>(This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile).</i></p>	<p>The following persons are eligible to invest in the Units of the Scheme (subject, wherever relevant, to the Purchase of Units of the Scheme of the Mutual Fund being permitted and duly authorized under their respective by-laws /constitutions, charter documents, corporate / other authorisations and relevant statutory provisions etc):-</p> <ol style="list-style-type: none"> <li>1. Resident Indian adult individuals either singly or jointly (not exceeding three) or on an Anyone or Survivor basis;</li> <li>2. Hindu Undivided Family (HUF) through Karta;</li> <li>3. Resident Indian Minors or Non-Resident Indian Minors through their parent/ legal guardian;</li> <li>4. Partnership Firms;</li> <li>5. Proprietorship in the name of the sole proprietor;</li> <li>6. Companies, Bodies Corporate, Public Sector Undertakings (PSUs.), Association of Persons (AOP) or Bodies of Individuals (BOI) and societies registered under the Societies Registration Act, 1860;</li> <li>7. Banks (as permitted by RBI) and Financial Institutions;</li> <li>8. Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as “Public Securities” as required) and Private trusts authorised to invest in mutual fund schemes under their trust deeds;</li> <li>9. Non-Resident Indians (NRIs)/ Persons of Indian origin (PIOs) residing abroad on repatriation basis or on non – repatriation basis;</li> <li>10. Foreign Portfolio Investors, subject to provisions of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014;</li> <li>11. Army, Air Force, Navy and other para-military units and bodies created by such institutions;</li> <li>12. Scientific and Industrial Research Organisations;</li> <li>13. Multilateral Funding Agencies/ Bodies Corporate incorporated outside India with the permission of Government of India/ RBI</li> <li>14. Provident/ Pension/ Gratuity Fund to the extent they are permitted;</li> </ol>

	<p>15. Other schemes of PGIM India Mutual Fund or any other mutual fund subject to the conditions and limits prescribed by SEBI Regulations;</p> <p><b>Anyone specified above can invest in the Scheme, but presently only Investors / Unit holders defined as "Assessee" under the ELSS Guidelines will be eligible for tax exemption under Section 80 C of the Income Tax Act, 1961.</b></p> <p>The AMC reserve the right to include/exclude new/existing categories of investors to invest in the Scheme from time to time, subject to applicable Laws, if any. 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 invest in mutual fund units as per their respective constitutions, charter documents, corporate / other authorizations and relevant statutory provisions.</p> <p><b>Subject to the Regulations and applicable law, an application for Units from an applicant may be accepted or rejected at the sole and absolute discretion of the AMC/Trustee.</b></p>
Who cannot invest	<p><b>The following persons cannot invest in the Scheme:</b></p> <ol style="list-style-type: none"> <li>1. United States Person (U.S. person) as defined under the extant laws of the United States of America;</li> <li>2. Residents of Canada</li> <li>3. Any individual who is a foreign national or any entity that is not an Indian Resident under the Foreign Exchange Management Act, 1999, except where registered with SEBI as a FPIs or FPIs sub account;</li> <li>4. Non-Resident Indians residing in the Financial Action Task Force (FATF) Non-Compliant Countries and Territories (NCCTs);</li> <li>5. Overseas Corporate Bodies;</li> </ol> <p>The AMC reserve the right to include/exclude new/existing categories of investors to invest in the Scheme from time to time, subject to applicable Laws, if any. 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 invest in mutual fund units as per their respective constitutions, charter documents, corporate / other authorizations and relevant statutory provisions.</p> <p><b>Subject to the Regulations and applicable law, an application for Units from an applicant may be accepted or rejected at the sole and absolute discretion of the AMC/Trustee.</b></p>
How to Apply and other details	<p>The Application form shall be made available availability of application form from either the Investor Service Centers (ISCs)/Official Points of Acceptance(OPAs) of AMC or may be downloaded from the website of AMC (<a href="http://www.pgimindiamf.com">www.pgimindiamf.com</a>)</p> <p>Please refer to the SAI and Application form for the instructions.</p> <p>Please refer the AMC website (<a href="http://www.pgimindiamf.com">www.pgimindiamf.com</a>) for the list of official points of acceptance, collecting banker details etc.</p> <p>All transaction requests can be submitted at any of the Official Points of Acceptance, the addresses of which are given at the end of this SID. <i>(Please refer to the back cover page of this SID for details)</i></p> <p>The AMC may designate additional centres of the Registrar as the Official Points of Acceptance during the Ongoing Offer Period and change such centres, if necessary.</p>



	<p>As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications and therefore, investors are requested to fill-up the appropriate box in the application form failing which applications are liable to be rejected.</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>Units once redeemed will be extinguished and will not be reissued.</p>
<p>Restrictions, if any, on the right to freely retain or dispose of units being offered.</p>	<p>Units issued under the Scheme can be transferred (applicable in case of units held in dematerialized form), assigned or pledged only after 3 years from the date of allotment.</p> <p><b><u>Pledge of Units:-</u></b></p> <p>The Units under the Scheme may be offered as security by way of a pledge / charge in favor of scheduled banks, financial institutions, non-banking finance companies (NBFC's), or any other body after the lock in period of three years from the date of allotment. The AMC/RTA will note and record such Pledged Units. A standard form for this purpose is available on request at all ISCs. The AMC shall mark a lien on the specified units only upon receiving the duly completed form and documents as it may require. Disbursement of such loans will be at the entire discretion of the bank / financial institution / NBFC or any other body concerned and the Mutual Fund assumes no responsibility thereof.</p> <p>The Pledgor will not be able to redeem/switch Units that are pledged until the entity to which the Units are pledged provides a written authorisation to the Mutual Fund that the pledge / lien/ charge may be removed. As long as Units are pledged, the Pledgee will have complete authority to redeem such Units. IDCW declared on Units under lien will be paid / re-invested to the credit of the Unit Holder and not the lien holder unless specified otherwise in the lien letter.</p> <p>For units of the Scheme held in electronic (Demat) form, the rules of Depository applicable for pledge will be applicable for Pledge/Assignment of units of the Scheme. Pledgor and Pledgee must have a beneficial account with the Depository. These accounts can be with the same DP or with different DPs.</p> <p><b><u>Lien on Units:-</u></b></p> <p>On an ongoing basis, when existing and new investors make Subscriptions, pending clearance of the payment instrument, a temporary hold (lien) will be created on the Units allotted and such Units shall not be available for redemption/switch out until the payment proceeds are realised by the Fund. In case a Unit holder redeems Units immediately after making subscription for purchase of units, the redemption request for such investor shall be rejected. In case the cheque/draft is dishonored during clearing process by the bank, the transaction will be reversed and the Units allotted there against shall be cancelled under intimation to the applicant. In respect of NRIs, the AMC/ RTA shall mark a temporary hold (lien) on the Units, in case the requisite documents (such as FIRC/Account debit letter) have not been submitted along with the application form and before the submission of the redemption request. The AMC reserves the right to change the operational guidelines for temporary lien on Units from time to time.</p> <p><b><u>Suspension of sale of units</u></b></p> <p>With the approval of the Boards of Directors of the Trustee and the Asset Management Company, the sale of Units may be suspended temporarily or indefinitely when any of the following conditions exist:</p>

	<ol style="list-style-type: none"> <li>1. The equity / debt market stops functioning or trading is restricted.</li> <li>2. Periods of extreme volatility in the equity / debt market, which, in the opinion of the Investment Manager, is prejudicial to the interest of the investors.</li> <li>3. When there is a strike by the banking community or trading is restricted by RBI or other authority.</li> <li>4. Period of extreme volatility in the equity / debt / money market, which in the opinion of the Board of Directors of AMC and Trustee is prejudicial to the interest of the scheme's investors.</li> <li>5. As and when directed by the Government of India or RBI or SEBI to do so or conditions relating to natural calamity/external aggression/internal disturbances etc. arises, so as to cause volatile movements in the money or debt market, which in the opinion of the AMC, will be prejudicial to the interest of the unitholders, if further trading in the scheme is continued.</li> <li>6. Break down in the information processing/communication systems affecting the valuation of investments/processing of sale/repurchase request.</li> <li>7. Natural calamity.</li> <li>8. SEBI, by order, so directs.</li> <li>9. Trustee views that increasing the Scheme's size further may prove detrimental to the existing/prospective Unitholders of the Scheme.</li> <li>10. Any other circumstances which in the opinion of the Board of Directors of AMC and Trustee is prejudicial to the interest of the existing/prospective investors.</li> </ol> <p><b><u>Right to Limit Redemption:-</u></b></p> <p>The AMC may, under the below mentioned circumstances, impose restriction on redemption (including switch-outs) for a period not exceeding 10 business days in any 90 days period (subject to lock in period, if any). Such 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:</p> <p><u>Liquidity issues</u> - When market at large becomes illiquid affecting almost all securities rather than any <u>issuer</u> specific security;</p> <p><u>Market failures, exchange closures</u> - 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;</p> <p><u>Operational issues</u> - When exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out).</p> <p>However, such restriction would not be applicable to the redemption (including switch-outs) requests received for up to INR 2 Lakhs. In case of redemption (including switch-outs) requests above INR 2 Lakhs, the AMC shall redeem the first INR 2 Lakhs without such restriction and remaining part over and above INR 2 Lakhs shall be subject to such restriction.</p> <p>Any imposition of restriction on redemption (including switch-outs) of units of the Scheme shall be made applicable only after specific approval of Board of AMC and Trustee and the same shall also be informed to SEBI immediately.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of</p>	<p><b><u>SUBSCRIPTION/PURCHASE INCLUDING SWITCH-INS:-</u></b></p> <p>a) In respect of valid application received before 3.00 p.m. on a business day 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, the closing NAV of the day on which the funds are available for utilisation shall be applicable;</p>

<p>acceptance.</p>	<p>b) In respect of valid application received after 3.00 p.m. on a business day 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 the next business day, the closing NAV of the next business day shall be applicable;</p> <p>c) However, irrespective of the time of receipt of valid application on a given Business day, where the funds are not available for utilisation before the cut off time on the day of the application, the closing NAV of the Business Day on which the funds are available for utilisation before the cut-off time (3:00 p.m.) shall be applicable.</p> <p>For determining the availability of funds for utilisation, the funds for the entire amount of subscription/purchase (including switch-in) as per the application should be credited to the bank account of the scheme before the cut-off time and the funds are available for utilisation before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Scheme.</p> <p><b>REDEMPTIONS INCLUDING SWITCH-OUTS:</b></p> <p>1) In respect of valid applications received upto 3 p.m. on a business day by the Mutual Fund, closing NAV of the day of receipt of application, shall be applicable.</p> <p>2) In respect of valid applications received after 3 p.m. on a business day by the Mutual Fund, the closing NAV of the next business day shall be applicable.</p> <p><b>Switch Transactions</b></p> <p>Valid Switch application will be considered for processing on the earliest day which is a Business Day for both the ‘Switch out’ scheme and the ‘Switch in’ scheme. Application for ‘Switch in’ shall be treated as purchase application and the Applicable NAV based on the cut off time for purchase shall be applied. Application for Switch out shall be treated as redemption application, and the Applicable NAV based on the cut off time for redemption shall be applied.</p>
<p>Minimum amount for purchase/redemption/switches</p>	<p><b>Minimum Amount of Purchase/Switch-in</b> –Rs. 5,00/- and in multiples of Rs.500/- thereafter.</p> <p><b>Minimum Additional Purchase</b> - Rs.5,00/- and in multiples of Rs.500/-thereafter.</p> <p><b>Minimum Redemption Amount/Switch-out:</b> - Rs. 1,000/- and in multiples of Re. 1/- or account balance whichever is lower.</p> <p>Note:</p> <ul style="list-style-type: none"> <li>• In case the Unitholder specifies the number of Units and amount in the redemption request, the number of Units shall be considered for Redemption.</li> <li>• In case the Unit holder does not specify the number of Units or amount in the redemption request, the request will be rejected.</li> <li>• If the balance Units in the Unitholder’s account do not cover the amount specified in the Redemption request, then the Mutual Fund shall repurchase the entire balance of Units in account of the Unitholder.</li> </ul> <p>In case of Units held in dematerialized mode, the Unit Holder can give a request for Redemption only in number of Units. Request for subscriptions can be given only in amount. Depository participants of registered Depositories to process only redemption request of units held in Demat form.</p> <p>Redemption / switch out shall be subject to compulsory lock in period of 3 years.</p>

Accounts Statements	<p>The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 working days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form).</p> <p>A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds (including transaction charges paid to the distributor) and holding at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month by mail or email on or before 15th of the succeeding month.</p> <p>Half-yearly CAS shall be issued at the end of every six months (i.e. September/ March) on or before 21st day of succeeding month, to all investors providing the prescribed details across all schemes of mutual funds and securities held in dematerialized form across demat accounts, if applicable</p> <p>For further details, refer SAI.</p>
Dividend/ IDCW	<p>The payment of dividend/IDCW to the unitholders shall be made within seven working days from the record date.</p>
Redemption	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within three working days from the date of redemption or repurchase.</p> <p>For list of exceptional circumstances refer para 14.1.3 of SEBI Master Circular for Mutual Funds dated May 19, 2023</p> <p>For schemes investing atleast 80% of total assets in permissible overseas investments (as per Clause 12.19 of SEBI Master Circular for Mutual Funds dated May 19, 2023), the transfer of redemption or repurchase proceeds to the unitholders shall be made within five working days from the date of redemption or repurchase.</p>
Bank Mandate	<p>As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications/request for redemption and therefore, investors are requested to fill-up the appropriate box in the application/request for redemption form failing which applications/request for redemption are liable to be rejected.</p>
Delay in payment of redemption / repurchase proceeds/dividend	<p>The Asset Management Company shall be liable to pay interest to the unitholders at rate as specified vide clause 14.2 of SEBI Master Circular for Mutual Funds dated May 19, 2023 by SEBI for the period of such delay.</p>
Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount	<p>The unclaimed redemption and IDCW amounts may be deployed by the Mutual Fund in call money market or money market instruments or a separate plan of only Overnight scheme / Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Fund specifically for deployment of the unclaimed amounts. Provided that such schemes where the unclaimed redemption and dividend 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 paragraph 17.5 of SEBI Master Circular dated May 19, 2023. AMCs shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plan shall be capped as per the TER of direct plan of such scheme or at 50bps whichever is lower.</p> <p>Investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing Net Asset Value. After a period of three years, this amount will be transferred to a pool account and the investors can claim the amount at prevailing NAV at the end of the third year. The income earned on such funds will be used for the purpose of investor education. The AMC will make a continuous effort to remind the</p>

	<p>investors through letters to take their unclaimed amounts. The Fund shall not be liable to pay any interest or compensation on unclaimed amount.</p> <p>For more details on how to claim the unclaimed redemption/IDCW amount, please refer to the website of the Fund viz. <a href="http://www.pgimindiamf.com">www.pgimindiamf.com</a>.</p>
Disclosure w.r.t investment by minors	<p>Payment for 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 AMC's shall insist upon a Change of Pay-out Bank mandate before redemption is processed.</p> <p>Irrespective of the source of payment for subscription, all redemption proceeds shall be credited only in the verified bank account of the minor, i.e. the minor may hold account with the parent/ legal guardian after completing all KYC formalities.</p> <p>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 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, the account shall be frozen for operation by the guardian on the day the minor attains the age of majority and no further transactions including standing instructions like SIP / STP / SWP shall be allowed till the documents for changing the status are received.</p>

### III. Other Details:

#### A. Periodic Disclosures:

<p><b>Monthly / Half – yearly Disclosures: Portfolio</b></p> <p>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.</p>	<p>The AMC, shall disclose portfolio (along with ISIN) in a user friendly &amp; downloadable spreadsheet format, as on the last day of the month/half year for the scheme(s) on its website <a href="https://www.pgimindiamf.com/statutory-disclosure/financials">https://www.pgimindiamf.com/statutory-disclosure/financials</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a> within 10 days from the close of each month/half year.</p> <p>In case of unitholders whose email addresses are registered with, PGIM India Mutual Fund shall send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month /half year respectively.</p> <p>The AMC shall publish an advertisement every half-year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half yearly statement of the schemes portfolio on the AMC's website <a href="http://www.pgimindiamf.com">www.pgimindiamf.com</a>. and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>). The AMC shall provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholder.</p> <p>For further details, Kindly refer AMC website, SAI and AMFI website.</p>
<p><b>Half Yearly Results</b></p>	<p>The Mutual Fund shall within one month of the close of each half year i.e., 31st March and 30<sup>th</sup> September, upload the soft copy of its unaudited financial results containing the details specified in Regulation 59 on its website (<a href="https://www.pgimindiamf.com/statutory-disclosure/financials">https://www.pgimindiamf.com/statutory-disclosure/financials</a>) and shall publish an advertisement disclosing uploading of such financial results on its website, in one English newspaper having nationwide circulation and in one regional newspaper circulating in the region where the head office of the Mutual Fund is situated. This shall also be displayed on the website of AMFI.</p> <p>For further details, Kindly refer AMC website, SAI and AMFI website.</p>

<b>Annual Report</b>	<p>The Scheme wise annual report or an abridged summary thereof shall be provided to all Unit holders not later than four months (or such other period as may be specified by SEBI from time to time) from the date of closure of the relevant accounting year (i.e., 31st March each year). Scheme wise annual report shall be displayed on the website of the AMC (<a href="http://www.pgimindiamf.com">www.pgimindiamf.com</a>) and Association of Mutual Funds in India (<a href="http://www.amfiindia.com">www.amfiindia.com</a>).</p> <p>In case of unitholders whose email addresses are available with the Mutual Fund, the scheme annual reports or abridged summary would be sent only by email. Unitholders whose email addresses are not available with the Mutual Fund will have an option of receiving a physical copy of scheme annual reports or abridged summary by post/courier. The AMC shall provide a physical copy of scheme annual report or abridged summary without charging any cost, upon receipt of a specific request from the unitholders, irrespective of registration of their email addresses. Physical copies of annual report will also be available to unitholders at the registered office at all times. The full annual report shall be available for inspection at the Head Office of the Mutual Fund and a copy shall be made available to the Unit holders on request on payment of nominal fees, if any.</p> <p>The AMC shall publish an advertisement every year, in the 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 AMC website(<a href="https://www.pgimindiamf.com/statutory-disclosure/financials">https://www.pgimindiamf.com/statutory-disclosure/financials</a>) and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>).</p> <p>For further details, Kindly refer AMC website, SAI and AMFI website.</p>
<b>Risk-o-meter</b>	<p>Mutual Fund/AMCs shall disclose risk-o-meter of the scheme and benchmark while disclosing the performance of scheme vis-à-vis benchmark and shall send the details of the scheme portfolio while communicating the fortnightly, monthly and half-yearly statement of scheme portfolio via email. Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an email or SMS to unitholders of that particular scheme. Risk-o-meter shall be evaluated on a monthly basis and Mutual Funds/AMCs shall disclose the Risk-o-meter along with portfolio disclosure for all their schemes on the website of the Mutual Fund (<a href="http://www.pgimindiamf.com">www.pgimindiamf.com</a>) and that of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) within 10 days from the close of each month.</p>
<b>Scheme Summary Document</b>	<p>The AMC has provided on its website a standalone scheme document for all the Schemes which contains all the details of the Scheme including but not limited to Scheme features, Fund Manager details, investment details, investment objective, expense ratios, portfolio details, etc. Scheme summary document is uploaded on the websites of AMC, AMFI and stock exchanges in 3 data formats i.e. PDF, Spreadsheet and a machine readable format (either JSON or XML).</p>

## B. Transparency/NAV Disclosure:

The NAV of the Scheme will be calculated and disclosed on all Business Days. The AMC shall update the NAVs on the website of the AMC ([www.pgimindiamf.com](http://www.pgimindiamf.com)) and of the Association of Mutual Funds in India-AMFI ([www.amfiindia.com](http://www.amfiindia.com)) before 11:00 p.m. on every Business Day.

In case of any delay, the reasons for such delay would be explained to AMFI by the next Business Day. If the NAVs are not available before the commencement of Business Hours on the following Business day due to any reason, the Mutual Fund shall issue a press release giving reasons and explaining when the Mutual Fund would be able to publish the NAV.

Investor may write to AMC for availing facility of receiving the latest NAVs through SMS. The AMC shall disclose portfolio (along with ISIN) in a user friendly & downloadable spreadsheet format, as on the last day of the month/half year for the scheme(s) on its website [www.pgimindiamf.com](http://www.pgimindiamf.com) and on the website of AMFI [www.amfiindia.com](http://www.amfiindia.com) within 10 days from the close of each month/half year.



In case of unitholders whose email addresses are registered with PGIM India Mutual Fund, the AMC shall send via email both the monthly and half yearly statement of scheme portfolio within 10 days from the close of each month/half year respectively. The AMC shall publish an advertisement every half-year, in the all India edition of at least two daily newspapers, one each in English and Hindi, disclosing the hosting of the half yearly statement of the schemes portfolio on the AMC's website [www.pgimindiamf.com](http://www.pgimindiamf.com) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)). The AMC shall provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholder.

**C. Transaction charges and stamp duty:**

**Transaction charges:**

In accordance with paragraph 10.5 of SEBI Master Circular for Mutual Fund dated May 19, 2023, the AMC/ Fund 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.

Investors are requested to note that w.e.f. January 1, 2023, PGIM India has stopped deducting transaction charges for investments in Regular Plans, and consequently no transaction charges shall be deducted from the investment amount for transactions / applications received from the distributor (i.e. in Regular Plan) and full subscription amount will be invested in the Scheme.

**Stamp Duty:**

Mutual fund units issued against Purchase transactions (whether through lump-sum investments or SIP or STP or switch-ins or reinvestment under IDCW Option) would be subject to levy of stamp duty @ 0.005% of the amount invested. The rate and levy of stamp duty may vary as amended from time to time.

For details, please refer SAI.

**D. Associate Transactions:**

Please refer to Statement of Additional Information (SAI).

**E. Taxation:**

For details on taxation please refer to the clause on Taxation in the SAI apart from the following:

	Resident Investors	Mutual Fund
Tax on dividend	Taxed in the hands of unitholders at applicable rate under the provisions of the Income-tax Act, 1961 (Act)	Taxed in the hands of unitholders at the rate of 20% under section 115A/ 115AD of the Act (plus applicable surcharge and health and education cess)
Capital gain Long Term:	10% (plus applicable surcharge and health and education cess) without indexation (Refer Note 5)	10% (plus applicable surcharge and health and education cess) without indexation (Refer Note 5)
Short Term:	15% (plus applicable surcharge and health and education cess)	15% (plus applicable surcharge and health and education cess)

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.

**Notes –**

1. PGIM India Mutual Fund is a Mutual Fund registered with the Securities & Exchange Board of India and hence the entire income of the Mutual Fund will be exempt from income tax in accordance with the provisions of section 10(23D) of the Act.

2. Surcharge at the following rate to be levied in case of individual / HUF / non-corporate non-firm unit holders for equity oriented mutual fund:

<b>Income</b>	<b>Individual /HUF / non-corporate non-firm unit holders</b>
(a) Above Rs 50 lakh upto 1 crore (including dividend income and capital gains income under section 111A, 112 and 112A of the Act)	10%
(b) Above Rs 1 crore upto Rs 2 crores (including dividend income and capital gains income under section 111A and 112A of the Act)	15%
(c) Above Rs 2 crores upto Rs 5 crores [excluding dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]	25%
(d) Above Rs 5 crores [excluding dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act]	37%*
(e) Above Rs 2 crores [including dividend income (dividend received from domestic companies only) and capital gains income under section 111A, 112 and 112A of the Act] but not covered in point (c) and (d) above	15%

\*Surcharge rate shall not exceed 25% in case of individual and HUF opting for new tax regime under section 115BAC of the Act.

3. Surcharge rates for Companies/ firm

<b>Total Income</b>	<b>Rate of Surcharge for Domestic companies*</b>	<b>Rate of Surcharge for Foreign Companies</b>
Above Rs 1 crore upto Rs 10 crores	7%	2%
Above Rs 10 crores	12%	5%

\*Surcharge rate shall be 10% in case resident companies opting taxation under section 115BAA and section 115BAB of the Act on any income earned.

In case of firm with total income exceeding Rs 1 crore, surcharge rate shall be 12%.

4. Health and Education cess at 4% on aggregate of base tax and surcharge.
5. As per section 112A of the Act, long-term capital gains, exceeding Rs 1,00,000, arising from transfer of equity oriented mutual funds, shall be chargeable at the rate of 10% (plus applicable surcharge and health and education cess).
6. The Scheme will attract securities transaction tax (STT) at 0.001% on the redemption value.
7. Withholding of Taxation by Mutual Fund will as per applicable withholding tax rate.
8. All the above non-resident investors may also claim the tax treaty benefits available, if any.

#### **F. Rights of Unitholders:**

Please refer to the Statement of Additional Information for details.

#### **G. List of official points of acceptance:**

For the list of official point of acceptance, please refer link: <https://www.pgimindiamf.com/reach-us>.



**H. 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. Penalties and action(s) taken against foreign Sponsor during the last three years in the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor are carried out or where the headquarters of the Sponsor is situated:- *None*
2. Monetary penalties imposed and/ or action taken against Indian Sponsor (if any) during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor 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 shareholders or debenture holders and depositors, or for economic offences, or for violation of securities law including details of settlement, if any, arrived at with the aforesaid authorities during the last three years:- *None*
3. Details of violations and 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 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:-
  - SEBI vide it's Final Order dated February 11, 2022, levied a penalty of R. 6 lakhs on Dr. V.R. Narasimhan for an alleged violation of Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2012 relating to the period when he was Chief Regulatory Officer and Compliance Officer at NSE during 2016. Dr. Narasimhan has appealed the Final Order.
  - SEBI conducted a thematic inspection of PGIM India Mutual Fund for the period from August 1, 2018 to February 28, 2019. SEBI had issued a Show Cause Notice on April 13, 2022 to PGIM India Asset Management Private Limited and certain officials and ex-officials with allegations relating to Inter Scheme Transfers and Valuation of Downgraded Securities. The AMC and other noticees replied to the Show Cause Notice and availed of a personal hearing, after which, SEBI has issued an Order dated June 30, 2022 imposing a penalty of Rs. 25,00,000/- on the AMC; Rs. 5,00,000/- on the Chief Executive Officer; and Rs. 2,00,000/- each on the Head of Fixed Income and two ex-officials. The AMC has filed an appeal before the Securities Appellate Tribunal against the SEBI order dated June 30, 2022 to the extent of the findings and penalty imposed by SEBI. The SAT bench had passed a stay order on the impugned order, subject to deposit of 50% of the penalty imposed upon the Appellants. Accordingly, the Appellants have paid an amount of INR 18 lakhs on September 13, 2022.
4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor 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:-*None*
5. Any deficiency in the systems and operations of the Sponsor and/ or the AMC and/ or the Board of Trustees/Trustee Company requiring disclosure here by SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency:- *None*

The above information has been disclosed in good faith as per the information available to the AMC.

Please refer AMC website for latest updates on Penalties, Pending Litigation or Proceedings, Findings of Inspections or Investigations

Please refer link: <https://www.pgimindiamf.com/statutory-disclosure/sid-kim-sai-related-disclosures>

The Scheme under this Scheme Information Document was approved by the Board of Directors of PGIM India Trustees Private Limited (Trustees to PGIM India Mutual Fund) on December 21, 2012. The Trustees have ensured that the Scheme approved is a new product offered by PGIM India Mutual Fund and are not a minor modification of its existing schemes.

**Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.**

**For PGIM India Asset Management Private Limited**

**Sd/-**  
**Ajit Menon**  
**Chief Executive Officer**

Place: Mumbai  
Date: June 26, 2024