

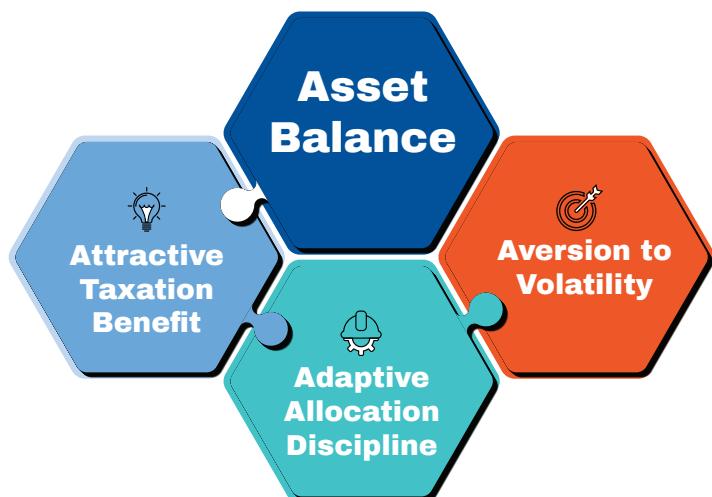
SUNDARAM
Income Plus Arbitrage
Active FoF

An open-ended fund of funds investing in units of debt oriented mutual fund schemes and arbitrage mutual fund schemes

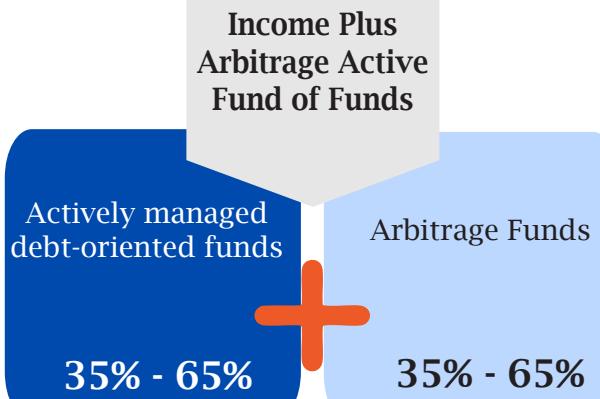
SUNDARAM MUTUAL
Sundaram Finance Group

NFO Opens: 05/01/2026
NFO Closes: 08/01/2026

Comprehensive Solution for Investor Dilemma of Fund Selection & Tax Implications



Asset Allocation



Income Plus Arbitrage Active FOF - Key Features

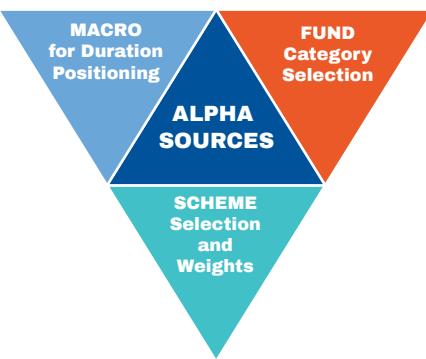
Key Facts

- The Fund qualifies for LTCG of 12.5% after 2 years as a Non Specified Mutual Fund
- Being a FoF, the fund will execute its market strategy by holding a combination of debt schemes rather than individual securities
- The fund will invest only in schemes that are actively managed
- Portfolio rebalancing between schemes has no tax impact at the fund level
- This fund is likely to potentially exhibit lower volatility as it combines debt schemes with arbitrage funds that run fully hedged equity positions

Why Sundaram Income Plus Arbitrage Active FOF?

- The fund will strategically allocate** to a combination of select debt schemes across mid and long duration categories, money market and cash funds (liquid, Ultra Short)
- Quality will be a cornerstone** in the FOF; underlying funds will be chosen such that they are invested in predominantly high credit quality issuers
- The Sundaram IPA FOF will follow an **Open Architecture model**, to cover a basket of both inhouse and external schemes across arbitrage and debt
- This **multi-manager strategy** offers dual benefits of diversifying manager risk and combining investment styles
- Sundaram **MF's house view on macro and rates** will guide the selection of appropriate debt fund category to execute the market view
- Sundaram's **inhouse governance framework** will then form an overlay to objectively short list schemes with their respective weights for inclusion in the FoF

Alpha Sources



Alpha from Category and Scheme Selection



FUND selection

Objectively identify funds that align with macro view and dynamically allocate to select funds



SCHEME selection Technical factors

Size, AUM stability, Expense structure, redemption cycles



SCHEME selection Qualitative factors

Vintage, AMC philosophy, Agility and Execution

Governance Framework

Real Time data TRACKING	Monthly MONITORING	Quarterly REVIEW	Event TRIGGERS
FOF portfolio alignment with i. duration view ii. risk-return profile	Underlying scheme performance, consistency, quality, and risk alignment	Detailed peer group evaluation for both funds and scheme selection	Macro / Market events: RBI policy changes, inflation surprises, sharp yield movements, liquidity stress events AMC-specific Investment team changes Fund-specific Change in fundamentals attributes

Taxation Illustration

Particulars	Income Plus Arbitrage Active FoF	Debt Fund
Investment Amount (Rs.)	1,00,000	1,00,000
Return Assumption	7%	7%
Holding Period	24 months	24 months
Value at the end of tenure	1,14,490	1,14,490
Pre - Tax Gains	14,490	14,490
Applicable Tax Rate	12.50%	30%*
Tax Payable (Rs.)	1,811	4,347
Post - Tax Gains	12,679	10,143
Post - Tax Value (Rs.)	1,12,679	1,10,143
Post - Tax Returns	6.15%	4.95%

Source: As per Finance Act 2025.

*Assuming investor falls in 30% tax slab: The above illustration does not account for cess and surcharge in the tax calculation. Note: The above is for illustrative purpose only, not indicative of future performance. Past performance may or may not be sustained in the future.

Fund Facts & Features

Objective	An open-ended fund of funds investing in units of debt oriented mutual fund schemes and arbitrage mutual fund schemes	Load Structure	Entry Load: Nil Exit Load: Nil
Fund Managers	Mr. Bharath S (Equity) Mr. Sandeep Agarwal & Mr. Kumaresh Ramakrishnan (Fixed Income)	Asset Allocation	Units of Liquid/Debt Oriented Mutual Fund Schemes 35-65%
Benchmark	60% Nifty Short Duration Debt Index A-II + 40% Nifty 50 Arbitrage TRI		Units of Arbitrage Mutual Fund Schemes 35-65%
Minimum Subscription Amount	Lumpsum: First Investment: INR 5000 and any amount thereafter; Subsequent Purchase: INR 500 and any amount thereafter SIP: INR 1000 per week, INR 100 per month, INR 750 per quarter, Weekly SIP will be processed on Wednesdays		Money Market Securities (including Tri Party Repo) 0-5%
Plan / Option	Regular and Direct. Growth & IDCW (Payout, Re-investment, Transfer)		

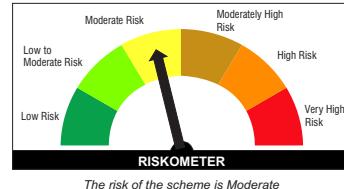
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Riskometer

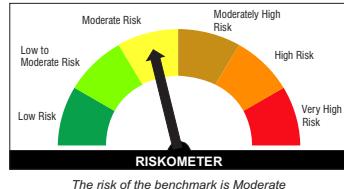
This product is suitable for investors who are seeking*

- Capital appreciation over long term
- Investment in Units of Arbitrage and Debt schemes

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.



Sundaram Income Plus Arbitrage Active FoF



Benchmark: 60% Nifty Short Duration Debt Index A-II + 40% Nifty 50 Arbitrage TRI

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