JioBlackRock Balanced Advantage Fund

Aiming to balance growth and stability, across markets

NFO closes : 25 Sept 2026

Investor FAQs

JioBlackRock Balanced Advantage Fund
(An open ended dynamic asset allocation fund investing in debt and equity instruments only)

This product is suitable for investors who are seeking*
- Long-Term Capital Appreciation with income generation
- Investment in a dynamically managed portfolio of equity and debt instruments

Risk-o-meter of the Scheme:

The risk of the scheme is Very High

Risk-o-meter of the Benchmark:
Nifty 50 Hybrid Composite Debt 50:50 Index (TRI) (As per AMFI Tier I Benchmark)

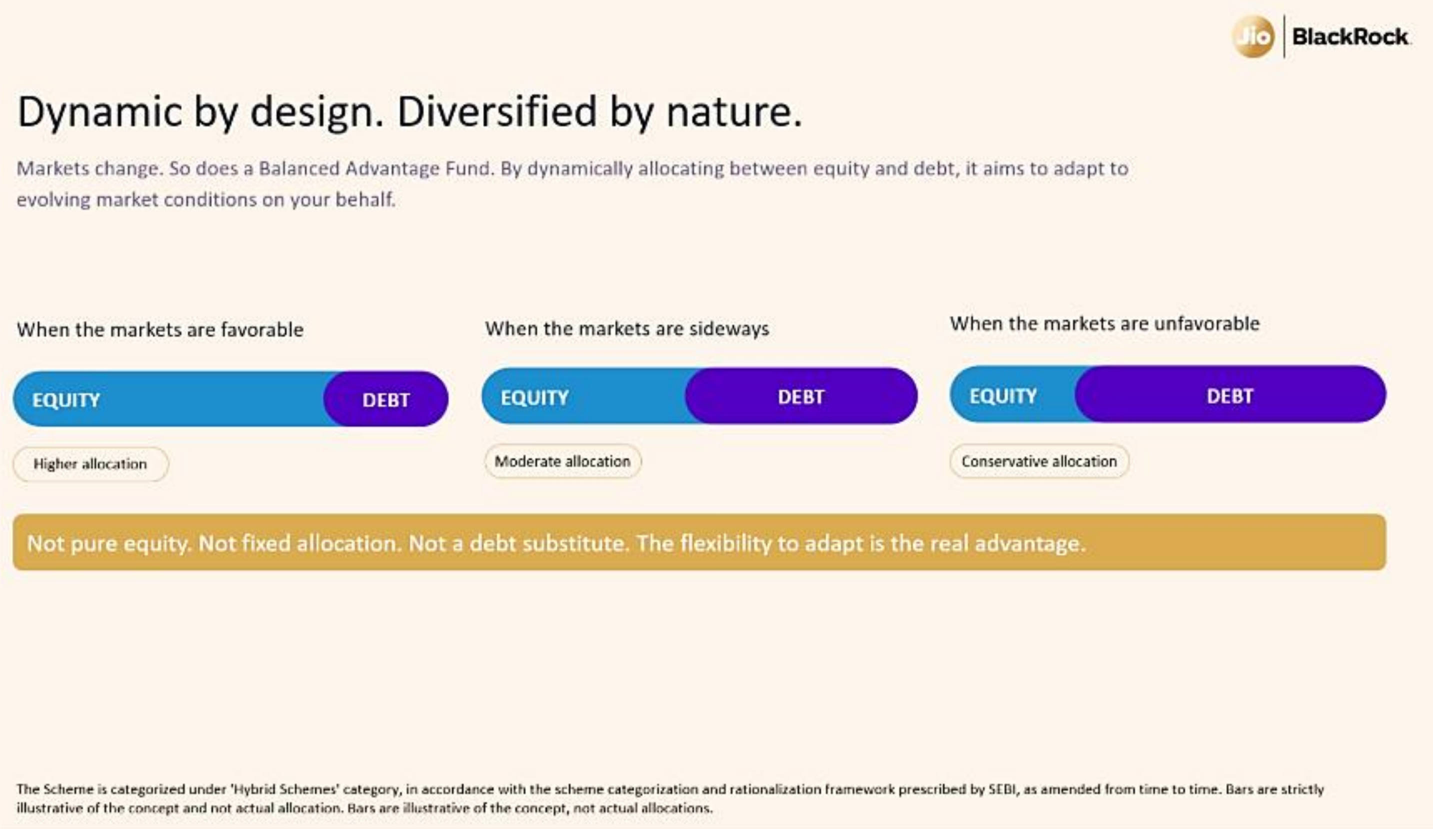
The risk of the benchmark is High

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.
The above product labelling assigned during the New Fund Offer (NFO) is based on an internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

1) What is Balanced Advantage Fund?

A Balanced Advantage Fund, also known as a Dynamic Asset Allocation Fund, is categorised as a hybrid mutual fund that invests in both equity and debt and can change the balance between them as market conditions evolve. Equity seeks to provide long-term capital growth, while debt seeks to provide income, liquidity and relative stability.

Unlike a traditional hybrid fund that may maintain a broadly fixed mix, a Balanced Advantage Fund can increase or reduce its effective equity exposure based on factors such as market valuations, price trends, investor sentiment and the broader economic environment. The purpose is to make asset-allocation decisions within the fund rather than requiring investors to repeatedly decide when to move between equity and debt. However, dynamic allocation seeks to manage risk, not eliminate it, and the fund's NAV can rise. or fall based on market conditions.



In simple terms, investors can think of it as one fund that dynamically combines equity and debt. When the investment framework finds the risk-reward environment more supportive of equities, the fund increases its directional equity allocation to maximize capital appreciation. When structural or cyclical market risks appear elevated, it may systematically reduce net equity exposure to mitigate downside volatility and may use a greater combination of fixed income & derivatives for primarily hedging equity exposure. his does not mean the fund can predict every market movement. It means that allocation decisions are made through a defined and professionally managed process rather than being driven only by investor fear or excitement.

2) What is the investment objective of JioBlackRock Balanced Advantage Fund (the Fund/Scheme)?

The investment objective of the Scheme is to generate long term capital appreciation with income generation by investing in a dynamically managed portfolio of equity and debt instruments.

There is no assurance that the investment objective of the Scheme will be achieved.

3) What is the benchmark of the Scheme?

The Scheme is benchmarked against the Nifty 50 Hybrid Composite Debt 50:50 Index (TRI), which reflects a blend of equity and debt exposure consistent with the Scheme's intended investment universe.

4) What is the minimum investment amount?

Investors can start with:
Lumpsum: ₹500 and any amount thereafter
SIP: ₹500 per instalment and in multiples of Re.1 thereafter

5) Is there any lock-in period?

No. The Scheme is an open-ended fund and does not have any lock-in period. Investors may redeem their units on any business day at the applicable NAV.

6) Is there any exit load?

No. The Scheme currently has Nil Exit Load. Investors can redeem units without paying an exit load.

7) Why consider a Balanced Advantage Fund now?

There may rarely be a point at which investors can be completely certain that it is the “right time” to enter equity markets. After markets rise, investors may worry that valuations are high; after markets fall, they may hesitate because uncertainty has increased. These reactions can lead to delayed investing, selling after declines or entering after a strong rally.

A Balanced Advantage Fund seeks to address this behavioural challenge by continuously assessing market conditions and adjusting the portfolio’s effective equity exposure within the scheme’s permitted framework.

A Balanced Advantage Fund may therefore be relevant across different market environments, rather than only at a particular market level. In favourable conditions, it can seek greater participation through higher net equity exposure. In a less favourable or more uncertain environment, it may use derivatives primarily for hedging equity exposure & fixed income to adopt a more defensive allocation framework. This can help investors remain invested without having to make frequent entry, exit and re-entry decisions themselves.

8) Who is the fund suitable for?

The fund may be suitable for investors seeking long-term capital appreciation together with income generation through a dynamically managed combination of equity and debt.
The fund may be suitable for -

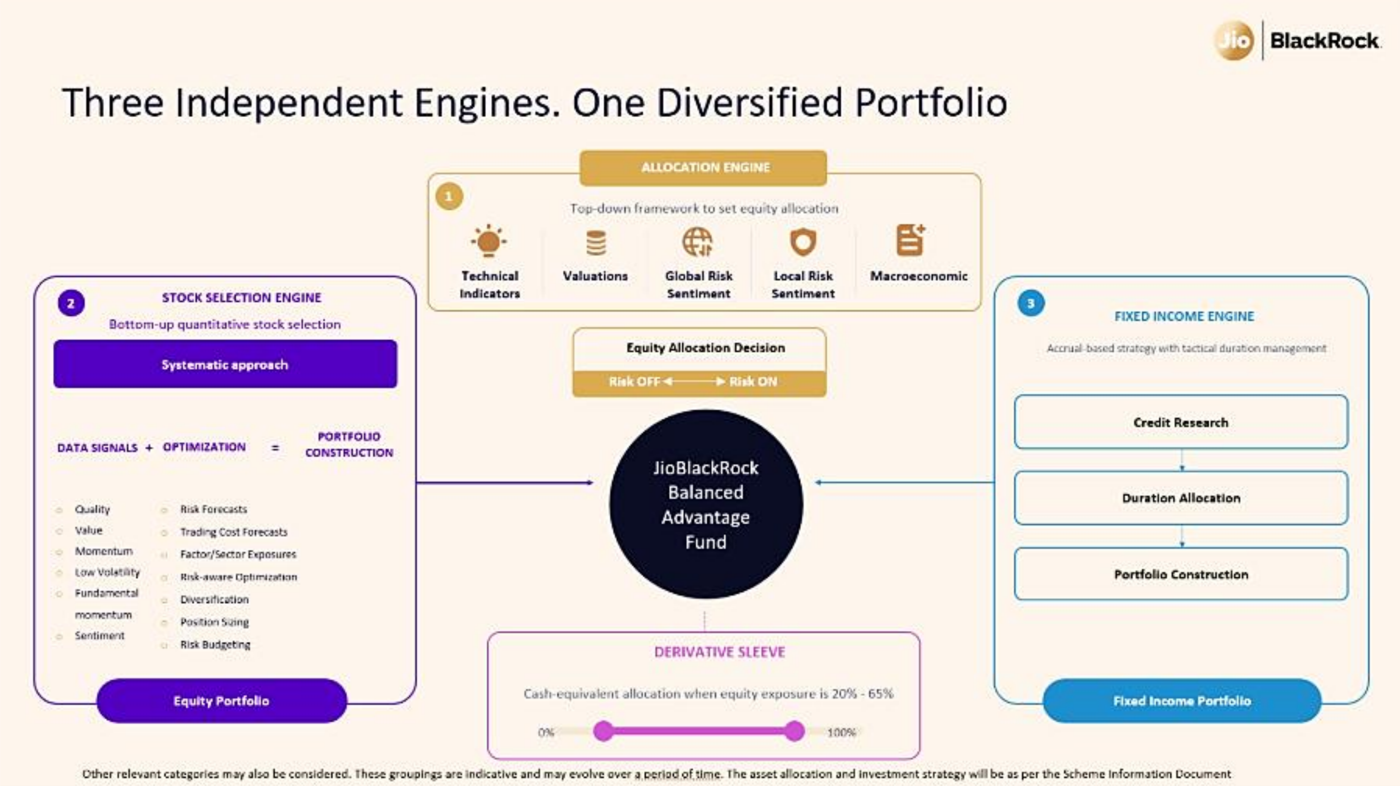
First-time equity investors: Investors who want exposure to equity growth potential but may be uncomfortable investing their entire allocation in a pure equity fund.

Existing equity investors: Investors looking for a core hybrid allocation where the equity-debt mix is managed professionally instead of being changed manually in response to market movements.

Long-term investors: Investors with an investment horizon of at least 5 years seeking capital appreciation & income generation and are comfortable with market-linked returns with a well-diversified portfolio.

9) What is the investment strategy of JioBlackRock Balanced Advantage Fund?

The strategy is built around three investment engines and a derivative sleeve. The first is an asset allocation engine that determines how much effective equity risk the portfolio should carry. The second is a bottom-up stock-selection engine that aims to leverage data to identify potential alpha-generating businesses and constructs the equity portfolio. The third is a fixed-income engine that selects debt and money-market instruments to support income, liquidity and portfolio stability. The fourth sleeve uses derivatives for hedging, rebalancing and managing the difference between gross and net equity exposure.



The scheme's stated asset-allocation range is 65% to 90% in equity and equity-related instruments and 10% to 35% in debt and money-market instruments. Within this structure, the fund may use derivatives to reduce the portion of equity that is directionally exposed to the market. Therefore, the fund's gross equity holding and its effective, or net, equity exposure may be different.

The fund's endeavour is to have net equity exposure in the range of 20% -90%, allowing the portfolio to adjust its participation in equity markets in response to changing market conditions.

10) What is the investment process for JioBlackRock Balanced Advantage Fund?

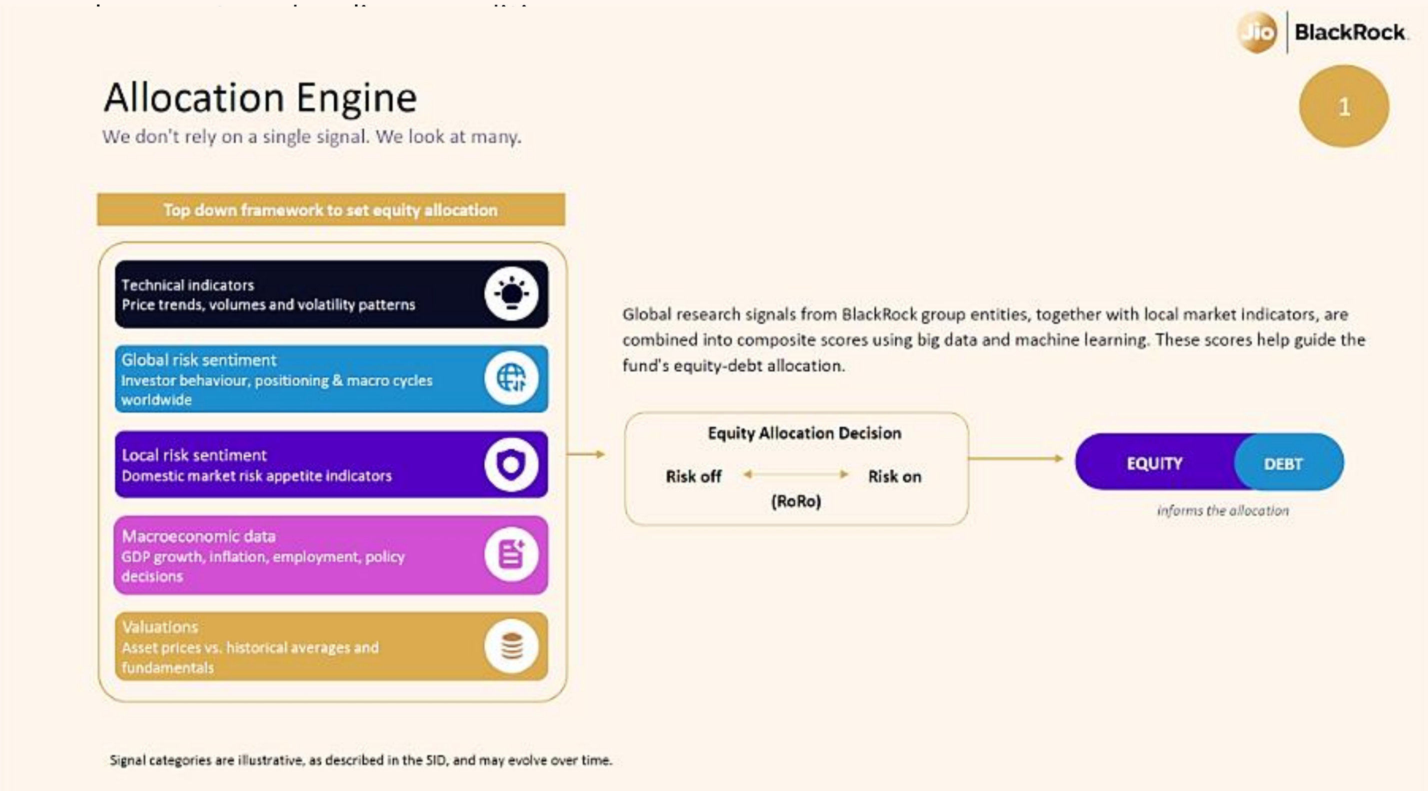
The process begins with the allocation engine studying a broad range of market intelligence. These inputs may include valuations, technical indicators such as market trends and volatility, global and local risk sentiment indicators and macroeconomic data, etc. Signals from different categories are combined into composite scores. This eliminates single-indicator dependency, mitigates personal bias, and embeds diversification across data sources. This ensures decisions are well-informed and do not depend on one measure or one individual market view. The composite assessment is then considered together with portfolio and market risk views, and other applicable constraints to determine the desired equity stance.

Once the allocation stance is determined, the equity engine uses data signals such as quality, value, momentum, , fundamental momentum and sentiment to evaluate stocks. This systematically integrates core investment styles such as quality, valuation attractiveness, price momentum, low-volatility characteristics, fundamental earnings acceleration, and behavioural sentiment indicators to optimize stock selection and build the underlying portfolio sleeve. A risk-aware portfolio-construction process evaluates transaction costs, market liquidity, and diversification constraints alongside granular limits on position sizing, factor tilts, and sector concentrations.

Every security is systematically weighed against the fund's aggregate risk budget to ensure optimal capital efficiency and structural integrity. In parallel, the fixed-income team assesses individual debt and money-market instruments through credit research, duration analysis and ongoing monitoring. The derivatives sleeve then helps implement the desired gross and net exposures. Research, models and technology support the process, but the fund managers retain full and final responsibility for investment decisions.

11) How does the fund decide its overall asset allocation?

The allocation engine seeks to answer a central question: how much equity risk should the portfolio carry under the prevailing market conditions? It does this by analysing multiple signal families rather than depending on a single valuation ratio or forecast. Technical indicators examine market trends, breadth, volumes and volatility. Valuation indicators assess whether Indian equities appear attractive or expensive relative to their own history, other markets or other asset classes. Global and local risk-sentiment indicators assess investor positioning and risk appetite, while macroeconomic inputs may include information relating to growth, inflation,



These different signals are normalised and combined into composite scores. The resulting view is interpreted along a spectrum from "Risk-off" to "Risk-on". A more supportive assessment may lead to a higher net equity allocation, while a more defensive assessment may lead to a lower net equity allocation and a higher hedge or cash-equivalent exposure. Risk budgets, implementation costs, liquidity and portfolio constraints may also be considered before the allocation is implemented.

The process is systematic and repeatable, but it is not automatic market timing. Models may be imperfect, relationships between signals may change, and fund-manager judgement continues to form part an integral part of the investment decision.

12) How is the equity allocation decided?

The fund separates two decisions that are often confused. The allocation engine decides how much net equity exposure the portfolio should carry, while the stock-selection engine decides which stocks should be held. The level of net equity is informed by the composite assessment of valuation, technical, macroeconomic, global risk and local sentiment indicators. When the combined signals suggest that equity risk is relatively more attractive, the strategy may increase net equity exposure. When those signals indicate elevated risk or less attractive risk-reward, the strategy may reduce net equity exposure through permitted derivative hedges.

For stock selection, the process uses several data-based insights instead of relying on a small number of concentrated stock calls. Quality signals may assess attributes such as business resilience, cash flows, balance-sheet strength and earnings stability. Value signals examine relative pricing; momentum and sentiment signals assess changes in market expectations; fundamental momentum identifies improvement in business performance; and low-volatility signals help assess stock-level risk.

These insights are converted into a diversified portfolio after accounting for risk forecasts, liquidity, transaction costs, sector exposure, position sizing and investment-team inputs. The model informs decisions, while the fund managers retain oversight & discretion.

13) How is the fixed-income allocation decided?

The fixed-income sleeve is not merely the portion left over after deciding the equity allocation. It is constructed with three intended roles: generating income through accrual, supporting portfolio stability, and providing liquidity for subscriptions, redemptions and portfolio rebalancing. The team evaluates debt and money-market securities individually, taking into account the issuer's creditworthiness, repayment capacity, the security's liquidity, interest-rate sensitivity, maturity and other parameters including the yield available for the risk being assumed.

The strategy is described as accrual-oriented with tactical duration management. In other words, this means that a meaningful part of the return may be sought from the interest earned on portfolio securities, while the fund managers may also adjust the portfolio's sensitivity to interest-rate changes when considered appropriate. Opportunities in term spreads and credit spreads may be evaluated within the approved credit and risk framework. Independent credit research, portfolio construction and ongoing monitoring support the process, while the portfolio remains subject to credit risk, interest-rate risk, reinvestment risk and liquidity risk amongst others.

14) How is allocation to derivatives decided?

The derivative sleeve helps the fund implement a lower net equity position without necessarily selling all of its underlying equity holdings. For example, the fund may hold equity shares in the cash market and take an offsetting position in the derivatives market. To the extent these positions offset one another, that part of the portfolio has lower directional exposure to movements in the equity market and may behave more like a cash-equivalent allocation. The size of this sleeve is linked to the net equity level produced by the allocation engine, the availability of suitable arbitrage opportunities, prevailing spreads, transaction costs, liquidity and regulatory limits.

15) What is the taxation on redemption for short-term and long-term capital gains?

The scheme is designed to maintain at least 65% gross investment in equity and equity-related instruments. Subject to satisfying the statutory conditions for classification as an equity-oriented fund, units redeemed within 12 months of allotment would generally give rise to short-term capital gains, taxable at 20%. Units redeemed after more than 12 months would generally give rise to long-term capital gains, taxable at 12.5% on the aggregate eligible long-term capital gains exceeding ₹1.25 lakh in a financial year. Applicable surcharge and health and education cess would be additional. These rates are reflected in the scheme material and in current tax references for FY 2026-27.

For example, if an investor's aggregate eligible long-term gains from covered listed equity shares and equity-oriented funds during a financial year were ₹2 lakh, the ₹1.25 lakh annual threshold would be considered before applying the long-term capital-gains rate to the remaining taxable amount, subject to applicable law and the investor's circumstances. For SIP investments, each instalment is treated as a separate purchase for determining its holding period. A switch from one scheme or plan to another may also be treated as a redemption for tax purposes.

This FAQ is a general information, not tax advice. Investors should consult a tax adviser and refer to the prevailing law and final scheme documents before investing.

The Derivative Sleeve

The fund can hedge with derivatives to reduce actual market exposure while always keeping at least 65% invested in equity, so it continues to qualify for equity taxation

GROSS EQUITY
At least 65% invested in equities by design

DERIVATIVE HEDGE
To manage equity exposure without selling the underlying stocks

NET EQUITY
The effective exposure to the market after hedging

How it plays out, month by month

Period	Gross Equity Held (%) kept ≥ 65%	Hedged via Derivatives (%)	Net Equity Exposure (%)
Period 1	65.00	-6.00	59.00
Period 2	80.00	0.00	80.00
Period 3	73.00	0.00	73.00
Period 4	65.00	-17.00	48.00

Never allowed to fall below 65% — keeps equity taxation intact

Your real market exposure — raised or lowered using derivatives, not by selling equity

✓ THIS FUND STAYS HERE

EQUITY TAXATION

Gross equity ≥ 65%

LTCG 12.5% (>1 year, (Exceeding INR 1.25 Lakhs))

STCG 20% (up to 1 year)

Above example is for illustrative purposes only; all figures relating to equity levels are used for understanding only. Net equity level = Gross equity level – derivative/hedge position. Tax rates shown are as per Income Tax Act provisions applicable to equity-oriented funds (≥65% equity); surcharge and cess extra, and tax laws are subject to change — investors should consult their tax advisor. Derivative and arbitrage exposure as permitted under the Scheme Information Document. Spreads vary with market conditions and are not assured. Allocation shown is illustrative. Taxation as per prevailing tax laws.

16) What is the difference between gross equity and net equity?

Gross equity is the total amount invested in equity and equity-related instruments before adjusting for derivative hedges. Net equity is the effective directional exposure to the equity market after deducting the relevant hedge positions. A fund can therefore maintain gross equity of at least 65% while carrying a lower net equity exposure when part of its equity portfolio is hedged using derivatives.

Consider a simplified illustration. If the fund holds 40% in equity and uses derivative positions to hedge 25% of the portfolio, its gross equity is 65%, while its net equity exposure is 40%. The 40% represents the portion that remains directionally exposed after the hedge. If the market rises or falls, the hedged and unhedged portions may behave differently. Actual outcomes will also depend on hedge effectiveness, basis movements, costs and market liquidity. This distinction allows the fund to modify effective equity risk while retaining an equity-oriented portfolio structure, subject to the Scheme Information Document and applicable tax law.

17) How is JioBlackRock Balanced Advantage Fund differentiated investment product in the category?

The JioBlackRock Balanced Advantage Fund seeks to differentiate itself through a combination of dynamic asset allocation, systematic investing, continuously evolving research, institutional-grade risk management and fund manager oversight. The investment process brings together multiple sources of insight, advanced analytics, technology and investment expertise to manage equity, debt and derivative exposures within a single portfolio.

i. Multi-Signal Asset Allocation Framework

The fund’s investment decision is guided by combination of signals including valuations, technical indicators, macroeconomic variables, global risk sentiment and local risk sentiment rather than relying on one single metric. This diversified approach supports more balanced allocation decisions across market conditions.

ii. Dynamic and Continuously Evolving Research Platform

The investment process is designed to evolve with changes in markets, investor behaviour, data availability, and technology. Signals, models, and analytical frameworks are regularly researched, tested, validated, and refined. Relevant new datasets, research insights, and technological developments may also be incorporated over time, helping the framework remain dynamic and adaptable rather than relying on a fixed set of rules or static models.

iii. Systematic Equity Investment Process

Equity selection follows a data-driven, multi-signal approach that evaluates stocks across factors such as quality, value, fundamental momentum and sentiment. Multiple signals are considered together, helping diversify sources of potential alpha. This disciplined, research-based approach reduces reliance on subjective judgment & biases.

iv. Risk-Aware Portfolio Construction

Investment ideas are translated into portfolios through a structured portfolio construction process that considers risk forecasts, trading costs, liquidity, diversification, factor exposures, sector exposures, position sizing and risk budgets. Risk management is embedded throughout the process to balance return opportunities with efficient implementation.

v. Dedicated Fixed Income Engine

The fixed income allocation is supported by independent credit research, portfolio construction, duration management and ongoing monitoring. The objective is to build a diversified fixed income portfolio that complements the overall asset allocation framework.

vi. Technology-Enabled Investing and Risk Management

Portfolio analytics, risk monitoring, stress testing and investment decision support are aided by BlackRock's Aladdin platform*.

Institutional-grade technology and risk management capabilities are integrated throughout the investment process. The use of data, analytics and technology seeks to enhance investment decision-making and portfolio oversight.

vii. Fund Manager Oversight and Accountability

Research, models, data and technology inform investment decisions, but accountability remains with the fund managers. The investment process combines systematic insights with professional judgment, governance and accountability.

Risk-o-Meter & other details

Scheme Name	This product is suitable for investors who are seeking*	Fund Benchmark
JioBlackRock Balanced Advantage Fund (An open ended dynamic asset allocation fund investing in debt and equity instruments only)	• Long - term capital appreciation with income generation • Investment in a dynamically managed portfolio of equity and debt instruments	Nifty 50 Hybrid Composite Debt 50:50 Index (TRI)

The risk of the scheme is Very High

The risk of the benchmark is High

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