SBI Arbitrage Opportunities Fund: Direct, Load, Tax

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SBI ARBITRAGE OPPORTUNITIES FUND

The name is a scheme. The idea is a spread.

The SBI Arbitrage Opportunities Fund is one example of an arbitrage fund, not a definition of the category.



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QUICK ANSWER

Quick Answer Box

It buys in the cash market and sells the future (or vise versa) to lock a spread. Cash leftover in debt.

If the 65 percent test is met, then tax is equity-style.

Direct Growth is cheaper than Regular Growth.

2 June 2026.

0.25 percent exit load on money invested within 15 days.

Daily NAV changes.

No scheme is the best officially.

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THE CATEGORY

What an Arbitrage Fund Is

What is an arbitrage opportunities fund and how does it work? What is arbitrage fund with example?

An arbitrage fund is a SEBI hybrid fund. The manager looks for a certain stock (or index) that is priced differently in the cash market and the future market.

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THE MECHANISM

The ₹8 cash-futures spread

₹1,000

cash

⟷

₹1,008

near-month future

Example: A stock is priced at ₹1,000 in cash and ₹1,008 in the near-month future. The fund purchases the shares and sells the future. At expiration the two prices become one. The captured spread is the ₹8 gap, less cost and friction. The stock may go up or down. The hedge is to neutralize the direction.



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TAX TREATMENT

Equity treatment depends on the 65 percent test

65 percent

SEBI said these schemes are expected to hold at least 65 per cent of their portfolio in equity and equity related instruments through such positions and are treated as equity oriented for tax purposes.

When spreads are thin, residual money goes to debt and money market paper. That tranche of debt was tightened in a circular in February 2026.

The source list is the scheme information document.

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RISK / RETURN FRAME

The return is a spread, not a stock tip

The benefit is a spread-following return, not a stock tip, with equity tax treatment. The limitation is that spreads narrow, costs eat the spread and a failed hedge is not “risk free” in the marketing sense. “Corporate actions and a sudden basis blow-out are real, liquidity in the future.

Benefits

- Equity tax on a hedged book, where the 65 percent test applies
- It has less directional risk than a plain equity fund.
- After the exit load, which can be used as a parking sleeve for money that might move within a year.
- No ELSS kind of lock in.

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PRICE, NOT PROMISE

NAV is a daily price, not a promise

NAV of sbi arbitrage opportunities fund is the daily net asset value published by AMFI and AMC. It was launched at about Rs. 10 in 2013. A screen with Rs. 38 on a date is that date's price, not a promise. Please check **with AMFI** or the AMC on the date of transaction.

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THE SCHEME

The SBI Scheme

SBI Mutual Fund’s scheme in this category is SBI Arbitrage Opportunities Fund. Objective In SID language: capital appreciation and income from cash-derivative spreads and debt for the surplus. Frequently benchmarked: Nifty 50 Arbitrage Index. It is no cost.

Two plans people search

Direct	Regular
SBI Arbitrage Opportunities Fund Direct Plan Growth. You buy from the AMC or a direct-plan platform. No distributor commission. Lower expense ratio.	

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EXIT LOAD

Exit load changed for prospective investments

01

2 June 2026

SBI arbitrage fund exit load (for prospective investments): 0.25 percent within 15 days from 2 June 2026 (was 0.25 percent within 30 days)

02

The load on a previously purchased unit applies to the load in effect at the time of purchase. Read current SID before redemption. No long-term commitment required.

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