

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##

March 2026

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.
- Same Day Returns: Purchases take place on previous days NAV, enabling one to earn returns on the day of investment*.
(*Subject to compliance of applicable cut off time)

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)

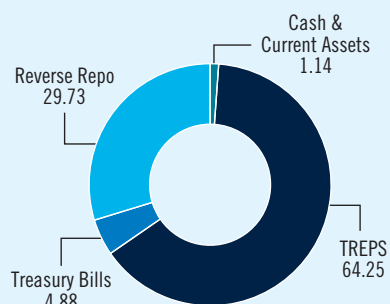
Why PGIM India Overnight Fund?

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

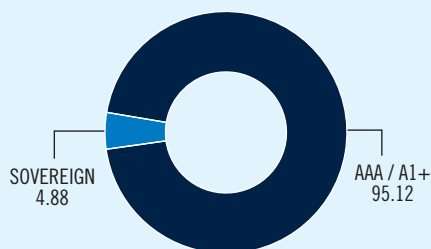
All inflows into the fund follow the above flow chart of investment into a pre-defined set of risk-free or very low risk options. The fund is pre-dominantly invested in zero risk options (CROMS, TREPS) since lending under these windows is fully collateralized through the security of underlying Government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



Credit Quality Profile (% AUM)



The above data are as on March 31, 2026

Fund Details

AUM as on March 31, 2026 (₹ in Crore):	40.83
For the Debt Portfolio	
Portfolio Yield (%)	5.53
Modified Duration	1 day
Average Portfolio Maturity	1 day
Macaulay Duration	1 day

The above data are as on March 31, 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

- The last month of the financial year proved to be the most eventful month over the last few years as geo political issues took centre stage, roiling markets across the globe and across asset classes. As the war in Middle East extended beyond initial expectations, INR and Indian markets came under increasing pressure owing to the Indian economy's energy dependency. INR weakened to an all-time low against the USD crossing 95, before a minor pullback, closing the month at 94.83.
- In consonance with the move in INR, there was selloff across the curve in bonds as well with the benchmark 10yr bond yield up 37 bps in the month. There was simply no appetite for buying bonds in the market in spite of RBI conducting OMO purchases of INR 1.76 lac crore during the month. In FY26, RBI has bought INR 8.77 lac crore worth of bonds in OMO purchases and despite such huge support bond yields have continued to trend higher since July of 2025. SDL supply has put pressure along with elevated credit deposit ratio of the banking system.
- The banking system deposits showed a growth of 10.80% during the year while banking credit grew at 13.80% in FY26. Money market yields also rose 30-40 bps across the curve with the 1yr maturity CD yield trading in the vicinity of 7.25% and 3 month maturity CD getting traded at a yield of 7.60%. Overall, the bond market sentiments remain pretty weak. Earlier in the month, CPI inflation came in at 3.21%, in line with expectations on back of higher fuel prices with "core" Inflation remaining benign at 3.40%. Given the sharp surge in crude oil and fertilizer prices, the duration of the Middle East conflict will have a direct impact on Inflation and economic growth for FY27. Commercial LPG prices have already been increased twice while the excise duties on petrol and diesel have been reduced to cushion the impact on oil marketing companies. Overall, the Inflation outlook has worsened and the outlook on growth has become muddled. The duration of the conflict and the sustainability of the elevated crude oil prices will have a direct bearing on Inflation.
- RBI has taken administrative steps to support INR, which can help in the short term but INR remains the worst performer in Asia and among emerging markets, having depreciated ~11% in FY26. FPI outflows continued, with USD 12.68 bn flowing out of equity markets in March, while debt outflows stood at USD 1.74 bn. RBI's short position in the forwards market is believed to have gone up substantially near to USD 100 bn and there are some concerns around macroeconomic stability.
- The OIS curve has risen sharply with the 5yr OIS trading at 6.78%, up 79 bps during the month and 1 yr OIS up 77 bps during the month. The OIS curve is pricing in 125 bps of rate hikes in the year ahead.
- Globally, bond yields hardened by 30–60 bps, reflecting a worsening inflation outlook.
- The duration and the extent of the Middle East conflict will be a key determinant of the Inflation and the growth outlook for FY27. Though the Inflation outlook has worsened markedly, we do not expect a rate hike by the MPC in next week's policy meeting as the current lower Inflation buys some time for the MPC to wait and gauge the impact of the rapidly evolving situation. We expect RBI to sound hawkish with a decent probability of a change in the monetary policy stance, signalling the end of the rate cutting cycle.

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 **\$1.44 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 150-year **shared legacy** 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

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 →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
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.

www.pgimindia.com/mutual-funds

1800 209 7446

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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").

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