# The Secret Recipe of ICICI Prudential Income plus Arbitrage Active FOF

# The news of Sunita's business venture spread like fire

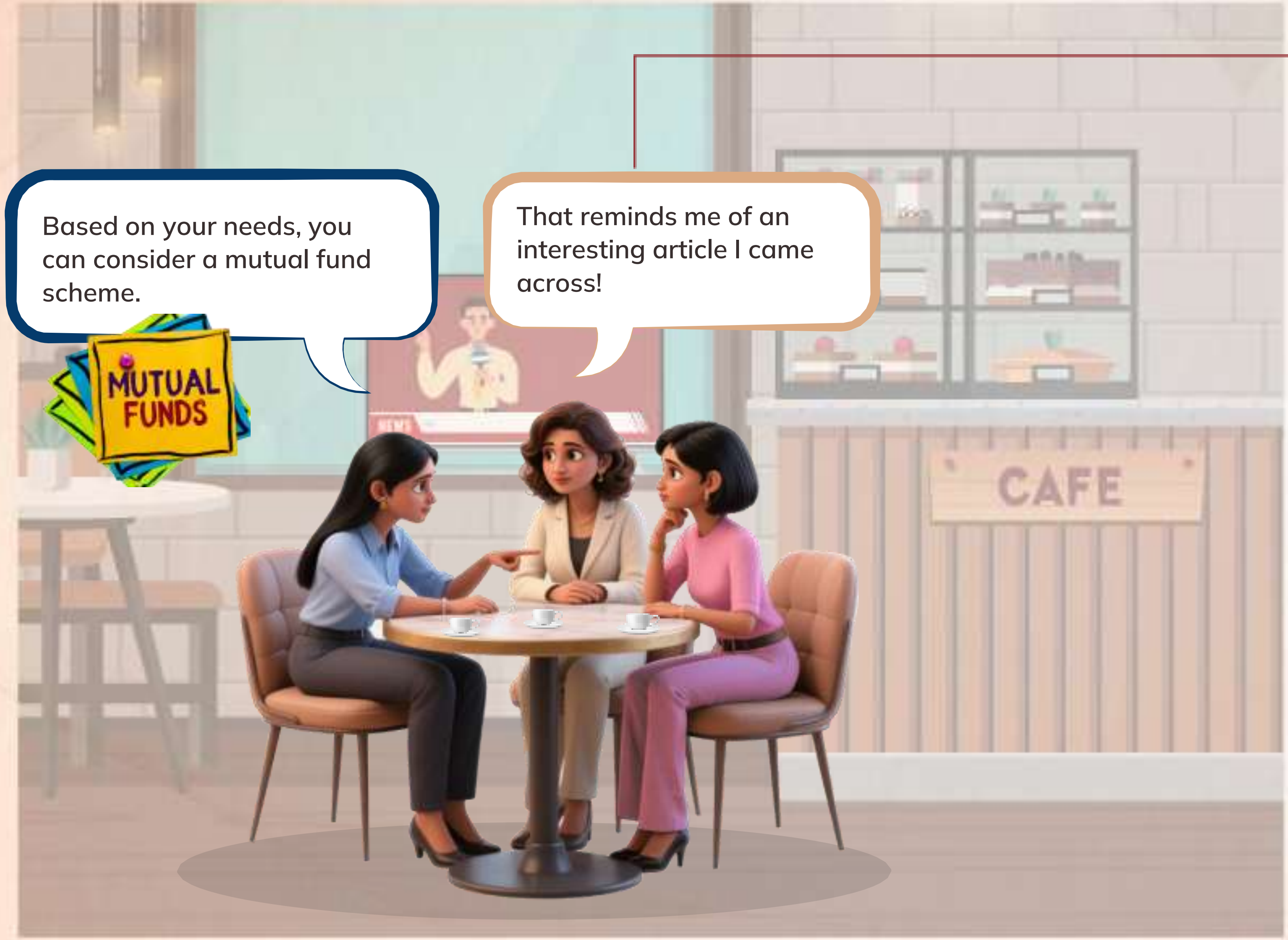
# The question arises, 'How will Sunita finance her baking business?'

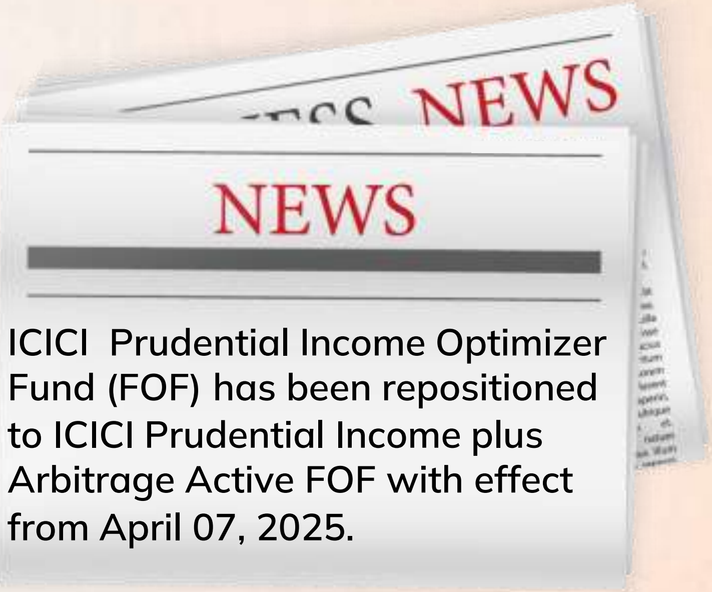
# Sunita began listing her requirements to make an investment decision

- Potential to generate reasonable returns with lower volatility
- Prefer instruments that have a good credit profile
- Actively Managed by Professionals
- Ability to take Lower Risk
- Tax-efficient investment for the long term

ICICI PRUDENTIAL MUTUAL FUND

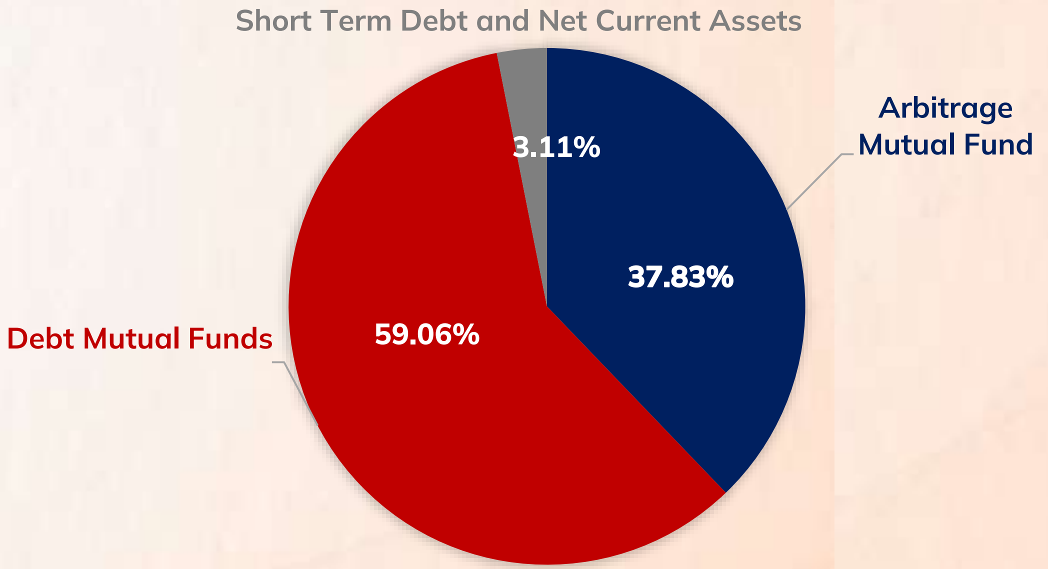
# Should Sunita choose the mutual funds route?



# ICICI Prudential Income plus Arbitrage Active FOF – A Blend of Debt oriented schemes and Arbitrage schemes


| ICICI Prudential Income plus Arbitrage Active FOF | |
|---|---|
| Portfolio Schemes | Allocation % |
| ICICI Prudential Corporate Bond Fund | 46.46% |
| ICICI Prudential Gilt Fund | 9.73% |
| ICICI Prudential Money Market Fund | 2.87% |
| ICICI Prudential Equity - Arbitrage Fund | 37.83% |




Data as on August 31, 2025. The Scheme has allocated 3.11% to Short term debt and net current assets

# Sunita's Dilemma – On watching the business news channel, she was wary of market volatility impacting her investment returns

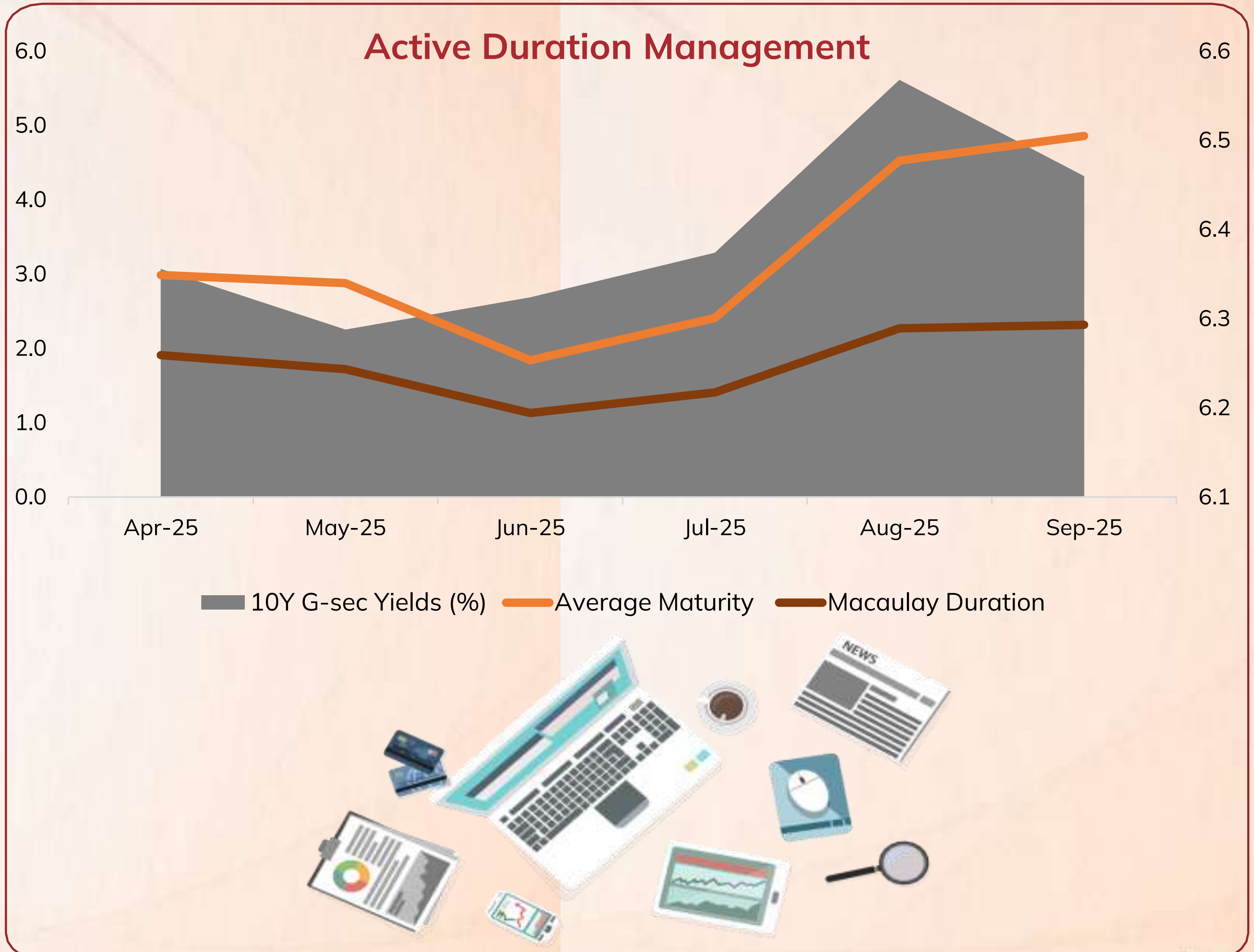

Scheme refers to ICICI Prudential Income plus Arbitrage Active FOF. RBI: Reserve Bank of India. U.S.: United States.

# ICICI Prudential Income plus Arbitrage Active FOF – Actively Managed by Professionals


| Scheme Allocation | Apr-25 | May-25 | Jun-25 | Jul-25 | Aug-25 |
|---|---|---|---|---|---|
| ICICI Prudential Equity - Arbitrage Fund | 38.01% | 35.96% | 39.97% | 40.30% | 37.83% |
| **ICICI Prudential Corporate Bond Fund** | **60.16%** | **51.81%** | **20.44%** | **47.15%** | **46.46%** |
| ICICI Prudential Long Term Bond Fund | -- | 1.87% | -- | -- | -- |
| ICICI Prudential Savings Fund | -- | -- | 39.80% | -- | -- |
| **ICICI Prudential Money Market Fund** | **--** | **--** | **--** | **11.97%** | **2.87%** |
| **ICICI Prudential Gilt Fund** | | | | | **9.73%** |


Source: G-Secs: Government Securities. The above table consists of month end data.

# ICICI Prudential Income plus Arbitrage Active FOF – Actively Managed by Professionals


Y: Year. G-sec: Government Securities. Data as on September 08, 2025.

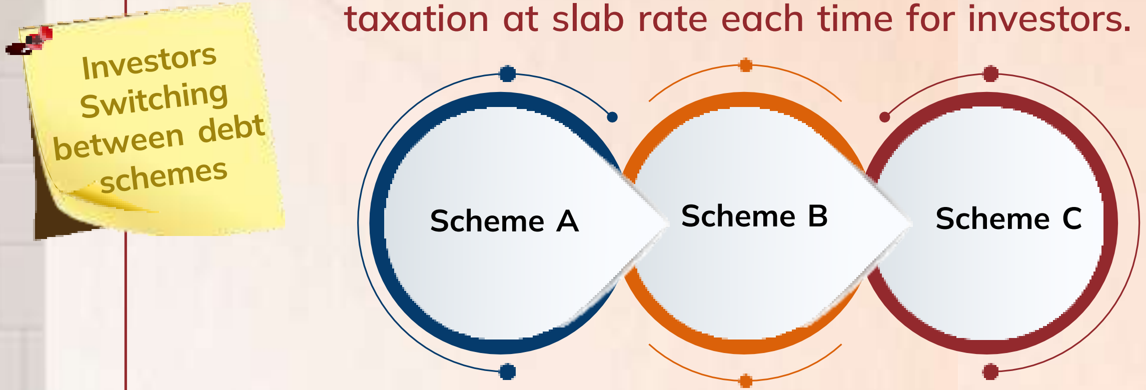
# ICICI Prudential Income plus Arbitrage Active FOF – Better Tax Efficiency


| | Short-Term Capital Gains | Long-Term Capital Gains | Holding Period |
|---|---|---|---|
| **Arbitrage Schemes** | 20% | 12.5% | 12 Months |
| **Debt Schemes** | Tax Slab rate | Tax Slab rate | NA |
| **ICICI Prudential Income plus Arbitrage Active FOF** | **Tax Slab rate** | **12.5%** | **24 Months** |

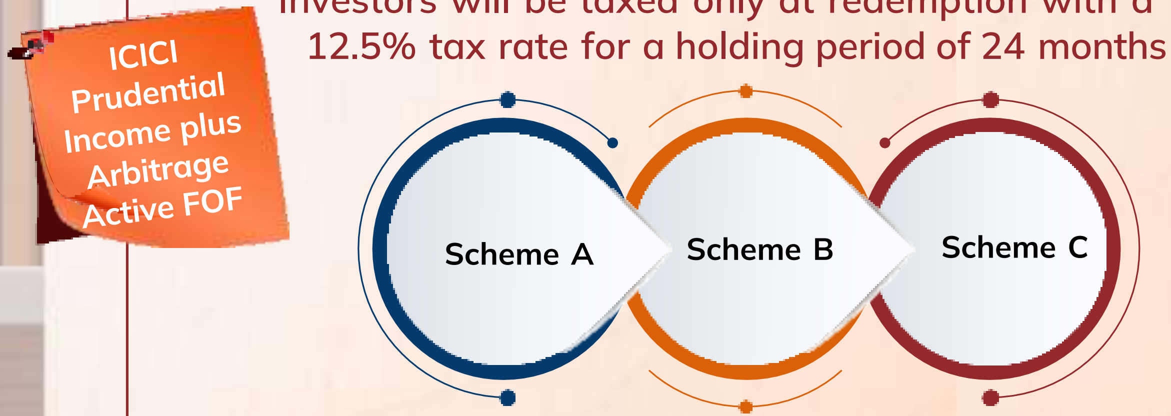

Investors should consult their tax advisers before making any decision. NA: Note Applicable.

# ICICI Prudential Income plus Arbitrage Active FOF – No Tax Impact on Investors on Managing the allocation of underlying schemes


Switching between debt schemes triggers a debt taxation at slab rate each time for investors.




Investors will be taxed only at redemption with a 12.5% tax rate for a holding period of 24 months




Investors should consult their tax advisers before making any decision.

# After understanding the key aspects of the Scheme, Sunita began to evaluate if it is in line with her investment needs

| Sunita's Investment Requirements | ICICI Prudential Income plus Arbitrage Active FOF |
| --- | --- |
| Potential to generate reasonable returns with lower volatility | The Scheme is not directly exposed to the ups and downs of the equity market. The portfolio includes a blend of debt-oriented and arbitrage schemes. |
| Prefer instruments that have a good credit profile | A good credit portfolio of debt and arbitrage based schemes |
| Actively Managed by Professionals | Actively managed based on market dynamics to capture opportunities presented by the market |
| Ability to take Lower Risk | The risk profile is relatively lower due to predominant exposure to debt schemes |
| Tax-efficient investment for the long term | Enjoys a LTCG tax of 12.5% with a holding period of 24 months, offering better tax efficiency |

LTCG: Long-Term Capital Gains. Investors should consult their tax advisers before making any decision.

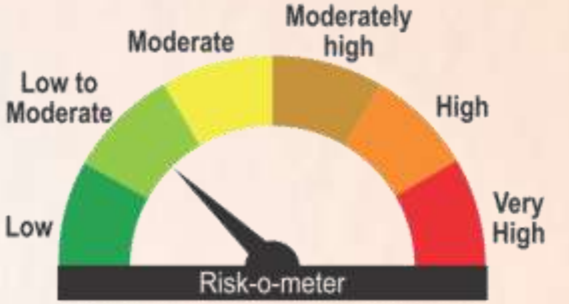
# ICICI Prudential Income plus Arbitrage Active FOF – Performance Track Record

## Returns of ICICI Prudential Income plus Arbitrage Active FOF - Growth Option as on August 31, 2025

| Particulars | 1 Year | | 3 Years | | 5 Years | | Since inception | |
|---|---|---|---|---|---|---|---|---|
| | CAGR (%) | Current Value of Investment of Rs. 10000 | CAGR (%) | Current Value of Investment of Rs. 10000 | CAGR (%) | Current Value of Investment of Rs. 10000 | CAGR (%) | Current Value of Investment of Rs. 10000 |
| **Scheme** | **5.69** | **10567.70** | **11.43** | **13836.83** | **11.01** | **16853.93** | **8.84** | **62876.10** |
| 60% Nifty Composite Debt Index + 40% Nifty Arbitrage Index (Benchmark) | 2.10 | 10209.66 | 8.73 | 12853.74 | 9.89 | 16021.32 | 8.67 | 60870.64 |
| CRISIL 10 Year Gilt Index (Additional Benchmark) | 7.77 | 10774.49 | 7.82 | 12533.57 | 5.51 | 13074.17 | 5.78 | 33890.91 |
| **NAV (Rs.) Per Unit (as on August 29,2025 : 62.8761)** | **59.4984** | | **45.4411** | | **37.3065** | | **10.00** | |

Notes: 1. The scheme is currently managed by Manish Banthia and Ritesh Lunawat. Mr. Manish Banthia has been managing this fund since Jun 2017. Total Schemes managed by the Fund Manager (Debt) is 25 (25 are jointly managed). Mr. Ritesh Lunawat has been managing this fund since Dec 2020. Total Schemes managed by the Fund Manager (Debt) is 11 (11 are jointly managed). Refer annexure from page no. 112 for performance of other schemes currently managed by Manish Banthia and Ritesh Lunawat. 2. Date of inception: 18-Dec-03. 3. Past performance may or may not be sustained in future and the same may not necessarily provide the basis for comparison with other investment. 4. Load is not considered for computation of returns. 5. In case, the start/end date of the concerned period is a nonbusiness date (NBD), the NAV of the previous date is considered for computation of returns. The NAV per unit shown in the table is as on the start date of the said period. 6. The performance of the scheme is benchmarked to the Total Return variant of the Index. 7. With effect from May 13, 2024, Ms. Sharmila D'silva has been appointed as the fund manager under the scheme. 8. The categorization of ICICI Prudential Income Optimizer Fund (FOF) has been changed w.e.f. April 07, 2025. Please refer to the addendum published on website for more details. 9. The Benchmark of the Scheme has been changed from NIFTY 50 TRI (35%) + CRISIL Composite Bond Index (65%) to 60% Nifty Composite Debt Index + 40% Nifty Arbitrage Index. The returns presented above are of the previous benchmark. 10. Ms. Sharmila D'silva, Ms. Masoomi Jhumarvala & Mr. Dharmesh Kakkad has ceased to be the Fund Manager effective April 25, 2025. 11. the above returns are of the Regular plan. The benchmark return as on August 29, 2025 has been considered for August 31, 2025 as the same was a non-business day.

# Risk-o-meter

| ICICI Prudential Income plus Arbitrage Active FOF (Erstwhile ICICI Prudential Income Optimizer Fund (FOF)) (An open ended fund of funds scheme investing in Debt oriented and arbitrage schemes). | Scheme | Benchmark<br>(60% Nifty Composite Debt Index + 40% Nifty Arbitrage Index) |
|---|---|---|
| This product is suitable for investors who are seeking*:<br>• Short Term Savings<br>• An open ended fund of funds scheme investing in Debt Oriented and arbitrage schemes<br>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them. |  The risk of the scheme is moderate |  The risk of the Benchmark is low to moderate |

Please note that the Risk-o-meter(s) specified will be evaluated and updated on a monthly basis. The below riskometers are as on August 31, 2025. Please refer to https://www.icicipruamc.com/news-and-updates/all-news for more details.

Investors may please note that they will be bearing the recurring expenses of the relevant fund of funds scheme in addition to the expenses of the underlying schemes in which the fund of funds scheme makes investment.

# Disclaimer

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

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