



India's first Railway PSU Index Fund*

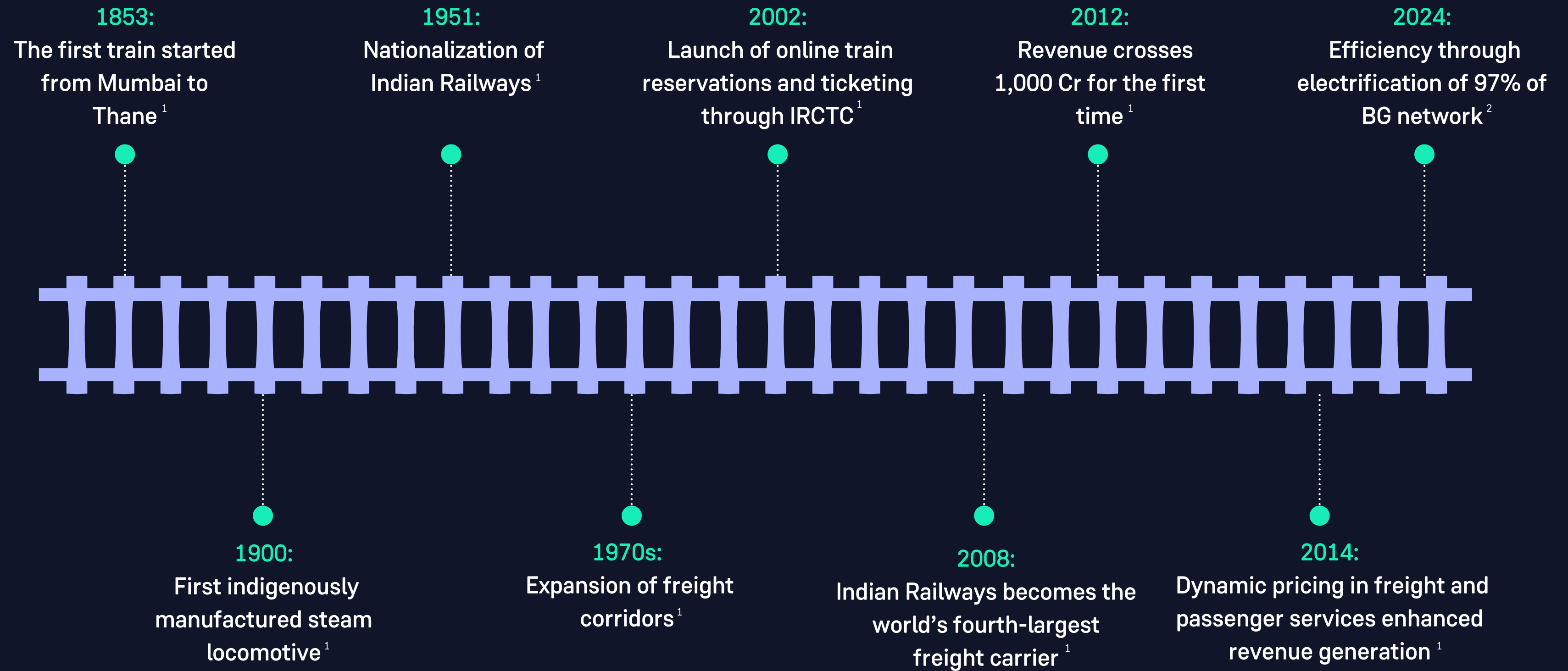
Groww Nifty India Railways PSU Index Fund

(An open-ended scheme tracking the Nifty India Railways PSU Index - TRI)

NFO PERIOD: 16 - 30 JAN '25

*As on December 13, 2024

Indian Railways - Key milestones



Source 1 - [Railway Technology](#), June 12, 2018 | Source 2 - [Press Information Bureau](#), December 29, 2024

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The
Indian Railways today

Indian Railways: Driving growth; Moving people & goods



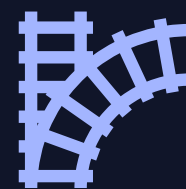
Passenger traffic for FY 2024 was 6.7 billion, nearly equivalent to the world's population.¹



India has the 3rd highest number of railway stations in the world (7,325) after Russia (13,746).²



In FY24, freight loading crossed 1,588 metric tonnes against the previous year's loading of 1512 metric tonnes.³



As of March 31, 2023, the Indian Railway network spanned 68,584 km (42,616 mi) in route length - this is the fourth longest in the world.⁴



97% of the Indian rail network is now electrified.⁵

Increased focus by the Government

A record allocation of **Rs. 2.62 lakh crore** has been made as Capex for the Indian Railways, for FY 2024-25.¹

An ambitious modernisation plan has committed **Rs. 10-12 lakh crore** over the next five years to transform the railway landscape.²



Source : [Excerpt from Financial Express](#), data as on June 22, 2024

Growth drivers: Strong demand and policy support



The Government is focusing on infrastructure development, to meet expected future demand.

Growth of freight traffic due to industrialisation

Rising passenger demand with rising income levels



Source: [Mordor intelligence](#)








Source: [Trading Economics](#)

Key targets undertaken by the Government of India



The Indian Railways generates revenue from two primary sources: 72% from freight and 28% from passenger ticketing.¹

The focus for growth remains on enhancing both segments:

Passenger travel

-  To transport ~ 830 crore passengers in 2024-25.²
-  Manufacture 400 more energy efficient Vande Bharat³ trains.
-  Track expansions and upgradations for 44,000+ kms, costing Rs. 7.44 lakh crore.⁴
-  Kavach: Expansion plan underway for ~ 6000 Km.⁵
-  Modernize over 1,300 railway stations.⁶

Freight

-  Increase the share of railways in freight transportation from 27% to 45% by 2030.⁷
-  Reduce freight transit times by increasing the average speed of freight trains to 50 km/h.⁸
-  Reduce logistics costs to 8% of the country's GDP, from the current 13-15%.⁹
-  Establish 100 more Gati Shakti cargo terminals.¹⁰



The future of railway travel

Elevating the passenger experience

Major passenger initiatives by the Ministry of Railways - Vande Bharat trains

The Indian Railways plans to operationalise **4,500 Vande Bharat trains by 2047**.¹

As on January 31, 2024, 41 trains of the Vande Bharat service are running on the Indian Railways.²

Related stakeholders

Bharat Heavy Electricals Limited (BHEL)³

The BHEL-led consortium has won an order to supply 80 Vande Bharat trains in the mega tender of Indian Railways and undertaking comprehensive maintenance of the same for a period of 35 years.



Vande Bharat trains are semi high-speed and ultra modern trains, featuring:⁴



A maximum speed of 160 km/h for faster travel



Onboard infotainment system and GPS-based passenger information system



Zero discharge vacuum bio toilets



CCTV cameras

Source 1: [India Today](#), March 22, 2024 | Source 2: [IBEF](#), November, 2024 | Source 3: [PSU Watch](#), April 11, 2023 | Source 4: [Press Information Bureau, Train Modernisation Book](#)

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Major passenger initiatives by the Ministry of Railways - Amrit Bharat Station Scheme

Extensive redevelopment plan

This scheme aims to modernize over **1,300 railway stations**,¹ equipping them with modern amenities and infrastructure such as:



Advanced surveillance



Free Wi-fi

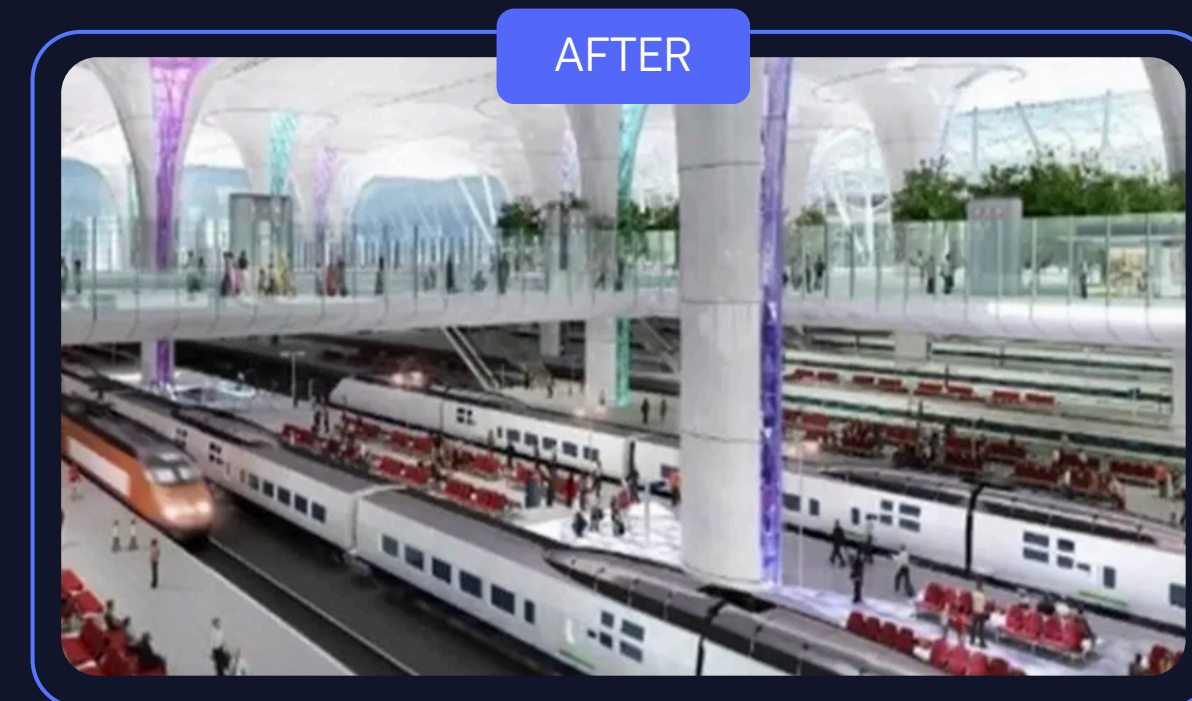


Improved passenger information systems

Related stakeholders

RailTel²

- Upgrading stations with Wi-Fi at 6,000+ locations.
- RailTel secures contracts from Northern Railway for telecom and DFC feeder projects.



Source 1 - [India TV](#), December 9, 2024 | Source 2 - [Rail Analysis India](#), September 19, 2024

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Major passenger initiatives by the Ministry of Railways - Kavach

Kavach is an advanced Train Collision Avoidance System (TCAS) developed indigenously by Indian Railways to enhance rail safety and operations.¹

Related stakeholders

BEL is collaborating with other PSUs and private companies to develop Kavach.²

Key Features



Signal passing protection

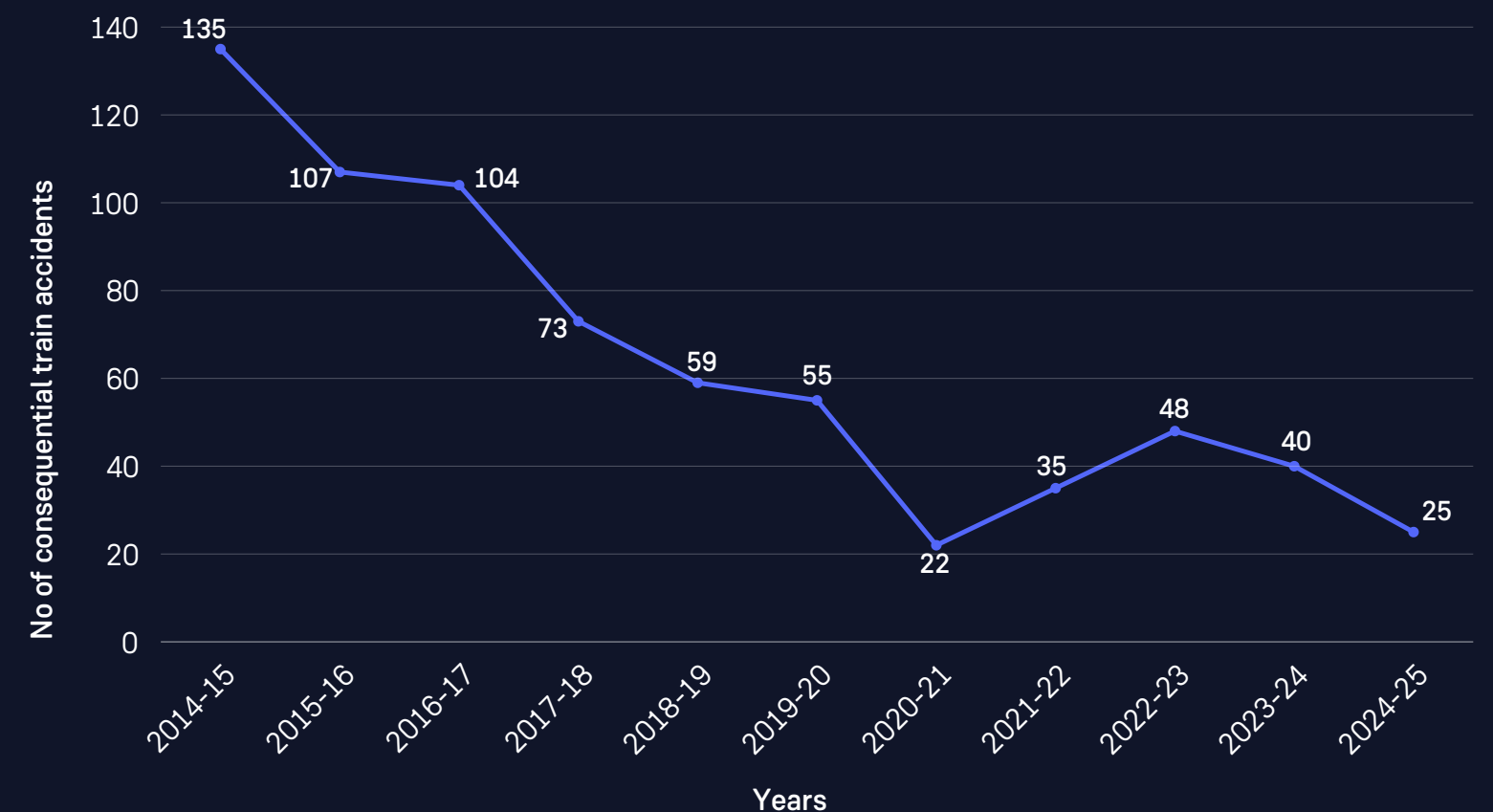


Collision prevention



Auto braking & speed regulation

Impact of Kavach and other safety initiatives implemented by Indian Railways



Source - [Press Information Bureau, November 27, 2024](#)

Growth Plan: 2,000 km of Indian Railways will be brought under Kavach.

Source 1 - [Press Information Bureau, December 10, 2024](#) | Source 2 - [BEL Annual Report, FY 24](#)

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Major passenger initiatives by the Ministry of Railways - The bullet train

The flagship bullet train project is the Mumbai–Ahmedabad High-Speed Rail Corridor, which will connect Mumbai, Maharashtra to Ahmedabad, Gujarat.¹



Operational speed of 320 Km/hr



7 kms under the sea, 21 kms underground

Related stakeholders

Bharat Earth Movers Limited (BEML)

BEML won a contract recently to build 'Made in India' bullet trains.



Future growth plans: 5 other routes identified

- Delhi - Ahmedabad expected to cover 878 km in 3.5 hours
- Delhi - Chandigarh - Amritsar expected to cover 459 km
- Delhi - Agra - Kanpur - Lucknow expected to cover 800 kms
- Varanasi - Howrah expected to cover 760 kms
- Mumbai - Nagpur expected to cover 765 kms

Source - [National High Speed Rail Corporation Limited](#), January 3, 2025

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Government initiatives for passenger travel: Achieving efficiency through modernisation

Speed and efficiency



High speed bullet trains



Track enhancements and semi-high speed rail initiatives

Enhancing passenger experience



Vande Bharat trains



Amrit Bharat Station Schemes



Other initiatives such as SMART coaches, Vistadom coaches, a ticketing app, etc.

Safety



Kavach Train Collision Avoidance System

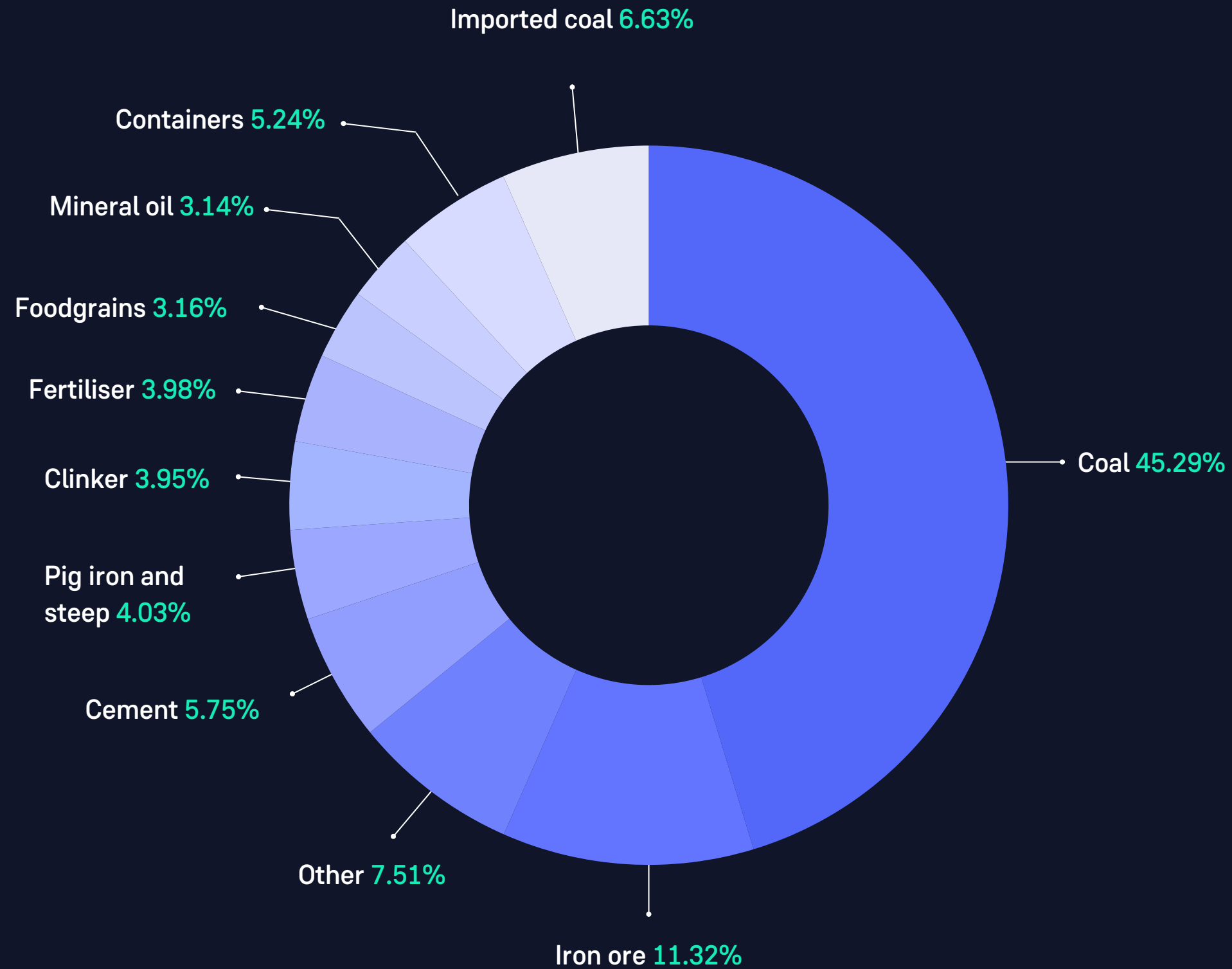


Indian Railways

The backbone of India's logistics network

Railways are the preferred transport for bulk goods

Percentage of goods transported via railways



Advantages of freight transportation by railways

Efficiency

Trains can transport goods in a single shipment, which is cost-effective.

Cost

Rail is the cheapest mode for freight transport by a huge margin.

Energy efficiency

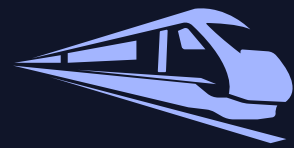
Trains generate up to 80% less CO2 and consume 75-90% less energy for freight traffic than road transport.

Freight transport costs

Rail	Rs 1.6 per tonne kilometre
Waterways	Rs 2 per tonne kilometre
Road	Rs 3.6 per tonne kilometre
Airways	Rs 18 per tonne kilometre

Source: [Statista, February 16, 2022](#)

Major initiatives by the Government of India for freight



National Rail Plan (NRP)

This initiative aims to develop a future-ready railway system by 2030, with the goal of building capacity ahead of demand and increasing the railway's share of freight transport to 45%.¹



PM Gati Shakti

This program aims to establish a seamless multi-modal transport network that integrates various segments of physical infrastructure through a centralized digital platform, to improve speed, cost-effectiveness and efficiency of transportation.²



Dedicated Freight Corridors

These rail networks are strategically established to make movement of goods faster, cost-effective and efficient.³



Introducing

Groww Nifty India Railways PSU Index Fund

(An open-ended scheme tracking the Nifty India Railways PSU Index - TRI)

The underlying index: Nifty India Railways PSU Index - TRI



A true-to-label index

The stocks in this index can be segregated into core and non-core stocks.



Core stocks

Public Sector Undertakings (PSU) and other organizations functioning under the Ministry of Railways.



Non-core stocks

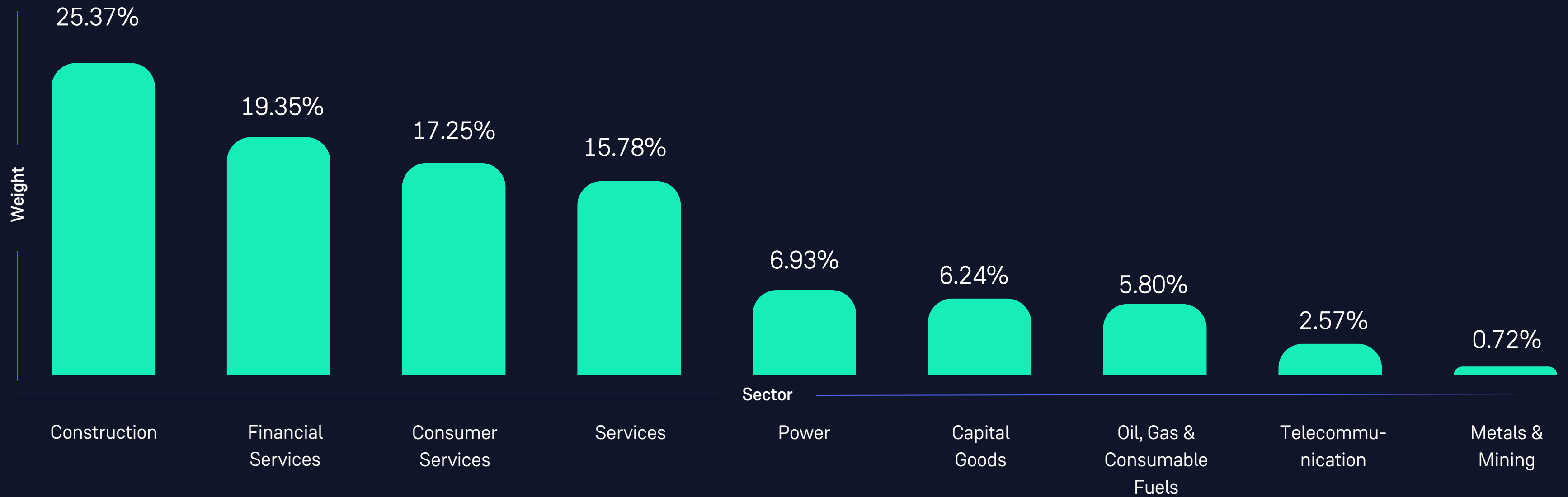
Stocks from the eligible universe that are not part of the core group mentioned above, but supply products, raw materials, or provide services such as technology, electricity, consulting, etc., to Indian Railways, or have any revenue or trade receivables from Indian Railways.

The aggregate weight of stocks belonging to the core group is capped at 80% and the aggregate weight of stocks belonging to the non-core group is capped at 20%.

Sector representation



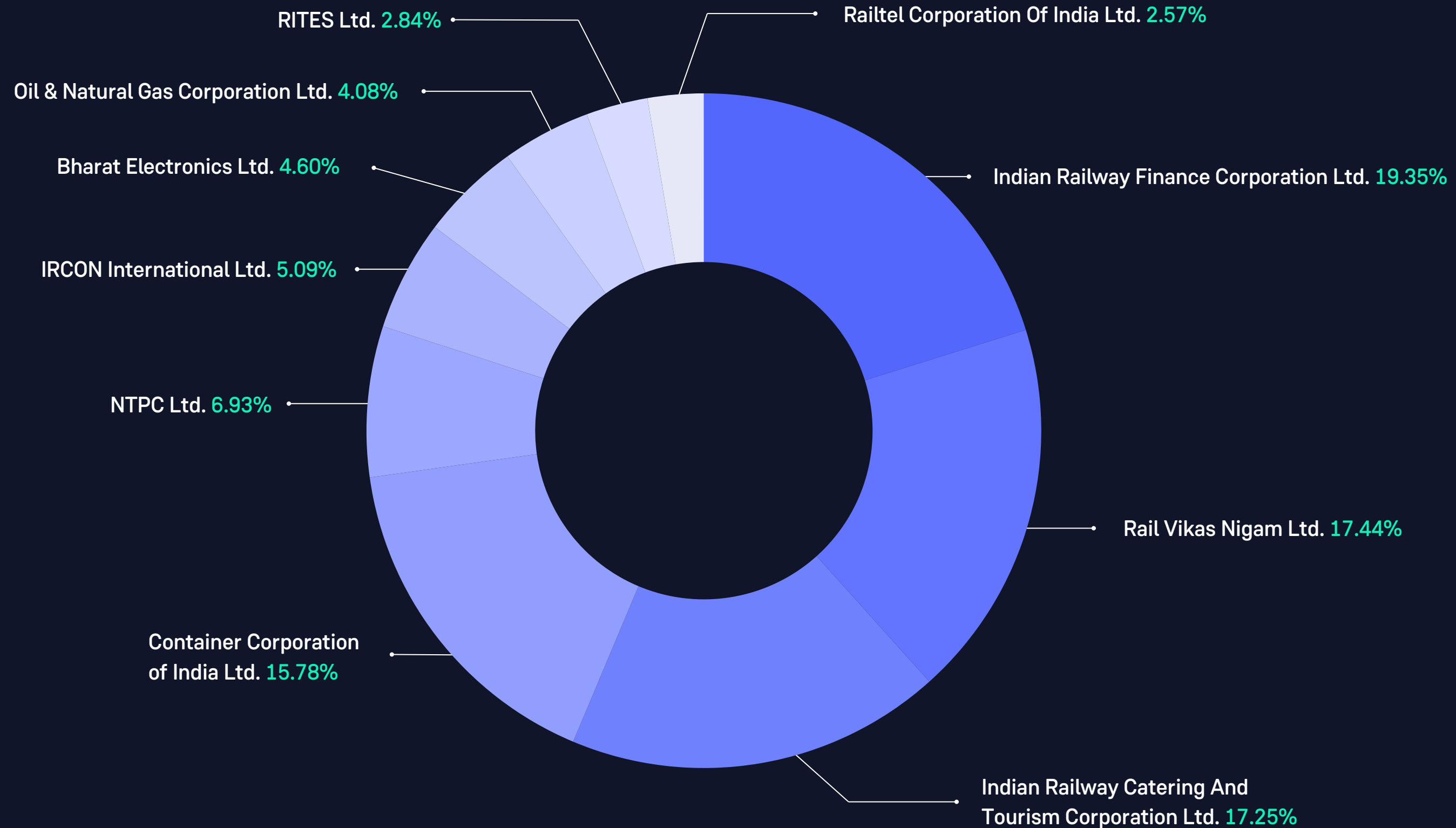
This index covers the entire Railway PSU ecosystem, including financial companies, services, industrial goods, and more.



Source: [NSE](#), December 31, 2024

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Top 10 constituents by weightage



Source: [NSE](#), December 31, 2024

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Historical performance of the Index



Nifty India Railways PSU Index - TRI has outperformed the Nifty 50 during drawdown periods, showing lesser losses and historically, even positive returns, highlighting its potential for resilience in volatile market conditions.

Drawdown period	Nifty 50 Index	Nifty India Railways PSU Index
May - Jul 2022	-10.71%	-0.34%
Oct - Dec 2022	-6.52%	20.76%
Jan - Apr 2023	-7.61%	4.20%

Source - [NSE](#), December 31, 2024

Past performance may or may not be sustained in future and is not a guarantee of any future returns. The above is the performance of the index and does not in any manner indicate the performance of any individual scheme of the mutual fund. Please consult your financial advisor before investing.

Index returns



The Nifty India Railways PSU Index - TRI has demonstrated higher growth compared to the broader NIFTY 500 Index.

CAGR (%)*	1 year	3 years
Nifty India Railways PSU Index - TRI	25.06%	42.27%
Nifty 500 Index	15.47%	24.77%

Compound annual growth rate*

Source - NSE, January 2, 2025

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Market cap exposure



The index portfolio aims to diversify across mid cap, small cap, and large cap segments, with a particular focus on mid cap holdings.

Market capitalisation	No. of companies	Holding percentage
Large cap	5	36.28%
Mid cap	5	52.80%
Small cap	4	10.90%

Why consider Groww Nifty India Railways PSU Index Fund

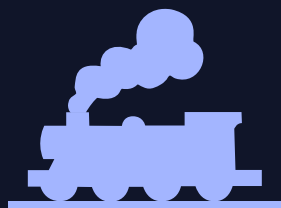


Railways are a critical infrastructure sector for India's economy, serving as the backbone of both passenger travel and logistics.



Supported by government capital investment, the sector aims to achieve the dual goals of:

- Modernising passenger services
- Enhancing transport efficiency



Groww Nifty India Railways PSU Index Fund offers a unique investment opportunity.

- It is India's first Railway PSU Index Fund*
- Provides exposure to a true-to-label Railways PSU index, which has stocks with growth potential.

Who may consider Groww Nifty India Railways PSU Index Fund



This product may be suitable for investors seeking:



Exposure to the railway sector and PSU companies



Long-term capital appreciation



Investment in equity and equity-related instruments of the Nifty India Railways PSU Index - TRI

Scheme Details



Name of the Scheme	Groww Nifty India Railways PSU Index Fund
Scheme Type	An open-ended scheme tracking the Nifty India Railways PSU Index - TRI
Scheme Benchmark	Nifty India Railways PSU Index - TRI
Category	Index Fund
Investment Objective	The investment objective of the Scheme is to generate long term capital growth by investing in securities of the Nifty India Railways PSU Index in the same proportion / weightage with an aim to provide returns before expenses that track the total return of Nifty India Railways PSU Index, subject to tracking errors. However, there can be no assurance or guarantee that the investment objective of the scheme will be achieved.
Fund Manager	Abhishek Jain
Minimum Investment Amount	Rs. 500 and in multiples of Re. 1/- thereafter Minimum amount for SIP facility shall be Rs 100/- and in multiples of Re 1/- thereof
Exit Load	If redeemed within 30 days from the date of allotment: 1% If redeemed after 30 days from the date of allotment: NIL



Groww Nifty India Railways PSU Index Fund

(An open-ended scheme tracking the Nifty India Railways PSU Index - TRI)

PRODUCT LABEL#		
<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Long-term capital appreciation • Investment in equity and equity-related instruments of the Nifty India Railways PSU Index 	<p>Scheme Riskometer</p> <p>Investors understand that their principal will be at Very High Risk</p>	<p>Benchmark Riskometer</p> <p>Nifty India Railways PSU Index - TRI</p> <p>The Benchmark is at Very High Risk</p>

*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 internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made.

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