Zerodha
Fund House

NFO Live

# Park Cash, With Tax-Efficiency

Introducing

## Zerodha Arbitrage Fund

# Arbitrage Fund Is A Practical Way To Park Surplus Cash

### Potential For Tax-Efficient Returns

Particularly for investors in higher tax brackets, seeking relatively low-risk returns

### Low Risk, Low Volatility Strategy

Ideal for investors looking to park surplus cash for a few months

### No Lock-In Period

Unlike FDs/PPFs, there's no mandatory holding period - exit load applicable if redeemed within the first 30 days

# Potential For Tax-Efficient Returns

**Arbitrage Funds delivered a higher post-tax return than Liquid Funds across every holding period shown below** based on historical data

| | ✨ Arbitrage Fund | | | Liquid Fund* | | |
|---|---|---|---|---|---|---|
| | 3 Month | 6 Month | 1 Year | 3 Month | 6 Month | 1 Year |
| **Pre-Tax Return (%)** | 6.67 | 6.41 | 6.53 | 6.51 | 6.71 | 6.33 |
| **Tax Rate (%)** | 20.0% (STCG) | 20.0% (STCG) | 12.5% (LTCG) | 30.0% (Slab Rate) | 30.0% (Slab Rate) | 30.0% (Slab Rate) |
| **Post-Tax Return (%)** | **5.34** | **5.13** | **5.72** | **4.56** | **4.70** | **4.43** |

Data Source: AMFI
The 3-month, 6-month, and 1-year returns shown for Arbitrage and Liquid Funds are the average returns of all Arbitrage and Liquid Funds available as of July 31, 2026.
This comparison is for informational purposes only and should not be construed as investment advice or a recommendation. Actual returns will vary with prevailing market rates.
*Taxation shown assumes the highest applicable slab for Liquid Fund investors. Please consult your tax advisor for your specific situation.

# Market Neutral,
# Seeks To Capture Price Gaps


An arbitrage transaction seeks to capture this fixed spread - regardless of which way the market moves

**1**
**Identify Gap**
Two markets, one asset

**2**
**Execute Trade**
Buy low, sell high

**3**
**Identify Gap**
Price Gap becomes arbitrage returns

# This Fund v/s Other Alternatives

Arbitrage Funds can be more tax-efficient than other options where the gains are taxed at investor's slab rate

| | Arbitrage Funds | Liquid Funds | Fixed Deposits |
|---|---|---|---|
| **Lock-in period** | No | No | May Apply |
| **Investment Horizon** | Short to Medium | Flexible | Medium to Long |
| **Exit Loads** | ~0.25% (15-30 days) | Graded, First 7 days | May Apply* |
| **Returns get reflected** | Daily | Daily | Generally upon Maturity |
| **Taxation** | 12.5% LTCG | Slab Rate (30%`) | Slab Rate (30%`) |
| **Liquidity** | T+2 Days | T+1 Days | Instant Access |

This comparison is for informational purposes only and should not be construed as investment advice or a recommendation
The comparison does not account for individual tax implications, liquidity constraints, or investment suitability.
* For Fixed Deposits, there are penal charges levied in case of premature redemptions.
` Taxation for Liquid Funds and FDs assumes the highest tax slab for an individual investor.

# Invest Via Both SIP & Lumpsum

**Min Investment Amount***

SIP

**₹1000**

Lumpsum

**₹5000**

**Exit load**

For a 30 day period

**0.25%**

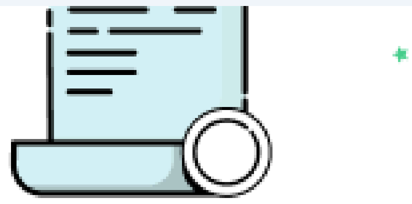
**Lock-in Period**

**No**

Short-term capital gains

Taxed **at 20%**


For investment period <= 12 month, gains are treated as short-term capital gains & taxed at 20% (plus 4% cess and surcharge, if any)



Long-term capital gains

Taxed **at 12.5%**

For investment period > 12 month, gains are treated as long-term capital gains & taxed at 12.5% (plus applicable surcharge and 4% cess)

Min investment amount is Rs.5000/- and any amount thereafter - During the NFO

Post NFO:
* Min investment amount is Rs.5000/- and any amount thereafter - Lumpsum
* Min investment amount is Rs.1000/- and any amount thereafter - SIP

Available on

# All major platforms

Coin

Groww

Dhan

ET Money

Kuvera

IND Money

5 Paisa

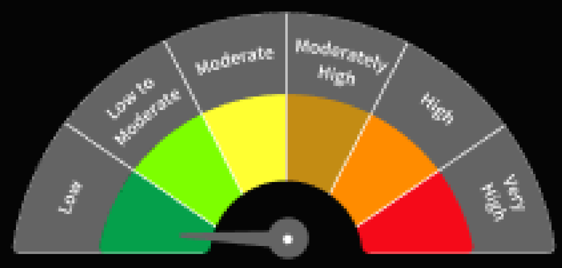
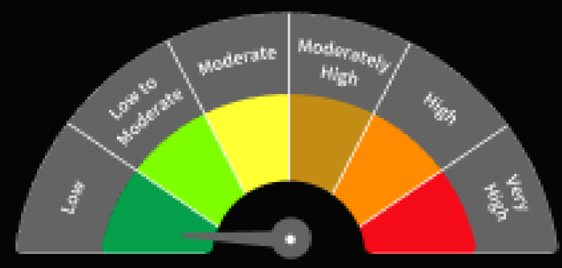
MFU

CAMS online

and more...

# Zerodha Arbitrage Fund

(An open-ended scheme investing in arbitrage opportunities)

| This product is suitable for investors who are seeking* | Risk-o-meter of the scheme | Risk-o-meter of the Benchmark (NIFTY 50 Arbitrage Index TRI - As per AMFI Tier I Benchmark) |
|---|---|---|
| Short term parking of funds |   |   |
| A low volatility investment strategy based on arbitrage opportunities in equity markets along with exposure to debt and money market instruments | | |

Investors should understand that their principal will be at **Low Risk**

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

*The product labelling assigned during the New Fund Offer (NFO) is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when actual investments are made.*

*(Offer for face value of ₹10/- per unit during New Fund Offer and at continuous offer for units at NAV based prices)*

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