

NEW FUND OFFER

SUNDARAM

## Income Plus Arbitrage Active FoF

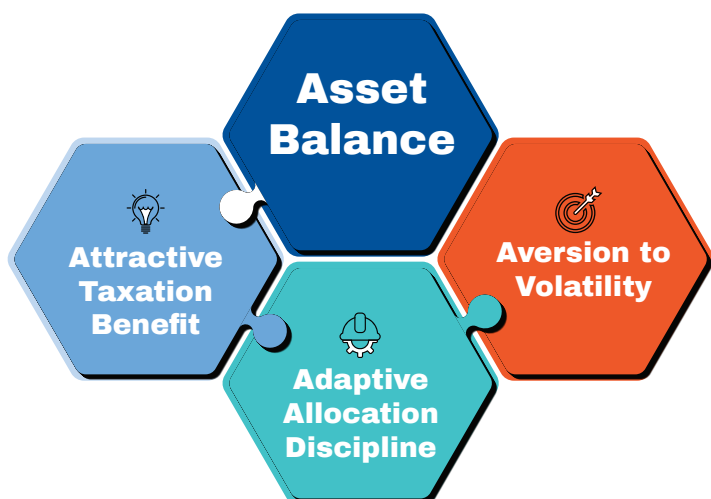
An open-ended fund of funds investing in units of debt oriented mutual fund schemes and arbitrage mutual fund schemes



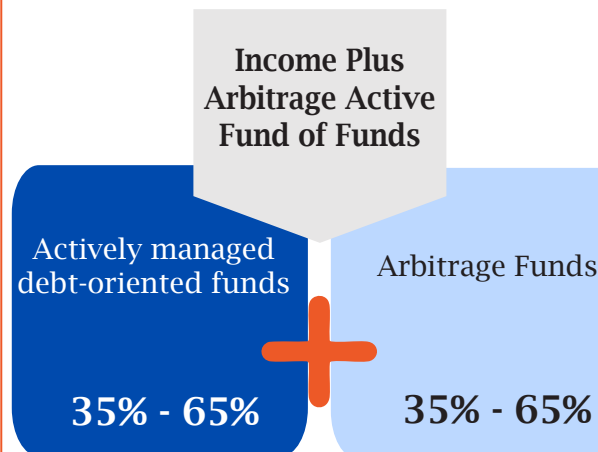
SUNDARAM MUTUAL  
— Sundaram Finance Group —

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

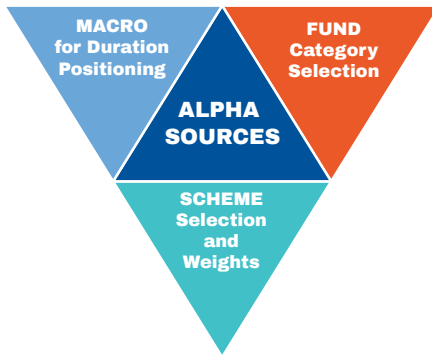
#### Key Facts

- 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	<b>Macro / Market events:</b> RBI policy changes, inflation surprises, sharp yield movements, liquidity stress events <b>AMC-specific</b> Investment team changes <b>Fund-specific</b> 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		
Fund Managers	Mr. Bharath S (Equity) Mr. Sandeep Agarwal & Mr. Kumaresh Ramakrishnan (Fixed Income)		
Benchmark	60% Nifty Short Duration Debt Index A-II + 40% Nifty 50 Arbitrage TRI		
Minimum Subscription Amount	<b>Lumpsum:</b> First Investment: INR 5000 and any amount thereafter; Subsequent Purchase: INR 500 and any amount thereafter <b>SIP:</b> INR 1000 per week, INR 100 per month, INR 750 per quarter, Weekly SIP will be processed on Wednesdays		
Load Structure	Entry Load: Nil Exit Load: Nil		
	Units of Liquid/Debt Oriented Mutual Fund Schemes		35-65%
Asset Allocation	Units of Arbitrage Mutual Fund Schemes		35-65%
	Money Market Securities (including Tri Party Repo)		0-5%
Plan / Option	Regular and Direct. Growth & IDCW (Payout, Re-investment, Transfer)		

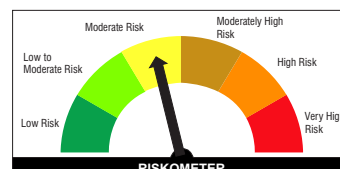
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## Riskometer

**This product is suitable for investors who are seeking\***

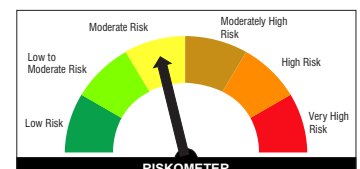
- Capital appreciation over long term
- Investment in Units of Arbitrage and Debt schemes

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



The risk of the scheme is Moderate

**Sundaram Income Plus Arbitrage Active FoF**



The risk of the benchmark is Moderate

**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.**