February 05, 2026

Nippon Life India Asset Management Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Nippon India Floater Fund	-	-	[ICRA]AAAmfs; reaffirmed
Nippon India Low Duration Fund	-	-	[ICRA]AAAmfs; reaffirmed
Nippon India Short Duration Fund	-	-	[ICRA]AAAmfs; reaffirmed
Nippon India Corporate Bond Fund	-	-	[ICRA]AAAmfs; reaffirmed
Nippon India Dynamic Bond Fund	-	-	[ICRA]AAAmfs; reaffirmed
Nippon India Banking and PSU Fund	-	-	[ICRA]AAAmfs; reaffirmed
Nippon India Medium to Long duration Fund	-	-	[ICRA]AAAmfs; reaffirmed
Nippon India Gilt Fund	-	-	[ICRA]AAAmfs; reaffirmed
Nippon India ETF Nifty 8 - 13 yr G - Sec Long Term Gilt	-	-	[ICRA]AAAmfs; reaffirmed
Nippon India Nifty AAA CPSE Bond Plus SDL - Apr 2027 Maturity 60:40 Index Fund	-	-	[ICRA]AAAmfs; reaffirmed
Nippon India Nifty AAA PSU Bond Plus SDL - Sep 2026 Maturity 50:50 Index Fund	-	-	[ICRA]AAAmfs; reaffirmed
Nippon India Liquid Fund	-	-	[ICRA]A1+mfs; reaffirmed
Nippon India Money Market Fund	-	-	[ICRA]A1+mfs; reaffirmed
Nippon India Ultra Short Duration Fund	-	-	[ICRA]A1+mfs; reaffirmed
Nippon India Overnight Fund	-	-	[ICRA]A1+mfs; reaffirmed
Total	**-**	**-**	

**Instrument details are provided in Annexure I*

Rationale and key rating drivers

ICRA has reaffirmed the ratings of various debt schemes of Nippon Life India Asset Management Limited (NAM INDIA; the asset management company or AMC). The ratings have been reaffirmed following ICRA's monitoring of the credit risk profile of the month-end portfolio position of these schemes. The credit risk scores for the schemes were comfortably within the benchmark limit for their current rating levels.

Mutual fund (MF) ratings incorporate ICRA's assessment of the creditworthiness of a debt MF scheme's investment portfolio. These ratings are a symbolic representation of the credit risk in the underlying investments or the degree of safety regarding the timely receipt of payments from the investments made by the MF schemes. The ratings do not indicate the AMC's and/or any of its scheme's willingness and/or ability to make timely redemptions to its investors. The ratings also do not address market risks and hence should not be construed as an indication of the expected returns, prospective performance of the MF scheme, and the ability to redeem investments at the reported net asset value (NAV) or volatility in its past returns, as all these are influenced by market risks.

ICRA's assessment of debt MF schemes are guided by the credit ratings of the individual investments and the relative share of investments in the overall assets under management (AUM) of the scheme and the maturity schedule of such investments. ICRA's MF ratings are not a reflection on the quality of the management of the AMC or its financial performance, reputation and other business practices including investment strategies, pricing, marketing, and distribution activities. Furthermore, the ratings are not a reflection of whether the AMC or the fund is compliant with the applicable regulatory requirements.

The credit matrix is a tool used by ICRA for analysing the investment portfolio of the debt MF schemes by assessing the portfolio's aggregate credit quality while reviewing the credit quality of each underlying debt security. The portfolio's weighted average credit quality is compared with a benchmark credit score corresponding to the higher of the weighted average maturity of the scheme's portfolio or the maturity predefined by ICRA for the scheme category. The rating outcome corresponds to the rating level for which the portfolio's weighted average credit score is less than the benchmark credit score associated with the rating level. Further, the lowest rating of the investments of the scheme acts as the floor for its rating.

Once an MF scheme is rated and the rating is accepted, ICRA reviews the underlying investment portfolios for the credit scores on an ongoing basis. To this end, ICRA relies on the information provided by the AMC and/or publicly available sources. ICRA reviews the MF's ratings on a monthly basis or earlier, if required, which involves an evaluation of the rating corresponding to the portfolio credit score in relation to the existing rating outstanding. If the portfolio credit score meets the benchmark score for the existing rating, the rating is retained. If the portfolio credit score has a negative breach from the benchmark credit score for the existing rating, ICRA communicates the same to the fund manager/product manager and/or other officials of the concerned AMC before the end of the next month, and provides 30 working days from the date of such communication to bring the portfolio credit score within the benchmark credit score for maintaining the existing rating level. If the investment composition of the fund is realigned to bring the portfolio credit score within the benchmark credit score, the rating is retained. However, if the portfolio continues to breach the benchmark credit score for the existing rating level, the rating is revised to reflect the change in the portfolio's credit quality.

In case of sharp breaches of the benchmark credit score (for instance due to a multi-notch downgrade in the underlying investment) and/or if ICRA believes that the breach may not get rectified within a month of the ongoing review, the rating is generally corrected immediately without giving a month's time for rebalancing the portfolio. If the AMC corrects its portfolio, post the rating downgrade of the scheme, or the credit score improves in any manner subsequent to the downgrade, making the scheme eligible for an upgrade, ICRA may consider a rating upgrade only if the credit score is maintained consistently for a period of at least three months.

Liquidity position: Not applicable

Rating sensitivities

Positive factors – Not applicable

Negative factors –
For Nippon India Overnight Fund – A deterioration in the credit quality of the underlying investment, leading to a breach in the threshold for the rating level, would be a negative factor.

For other schemes – A deterioration in the credit quality of the underlying investment or a decline in the size of the AUM, which may result in an increase in the share of lower rated investments, leading to a breach in the threshold for the rating level, would be a negative factor.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Mutual Funds
Parent/Group support	Not applicable
Consolidation/Standalone	Not applicable

About the company

Nippon Life India Asset Management Limited (NAM INDIA) is the asset manager of Nippon India Mutual Fund. As on September 30, 2025, Nippon Life Insurance Company (promoter of the company) held ~72% of the total issued and paid-up equity share capital of NAM INDIA while the balance was held by domestic institutional investors (DIIs; ~13%), foreign institutional investors (FIIs; ~8%) and the public (~7%). As on December 31, 2025, NAM INDIA's quarterly average AUM stood at Rs. 6,63,684 crore[1].

Nippon India Overnight Fund

Nippon India Overnight Fund is an open-ended debt scheme investing in overnight securities. Its objective is to generate optimal returns with low risk and high liquidity by investing in debt and money market instruments with overnight maturity. The fund's month-end AUM stood at Rs. 6,806 crore as on December 31, 2025.

Nippon India Liquid Fund

Nippon India Liquid Fund is an open-ended liquid scheme. The fund focusses on reasonable carry with a view to maximise returns while ensuring adequate liquidity through investments in various money market and debt instruments with maturity of up to 91 days. Its month-end AUM stood at Rs. 27,591 crore as on December 31, 2025.

Nippon India Ultra Short Duration Fund

Nippon India Ultra Short Duration Fund is an open-ended ultra-short-term debt scheme investing in debt and money market instruments such that the Macaulay duration of the portfolio is between 3 and 6 months. Its investment objective is to generate optimal returns consistent with moderate levels of risk and liquidity by investing in debt and money market instruments. The fund's month-end AUM stood at Rs. 11,060 crore as on December 31, 2025.

Nippon India Money Market Fund

Nippon India Money Market Fund is an open-ended debt scheme investing in money market instruments like certificates of deposit (CDs), commercial paper (CP), etc, with maturity of up to 1 year. The fund's month-end AUM stood at Rs. 20,190 crore as on December 31, 2025.

Nippon India Low Duration Fund

Nippon India Low Duration Fund is an open-ended low duration debt scheme investing in debt and money market instruments such that the Macaulay duration of the portfolio is between 6 and 12 months. The fund's month-end AUM stood at Rs. 10,406 crore as on December 31, 2025.

Nippon India Corporate Bond Fund

Nippon India Corporate Bond Fund is an open-ended debt scheme predominantly investing in corporates rated AA+ and above. The fund seeks to benefit from opportunities available in the corporate bonds market at different points in time. Therefore, its investments are based on short-to-medium-term interest rate views and the shape of the yield curve. The fund's month-end AUM stood at Rs. 10,431 crore as on December 31, 2025.

[1] *Source: https://www.amfiindia.com/aum-data/average-aum*

Nippon India Short Duration Fund

Nippon India Short Duration Fund is an open-ended short-term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year and 3 years. The fund's month-end AUM stood at Rs. 9,723 crore as on December 31, 2025.

Nippon India Medium to Long Duration Fund

Nippon India Medium to Long Duration Fund is an open-ended medium-term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 4 years and 7 years. The fund's month-end AUM stood at Rs. 390 crore as on December 31, 2025.

Nippon India Dynamic Bond Fund

Nippon India Dynamic Bond Fund is an open-ended debt scheme investing across durations. The investment strategy is implemented through high-grade assets like Government securities (G-Secs)/state development loans (SDLs)/corporate bonds. The mandate is flexible in terms of duration rather than credit. The fund's month-end AUM stood at Rs. 4,388 crore as on December 31, 2025.

Nippon India Floater Fund

Nippon India Floater Fund is an open-ended debt scheme predominantly investing in floating rate instruments (including fixed rate instruments converted to floating rate exposures using swaps/derivatives). The fund's month-end AUM stood at Rs. 8,202 crore as on December 31, 2025.

Nippon India Banking and PSU Fund

Nippon India Banking & PSU Fund is an open-ended debt scheme predominantly investing in the debt instruments of banks, public sector undertakings, public financial institutions and municipal bonds. The fund's month-end AUM stood at Rs. 5,447 crore as on December 31, 2025.

Nippon India Gilt Fund

Nippon India Gilt Fund is an open-ended debt scheme investing in G-Secs across maturities. Its objective is to generate optimal credit risk-free returns by investing in a portfolio of securities issued and guaranteed by the Central Government and state government. The fund's month-end AUM stood at Rs. 1,850 crore as on December 31, 2025.

Nippon India ETF Nifty 8 - 13 yr G - Sec Long Term Gilt

Nippon India ETF Nifty 8-13 yr G-Sec Long-Term Gilt is an open-ended index exchange-traded fund investing in long-term G-Secs. The investment objective is to provide investment returns closely corresponding to the total returns of the securities as represented by the NIFTY 8-13 yr G-Sec Index before expenses, subject to tracking errors. The fund's month-end AUM stood at Rs. 2,683 crore as on December 31, 2025.

Nippon India Nifty AAA CPSE Bond Plus SDL - Apr 2027 Maturity 60:40 Index Fund

Nippon India Nifty AAA CPSE Bond Plus SDL - Apr 2027 Maturity 60:40 Index Fund is an open-ended target maturity index investing in the constituents of the Nifty AAA CPSE Bond Plus SDL Apr 2027 60:40 Index. The fund's month-end AUM stood at Rs. 3,144 crore as on December 31, 2025.

Nippon India Nifty AAA PSU Bond Plus SDL - Sep 2026 Maturity 50:50 Index Fund

Nippon India Nifty AAA PSU Bond Plus SDL - Sep 2026 Maturity 50:50 Index Fund is an open-ended target maturity index investing in the constituents of the Nifty AAA PSU Bond Plus SDL - Sep 2026 Maturity 50:50 Index. The fund's month-end AUM stood at Rs. 380 crore as on December 31, 2025.

Key financial indicators: Not applicable

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Current rating (FY2026)			Chronology of rating history for the past 3 years					
	FY2026			FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	February 05, 2026	Date	Rating	Date	Rating	Date	Rating
Nippon India Floater Fund	Long term	0.00	[ICRA]AAAmfs	Feb 13, 2025	[ICRA]AAAmfs	Mar 05, 2024	[ICRA]AAAmfs	May 05, 2022	[ICRA]AAAmfs
				-	-	-	-	Mar 06, 2023	[ICRA]AAAmfs
Nippon India Low Duration Fund	Long term	0.00	[ICRA]AAAmfs	Feb 13, 2025	[ICRA]AAAmfs	Mar 05, 2024	[ICRA]AAAmfs	May 05, 2022	[ICRA]AAAmfs
				-	-	-	-	Mar 06, 2023	[ICRA]AAAmfs
Nippon India Short Duration Fund	Long term	0.00	[ICRA]AAAmfs	Feb 13, 2025	[ICRA]AAAmfs	Mar 05, 2024	[ICRA]AAAmfs	May 05, 2022	[ICRA]AAAmfs
				-	-	-	-	Mar 06, 2023	[ICRA]AAAmfs
Nippon India Corporate Bond Fund	Long term	0.00	[ICRA]AAAmfs	Feb 13, 2025	[ICRA]AAAmfs	-	-	May 05, 2022	[ICRA]AAAmfs
				-	-	-	-	Mar 06, 2023	[ICRA]AAAmfs
Nippon India Dynamic Bond Fund	Long term	0.00	[ICRA]AAAmfs	Feb 13, 2025	[ICRA]AAAmfs	Mar 05, 2024	[ICRA]AAAmfs	May 05, 2022	[ICRA]AAAmfs
				-	-	-	-	Mar 06, 2023	[ICRA]AAAmfs
Nippon India Banking and PSU Fund	Long term	0.00	[ICRA]AAAmfs	Feb 13, 2025	[ICRA]AAAmfs	Mar 05, 2024	[ICRA]AAAmfs	May 05, 2022	[ICRA]AAAmfs
				-	-	-	-	Mar 06, 2023	[ICRA]AAAmfs
Nippon India Medium to Long Duration Fund	Long term	0.00	[ICRA]AAAmfs	Feb 13, 2025	[ICRA]AAAmfs	Mar 05, 2024	[ICRA]AAAmfs	May 05, 2022	[ICRA]AAAmfs
				-	-	-	-	Mar 06, 2023	[ICRA]AAAmfs
Nippon India Gilt Fund	Long term	0.00	[ICRA]AAAmfs	Feb 13, 2025	[ICRA]AAAmfs	Mar 05, 2024	[ICRA]AAAmfs	May 05, 2022	[ICRA]AAAmfs
				-	-	-	-	Mar 06, 2023	[ICRA]AAAmfs
Nippon India ETF Nifty 8 - 13 yr G - Sec Long Term Gilt	Long term	0.00	[ICRA]AAAmfs	Feb 13, 2025	[ICRA]AAAmfs	Mar 05, 2024	[ICRA]AAAmfs	Mar 15, 2023	[ICRA]AAAmfs
Nippon India Nifty AAA CPSE Bond Plus SDL - Apr 2027 Maturity 60:40 Index Fund	Long term	0.00	[ICRA]AAAmfs	Feb 13, 2025	[ICRA]AAAmfs	Mar 05, 2024	[ICRA]AAAmfs	Mar 15, 2023	[ICRA]AAAmfs
Nippon India Nifty AAA PSU Bond Plus SDL - Sep 2026 Maturity 50:50 Index Fund	Long term	0.00	[ICRA]AAAmfs	Feb 13, 2025	[ICRA]AAAmfs	Mar 05, 2024	[ICRA]AAAmfs	May 05, 2022	[ICRA]AAAmfs
				-	-	-	-	Mar 06, 2023	[ICRA]AAAmfs
Nippon India Liquid Fund	Short term	0.00	[ICRA]A1+mfs	Feb 13, 2025	[ICRA]A1+mfs	Mar 05, 2024	[ICRA]A1+mfs	May 05, 2022	[ICRA]A1+mfs
				-	-	-	-	Mar 06, 2023	[ICRA]A1+mfs
Nippon India Money Market Fund	Short term	0.00	[ICRA]A1+mfs	Feb 13, 2025	[ICRA]A1+mfs	Mar 05, 2024	[ICRA]A1+mfs	May 05, 2022	[ICRA]A1+mfs
				-	-	-	-	Mar 06, 2023	[ICRA]A1+mfs
Nippon India Ultra Short Duration Fund	Short term	0.00	[ICRA]A1+mfs	Feb 13, 2025	[ICRA]A1+mfs	Mar 05, 2024	[ICRA]A1+mfs	May 05, 2022	[ICRA]A1+mfs
				-	-	-	-	Mar 06, 2023	[ICRA]A1+mfs

Nippon India Overnight Fund	Short term	0.00	[ICRA]A1+mfs	Feb 13, 2025	[ICRA]A1+mfs	Mar 05, 2024	[ICRA]A1+mfs	May 05, 2022	[ICRA]A1+mfs
				-	-	-	-	Mar 06, 2023	[ICRA]A1+mfs
Nippon India Capital Protection Oriented Fund II - Plan A	Long term			-	-	Mar 05, 2024	[ICRA]AAAmfs	-	-
Nippon India Capital Protection Oriented Fund II - Plan A	Long term			-	-	Mar 05, 2024	[ICRA]AAA(SO); withdrawn	May 05, 2022	[ICRA]AAA(SO)
				-	-	-	-	Mar 06, 2023	[ICRA]AAA(SO)

Complexity level of the rated instruments: Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA’s website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Nippon India Floater Fund	NA	NA	NA	NA	[ICRA]AAAmfs; reaffirmed
NA	Nippon India Low Duration Fund	NA	NA	NA	NA	[ICRA]AAAmfs; reaffirmed
NA	Nippon India Short Duration Fund	NA	NA	NA	NA	[ICRA]AAAmfs; reaffirmed
NA	Nippon India Corporate Bond Fund	NA	NA	NA	NA	[ICRA]AAAmfs; reaffirmed
NA	Nippon India Dynamic Bond Fund	NA	NA	NA	NA	[ICRA]AAAmfs; reaffirmed
NA	Nippon India Banking and PSU Fund	NA	NA	NA	NA	[ICRA]AAAmfs; reaffirmed
NA	Nippon India Medium to Long duration Fund	NA	NA	NA	NA	[ICRA]AAAmfs; reaffirmed
NA	Nippon India Gilt Fund	NA	NA	NA	NA	[ICRA]AAAmfs; reaffirmed
INF204KB1882	Nippon India ETF Nifty 8 - 13 yr G - Sec Long Term Gilt	NA	NA	NA	NA	[ICRA]AAAmfs; reaffirmed
NA	Nippon India Nifty AAA CPSE Bond Plus SDL - Apr 2027 Maturity 60:40 Index Fund	NA	NA	NA	NA	[ICRA]AAAmfs; reaffirmed
NA	Nippon India Nifty AAA PSU Bond Plus SDL - Sep 2026 Maturity 50:50 Index Fund	NA	NA	NA	NA	[ICRA]AAAmfs; reaffirmed
NA	Nippon India Liquid Fund	NA	NA	NA	NA	[ICRA]A1+mfs; reaffirmed
NA	Nippon India Money Market Fund	NA	NA	NA	NA	[ICRA]A1+mfs; reaffirmed
NA	Nippon India Ultra Short Duration Fund	NA	NA	NA	NA	[ICRA]A1+mfs; reaffirmed
NA	Nippon India Overnight Fund	NA	NA	NA	NA	[ICRA]A1+mfs; reaffirmed

Annexure II: List of entities considered for consolidated analysis

Not applicable

ANALYST CONTACTS

Karthik Srinivasan
+91 22 6114 3444
karthiks@icraindia.com

Kruti Jagad
+91 22 6114 3447
kruti.jagad@icraindia.com

Siddharth Panda
+91 22 6114 3445
siddharth.panda@icraindia.com

Anil Gupta
+91 124 4545 314
anilg@icraindia.com

Chandni
+91 124 4545 844
chandni@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches