PGIM India Mutual Fund

PGIM India Overnight Fund

An Overnight Fund - An open ended debt scheme investing in overnight securities.
A relatively low interest rate risk and relatively low credit risk scheme.

Rated A1+mfs by ICRA##

June 2026

PGIM India Mutual Fund, Regn No for MF: MF/065/10/02

Investment Objective

PGIM India Overnight Fund aims to provide reasonable returns commensurate with low risk and providing a high level of liquidity, through investments made primarily in overnight securities having maturity of 1 business day.

Fund Suitability

- Suitable for investors looking for an avenue to park very short-term surplus funds for as low as one day.
- For investors with a low risk appetite and seeking daily liquidity.

Why Overnight Fund?

- Liquidity and Credit Risk is minimized as the maturity of the underlying investments of the fund is 1 Business day and the exposure of the fund is limited to G Secs, T bills, TREPS, CROMS or AAA PSUs and PFI Money Market Instruments.
- Interest rate risk is eliminated as the fund only invests in securities with a tenor of 1 business day.
- Positioned to deliver reasonable risk adjusted performance compared to traditional saving instruments.
- No lock-in
- No entry or exit load.

Investing Money in an Overnight Fund

- Investor invests in Overnight scheme.
- For instance, if the scheme deploys money in TREPS/CROMS** on a T basis, the deployed amount earns overnight interest.
- On T+1 day Maturity, in case of investment in TREPS/CROMS, CCIL** pays out the principal amount + overnight interest to the scheme.
- Money is available to the investor.

(** For investments in instruments such as Government Securities, T Bills, PSU and PFI Money Market Instruments the Fund manager may use other portals such as NDS OM, F Trac and NSECL)

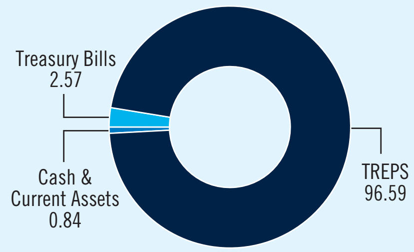
Why PGIM India Overnight Fund?

- Low cost Overnight fund offering#
  (#For latest TER, please refer website.)
- Daily Portfolio disclosure

All inflows into the fund follow the above flow chart of investment into a pre-defined set of risk-free or very low risk options. The fund is pre-dominantly invested in zero risk options (CROMS, TREPS) since lending under these windows is fully collateralized through the security of underlying Government Securities.

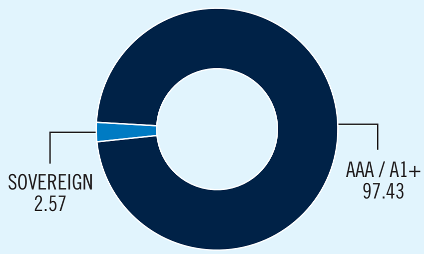
In general, variation in yields under these liquidity options (such as CROMS and TREPS) may not be very wide on a given day. However, there exists opportunities to generate higher yields through careful and appropriately timed deployment of funds which is guided by monitoring of liquidity trends within the system. The fund management team actively tracks parameters such as rolling 7 day and 15 days MIBOR and Call money rates, System liquidity, near term maturities of Government Bonds, on-going Bond (G secs, SDL) auctions, Government net balances, GST outflows, Government spending etc., which can be useful lead indicators of liquidity trends that in turn is used as a key input for liquidity management and yield forecasting for the Overnight fund.

Asset Allocation (% AUM)



The above data is as on June 30, 2026

Credit Quality Profile (% AUM)



The above data is as on June 30, 2026

Fund Details

AUM as on June 30, 2026 (₹ in Crore):	93.18
For the Debt Portfolio	
Portfolio Yield (%)	5.49
Modified Duration	1 day
Average Portfolio Maturity	1 day
Macaulay Duration	1 day

The above data are as on June 30, 2026.

What is TREPS

Triparty Repo i.e. TREPS, facilitates borrowing and lending of funds against the collateral of Government Securities in a Triparty Repo arrangement.

- A repo contract is one where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction.
- Clearing Corporation of India Ltd (CCIL) would be the Central Counterparty to all trades from Tri Party Repo Dealing System (TREPS) and would perform the role and responsibilities of Triparty Repo Agent, in terms of Repurchase Transactions (Repo).
- Types of Entities that are eligible to participate in TREPS include Banks, Financial institutions, Insurance Companies, Mutual Funds, Primary Dealers, NBFCs, Pension Funds, Corporates etc.

What is CROMS

Clearcorp Repo Order Matching System (CROMS) is a STP enabled anonymous Order Matching Platform launched by Clearcorp Dealing Systems (India) Ltd on 27th January 2009. This system enables dealing in two kinds of Repos –

1. Basket

- Basket Repos enables dealing in baskets wherein repoable securities have been classified based on instrument type, liquidity and outstanding tenor and clustered together.
- Details of security allocated are known to both counterparties post trade.

2. Special Repos

- It is a conventional repo, where both borrower and lender are aware of the underlying security against which deal is sought to be concluded.

About 70% of all market repo action against Government Securities is concluded on the Platform consistently as CROMS provides better transparency, repo rate discovery and operational efficiency and has thus become the preferred avenue for market repo dealing.

Does the AUM of the Overnight Scheme matter?

The size of the scheme does not have any bearing on the scheme performance, since TREPS and CROMS are extremely large sized windows of liquidity deployment within the money-market system. Daily flows into TREPS for instance is in the range of INR 50,000 -70,000 crores. The price (yield) discovery within this window as a result of the diversified counterparty base is also very efficient.

Further, the size of the fund or the overall AUM of the fund-house has absolutely no bearing either on the performance of the fund or the relative safety of investor's money in the PGIM India Overnight Fund.

The fund can only be invested in securities with a residual maturity of 1 business day and hence, there is usually never an issue with creating liquidity to meet outflows if any. Being a highly liquid portfolio, exit of investors from the fund also has no impact either on liquidity creation or performance.

Fund Manager's View

- Bond yields fell sharply in June as RBI announced a slew of measures to attract capital flows with government also announcing exemption from capital gains and withholding tax for Foreign Portfolio Investments (FPIs). Sentiment improved further with the signing of MoU between US and Iran which led to a sharp fall in crude oil prices. Markets further recalibrated their expectations of rate hikes as the RBI governor, in a media interaction, pushed back against rate hikes.

- All these led to a sharp fall in yields across the yield curve with the 10yr benchmark yield falling by 25bps. The longer end of the curve outperformed on an absolute basis with yields coming off by 25-30 bps. Brent crude price fell by over 20% during the month. Among the series of measures announced by RBI, the Foreign Currency Non-Resident FCNR(B) deposit scheme is expected to garner the maximum amount as leverage is possible in this scheme and these deposits are exempt from Statutory Liquidity Ratio (SLR) and Cash Reserve Ratio (CRR) requirements.

- The tax exemption given to FPIs to invest in debt led to aggressive inflows with FPIs infusing US$5.70 bn into G-secs. The tax exemption has increased the probability of Indian Fully Accessible Route (FAR) securities getting included in the Bloomberg Global Aggregate Bond Index, whose decision is expected by mid-July. If included, USD 25-30bn of inflows can come in in FY28.

- Monsoons continues to be deficit with a cumulative rainfall deficit at 43% in June. Out of the 36 sub-divisions, till date, seven have received scanty rainfall, 18 have received deficient rainfall, 10 have received normal rainfall and 1 has received excess rainfall. News reports indicate that El Nino and neutral Indian Ocean Dipole (IOD) conditions have started to set in. As of June 19, the total kharif acreage was 1.6% higher than the same period last year. Rice sowing was 53% higher at 1.2 mn hectares. Pulses acreage at 0.7 mn hectares was 12.8% higher than last year while coarse cereal acreage was 27% higher at 1.2 mn hectares. Oilseeds acreage was 10.7% lower at 0.7 mn hectares. Sugarcane acreage was 1.2% higher at 5.7 mn hectares, and cotton acreage was 25% lower at 1.7 mn hectares. Basin-wise reservoir levels has remained in surplus.

- Among major river basins, Ganga (North and East), Indus (North India), Godavari (West and South), Mahanadi (Central and East), Narmada (Central and West), Tapi (Central and West) were surplus while Krishna (West and South), Cauvery (South), and West flowing southern rivers were in deficit. Overall, basins and reservoirs levels were 5.7% above long-term average for week-ending June 25.

- The Consumer Price Index (CPI) inflation came in slightly lower than market expectations at 3.93%, with "core" inflation at 3.90%. The WPI inflation came in at 9.68%, highest since September 2022 and the first reading in the new series. Imported items drove inflation higher along with food prices. As the peace talks progress in West Asia, crude oil prices have fallen significantly and if brent crude prices sustain at these levels, then both CPI and WPI inflation is likely to cool off going ahead. Trade deficit came in at US$28 bn, which was flat on a MoM basis.

- Global bond yields continued to stay elevated with hikes by Bank of Japan (BOJ), European Central Bank (ECB) and Bank of Indonesia. The Federal Open Market Committee (FOMC) meeting was hawkish compared to market expectations even as policy rates were left unchanged. This was chairman Warsh's first meeting and the new chairman indicated forthcoming changes at the Fed, with the future removal of the forward guidance and a shortened press release. The "dot plot" was revised upwards indicating a potential rate hike by end of 2026. The medium term "dots" also indicated higher rates for both 2027 and 2028 compared to the March FOMC meeting. The Dollar Index strengthened to above 101.

- We expect the benchmark 10yr bond yield to trade in a broad range of 6.50% to 6.85% over the next one month.

Source: RBI, Bloomberg.

About Us

PGIM India Mutual Fund is part of PGIM, the global investment management arm of Prudential Financial, Inc. (PFI), with over **$1.4 trillion** in assets under management. PGIM India Asset Management offers a comprehensive range of equity and fixed income solutions through mutual funds, alternatives, and portfolio management services. Leveraging PGIM's shared legacy of **150+** years and expertise across more than 30 market cycles, PGIM India combines global insights with local investment expertise to provide an enriching investment experience. Headquartered in Mumbai, the fund house operates across **25 cities** in India, managing 25 open-ended funds.

Source: www.pgim.com. As on 31/03/2026.

Asset Allocation

Instruments	Indicative allocations (% of total Assets)	
	Minimum	Maximum
Treasury bills, government securities, (Tri Party Repo), Debt (Only PSU, PFI and other quasi government bodies) and money market instruments* with maturity on or before the next business day	0%	100%

*Money market instruments includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time.

The scheme will limit the investments into debt instruments with 1 day residual maturity only to Government securities, SDLs, PSUs, PFIs and other Quasi-government papers. Please refer to the Scheme Information Document for more details on asset allocation.

Key Features

Benchmark index:
NIFTY 1D Rate Index

Fund Manager:
Mr. Puneet Pal and Mr. Sandeep Devan

Exit load: Nil

Potential Risk Class

Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)	A-I		
Moderate (Class II)			
Relatively High (Class III)			

Macaulay Duration: The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.
Modified Duration: Modified duration is the price sensitivity and the percentage change in price for a unit change in yield.

ICRA has assigned the "[ICRA]A1+mfs" (pronounced as ICRA A one plus m f s) rating to the PGIM India Overnight Fund. Schemes with "[ICRA]A1mfs" rating are considered to have very strong degree of safety regarding timely receipt of payments from the investments that they have made. Modifier {"+" (plus)} can be used with the rating symbol to reflect the comparative standing within the category. The ratings should, however, not be construed as an indication of the performance of the Mutual Fund scheme or of volatility in its returns For complete rating scale and definitions please refer to ICRA's Website www.icra.in or other ICRA Rating Publications ICRA Credit Quality Rating Methodology for debt mutual fund schemes. ICRA's mutual fund rating methodology is based on evaluating the inherent credit quality of the fund's portfolio. As a measure of the credit quality of a debt fund's assets, ICRA uses the concept of "credit scores". These scores are based on ICRA's estimates of credit risk associated with each exposure of the portfolio taking into account its maturity. To quantify the credit risk scores, ICRA uses its database of historical default rates for various rating categories for various maturity buckets. The credit risk ratings incorporate ICRA's assessment of a debt fund's published investment objectives and policies, its management characteristics, and the creditworthiness of its investment portfolio. ICRA reviews relevant fund information on an ongoing basis to support its published rating opinions. If the portfolio credit score meets the benchmark of the assigned rating during the review, the rating is retained. In an event that the benchmark credit score is breached, ICRA gives a month's time to the debt fund manager to bring the portfolio credit score within the benchmark credit score. If the debt fund manager is able to reduce the portfolio credit score within the benchmark credit score, the rating is retained. If the portfolio still continues to breach the benchmark credit score, the rating is revised to reflect the change in credit quality.

Riskometer

This product is suitable for investors who are seeking*:

- Income over a short term investment horizon
- Investment in debt and money market instruments having maturity of upto 1 business day
- Degree of risk – LOW

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

The risk of the scheme is low

The views of the Fund Manager should not be construed as an advice and investors must make their own investment decisions regarding suitability of the funds based on their specific investment objectives and financial positions and using such independent advisors as they believe necessary. Investors are advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implication or consequence of subscribing to the units of the PGIM India Mutual Fund ("Fund").

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

C95/2026-27