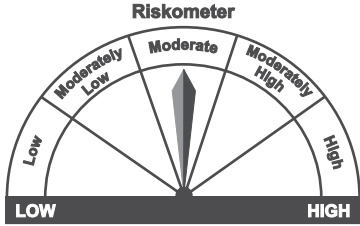




## Nippon India ETF Long Term Gilt (An Open Ended Index Exchange Traded Fund)

Product label	
<p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>Income over long term</li> <li>Investments in Gilt Securities replicating the composition of Nifty 8-13 yr GSec Index, subject to tracking errors</li> </ul>	 <p><b>Investors understand that their principal will be at Moderate risk</b></p>
<p>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</p>	

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**Nippon Life India Asset Management Limited (NAM India) (formerly known as Reliance Nippon Life Asset Management Limited)** is one of the largest asset managers with more than 24 years of experience in managing wealth of investors with a robust distribution network in India and a global reach through its various subsidiaries.

To cater to the increasing demand for passive management, we offer a variety of Exchange Traded Funds (ETFs) under "Nippon India ETFs". Currently, we offer sixteen equity ETF's – benchmarked against Nifty Bank TRI, Nifty 100 TRI, Nifty 50 TRI, Nifty Midcap 150 TRI, Nifty India Consumption TRI, Nifty Dividend Opportunities 50 TRI, Nifty 50 Value 20 TRI, Nifty Next 50 TRI, Nifty Infrastructure TRI, Nifty50 Shariah TRI, Nifty PSU bank TRI, Nifty CPSE TRI, Nifty IT TRI, Hang Seng TRI, S&P BSE Sensex TRI & S&P BSE Sensex Next 50 TRI; two debt ETF - Gilt ETF benchmarked against Nifty 8-13 yr G- Sec Index & Liquid ETF in money market space and one commodity ETF – based on domestic prices of Gold.

## Why ETF?

- ▶ **Ease of transaction** - Can be easily bought / sold like any other stock on the exchange through terminals spread across the country
- ▶ **Ease of Liquidity** - Can be bought / sold anytime during market hours (subject to availability of buyer/seller) at prices prevailing in the market. Thus, investor transacts at real-time prices.
- ▶ **Low Cost** - Generally less expensive than investing in multiple individual securities.
- ▶ **Other Special Features**
  - Instant diversification through exposure to a large number of stocks by purchasing as low as 1 unit
  - Buying / selling at close to live price and not end-of-day, also ability to put limit orders
  - Authorised Participants / Large investors can buy in creation unit size directly from the AMC at Live Prices in creation unit sizes

## Strategies used through Index based ETFs

- ▶ **Liquidity Management** - ETFs can be used for a given percentage of each asset class to provide a liquidity buffer across the asset allocation
- ▶ **Portfolio Completion** - ETFs allow investors to gain exposure to an asset class that is under-represented in the asset allocation
- ▶ **Cash Equitization** – ETFs assist in remaining fully invested into equity as per the allocation model, while maintaining liquidity, thus minimizing the cash drag effect on the portfolio
- ▶ **Portfolio Transitions** – Since ETFs are passive funds, they may help maintain market exposure while there are changes in sector/stock allocations in a portfolio, hence avoids the risk of missing any market movement

## Transaction Options available for investors

Subscription	Process	Features
<b>Through Stock Exchange</b>	Online Terminal / Stock Broker	<ul style="list-style-type: none"> <li>• Can trade as less as 1 Unit</li> <li>• Funding to be done on T+1</li> <li>• Unit credit on T+2</li> <li>• Transaction on Exchange traded price</li> <li>• No paperwork</li> <li>• Transaction on order matching and availability of quotes</li> </ul>
<b>Through AMC</b> (Authorized Participants & Large Investors)	Transaction form with requisite documents	<ul style="list-style-type: none"> <li>• Can transact in multiples of creation unit size</li> <li>• Transaction in exchange of Portfolio deposit &amp; Cash Component</li> </ul>
Redemption	Process	Features
<b>Through Stock Exchange</b>	Online terminal / Stock Broker	<ul style="list-style-type: none"> <li>• Can trade as less as 1 Unit</li> <li>• Units taken on T+1</li> <li>• Amount credited T+2</li> </ul>
<b>Through AMC</b> (Authorized Participants & Large Investors)	Redemption Request	<ul style="list-style-type: none"> <li>• Can trade in multiples of creation unit size</li> <li>• Transaction in exchange of Portfolio deposit &amp; Cash Component</li> </ul>

## Creation Unit Size

Creation Unit size is the minimum denomination of unit that can be directly purchased/redeemed from AMC

Tradable Unit	Composition	Creation Unit Size	NAV Value (Rs.)*	Approx. Basket Value (Rs.)*
1 Unit Nippon India ETF Long Term Gilt	~ 1/100 of Nifty 8-13 yr G-sec Index	250,000 units of Nippon India ETF Long Term Gilt	21.6667	5,416,675

\*Data as of 31st August, 2020 taken as reference value

## Importance of Creation Unit Size

- In case of non-availability of sizeable quote, Investors can transact with the AMC in creation unit lots
- Investors can transact both in form of cash or stock basket comprising the index
- Units are created at live NAV price plus expenses

## Nippon India ETF Long Term Gilt

### Investment Objective: Nippon India ETF Long Term Gilt

The investment objective of the scheme is to provide investment returns closely corresponding to the total returns of the securities as represented by the NIFTY 8-13 yr G-Sec Index before expenses, subject to tracking errors. However, there can be no assurance or guarantee that the investment objective of the Scheme will be achieved.

### Positioning – Nippon India ETF Long Term Gilt

- Investment in Nippon India ETF Long Term Gilt is a route to G-sec investing in India
- It allows investors to take part in most active tenor of the Indian G-Sec market by essentially investing in 5 most liquid bonds with maturity between 8-13 yrs.
- The index is designed to serve as both a benchmark and an investable index and is comprised of 5 constituent securities providing broad representation of the Government of India bonds having maturity of around 10 years
- Investments in Nippon India ETF Long Term Gilt can form part of “core portfolio”, especially for Institutional investors
- By investing in Nippon India ETF Long Term Gilt, strategies like “cash equitization” can be effectively deployed because of its inherent advantages like one of the best G-Sec representation

## Features of Nippon India ETF Long Term Gilt

- ▶ **Liquidity:** Apart from being readily available for trade on the recognized stock exchanges, ETF units can also be bought in creation units size by large investors directly from the asset management company
- ▶ **Less of Ambiguity:** The ETF's investment strategy & security selection is clearly defined, holding stocks as per the underlying Index in the same weightages, monitored and adjusted (if required) for any index change on a daily basis
- ▶ **Transparency:** NIFTY 8-13 yr G-Sec Index constituents are made available in public domain on a daily basis by NSE
- ▶ **Diversification:** Buying a single unit will offer diversification benefit in the entire index constituents

## About Nifty 8-13 yr G-Sec Index

The Nifty 8-13 yr G-Sec Index provides broad representation of the Government of India bonds having maturity of around 10 years. The index aims to capture the performance of the most liquid bonds with maturities between 8-13 years. One of the key highlights of the index is that it represents the most active tenor of the Indian GSec market.

### Transparent, investable and replicable index construction

NSE Indices Ltd. has constituted a Committee, which is involved in policy and guidelines for managing the indices. The committee takes all decisions on addition/ deletion of companies in any Index. The index is reviewed every month and a weeks' notice is given to the market before making changes to the index.

The index methodology considers liquidity and issue size to ensure that the Nifty 8-13 yr G-Sec Index remains investable and replicable. Daily Index value is published on NSE website on a real time basis.

### Index Methodology

- Index represents Government of India Bonds having residual maturity between 8- 13 years
- Top 5 liquid bonds based on turnover during the month shall be eligible to be part of the index
- The outstanding amount of the bond should be more than Rs. 5,000 crores
- Each bond is assigned weight based on liquidity and outstanding amount
- Liquidity of the bond has a weight of 40% and outstanding amount has weight of 60%.
- Weights of the bond are determined at beginning of the month
- The index is computed using the total returns methodology
- The index is calculated & disseminated on real time basis
- Accrued interest is calculated using 30/360 day count convention
- Index is reviewed on a monthly basis

Source: [www.nseindia.com](http://www.nseindia.com)

### Base Date and base value

- The base date of index is Jan 03, 2011
- Base value is 1000

## Index Review

The index is reviewed on a monthly basis. Bonds not forming part of top 5 based on turnover shall be eligible for replacement. A new bond shall be included if it meets the replacement criteria.

- Maturity should be more than 9 yrs
- Should have traded for more than 10 days during the month
- Average daily turnover in month should be 2 times of the existing bond in the index
- No of trades in the month should be 2 times of the existing bond in the index
- If no bond is available for replacement then existing bond shall continue
- If the residual maturity of a bond forming part of the index falls below 8 yrs, then it shall be excluded from the index.

Source: NSE Indices Ltd.

## Constituents of Nippon India ETF Long Term Gilt as on 31st August, 2020

Sl No.	Security	Weights (%)
1	5.79% Government of India	32.21%
2	6.45% Government of India	25.40%
3	7.26% Government of India	15.06%
4	7.57% Government of India	14.73%
5	6.68% Government of India	10.50%
Cash & other Current Assets		2.10%
<b>Total</b>		<b>100.00%</b>

**Note:** The securities mentioned forms a part of the Index may or may not form a part of the index in future. Please read Scheme Information Document carefully for more details and risk factors

## Key Details as on 31st August, 2020

<b>Yield to Maturity (YTM)</b>	6.25%
<b>Average Maturity</b>	9.93 Years
<b>Modified Duration</b>	7.08 Years
<b>Macaulay Duration</b>	7.30 Years

## Scheme Performance Nippon India ETF Long Term Gilt as on 31st August, 2020

NAV as on August 31, 2020: ₹21.6667				
Particulars	CAGR %			
	1 Year	3 Years	5 Years	Since Inception
Nippon India ETF Long Term Gilt	8.20	7.74	NA	8.54
B:Nifty 8-13 yr G-Sec Index	8.47	7.81	NA	8.63
AB:Crisil 10 Yr Gilt Index	6.59	6.16	NA	7.36
<b>Value of ₹ 10,000 Invested</b>				
Nippon India ETF Long Term Gilt	10,824	12,510	NA	14,062
B:Nifty 8-13 yr G-Sec Index	10,852	12,532	NA	14,107
AB:Crisil 10 Yr Gilt Index	10,663	11,968	NA	13,436
<b>Inception Date:</b> July 05, 2016				
<b>Fund Manager: Prashant Pimple (Since July 2016)</b>				

As the Scheme has not completed 5 years, the performance details of Since Inception, 1 year & 3 years are provided herein

### Performance as on 31st August, 2020

B: Benchmark, AB: Additional Benchmark, NA: Not Applicable

For Exchange Traded Funds of Nippon India Mutual Fund, performance is provided at Scheme level using Dividend Reinvestment NAV's, since there are no separate plan/option under such Schemes.

Period for which scheme's performance has been provided is computed basis last day of the month-end preceding the date of advertisement.

**Past performance may or may not be sustained in future** and the same may not necessarily provide the basis for comparison with other Investment. Dividends (if any) are assumed to be reinvested at the prevailing NAV. Performance of dividend option would be Net of Dividend distribution tax, if any. Face value of scheme is Rs.10/- per unit. In case, the start/end date of the concerned period is non-business day (NBD), the NAV of the previous date is considered for computation of returns.

Finance Act 2020 has abolished dividend distribution tax on dividend declared and paid by Mutual Fund scheme. W.e.f. 01.04.2020 dividend received from Mutual fund scheme is taxable in the hands of investor and mutual fund scheme is required to withhold tax on dividend as per applicable rate.

## Performance of other open ended schemes managed by the same fund managers as on 31st August, 2020

Scheme Name/s	CAGR %					
	1 Year Return		3 Years Return		5 Years Return	
	Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark
<b>Top 3</b>						
Nippon India Banking & PSU Debt Fund	10.38	10.11	8.49	7.70	8.72	8.12
Nippon India Nivesh Lakshya Fund	9.92	12.11	N.A.	N.A.	N.A.	N.A.
Nippon India Gilt Securities Fund	9.12	9.36	8.50	7.73	9.96	8.78
<b>Bottom 3</b>						
Nippon India Balanced Advantage Fund	5.59	9.07	4.39	6.70	7.11	9.42
Nippon India Retirement Fund - Income Generation Scheme	5.51	12.09	4.84	8.12	6.85	9.81
Nippon India Retirement Fund - Wealth Creation Scheme	-8.61	5.86	-4.32	3.93	2.40	8.52

Nippon India Nivesh Lakshya Fund has not completed 3 years, the performance details of 1 year is provided herein

Mr. Prashant Pimple has been managing Nippon India Nivesh Lakshya Fund since Jul 2018

Mr. Prashant Pimple has been managing Nippon India Gilt Securities Fund since June 2020

Mr. Prashant Pimple has been managing Nippon India Banking & PSU Debt Fund since Feb 2020

Mr. Prashant Pimple has been managing Nippon India Retirement Fund - Income Generation Scheme since Feb 2020

Mr. Prashant Pimple has been managing Nippon India Balanced Advantage Fund since Feb 2020

Mr. Prashant Pimple has been managing Nippon India Retirement Fund - Wealth Creation Scheme since Feb 2020

### Note:

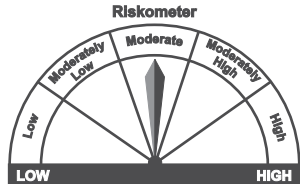
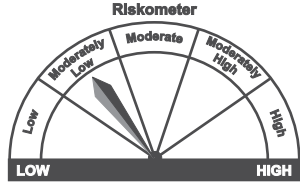
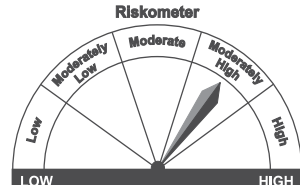
- a. Mr. Prashant Pimple manages 9 open-ended schemes of Nippon India Mutual Fund .
- b. In case the number of schemes managed by a fund manager is more than six, in the performance data of other schemes, the top 3 and bottom 3 schemes managed by fund manager has been provided herein are on the basis of 1 Year CAGR returns
- c. Period for which scheme's performance has been provided is computed basis last day of the month-end preceding the date of advertisement
- d. Different plans shall have a different expense structure. The performance details provided herein are of Growth Plan (Regular Plan).

**Past performance may or may not be sustained in future** and the same may not necessarily provide the basis for comparison with other Investment. Face value of scheme is Rs.10/- per unit. In case, the start/end date of the concerned period is non-business day (NBD), the NAV of the previous date is considered for computation of returns.

## Scheme Features Nippon India ETF Long Term Gilt

<b>Nature of Scheme</b>	An Open Ended, Index Exchange Traded Fund
<b>Benchmark</b>	NIFTY 8-13 yr G-Sec Index
<b>Fund Manager</b>	Prashant Pimple
<b>Month end AUM</b>	Rs. 11.96 Crs (as on 31st August, 2020)
<b>Expenses Ratio</b>	0.10% (as on 31st August, 2020)
<b>Tracking Error</b>	1.19% (3 Year Annualised as on 31st August, 2020)
<b>Rule of 20 -25</b>	Rule of a minimum of 20 investors and no single investor accounting for more than 25% of the corpus of the Scheme <b>does not apply</b> to ETFs
<b>Asset Allocation</b>	Securities constituting NIFTY 8-13 Yr G Sec Index : 95%-100% Money Market instruments (with maturity not exceeding 91 days): 0%-5%
<b>Transparency/NAV Disclosure</b>	Nippon India Mutual Fund shall declare the Net asset value of the scheme on every business day on AMFI's website www.amfiindia.com by 11:00 p.m. on the day of declaration of the NAV and also on www.nipponindiamf.com
<b>Value of Unit</b>	The value of each unit of the Scheme would be approximately equal to 1/100th of the value of NIFTY 8-13 yr G-Sec Index
<b>Load Structure</b>	Entry & Exit Load : Nil
<b>Minimum Application Amount</b>	The minimum number of Units that can be bought or sold on the exchange is 1 (one) unit and in multiples of 1 unit. Directly from AMC: Allowed to Authorized Participants & Large Investors in form of creation unit size of 250,000 units
<b>Dematerialization</b>	Units of the scheme will be available in Dematerialized (electronic) form only

## Product Label

Scheme Name	This Product is suitable for Investors who are Seeking*	
<b>Nippon India Nivesh Lakshya Fund</b> (An open ended debt scheme investing in instruments such that the Macaulay duration of the portfolio is greater than 7 years)	<ul style="list-style-type: none"> <li>Income over long term</li> <li>Investment in Debt &amp; Money Market Instruments with portfolio Macaulay duration of greater than 7 years</li> </ul>	 <p style="text-align: center;">Investors understand that their principal will be at Moderate risk</p>
<b>Nippon India Gilt Securities Fund</b> (An open ended debt scheme investing government securities across Maturity)	<ul style="list-style-type: none"> <li>Income over long term</li> <li>investment in government securities across Maturity</li> </ul>	
<b>Nippon India Banking &amp; PSU Debt Fund</b> (An open ended debt scheme predominantly investing in Debt instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds)	<ul style="list-style-type: none"> <li>Income over short to medium term</li> <li>Investments in debt and money market instruments of various maturities, consisting predominantly of securities issued by Banks, Public Sector undertakings, Public Financial Institutions &amp; Municipal Bonds</li> </ul>	 <p style="text-align: center;">Investors understand that their principal will be at Moderately Low risk</p>
<b>Nippon India Retirement Fund – Wealth Creation Scheme</b> (An open ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier))	<ul style="list-style-type: none"> <li>Long term growth and capital appreciation</li> <li>Investing primarily in equity and equity related instruments and balance in Fixed income securities so as to help the investor in achieving the retirement goals</li> </ul>	 <p style="text-align: center;">Investors understand that their principal will be at Moderately High risk</p>
<b>Nippon India Retirement Fund – Income Generation Scheme</b> (An open ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier))	<ul style="list-style-type: none"> <li>Income over long term along with capital growth</li> <li>Investing primarily in Fixed income securities and balance in equity and equity related instruments so as to help the investor in achieving the retirement goals</li> </ul>	
<b>Nippon India Balanced Advantage Fund</b> (An open ended dynamic asset allocation fund)	<ul style="list-style-type: none"> <li>Long term capital growth.</li> <li>Investment in equity &amp; equity related instruments, debt, money market instruments and derivatives.</li> </ul>	
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.		

**Risk factors:** The scheme invests in equity instrument and hence carries risk inherent in equities. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of the investments. Investment in Money Market is subject to liquidity, credit, interest rate & reinvestment risk. For further Scheme specific risk factors, please refer the scheme information document.

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### Disclaimers

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