

**NOTICE CUM ADDENDUM [No. 34 of 2020-21]**

**NOTICE CUM ADDENDUM TO THE SCHEME INFORMATION DOCUMENT ('SID') AND KEY INFORMATION MEMORANDUM ('KIM') OF PGIM INDIA DIVERSIFIED EQUITY FUND**

**Change in fundamental attributes of PGIM India Diversified Equity Fund**

Notice is hereby given that, PGIM India Asset Management Private Limited (erstwhile DHFL Pramerica Asset Managers Private Limited) and PGIM India Trustees Private Limited (erstwhile DHFL Pramerica Trustees Private Limited), the asset management company and trustee company of PGIM India Mutual Fund ("PGIM India MF") have decided to change the name, type and asset allocation of PGIM India Diversified Equity Fund.

PGIM India Diversified Equity Fund is an open ended equity scheme investing across large cap, mid cap, small cap stocks ("the Scheme"). The Scheme is positioned in the Multi Cap Fund category as per the SEBI circular dated October 6, 2017 on Categorisation and Rationalisation of Mutual Fund Schemes.

SEBI vide its circular no. SEBI/HO/IMD/DF3/CIR/P/2020/228 dated November 06, 2020 has introduced Flexi Cap Fund as a new category of open ended fund under Equity schemes. Flexi Cap Funds offer the flexibility to dynamically invest across large cap, mid cap and small cap stocks with 65% of the total assets of the scheme being invested in equity & equity related instruments.

The current positioning of PGIM India Diversified Equity Fund satisfies the characteristics of a "Flexi Cap Fund" as specified by SEBI, and accordingly it is proposed to change the name and type of the Scheme. In addition to this, it is proposed to change the asset allocation of the Scheme by permitting investment in overseas securities, investment in debt instruments having structured obligations / credit enhancements and participation in corporate bond repo transactions by the Scheme. Details of existing and proposed changes are as follows:

Particulars	Existing Scheme Features	Proposed Scheme Features																														
<b>Name of the scheme</b>	PGIM India Diversified Equity Fund	PGIM India Flexi Cap Fund																														
<b>Type of scheme</b>	Multicap Fund- An open ended equity scheme investing across large cap, mid cap, small cap stocks	Flexi Cap Fund - An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks																														
<b>Scheme Category</b>	Multi Cap Fund	Flexi Cap Fund																														
<b>Asset Allocation</b>	<table border="1"> <thead> <tr> <th rowspan="2">Instruments</th> <th colspan="2">Indicative allocations (% of total assets)</th> <th>Risk Profile</th> </tr> <tr> <th>Min</th> <th>Max</th> <th>High / Medium / Low</th> </tr> </thead> <tbody> <tr> <td>Equity &amp; Equity Related Instruments</td> <td>65%</td> <td>100%</td> <td>High</td> </tr> <tr> <td>Cash, Money Market, Debt Securities, Liquid &amp; Debt schemes of PGIM India Mutual Fund</td> <td>0%</td> <td>35%</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>The Scheme does not intend to invest in overseas/foreign securities, securitized debt, derivatives in fixed income instruments and repos/ reverse repos in corporate bonds. Subject to the SEBI (Mutual Funds) Regulations and in accordance with Securities Lending Scheme, 1997, SEBI Circular No. MFD/CIR/01/047/99 dated February 10, 1999, SEBI Circular No. SEBI/IMD/CIR No.14/187175/2009 dated December 15, 2009 and framework for short selling and borrowing and lending of securities notified by SEBI vide Circular No.MRD/DoP/SE/Dep/Cir-14/2007 dated December 20, 2007, as may be amended from time to time, the Scheme may engage in short selling of securities. The Scheme may also engage in securities lending; provided however that the Scheme shall not deploy more than 20% of its net assets in securities lending and not more than 5% of the net assets of the Scheme will be deployed in securities lending to any single counterparty.</p> <p>The Maximum exposure to derivatives shall not exceed 50% of net assets of the scheme. The Scheme may take derivatives position based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (Mutual Funds) Regulations from time to time. However, the exposure to short positions in the scheme using stock or index derivatives shall be only for hedging purposes. In terms of SEBI Circular no Cir/IMD/DF/11/2010 dated August 18, 2010, the cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme.</p> <p>The Maximum exposure to Liquid &amp; Debt schemes of PGIM India Mutual Fund shall not exceed 10% of net assets of the scheme and the AMC would not charge any investment management fees on such investments. The investment in the debt &amp; liquid schemes of PGIM India Mutual Fund will be made only on situations where suitable investment opportunities are not available in the debt segment, given the size of the debt allocation or any other considerations. There may be situations where the debt allocation under the Scheme may be lesser than the minimum market ticket size of debt securities, in which case the Scheme may not be able to invest directly into debt securities.</p> <p>Pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme the AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as amended from time to time.</p>	Instruments	Indicative allocations (% of total assets)		Risk Profile	Min	Max	High / Medium / Low	Equity & Equity Related Instruments	65%	100%	High	Cash, Money Market, Debt Securities, Liquid & Debt schemes of PGIM India Mutual Fund	0%	35%	Low to Medium	<table border="1"> <thead> <tr> <th rowspan="2">Instruments</th> <th colspan="2">Indicative allocations (% of total assets)</th> <th>Risk Profile</th> </tr> <tr> <th>Min</th> <th>Max</th> <th>High / Medium / Low</th> </tr> </thead> <tbody> <tr> <td>Equity &amp; Equity Related Instruments</td> <td>65%</td> <td>100%</td> <td>High</td> </tr> <tr> <td>Money Market, Debt Securities, Liquid &amp; Debt schemes of PGIM India Mutual Fund</td> <td>0%</td> <td>35%</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>The Scheme does not intend to invest in securitized debt and derivatives in fixed income instruments. Subject to the SEBI (Mutual Funds) Regulations and in accordance with Securities Lending Scheme, 1997, SEBI Circular No. MFD/CIR/01/047/99 dated February 10, 1999, SEBI Circular No. SEBI/IMD/CIR No.14/187175/2009 dated December 15, 2009 and framework for short selling and borrowing and lending of securities notified by SEBI vide Circular No.MRD/DoP/SE/Dep/Cir-14/2007 dated December 20, 2007, as may be amended from time to time, the Scheme may engage in short selling of securities. The Scheme may also engage in securities lending; provided however that the Scheme shall not deploy more than 20% of its net assets in securities lending.</p> <p>If the Scheme decides to invest in foreign securities, such investments will not exceed 25% of the net assets of the Scheme.</p> <p>The scheme may invest in debt instruments having structured obligations / credit enhancements which shall not exceed 10% of the debt portfolio of the scheme and group exposure in such instruments shall not exceed 5% of the debt portfolio of the scheme.</p> <p>The scheme may participate in corporate bond repo transactions and in accordance with extant SEBI/RBI guidelines and any subsequent amendments thereto specified by SEBI and/or RBI from time to time. Gross exposure of the scheme to repo transactions in corporate debt securities shall not be more than 10% of the net assets of the scheme.</p> <p>The Maximum exposure to derivatives shall not exceed 50% of net assets of the scheme. The Scheme may take derivatives position based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under SEBI (Mutual Funds) Regulations from time to time. However, the exposure to short positions in the scheme using stock or index derivatives shall be only for hedging purposes. In terms of SEBI Circular no Cir/IMD/DF/11/2010 dated August 18, 2010, the cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the scheme.</p> <p>The Maximum exposure to Liquid &amp; Debt schemes of PGIM India Mutual Fund shall not exceed 10% of net assets of the scheme and the AMC would not charge any investment management fees on such investments. The investment in the debt &amp; liquid schemes of PGIM India Mutual Fund will be made only on situations where suitable investment opportunities are not available in the debt segment, given the size of the debt allocation or any other considerations. There may be situations where the debt allocation under the Scheme may be lesser than the minimum market ticket size of debt securities, in which case the Scheme may not be able to invest directly into debt securities.</p> <p>Pending deployment of funds of the Scheme in securities in terms of the investment objective of the Scheme the AMC may park the funds of the Scheme in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as amended from time to time.</p>	Instruments	Indicative allocations (% of total assets)		Risk Profile	Min	Max	High / Medium / Low	Equity & Equity Related Instruments	65%	100%	High	Money Market, Debt Securities, Liquid & Debt schemes of PGIM India Mutual Fund	0%	35%	Low to Medium
Instruments	Indicative allocations (% of total assets)		Risk Profile																													
	Min	Max	High / Medium / Low																													
Equity & Equity Related Instruments	65%	100%	High																													
Cash, Money Market, Debt Securities, Liquid & Debt schemes of PGIM India Mutual Fund	0%	35%	Low to Medium																													
Instruments	Indicative allocations (% of total assets)		Risk Profile																													
	Min	Max	High / Medium / Low																													
Equity & Equity Related Instruments	65%	100%	High																													
Money Market, Debt Securities, Liquid & Debt schemes of PGIM India Mutual Fund	0%	35%	Low to Medium																													
<b>Name of Fund Manager(s)</b>	Aniruddha Naha (for Equity Investments)	Aniruddha Naha (for Equity Investments) and Mr. Anandha Padmanabhan (for Overseas Investments)																														

The Board of Directors of PGIM India Asset Management Private Limited and PGIM India Trustees Private Limited vide resolutions dated November 20, 2020 and December 25, 2020 have approved the proposal for change in name and type of the Scheme and enabled investment in overseas securities by the Scheme, with effect from January 31, 2021 ("Effective Date"). Further, SEBI vide its communication dated December 30, 2020 has taken note of above changes.

The change in type of the Scheme and change in asset allocation of the Scheme tantamounts to change in the fundamental attributes of the Scheme in terms of SEBI circular SEBI/HO/IMD/DF3/CIR/P/2020/228 dated November 06, 2020 and Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996. Such fundamental attribute changes can be carried out only after the unit holders of the Scheme have been sent written communication to provide them with an option of exiting from the scheme within a period of 30 days at the prevailing net asset value ("NAV") without being charged an exit load ("Exit Option").

Accordingly, this Notice serves as a communication to the unit holders of the Scheme about the Fundamental Attribute Changes as described above and each unit holder of Scheme is hereby given an option to exit his / her / its investment in the Scheme at the prevailing NAV without exit load, if any. A letter detailing above changes is being separately sent to the unitholders of the Scheme.

The exit option will be available to all the unit holders of the Scheme as per the records of KFin Technologies Pvt Ltd. (the "Registrar"), as at the close of business hours on December 30, 2020. The option to exit without exit load can be exercised from January 01, 2021 to January 30, 2021 (both days inclusive) ("Exit Option Period") within cut-off timelines of the Scheme. All transaction requests received after January 30, 2021, will be subject to load, as may be prevailing at that time in the Scheme.

Redemption / Switch requests may be lodged at any of the Official Points of Acceptance of PGIM India MF by filling out the redemption / switch request slip provided in Exhibit 2 of the Letter to Unitholders or by filling the transaction slips and submitting the same duly signed as per the mode of holding or through depository participant (in case of units held in electronic (demat) mode, or through our website as well as the mobile application. For list of Official Points of Acceptance, please visit our website www.pgimindiamf.com. The redemption payment will be made within 10 business days of receipt of valid redemption request to those unit holders who choose to exercise their Exit Option. Unit holders who have pledged / encumbered their units will not have the option to exit unless they procure a release of their pledges / encumbrances and appropriately communicate the same to PGIM India MF / Registrar prior to submitting their redemption / switch requests during the exit option period. In case a lien is marked on units held by a unit holder or units have been frozen / locked pursuant to an order of a governmental authority or a court, redemption / switch out can be executed only after the lien / order is vacated / revoked within the Exit Option Period specified above.

If you have no objection to the proposed Fundamental Attribute Changes, no action needs to be taken by you. This offer to exit is merely an option and is not compulsory.

Please note that unit holders who do not opt for redemption on or before January 30, 2021 shall be deemed to have consented to Fundamental Attribute Changes as specified in this notice.

In case you require any further information / assistance please contact:

**PGIM India Asset Management Private Limited**

2<sup>nd</sup> Floor | Nirlon House | Dr. Annie Besant Road | Worli | Mumbai- 400030

Telephone No. 1800 266 7446 | E-mail: care@pgimindia.co.in

Or,

**Registrar, KFin Technologies Private Limited**

Unit- PGIM India Mutual Fund

No. 23, Cathedral Garden Road, Nungambakkam, Chennai 600 034

This Notice-cum-Addendum forms an integral part of SID and KIM of the Scheme, as amended from time to time. All the other terms and conditions of SID and KIM of the Scheme will remain unchanged.

**For PGIM India Asset Management Private Limited  
(Investment Manager for PGIM India Mutual Fund)**

Sd/-

Authorized Signatory

Place : Mumbai

Date : December 30, 2020

**MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.**