

SBI

INCOME PLUS ARBITRAGE ACTIVE FOF

An open-ended fund of fund (FOF) scheme investing in units of actively managed debt-oriented schemes and actively managed arbitrage mutual fund schemes.



SBI MUTUAL FUND
A PARTNER FOR LIFE

STABILITY OF DEBT,
BENEFIT OF ARBITRAGE.

NFO PERIOD

23 - 30
APRIL, 2025

Scheme Riskometer



RISKOMETER

The risk of the scheme is Low to Moderate

An open-ended scheme investing in a mix of units of actively managed debt-oriented schemes and actively managed Arbitrage mutual fund schemes.

This product is suitable for investors who are seeking^:

- Regular income and Capital appreciation
- Investment primarily in units of actively managed debt-oriented schemes and actively managed Arbitrage mutual fund schemes

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

Benchmark Riskometer:

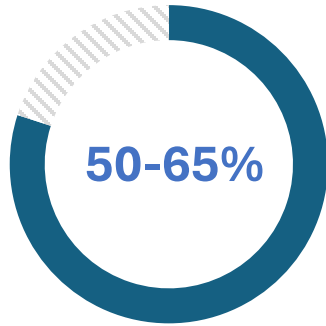
Tier I Benchmark - 65% Nifty Composite Debt Index + 35% Nifty 50 Arbitrage Index



RISKOMETER

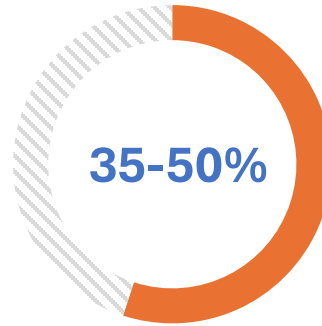
The risk of the benchmark is Low to Moderate

What is Income Plus Arbitrage Active FOF



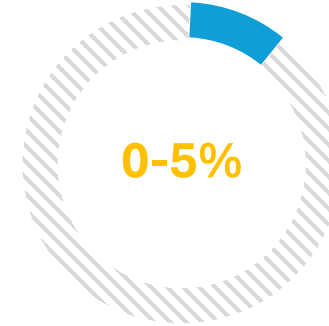
Debt

Units of actively managed debt-oriented schemes



Equity

Units of actively managed Arbitrage Mutual Fund schemes



Money Market

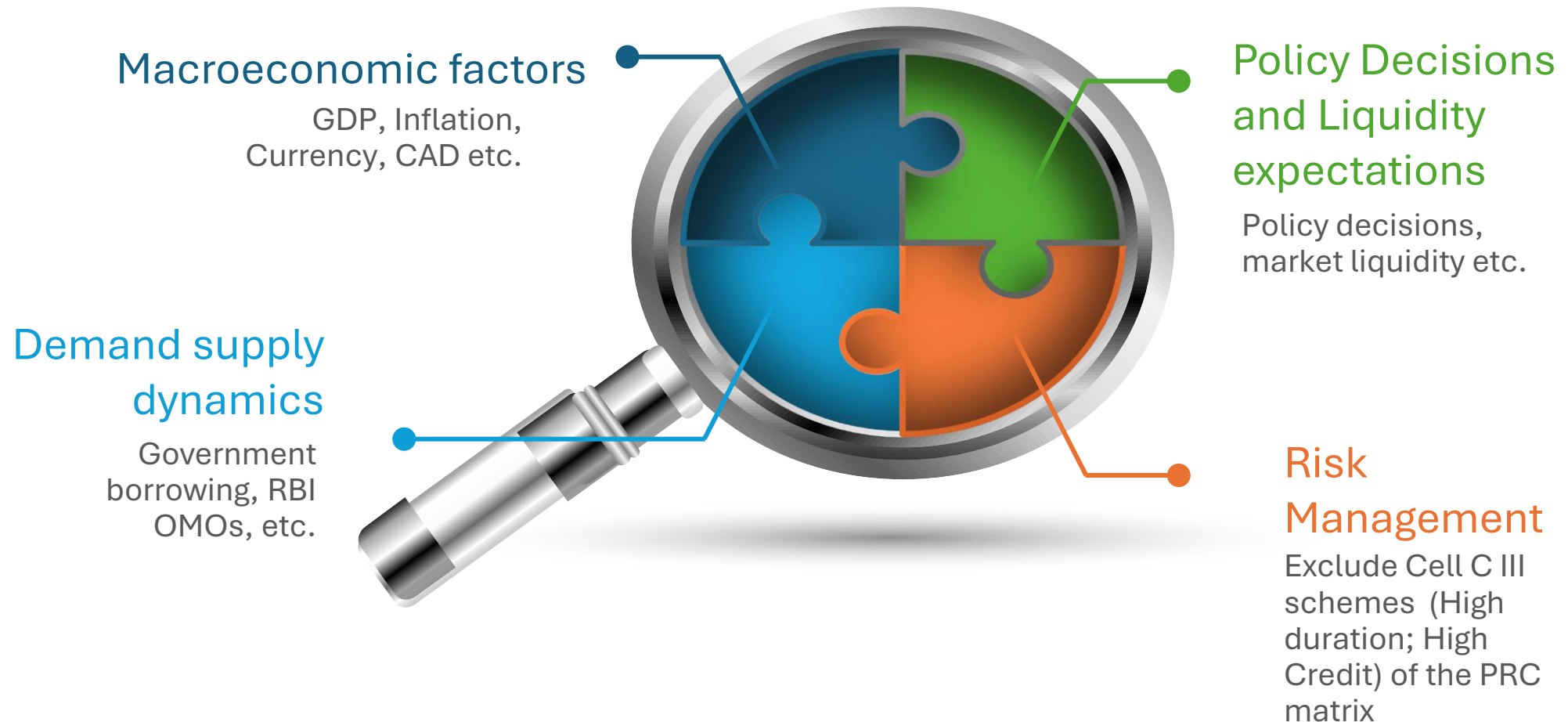
Money market instruments, Triparty Repo, reverse Repo, cash and cash equivalents

Blends the steady income of debt funds with the market-neutral strategy of arbitrage, making it ideal for conservative investors and those looking to optimize post-tax returns over the short to medium term.

How will the fund allocation be determined?



Active management of the debt schemes allocation based on changing market dynamics and the balance shall be invested in units of Arbitrage schemes



Why consider SBI Income Plus Arbitrage Active FOF?



Debt Category

Short Term (Upto 1 Yr.)

- Overnight Fund
- Liquid Fund
- Ultra Short Duration Fund
- Low Duration Fund
- Money Market Fund

Medium Term (1 – 3 Yrs.)

- Floater Fund
- Credit Risk Fund
- Short Duration Fund

Long Term (More than 3 Yrs.)

- Banking and PSU Fund
- Corporate Bond Fund
- Dynamic Bond Fund
- Long Duration Fund
- Constant Maturity Fund
- Gilt Fund
- Medium to Long Duration Fund
- Medium Duration Fund

Hybrid / Fund of Funds

- Arbitrage Fund
- Equity Savings Fund

- Balanced Advantage Fund
- Conservative Hybrid Fund
- Multi Asset Allocation Fund

SBI Income Plus Arbitrage
Active FOF

- Aggressive Hybrid Fund

Simplicity

All season debt allocation product. Single investment solution without juggling multiple schemes. No need for complex rebalancing.

Automatic Diversification

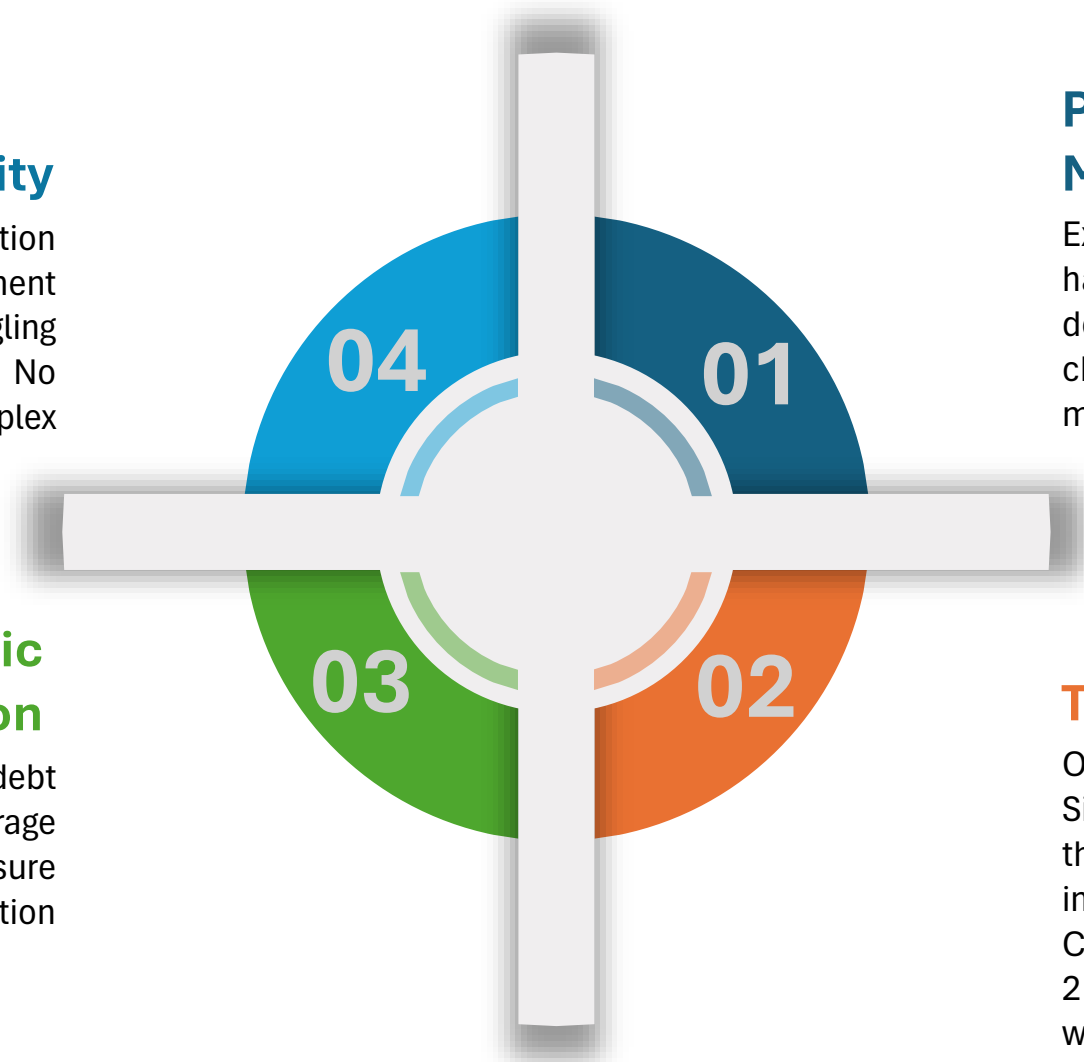
Access to multiple debt instruments and arbitrage strategies. Broad exposure reduces concentration risk.

Professional Management

Experienced fund manager handles allocation decisions. Funds are chosen based on changing market conditions.

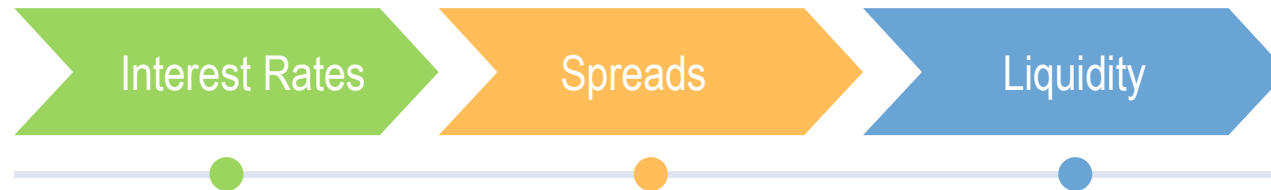
Tax Efficiency

Optimal post-tax returns : Significantly less taxes than the traditional debt investments. Long-Term Capital Gains (LTCG): After 2 years, taxed at just 12.5% while the regular debt funds are taxed at slab rates



➤ Debt Portion:

Dynamically managed based on in-house fundamental medium-term view on:



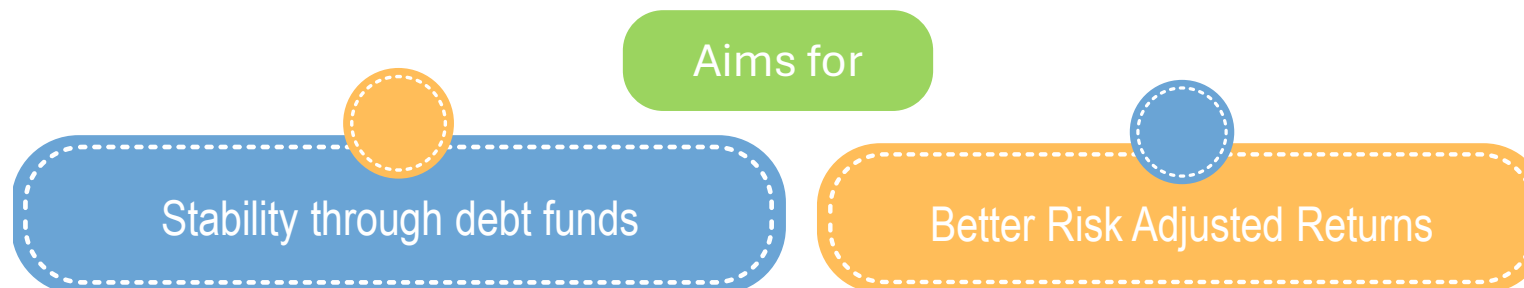
Based on the current market dynamics, the portfolio will comprise of a mix of mutual fund schemes investing predominantly in higher-rated bonds and sovereign securities

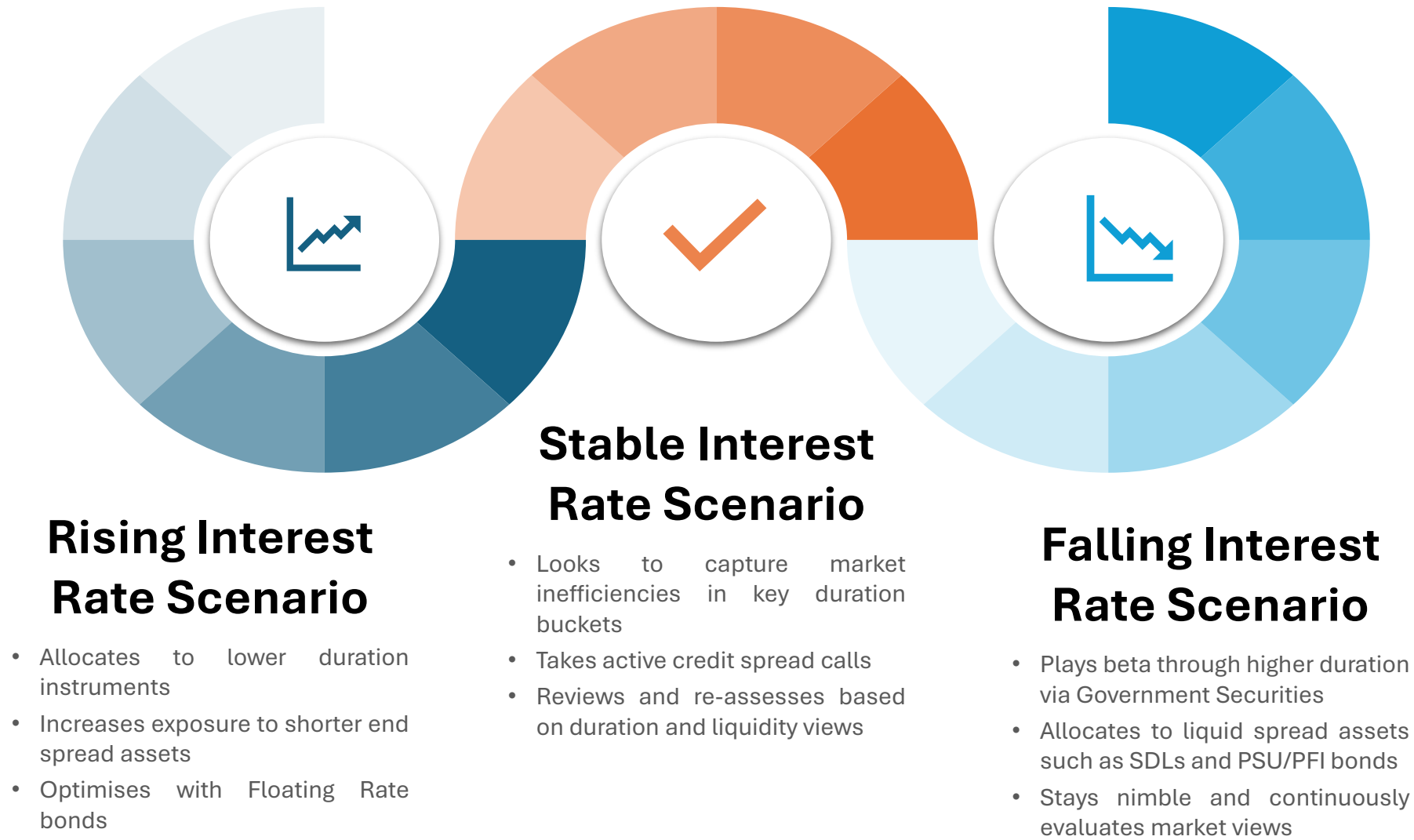
➤ Arbitrage Component:

- Captures price differences between cash and futures markets
- Invests in underlying schemes that aim to exploit arbitrage opportunities within the equity and equity derivatives

Underlying fund has maximum near month cash futures position

➤ Benefits:







	Debt Taxation for Retail at Slab Rate 30%	Fund of Funds (FOF) LTCG at 12.5%
Amount Invested	₹ 1,00,000.00	₹ 1,00,000.00
Assumed CAGR (%)	7%	7%
Investment Period	> 24 Months	> 24 Months
Market Value of Investment	₹ 1,14,490.00	₹ 1,14,490.00
Capital Gains	₹ 14,490.00	₹ 14,490.00
Tax Rate	30.00%	12.50%
Tax on Capital Gains	₹ 4,347.00	₹ 1,811.25
Net Returns	₹ 10,143.00	₹ 12,678.75
Net Proceeds	₹ 1,10,143.00	₹ 1,12,678.75
% Returns - CAGR	4.95%	6.15%
Assumption: Tax rate for debt schemes is 30% (excluding cess and surcharges) for retail investors and 12.5% (excluding cess and surcharges) for the Fund of Funds		

Scheme Differentiation : SBI Income Plus Arbitrage Active FoF



Particulars	Debt Funds	Arbitrage Fund	SBI Income plus Arbitrage Active FoF
Asset Allocation	Debt Allocation Only	Hedged Equity allocation is >65%	Mix of Debt Oriented Schemes & Arbitrage Scheme.
Operational Convenience	Exposure to Single Scheme		Exposure to Multiple Schemes
Key Factors In Fund Selection	Investor Takes fund selection Call		Fund Manager Takes The fund selection Call
Taxation On Switch	Switching between schemes triggers taxation each time for investors.		No Tax Liability when the FOF schemes switches between the schemes
Tax Rate	25% Corporate Tax / Individual Marginal Tax Rate	STCG (<12 months): 20% LTCG (>12 months): 12.5%	STCG (<24 months): Slab Rate LTCG (>24 months): 12.5%

Investors are advised to seek professional advise from financial, tax and legal advisor before investing.

Who Should Invest?



01 Investors with short term surplus funds seeking regular income and capital appreciation with less volatility of pure equity funds

02 High Net Worth Individuals (HNIs) looking for tax-efficient investments

03 Individuals with a 2 to 3 years investment goal

04 Those wanting to diversify with a low-risk option

05 Corporates seeking a balanced, tax-efficient opportunity for treasury funds



Scheme Name	SBI Income Plus Arbitrage Active FOF
NFO Open Date	April 23, 2025
NFO Close Date	April 30, 2025
Plans & Options	The Scheme has two plans viz. Regular plan & Direct plan. Both plans provide two options for investment – Growth Option and Income Distribution cum Capital Withdrawal (IDCW) Option Facility for “IDCW Re-investment”, “IDCW Pay-out” and “IDCW Transfer” are available.
Application Amount	Minimum Investment Amount : Rs. 5000/- and in multiples of Re. 1 thereafter; Additional Purchase Amount: Rs. 1000/- and in multiples of Re. 1 thereafter
Benchmark	65% Nifty Composite Debt Index + 35% Nifty 50 Arbitrage Index
Fund Manager	Mr. Ardhendu Bhattacharya
Exit Load	Nil

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

Thank You