

Dear Valued Unitholder,

Sub: Change in Fundamental Attributes of open ended schemes of Sundaram Mutual Fund

Thank you for choosing Sundaram Mutual Fund (“the Fund”) as your investment partner. We truly appreciate your trust in us.

SEBI has issued circulars dated October 06, 2017 and December 04, 2017, in order to bring the desired uniformity in the practice, across Mutual Funds and to standardize the scheme categories and characteristics of each category. The objective is to bring uniformity in the characteristics of similar type of schemes launched by different Mutual Funds and to ensure that an investor of Mutual Funds is able to evaluate the different options available, before taking an informed decision to invest in a scheme. SEBI has also provided guidelines and mechanism for achieving the said objectives.

Accordingly, the Board of Directors of Sundaram Asset Management Company Limited and Sundaram Trustee Company Limited (Trustee to Sundaram Mutual Fund) considered the recommendations of SEBI and decided to effect necessary changes in the scheme attributes of the open ended schemes to align with SEBI’s classification. The Board of Directors also approved a few enhancements in the fund strategy which may increase the portfolio returns.

The said changes will be construed as change in fundamental attributes to the scheme. SEBI vide their letter no. IMD/DF3/OW/P/2018/6389/1 dated 28/02/2018 have conveyed their no objection to the proposed changes.

The unitholders who do not consent to the above proposal needs to be given an exit option to redeem their investments within 30 days from the commencement of exit period without any exit load at applicable NAV. It may be noted that the offer to exit is purely optional and is not compulsory. The summary of the changes proposed to be effected in each of the scheme in along with a detailed addendum is enclosed.

Apart from the changes stated in the enclosed notice cum addendum, all others terms & conditions of the Schemes will remain unchanged.

We look forward to your continued patronage.

For Sundaram Asset Management Company Ltd.
(Investment Manager for Sundaram Mutual Fund)



Harsha Viji

Managing Director

Encl: Transaction Slip

Mutual Fund Investments are subject to market risks, read all Scheme related documents carefully.

Summary of changes proposed:

Sundaram Banking & PSU Debt Fund:

Sundaram Banking & PSU Debt Fund, An open-end Income scheme, was launched in December 2004. The objective of the scheme is to generate reasonable returns by creating a portfolio comprising substantially of fixed income instruments and money market instruments by keeping the interest rate risk of the fund low. The scheme has an asset size of Rs 1172.32 cr. as on 28/02/2018. The Fund has been performing well beating its benchmarks. The fund will be categorized under Banking and PSU Fund segment.

Sundaram Bond Saver:

Sundaram Bond Saver, An open-end Income scheme, was launched in October 1997. The objective of the scheme is to earn regular income by investing primarily in fixed income securities, which may be paid as dividend or reinvested at the option of the investor. A secondary objective is to attempt to keep the value of its units reasonably stable. The scheme has an asset size of Rs 111.53 cr. as on 28/02/2018. The Fund has been performing well beating its benchmarks. The fund will be renamed as Sundaram Medium Term Bond Fund categorized under Medium Duration Fund segment.

Sundaram Monthly Income Plan (Aggressive):

Sundaram Monthly Income Plan (Aggressive), An open-end Income scheme, was launched in January 2010. The objective of the scheme is to generate regular income through investment in fixed income securities. The secondary objective is to generate long term capital appreciation by investing a portion of the schemes assets in equity and equity related instruments. The scheme has an asset size of Rs. 136.52 cr. as on 28/02/2018. The Fund has been performing well beating its benchmarks. The fund will be renamed as Sundaram Debt Oriented Hybrid Fund categorized under Conservative Hybrid Fund segment.

Sundaram Select Debt Short-Term Asset Plan:

Sundaram Select Debt Short-Term Asset Plan, An open-end Income scheme, was launched in August 2002. The objective of the scheme is to earn regular income by investing primarily in fixed income securities, which may be paid as dividend or reinvested at the option of the investor. A secondary objective is to attempt to keep the value of its units reasonably stable. The scheme has an asset size of Rs. 896.16 cr. as on 28/02/2018. The Fund has been performing well beating its

benchmarks. The fund will be renamed as Sundaram Short Term Debt Fund categorized under Short Duration Fund segment.

Sundaram Ultra Short-Term Fund:

Sundaram Ultra Short-Term Fund, An open-end Income scheme, was launched in April 2007. The objective of the scheme is to provide a level of income consistent with liquidity through investments made primarily in money market and debt securities. The scheme has an asset size of Rs. 1818.33 cr. as on 28/02/2018. The Fund has been performing well beating its benchmarks. The fund will be renamed as Sundaram Low Duration Fund categorized under Low Duration Fund segment.

Sundaram Income Plus:

Sundaram Income Plus, An open-end Income scheme, was launched in June 2002. The objective of the scheme is to obtain high yields by investing in fixed income securities. Capital appreciation is secondary objective when consistent with its primary objective. The scheme has an asset size of Rs. 544.65 cr. as on 28/02/2018. The Fund has been performing well beating its benchmarks. The fund will be renamed as Sundaram Short Term Credit Risk Fund categorized under Credit Risk Fund segment.

Sundaram Flexible Fund Flexible Income Plan:

Sundaram Flexible Fund Flexible Income Plan, An open-end Income scheme, was launched in December 2004. The objective of the scheme is to generate reasonable returns by creating a portfolio comprising substantially of fixed income instruments and money market instruments by keeping the interest rate risk of the fund low. The scheme has an asset size of Rs. 393.87 cr. as on 28/02/2018. The Fund has been performing well beating its benchmarks. The fund will be renamed as Sundaram Corporate Bond Fund categorized under Corporate Bond Fund segment.

Sundaram Money Fund:

Sundaram Money Fund, An open-end liquid scheme, was launched in March 2000. The objective of the scheme is to provide a level of income consistent with the preservation of capital, liquidity and lower level of risk, through investments made primarily in money market and debt securities. The aim is to optimize returns while providing liquidity. The scheme has an asset size of Rs. 6603.43 cr. as on 28/02/2018. The Fund has been performing well beating its benchmarks. The fund will be categorized under Liquid Fund segment.