

# Sundaram Tax Saver

The fund with the 'Doosra' advantage!



**SUNDARAM MUTUAL**  
UNEARTHING OPPORTUNITIES



## Why are people investing several lakhs in Sundaram Tax Saver?

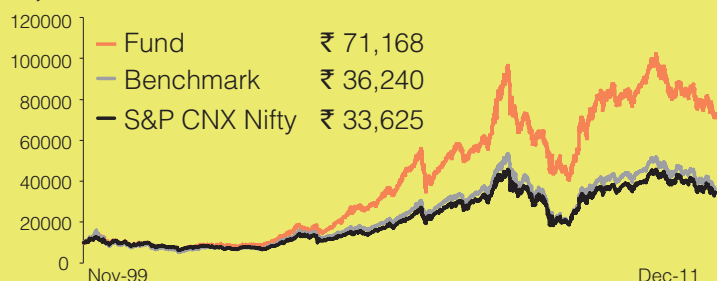


- An acclaimed fund with a track record of twelve years
- Triple tax benefit:** Deduction under 80C in year of investment (₹ 1 lakh limit) + zero tax on any dividend, if declared+ zero tax on capital gains (Subject to existing tax laws)
- A three-year lock-in period shall apply in line with the regulation for ELSS Schemes.
- Impressive track record with compounded annual returns of 17.6 per cent since 1999
- Leading the broad-based BSE 200 by 6.4 percentage points on annualised return basis since launch
- ₹ 1,000 a month (SIP) invested since launch (₹ 1,45,000) is worth ₹ 5.36 lakh (December 31, 2011 assuming dividend reinvestment option)
- If you had invested ₹ 10,000 in November 1999 when the fund was launched, it would now be worth ₹ 71,168 (BSE 200: ₹ 36,240)
- The multi-cap portfolio has a distinct large-cap tilt; style integrity ensures comfort for investors on the portfolio composition
- Top three sectors by allocation:* Financial Services, Energy-Oil & Gas and Consumer Goods (December 2011)

Source for performance & dividend information: Fact Sheet

### Fund Positioning: Multi-cap portfolio with a distinct large-cap tilt

#### ₹ 10,000 invested at launch



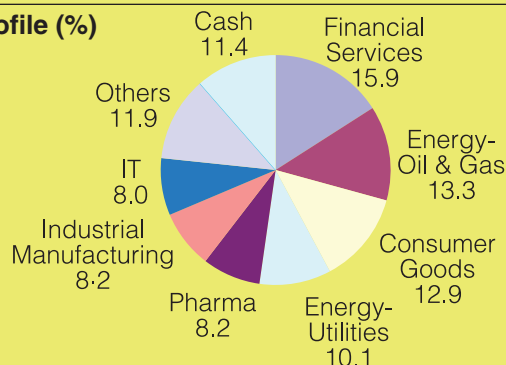
Past performance may or may not be sustained in future.

#### Performance comparison

Basis for comparison/period	One Year	Two Years	Three Years	Five Years	Six Years	Seven Years	Ten Years
<b>Sundaram Tax Saver</b>	-25.4	-8.1	13.2	5.1	9.1	15.2	24.9
All-equity funds	-21.9	-4.2	17.9	3.5	8.5	13.5	21.8
Large-cap funds	-22.2	-4.3	18.2	5.1	10.5	14.5	21.2
Tax Planning Schemes	-23.4	-4.9	17.4	2.8	6.7	12.4	22.0
BSE Sensex	-24.2	-5.6	16.7	2.3	8.6	13.1	17.1
S&P CNX Nifty	-24.1	-5.4	15.8	3.1	8.5	12.3	16.2
S&P CNX 500	-26.6	-8.6	16.0	1.8	6.6	10.6	18.1
BSE 200	-27.0	-7.9	17.0	2.3	7.7	11.1	18.4

Data Source: Value Research / Bloomberg; Analysis: In-house. Returns in percentage on compounded annual basis as of December 31, 2011 have been computed using NAV of Growth Option. **Past performance may or may not be sustained in future.**

#### Sector Profile (%)



#### Fund Manager: Satish Ramanathan

No. of schemes managed: 6

Fund / Benchmark	31/12/10	31/12/09	31/12/08	Last	Last	Last	Since Inception	
	31/12/11 (%)	31/12/10 (%)	31/12/09 (%)	3 years (%)	5 years (%)	8 years (%)	Returns	Rs 10,000
<b>Sundaram Tax Saver</b>	<b>-25.4</b>	<b>13.1</b>	<b>72.0</b>	<b>13.2</b>	<b>5.1</b>	<b>18.5</b>	<b>17.6</b>	<b>71,168</b>
<i>BSE 200 Index</i>	<i>-27.0</i>	<i>16.2</i>	<i>88.5</i>	<i>17.0</i>	<i>2.3</i>	<i>11.6</i>	<i>11.2</i>	<i>36,240</i>
<i>S&amp;P CNX Nifty Index</i>	<i>-24.6</i>	<i>17.9</i>	<i>75.8</i>	<i>16.0</i>	<i>3.1</i>	<i>11.9</i>	<i>10.5</i>	<i>33,625</i>
<b>Sundaram Select Mid Cap</b>	<b>-23.7</b>	<b>20.8</b>	<b>114.6</b>	<b>25.5</b>	<b>6.1</b>	<b>21.4</b>	<b>30.7</b>	<b>1,24,434</b>
<i>BSE Mid Cap Index</i>	<i>-34.2</i>	<i>16.1</i>	<i>107.7</i>	<i>16.7</i>	<i>-2.4</i>	<i>9.9</i>	<i>19.4</i>	<i>53,017</i>
<i>S&amp;P CNX Nifty Index</i>	<i>-24.6</i>	<i>17.9</i>	<i>75.8</i>	<i>16.0</i>	<i>3.1</i>	<i>11.9</i>	<i>18.1</i>	<i>48,137</i>
<b>Sundaram Equity Multiplier</b>	<b>-23.3</b>	<b>11.3</b>	<b>67.8</b>	<b>12.7</b>	-	-	<b>2.8</b>	<b>11,405</b>
<i>S&amp;P CNX 500 Index</i>	<i>-27.2</i>	<i>14.1</i>	<i>88.6</i>	<i>16.2</i>	-	-	<i>2.3</i>	<i>11,160</i>
<i>S&amp;P CNX Nifty Index</i>	<i>-24.6</i>	<i>17.9</i>	<i>75.8</i>	<i>16.0</i>	-	-	<i>3.6</i>	<i>11,876</i>
<b>Sundaram Select Small Cap</b>	<b>-19.5</b>	<b>18.2</b>	<b>116.7</b>	<b>27.3</b>	-	-	<b>2.3</b>	<b>11,144</b>
<i>BSE Small Cap Index</i>	<i>-42.6</i>	<i>15.7</i>	<i>126.9</i>	<i>14.6</i>	-	-	<i>-5.1</i>	<i>7,737</i>
<i>S&amp;P CNX Nifty Index</i>	<i>-24.6</i>	<i>17.9</i>	<i>75.8</i>	<i>16.0</i>	-	-	<i>2.8</i>	<i>11,446</i>
<b>Sundaram Balanced Fund</b>	<b>-20.4</b>	<b>13.0</b>	<b>71.0</b>	<b>15.4</b>	<b>4.8</b>	<b>11.2</b>	<b>13.0</b>	<b>40,805</b>
<i>CRISIL Balanced Fund Index</i>	<i>-14.4</i>	<i>13.6</i>	<i>48.6</i>	<i>13.1</i>	<i>5.3</i>	<i>10.1</i>	-	-
<i>S&amp;P CNX Nifty Index</i>	<i>-24.6</i>	<i>17.9</i>	<i>75.8</i>	<i>16.0</i>	<i>3.1</i>	<i>11.9</i>	<i>10.4</i>	<i>31,411</i>
<b>Sundaram Entertainment Opportunities</b>	<b>-32.6</b>	<b>1.3</b>	<b>51.8</b>	<b>1.2</b>	-	-	<b>0.7</b>	<b>10,268</b>
<i>CNX Media Index</i>	<i>-30.2</i>	<i>20.6</i>	<i>69.5</i>	<i>12.6</i>	-	-	<i>-8.4</i>	<i>73,31</i>
<i>S&amp;P CNX Nifty Index</i>	<i>-24.6</i>	<i>17.9</i>	<i>75.8</i>	<i>16.0</i>	-	-	<i>0.3</i>	<i>10,113</i>

Past performance may or may not be sustained in the future; Returns are on a compounded annual basis for period more than one year & absolute for one-year period based on NAV of Regular Plan (Growth Option) and is as of December 31, 2011. Value of ₹ 10,000 invested at inception is as on December 31, 2011. Relevant benchmarks are highlighted in italics.

**Mutual Fund Investments are subject to market risks. Please read the Statement of Additional Information (SAI) and Scheme Information Document (SID) carefully before investing.** Copy of the SAI, SID, key information memorandum and application form may also be obtained from the offices/investor service centres of Sundaram Asset Management, its distributors and at [www.sundarammutual.com](http://www.sundarammutual.com)

**Fund Facts:** Name: Sundaram Tax Saver; Type: Open-end equity-linked savings Scheme **Investment Objective:** To seek capital appreciation by investing predominantly in equities and equity-related instruments; **Asset Allocation:** Equity and equity linked instruments: 80%-100% • Corporate and PSU Bonds up to 20% • Money market instruments: up to 20% • **Benchmark:** BSE 200 Index. **Scheme-Specific Risk Factors:** Change in Government policy in general and changes in tax benefits applicable to mutual funds may impact the returns to Investors. **Fund Facts:** Name: Sundaram Select Mid Cap; Type: an open-end equity scheme; **Investment Objective:** Seek capital appreciation by investing in diversified stocks that are generally termed as mid-caps.

**Asset Allocation:** Equity instruments (including derivatives) 75%-100% • Cash, cash equivalents, money market instruments: not exceeding 25%. Mid-cap stock is defined as one which has a market cap of less than that of the 50th stock in NSE. Equity Investments may also include overseas securities, up to a maximum of 35% of the net assets. The total asset allocation including exposure to derivatives would not exceed 100% of the net assets of the Scheme. The same security wise hedge positions would be excluded from computing the same percentage. **Benchmark:** BSE Mid Cap Index. **Scheme-Specific Risk Factors:** Lack of liquidity at times and volatility. **Fund Facts:** Name: Sundaram Select Small Cap; Type: A closed-end equity scheme; **Investment Objective:** To seek capital appreciation by investing predominantly in equity/equity-related instruments of companies that can be termed as small caps. **Asset Allocation:** Equity and equity related securities of small caps 65%-100% Other Equities 0-35%, Fixed Income and Money Market Securities 0-35%. • Exposure in derivative shall not exceed 50% of the net assets of the scheme. The Scheme may invest up to 35% of the net assets in overseas securities. **Benchmark:** BSE Small Cap Index. **Scheme-Specific Risk Factors:** Illiquidity risks are higher and may lead to higher impact costs. Impact costs are different from brokerage and custodian charges and not be minimised or eliminated. Unlisted equity can also affect liquidity. Prices may be more volatile. Greater sensitivity and vulnerability of smaller companies to changing economic conditions, lack of depth in management, difficulty in raising funds and be developing or marketing new products or services, outdated technologies, lack of bargaining power with suppliers, low entry barriers and issues of transparency and corporate governance enhance risks associated with small-cap stocks. **Fund Facts:** Name: Sundaram Equity Multiplier; Type: An open-end equity scheme; **Investment Objective:** Seek capital appreciation by investing in equity & equity related instruments. **Asset Allocation:** Equity & equity related Instruments (including investment in derivatives): 65%-100% • Debt instruments including securitised debt & Money Market Instruments: up to 35% (securitised debt up to a maximum of 30%) • Exposure in derivative shall not exceed 50% of the net assets of the scheme. **Benchmark:** S&P CNX 500. **Scheme-Specific Risk Factors:** Risk of non diversification. **Fund Facts:** Name: Sundaram Select Thematic Funds Entertainment Opportunities; Type: an open-end equity scheme; **Investment Objective:** The objective of the Scheme would be to achieve long term capital appreciation by investing primarily in the equity and equity related instruments of companies that focus on opportunities in the entertainment business. **Asset Allocation:** Equity & Equity Related Instruments in the targeted sector/theme (including investment in derivatives): 65%-100% • Equity & Equity Related Instruments other than the targeted sector/theme (including investment in derivatives): 0%-35% • Fixed Income and Money Market Instruments: 0%-15%. Exposure in derivative shall not exceed 50% of the portfolio. • Equity Investments may also include overseas securities, up to a maximum of 35% of the net assets. The total asset allocation including exposure to derivatives would not exceed 100% of the net assets of the Scheme. The same security wise hedge positions would be excluded from computing the same percentage. **Benchmark:** CNX Media & Entertainment Index. **Scheme-Specific Risk Factors:** The risks associated with the thematic portfolio will be lower than that of a sector-specific fund and higher than that of a typical diversified fund. As the scheme will invest primarily in entertainment space, performance could be impacted by factors such as a dramatic slowdown in consumer spend, high taxes, if any, imposed by the government and changes in regulatory environment, to name a few. As the scheme may take concentrated exposures the NAV volatility will be higher than that of a typical diversified equity scheme. As a thematic fund, there is risk of concentration. **Fund Facts:** Name: Sundaram Balanced Fund; Type: An open-end balanced scheme; **Investment Objective:** Generate capital appreciation and current income, through a judicious mix of investments in equities and fixed income securities. **Asset Allocation:** Equity and equity-related instruments (including investment in derivatives): 40%- 75% • Fixed Income instruments: 25%-60%, Including securitised debt up to 10% • Exposure in derivative shall not exceed 50% of the net assets of the scheme • The Scheme may invest up to 35% of the net assets in overseas securities. **Benchmark:** CRISIL Balanced Fund Index. **Scheme-Specific Risk Factors:** Risk of non diversification. **Broad features common to Sundaram Tax Saver, Sundaram Select Mid Cap, Sundaram Equity Multiplier, Sundaram Select Thematic Funds Entertainment Opportunities, Sundaram Balanced Fund:** Fund Features: **Terms of Offer:** NAV. **Plans:** Regular & Institutional; **Options:** Dividend Payout, Dividend Reinvestment, Dividend Sweep & Growth. **Minimum Investment Amount:** ₹ 5,000 (for Sundaram Tax Saver ₹. 500) and multiples of ₹ 1 for additional purchase. **Exit Load:** 1% if redeemed within 12 months from date of allotment. There is no entry/exit load for bonus units and dividend re-investment. NAV publication/sale/redemption will be done on all business days. **Risk Factors common to all schemes:** Tax-free status for long-term capital gains and dividend will depend on the fund investing at least 65% in equity to qualify in accordance with provisions of the Income-Tax Act. Change in Government policy in general and changes in tax benefits applicable to mutual funds may impact the returns to Investors.

**Applicable to schemes other than Sundaram tax saver - Derivative exposure Risk:** Counter Party risk, Model risk, market liquidity risk and basis risk. **Overseas Securities Investment Risk:** Country risk, currency risk, geo-political risk, legal restrictions and regulation changes in geography other than India

### Dividend History – Sundaram Tax Saver:

Record Date	%	₹ per unit	Record Date NAV
26/03/04	50.0	5.00	15.9938
28/01/05	50.0	5.00	18.1404
30/09/05	30.0	3.00	18.2146
03/03/06	30.0	3.00	19.6287
25/08/06	15.0	1.50	15.9708
08/12/06	25.0	2.50	17.5084
23/03/07	20.0	2.00	14.4832
28/12/07	30.0	3.00	22.0117
28/03/08	15.0	1.50	14.0348
18/09/09	10.0	1.00	14.8173
29/01/10	20.0	2.00	13.6615
19/03/10	10.0	1.00	12.0734
16/12/10	15.0	1.50	12.4542
Total	320.0	32.0	

Dividend is declared on the face value of ₹ 10 per unit. After declaration and payment of dividend (including re-investment), the ex-dividend NAV will decline to the extent of the dividend payment.

**Comparison with ELSS funds:** The returns for the ELSS funds are based on the average for the category of Value Research. The number of schemes in the ELSS category is given in the accompanying table. This comparison does not reflect the effect of objectives, style, asset allocation, entry load, exit load and fess & expenses. This is not intended for ranking purposes and does not also constitute ranking. This is only meant for comparison purposes.

Number of schemes	1 Year	2 Years	3 Years	5 Years	6 Years	7 Years	10 Years
Tax Planning Schemes	42	42	35	26	22	19	18
All-equity funds	364	351	324	214	184	145	79
Large-cap funds	19	18	16	16	13	12	8

**Comparison with all equity funds' returns:** The returns for all equity diversified funds comprise all funds classified in Equity Diversified and Tax-Planning categories by Value Research. The funds in the two categories have been considered together and there has been no separate sub-classification by Sundaram Asset Management. The number of schemes covered for different periods is given in the accompanying table. This comparison does not reflect the effect of objectives, style, asset allocation, entry load, exit load and fess & expenses. This is not intended for ranking purposes and does not also constitute ranking. This is only meant for comparison purposes. **Comparison with large-cap funds:** The returns for the large-cap funds is based on the average of returns of a sub-category created by Sundaram Asset Management from the broad category of funds classified as equity diversified by Value Research. This sub-category includes funds that consistently invest at least 85%-90% in large-cap stocks. The funds have been chosen in good faith based on the allocation to the top 50 stocks by market cap and the consistency in maintaining such a profile. The number of schemes in the large-cap category is given in the accompanying table. This comparison does not reflect the effect of objectives, style, asset allocation, entry load, exit load and fess & expenses. This is not intended for ranking purposes and does not also constitute ranking. This is only meant for comparison purposes. The average of returns for the combined universe of the two Value Research categories, the large-cap funds sub-category and ELSS category has been sourced from the Value Research Daily Performance Report. The average returns are as on December 31, 2011 and is based on compounded annual returns (computed using NAV of the Growth Option and/or NAV adjusted dividend reinvestment) for more than one year. **Morningstar Disclaimer:** The Morningstar fund rating methodology is based on a fund's risk-adjusted return within a given Morningstar category. Morningstar ratings are calculated every month for the 3 year, 5 year and 10 year period. Within each rating period, the top 10% funds receive a five star rating, the next 22.5% earn a four star rating, the next 35% get three stars, the next 22.5% receive two stars, and the bottom 10% get one star. Loads are not considered for the rating purpose. The rating is based on NAV provided by respective funds. The current fund rating is for the 3 year period as of Nov 30, 2011. Number of Funds that have been rated (1 to 5) Star by Morningstar in the Morningstar India- Category. No. of Fund Classes which completed 3 years of performance are considered for rating. The number of schemes in Tax Planning category (60). **Source: Morningstar. Past performance is no guarantee of future result. General Risk Factors: All mutual funds and securities investments are subject to market risks, and there can be no assurance or guarantee that fund's objectives will be achieved. NAV may go up or down, depending on the factors and forces affecting the securities market.** Main types are market risk, liquidity risk, credit risk and systemic risks. At times, liquidity of investments may be impaired. There is uncertainty of dividend distribution and risk of capital loss. Past performance of the Sponsor/Asset Management Company/Fund does not indicate the future performance. Investors in the schemes are not being offered any guaranteed or indicated returns. **Sundaram Tax Saver, Sundaram Select Mid Cap, Sundaram Small Cap, Sundaram Equity Multiplier, Sundaram Select Thematic Funds Entertainment Opportunities & Sundaram Balanced Fund are only the name of the scheme and do not in any manner indicate either quality or future prospects and returns.**

**Statutory: Mutual Fund:** Sundaram Mutual Fund is a trust under Indian Trusts Act, 1882 **Sponsor:** Sundaram Finance Ltd. Liability for sponsor is limited to ₹ 1 lakh. **Investment Manager:** Sundaram Asset Management Company Ltd. **Trustee:** Sundaram Trustee Company Ltd.