



## Annexure A SCHEME INFORMATION DOCUMENT

# Sundaram Dividend Yield Fund

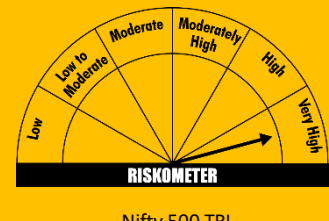
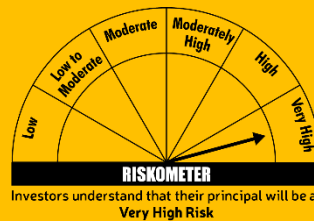
An open ended equity scheme predominantly investing in dividend yielding stocks

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

- Long term capital growth
- Investment in equity & equity related securities including equity derivatives of high dividend yield Companies.

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

Riskometer as on September 30, 2024



Pursuant to the acquisition of Principal Asset Management Private Limited by Sundaram Asset Management Company Limited on 31st/12/2021, Principal Dividend Yield Fund got renamed as Sundaram Dividend Yield Fund

### Terms of offer: NAV

New Fund Offer Opened on	29/08/2018
New Fund Offer Closed on	12/09/2018
Scheme Re-Opened for Ongoing Subscription/Redemption	26/09/2018

Mutual Fund	Sundaram Mutual Fund
Trustee Company	Sundaram Trustee Company Limited
Asset Management Company	Sundaram Asset Management Company Limited
Address	Sundaram Towers, I & II Floor, 46, Whites Road, Chennai - 600 014. www.sundarammutual.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date and circulars issued thereunder filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Distributors / Brokers or visit [www.sundarammutual.com](http://www.sundarammutual.com)

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Sundaram Mutual Fund, Standard Risk Factors, Special Considerations, tax and legal issues and general information on [www.sundarammutual.com](http://www.sundarammutual.com) and [www.amfiindia.com](http://www.amfiindia.com)

SAI is incorporated by reference and is legally a part of the Scheme Information Document. For a free copy of the current Statement of Additional Information, please contact your nearest Investor Service Centre or visit [www.sundarammutual.com](http://www.sundarammutual.com).

The Scheme Information Document (Section I and II) should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated 30/09/2024.

Contact No. 1860 425 7237 (India)  
+91 40 2345 2215 (NRI)

+91 95000 57237 (WhatsApp Chatbot)

E-mail: [customerservices@sundarammutual.com](mailto:customerservices@sundarammutual.com)  
(NRI): [nriservices@sundarammutual.com](mailto:nriservices@sundarammutual.com)

## Trustee

**Sundaram Trustee Company Limited**

CIN: U65999TN2003PLC052058

Corporate Office: Sundaram Towers, I &amp; II Floor, 46 Whites Road, Chennai 600 014 India

Phone : 044 28583362 Fax : 044 28583156

## Investment Manager

**Sundaram Asset Management Company Limited**

CIN: U93090TN1996PLC034615

Corporate Office: Sundaram Towers, I &amp; II Floor, 46 Whites Road, Chennai 600 014 India

Phone : 044 28583362 Fax : 044 28583156

[www.sundarammutual.com](http://www.sundarammutual.com)

## Sponsor

**Sundaram Finance Limited**

CIN: L65191TN1954PLC002429

Registered Office: 21, Patullos Road,

Chennai 600 002

India

[www.sundaramfinance.in](http://www.sundaramfinance.in)

*If you wish to reach indicated telephone number from outside India, please use +91 or 0091 followed by 44 and the eight number.*

**Custodian**

Standard Chartered Bank, Mumbai registered with SEBI, vide Registration No IN/CUS/006, has been appointed custodian for the securities in the Scheme. The responsibilities of the custodian include:

- to keep in safe custody all the securities and instruments belonging to the Scheme;
- to ensure smooth inflow/outflow of securities and instruments as and when necessary in the best interest of the investors;
- to ensure that the benefits due on the holdings are received;
- to be responsible for the loss or damage to the securities due to negligence on its part or on the part of its approved agents.

The Trustee reserve the right to appoint any other custodian(s) approved by SEBI.

**Fund Accountant****Sundaram Fund Services Limited**

CIN:U67120TN2008PLC068388

No. 221 (Old No.162), Metro Plaza,

Registered Office: No.21, Patullos Road,

Chennai 600 002.

The activities inter-alia include:

- i. Record accounting entries to the fund.
- ii. Reconcile account balances for the fund.
- iii. Establish policies and procedures to assure proper fund accounting.
- iv. Maintain proper documentation.
- v. Update computer system records.
- vi. Perform fund valuations of unit trusts and custodian accounts.
- vii. Prepare schedules and tailor-made client reports.
- viii. Coordinate preparation of annual accounts and audit unit trusts and custodian accounts.

However, the Fund administration part would continue to be handled by the Operations Department of the Investment Manager.

**Registrar and Transfer Agents****KFin Technologies Limited**

CIN: L72400TG2017PLC117649

Unit: Sundaram mutual Fund,

Tower- B, Plot No. 31 &amp; 32,

Selenium building, Gachibowli Road, Financial

District, Nanakramguda,

Serilingampally Mandal,

Hyderabad 500032.

Contact No.

1860 425 7237 (India)

+91 40 2345 2215 (NRI)

Email us at:

[customerservices@sundarammutual.com](mailto:customerservices@sundarammutual.com)

The Trustee reserves the right to appoint any other entity registered with SEBI as the registrar.

# SECTION - I

**Part I. HIGHLIGHTS/SUMMARY OF THE SCHEME**

Sr. No.	Title	Description
I.	<b>Name of the scheme</b>	Sundaram Dividend Yield Fund
II.	<b>Category of the Scheme</b>	Dividend Yield Fund
III.	<b>Scheme type</b>	An open ended equity scheme predominantly investing in dividend yielding stocks.
IV.	<b>Scheme code</b>	DYDP, DYGP, DYZD, DYZG
V.	<b>Investment objective</b>	<p>The investment objective of the scheme would be to provide capital appreciation and/or dividend distribution by investing predominantly in a well-diversified portfolio of companies that have a relatively high dividend yield.</p> <p><b>No Guarantee:</b> Investors are neither being offered any guaranteed/indicated returns nor any guarantee on repayment of capital by the Scheme. There is also no guarantee of capital or return either by the mutual fund or by the sponsor or by the Asset management Company.</p>
VI.	<b>Liquidity/listing details</b>	NA
VII.	<b>Benchmark (Total Return Index)</b>	<p><b>Tier I : Nifty 500 TRI</b>  <b>Tier II : Nifty Dividend Opportunities 50 TRI</b></p> <p>The composition of the aforesaid benchmark is such that it is most suited for comparing performance of the Scheme. The Fund reserves the right to change the said benchmark and/or adopt one/more other benchmarks to compare the performance of the Scheme, subject to SEBI Regulations.</p>
VIII.	<b>NAV disclosure</b>	<p>NAV will be updated on the websites of Sundaram Asset Management (<a href="http://www.sundarammutual.com">www.sundarammutual.com</a>) and the Association of Mutual Funds of India (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) before 11.00 P.M on every business day. The schemes are permitted to take exposure to overseas securities. In such cases where the schemes have taken exposure to overseas securities the NAV of the relevant schemes would be declared by 10.00 A.M. on the following business day.</p> <p>In case any of the schemes ceases to hold exposure to any overseas securities, NAV of the relevant schemes for that day would continue to be declared on 10.00 A.M on the following business day. Subsequent to that day, NAV of the relevant scheme shall be declared on 11.00 P.M on the same day.</p> <p>Further, the Investment Manager will extend facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.</p> <p>In case of any delay, the reasons for such delay would be explained to AMFI by the next day. If the NAVs are not available before commencement of working hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs.</p>
IX.	<b>Applicable timelines</b>	<p>Timeline for</p> <ul style="list-style-type: none"> <li>• <b>Dispatch of redemption proceeds,</b>  After the expiry of lock-in period, the units of the Scheme can be repurchased (sold back to the Fund) on any business day. The repurchase request can be made on Application Form/Common Transaction form or by using the relevant tear off section of the Transaction Slip that may be enclosed with the Account Statement, which should be submitted at any of the Official Point of Acceptance. Where the date of redemption is a non-business day, the deemed date for such redemption will be the next business day.</li> </ul>

		<ul style="list-style-type: none"> <li>• <b>Dispatch of IDCW (if applicable)</b> The IDCW warrant/cheque shall be dispatched to the unit holders within 7 days of the date of declaration of the IDCW. The Investment Manager shall be liable to pay interest to the unit holders at such rate as may be specified by SEBI for the period of such delay. The prescribed rate at present is 15% per annum. In case of delay, the AMC shall be liable to pay interest @ 15 per cent per annum to the unit holders. It may be noted that the Mutual Fund is not guaranteeing or assuring any IDCW. IDCW payment may also be done by Direct Credit subject to availability of necessary facility at each location. For further details please refer to the Application Form.</li> </ul>
X.	<b>Plans and Options</b> Plans/Options and sub options under the Scheme	<p>Plans: Regular Plan and Direct Plan Options: Growth, IDCW Payout, IDCW Reinvestment</p> <p>All plans and options available for offer under the scheme shall have a common portfolio. For detailed disclosure on default plans and options, kindly refer SAI.</p>
XI.	<b>Load Structure</b>	<p><b>Entry Load:</b> Nil.</p> <p><b>Exit Load:</b> If up to 24% of the units are redeemed, withdrawn by way of SWP or transferred by way of STP within 365 days from the date of allotment.</p> <ul style="list-style-type: none"> <li>• If redeemed/ switched on or before 365 days from the date of allotment: Nil for redemption/ switch out of units upto 24% of the units allotted (the limit)</li> <li>• 1% on redemption in excess of 24% of the limit stated above- Redemption of units would be done on First in First out Basis (FIFO)</li> <li>• Nil thereafter</li> </ul> <p>Further, exit load will be waived on Intra-scheme and Inter scheme Switch-outs/STP.</p>
XII.	<b>Minimum Application Amount/switch in</b>	<ul style="list-style-type: none"> <li>• During NFO: NA</li> </ul> <p>On continuous basis: Rs. 5,000/- for both IDCW and Growth Option and any amount thereafter under each Plan/Option.</p> <p><b>Systematic Investment Plan:</b> Daily SIP, Rs.100/- and minimum 3 months, Minimum twelve installments of Rs.500/- for Monthly SIP, Rs.500 for Quarterly SIP, Rs.500 for Weekly SIP and any amount thereafter.</p> <p><b>Systematic Transfer Plan:</b> Daily: Rs.1,000/- (6 Instalments); Weekly: Rs.1,000/-; (6 Instalments) Monthly: Rs.1,000/-(6 Instalments); Quarterly: Rs.1,000/-(6 Instalments).</p> <p><b>Systematic Withdrawal Plan:</b> Monthly / Quarterly: Rs.500/- (6 instalments).</p>
XIII.	<b>Minimum Additional Purchase Amount</b>	Rs. 1,000/- and any amount thereafter under each Plan/Option
XIV.	<b>Minimum Redemption/switch out amount</b>	<b>The minimum amount for redemption/switch out will be: Regular &amp; Direct Plan: Rs.500 or 50 units.</b>
XV.	<b>New Fund Offer Period</b> This is the period during which a new scheme sells its units to the investors.	NA

<b>XVI.</b>	<b>New Fund Offer Price:</b> This is the price per unit that the investors have to pay to invest during the NFO.	NA
<b>XVII.</b>	<b>Segregated portfolio/side pocketing disclosure</b>	Enabled. For Details, kindly refer SAI.
<b>XVIII.</b>	<b>Swing pricing disclosure</b>	NA
<b>XIX.</b>	<b>Stock lending/short selling</b>	Enabled. For Details, kindly refer SAI.
<b>XX.</b>	<b>How to Apply and other details</b>	Please refer to the Statement of Additional Information and Key Information Memorandum, which is a part of the Application Form (available free of cost with the offices of the Investment Manager and can be downloaded from the Website of the Investment Manager ( <a href="http://www.sundarammutual.com">www.sundarammutual.com</a> )). Details in section II
<b>XXI.</b>	<b>Investor services</b>	Prospective investors and existing unit holders are welcome to contact Customer Service/Complaint resolution using the Toll Free 1860 425 7237 (India) +91 40 2345 2215 (NRI). Investors may also contact the Investor Relations Manager. <b>Baba M J</b> Investor Relations Manager Sundaram Asset Management Company Limited, No. 46, Whites Road, Sundaram Towers, 1st Floor, Royapettah, Chennai - 600014.
<b>XXII.</b>	<b>Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes) (as applicable)</b>	An open ended equity scheme predominantly investing in dividend yielding stocks.
<b>XXIII.</b>	<b>Special product/facility available during the NFO and on ongoing basis</b>	<ol style="list-style-type: none"> <li>1. Switching Option</li> <li>2. Systematic Investment Plan <ol style="list-style-type: none"> <li>A) Modifications to terms of SIP Cancellation: Investors are requested to note that accordance with SEBI Letter No. SEBI/HO/OW/IMD/IMD-SEC1/P/2024/270/1 dated January 03, 2024, the terms and conditions for SIP Cancellation will undergo the following changes effective April 1, 2024 ("Effective Date"): <ol style="list-style-type: none"> <li>1. In case of Daily, Weekly, and Monthly frequencies, the SIP registration will stand cancelled, in case of 3 consecutive failed debits;</li> <li>2. In case of Quarterly frequency, the SIP registration will stand cancelled, in case of 2 consecutive failed debits.</li> <li>3. SIP cancellation request submitted by an investor, will be effective within 10 calendar days from the date of such request. Any SIP installment falling prior to the date of such cancellation, will be processed as per applicable NAV.</li> </ol> </li> <li>3. SIP Top-up feature <ol style="list-style-type: none"> <li>4. Frequency for Top-up: Monthly &amp; Quarterly</li> <li>5. SIP Pause Facility</li> <li>6. Micro SIP:</li> <li>7. Prosperity SIP</li> <li>8. Enabling of SIP Top up Facility in BSE and NSE platforms</li> </ol> </li> </ol> </li> </ol>

		<p>9. Systematic Withdrawal Plan</p> <p>10. Systematic Transfer/Switch Plan</p> <p>11. TRANSACTIONS THROUGH STOCK EXCHANGE MECHANISM</p> <p>I. Physical Form:</p> <p>II. Dematerialized Form:</p> <p>12. Transaction through Mutual Fund distributor:</p> <p>13. KFINKART Facility</p> <p>For Details, kindly refer SAI</p>
<b>XXIV.</b>	<b>Weblink</b>	<p>Total Expense Ratio: <a href="https://www.sundarammutual.com/TER">https://www.sundarammutual.com/TER</a></p> <p>Daily Total Expense Ratio: <a href="https://www.sundarammutual.com/TER">https://www.sundarammutual.com/TER</a></p> <p>Factsheet: <a href="https://www.sundarammutual.com/downloads/">https://www.sundarammutual.com/downloads/</a></p>

### Due Diligence by Sundaram Asset Management Company Limited

It is confirmed that:

- (i) The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme.
- (iv) The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
- (v) The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct
- (vi) A confirmation that the AMC has complied with the compliance checklist applicable for Scheme Information Documents and other than cited deviations/ that there are no deviations from the regulations
- (vii) Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.
- (viii) The Trustees have ensured that the Sundaram Dividend Yield Fund approved by them is a new product offered by Sundaram Mutual Fund and is not a minor modification of any existing scheme/fund/product (This clause is not applicable to Fixed Maturity Plans and Close Ended Schemes except for those close ended schemes which have the option of conversion into open ended schemes on maturity and also to Interval Schemes.)

**Chennai**  
**30/09/2024**

**R Ajith Kumar**  
**Compliance Officer**

## Part II. INFORMATION ABOUT THE SCHEME

### A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Equity and Equity related instruments of High Dividend Yield companies*	65%	100%
Debt and Money Market Instruments (including Units of Debt/ Liquid Mutual Fund Schemes and Cash)	0%	35%

\* High Dividend Yield Companies are defined as Companies whose dividend yield, at the time of investment, is equal to or higher than the dividend yield of the Company with the lowest dividend yield in the Nifty Dividend Opportunities 50 Index, ascertained as at the close of previous trading day.

The scheme intends to use derivatives for purposes that may be permitted by SEBI (Mutual Funds) Regulations, 1996 from time to time. The scheme shall have a maximum net derivatives position up to 50% of the portfolio.

The Scheme may also invest in overseas financial debt instruments including units of overseas mutual funds, as detailed below:-

Investments will only be made in instruments denominated in US Dollar, Singapore Dollar, Japanese Yen, Euro, Sterling Pound or in any other liquid currency as may be decided by the AMC from time to time and will be subject to following limits:

Particulars	% of Net Assets
Investment in overseas financial debt instruments including units of overseas mutual funds	Not exceeding 35% of the Scheme's assets subject to a maximum limit of US \$300 million per mutual fund or such other limit as specified by SEBI from time to time.

Subject to the SEBI Regulations, the Mutual Fund may deploy upto 50% of its total net assets of the Scheme in Stock Lending

**Changes in Investment Pattern:** Subject to SEBI Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view the market conditions, market opportunities, applicable Regulations and political & economic factors.

It must be clearly understood that the percentage stated above are only indicative and not absolute. These proportions can vary substantially depending upon the perception of the Investment Manager; the intention being at all times to seek to protect the interests of Unit Holders. Such changes in investment pattern will be for a short-term and for defensive consideration only.

In the event of deviations, the fund manager will carry out rebalancing within 30 days. Where the portfolio is not rebalanced within 30 days, justification for the same shall be placed before the Investment Committee and reasons for the same shall be recorded in writing. The Investment Committee shall then decide on the course of action. however, at all times the portfolio will strive to adhere the overall investment objectives of the Scheme.

Cumulative gross exposure limits to be adhered in terms of Master Circular dated May 19, 2023

**Indicative Table** (Actual instrument/percentages may vary subject to applicable SEBI circulars)

S.no	Type of instrument	% of exposure	Circular references
1	Securities Lending	Upto 50%	Clause 12.11 of the SEBI Master Circular



2	Derivatives	Upto 50%	Clause 12.25 of the SEBI Master Circular
3	Equity Derivatives for non- hedging purposes		Clause 12.25 of the SEBI Master Circular
4	Debt Instruments with SO / CE rating		Clause 12.3 of the SEBI Master Circular
5	Overseas Securities	Upto 35%	Clause 12.19 of the SEBI Master Circular
6	Securitized Debt	Upto 10%	
7	Debt Instruments with special features (AT1 and AT2 Bonds)		Clause 12.2 of the SEBI Master Circular
8	Tri-party repos (including Reverse repo in T-bills and G-sec)		
9	Other / own mutual funds		Clause 4 of the Seventh Schedule of SEBI (Mutual Funds) Regulations, 1996
10	Repo/ reverse repo transactions in corporate debt securities		Clause 12.11 of the SEBI Master Circular
11	Credit Default Swap transactions		Clause 12.11 of the SEBI Master Circular
12	Short Selling		Regulation 45 (2) of SEBI (Mutual Funds) Regulations, 1996
13	Short Term Deposit	Upto 15%	Clause 12.16 of the SEBI Master Circular
14	ReITS and InVITS		Clause 13 in the Seventh Schedule of SEBI (Mutual Funds) Regulations, 1996
15	Foreign Securitized debt		
16	Unrated debt and money market instruments	Upto 5%	Clause 12.1 of the SEBI Master Circular
17	Writing of call options under covered call strategy		Clause 12.25.8 of the SEBI Master Circular

*\*SEBI circular references (wherever applicable) in support of exposure limits of different types of asset classes in asset allocation shall be provided.*

**Portfolio rebalancing:** Subject to SEBI Regulations, the asset allocation pattern may change from time to time for a short term and for defensive considerations, keeping in view the market conditions/applicable regulations/political & economic factors, the perception of the Investment Manager; the intention being at all times to seek to protect the interests of the Unit holders. Rebalancing across sectors and stocks based on valuation levels relative to growth shall be a dynamic exercise, as this is crucial to performance.

The fund manager of the Scheme shall examine factors such as the overall macro-economic conditions, valuation levels, sector-specific factors, company-specific factors and trends in liquidity, to name a few, and reduce the equity exposure, if warranted, to lower levels and raise the fixed income component of the portfolio as a tactical call.

The fund manager shall seek to raise the equity exposure if the environment is conducive. This process of rebalancing may take place in a dynamic manner on a regular basis.

Cash calls (with deployment in appropriate money-market and fixed-income securities), derivatives, changes in the degree of overweight and underweight to sectors and changes in allocation levels to stocks with varying attributes be used to balance the portfolio.

If the macro-economic conditions and market levels warrant, the fund manager may on an exceptional basis, reduce the equity exposure and raise the fixed-income component of the portfolio beyond the asset allocation boundary indicated in the table for normal circumstances. Such an allocation in exceptional circumstances shall be adopted with the approval of the Internal Investment Committee (IIC) of Sundaram Asset Management.

In the event of deviations, the fund manager will carry out rebalancing within 30 days. Where the portfolio is not rebalanced within 30 days, justification for the same shall be placed before the IIC and reasons for the same shall be recorded in writing. The IIC, comprising three members in total, shall then decide on the course of action. However, at all times the portfolio will strive to adhere the overall investment objectives of the Scheme.

**B. WHERE WILL THE SCHEME INVEST?**

• The corpus of the Scheme shall be predominantly invested in equity and equity related instruments of \*high dividend yield companies. The fund is defining dividend yield as “high” if the security is either constituent of the Nifty Dividend Opportunities 50 Index, or, has a dividend yield higher than that of the NSE Nifty on the earlier trading day, at the time of investment. The overall portfolio structuring would aim at controlling risk at a moderate level. The Scheme shall invest a part of its corpus in equity / equity related instruments other than those mentioned above. Further the Scheme may also invest part of its corpus in money market securities/instruments/funds, to manage its liquidity requirements. However, due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short term defensive considerations, and the intention being at all times to protect the interests of the Unit Holder;

\*High Dividend Yield Companies are defined as Companies whose dividend yield, at the time of investment, is equal to or higher than the dividend yield of the Company with the lowest dividend yield in the Nifty Dividend Opportunities 50 Index, ascertained as at the close of previous trading day While the criterion of high dividend-yields would be used to identify the investment universe from which the portfolio will be constructed, within this universe, there will be a strong focus on selecting companies with a consistent dividend track-record, strong business fundamentals, good quality of management, strong cash generation in excess of their capital expenditure requirements, strong balance sheets and attractive valuations

• At present Mutual Funds are not permitted to participate in Inter Bank Calls. The Scheme will participate in Inter Bank Calls only when Mutual Funds are permitted to do so. The Scheme may participate in securities lending as permitted under the Regulations.

• The Scheme may also invest in another schemes managed by the same AMC or by the AMC of any other mutual fund without charging any fees on such investments, within the limits specified under SEBI Regulations;

The Asset Management Company further reserves the right to invest in derivatives and Foreign debt securities subject to SEBI / RBI or any other Regulatory Authorities permitted from time to time.

**Foreign Debt securities shall without limitation include:-**

- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies;
- Money market instruments rated not below investment grade;
- Repos in the form of investment, where the counterparty is rated not below investment grade;
- Government securities where the countries are rated not below investment grade;
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities;
- Short term deposits with banks overseas where the issuer is rated not below investment grade;
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets)

And such other Securities as may be prescribed by SEBI/RBI from time to time.

The securities may be acquired by the Scheme through Initial Public Offerings (IPOs), secondary market operations, private placement, right offers or negotiated deals. Securities shall be purchased in public offerings, primary/ reissues/ Open Market Operations (OMO) auctions / OMO sales, private placement, right offers, negotiated deals or any other mode of investment made available in the market from time to time.

The regulation and limits as applicable under the SEBI (Mutual Funds) Regulations, 1996 are specified under the Para of Investment Restrictions.

**Depository**

The Securities of the Scheme will be held in demat (electronic) mode and accordingly the rules of the Securities and

Exchange Board of India (Depositories and Participants) Regulations, 1996 would apply. The service charges payable to the Depository Participant will form a part of the annual recurring expenses.

### C. WHAT ARE THE INVESTMENT STRATEGIES?

The scheme will invest its assets in a portfolio of equity and equity related instruments. The focus of the investment strategy would be to identify stocks which can provide capital appreciation in the long term. The aim will be to build a diversified portfolio across major industries and economic sectors by using “fundamental analysis” as its selection process.

The three basic steps of fundamental analysis are:

- 1) **Research** - consideration of economic prospects over the next one to two years rather than focusing on near term expectations. This approach is designed to provide insight into a company’s real growth potential.
- 2) **Valuation** - use of the research to allow the Investment Manager to identify segments of the market for investment. The Investment Manager would consider various factors including sustainable, superior earnings growth and above average or accelerating rates of growth.
- 3) **Securities selection** - The Investment Manager would buy and sell securities using its research and valuation as the basis. It attempts to identify the individual issuers that it considers to have high growth potential, that are market share leaders and/ or have high quality management with consistent track records and solid balance sheets.

#### Trading in Derivatives

The Scheme may take derivatives position based on the opportunities available subject to the guidelines provided by SEBI from time to time and in line with the overall investment objective of the Scheme. The Scheme shall not take leveraged positions and total investments, including investments in Debt and other securities and gross exposure to Derivatives, if any, shall not exceed net assets under management of the Scheme.

SEBI has vide its Circulars inter alia, DNP/Cir-29/2005 dated September 14, 2005 and DNP/Cir-30/2006 dated January 20, 2006 and CIR/IMD/DF/11/2010 dated August 18, 2010 specified the guidelines pertaining to trading by Mutual Fund in Exchange traded derivatives and SEBI Circular DNP/Cir-31/2006 dated September 22, 2006 modifying the position limits for Index derivative contracts.

A derivative is an instrument whose value is derived from the value of one or more of the underlying assets which can be commodities, precious metals, bonds, currency, etc. Common examples of Derivative instruments are Interest Rate Swaps, Forward Rate Agreements, Futures, Options, etc.

In case of equity derivatives, the Scheme may transact in exchange traded equity derivatives only and these instruments may take the form of Index Futures, Index Options, Futures and Options on individual equities/securities and such other derivative instruments as may be appropriate and permitted under the SEBI Regulations and guidelines from time to time.

Derivative positions taken would be guided by the following principles:

#### Exposure to Equity Derivatives

The net derivatives position in the Scheme may be up to the limit as set forth in the asset allocation pattern of the Scheme, subject to the following regulatory limits:

##### i. Position limit for the Mutual Fund in index options contracts:

- a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs500 crore or 15% of the total open interest in the market in index options, whichever is higher, per Stock Exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

##### ii. Position limit for the Mutual Fund in index futures contracts:

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs500 crore or 15% of the total open interest in the market in index futures, whichever is higher, per Stock Exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

**iii. Additional position limit for hedging:**

In addition to the position limits at point (i) and (ii) above, Fund may take exposure in equity index derivatives subject to the following limits:

- a. Short positions in index derivatives (short futures and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
- b. Long positions in index derivatives (long futures and long calls) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.

**iv. Position limit for the Mutual Fund for stock based derivative contracts:**

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts:

- The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).

**v. Position limit for the Scheme:**

The position limits for the Scheme and disclosure requirements are as follows:

- a. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Fund shall not exceed the higher of 1% of free float market capitalization (in terms of number of shares).

Or

5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).

- b. This position limit shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- c. For index based contracts, the Mutual Fund shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

As and when SEBI notifies amended limits in position limits for exchange traded derivative contracts in future, the aforesaid position limits, to the extent relevant, shall be read as if they were substituted with the SEBI amended limits.

The Scheme may purchase call and put options in securities in which it invests and on securities indices. Through the sale and purchase of futures contracts the Fund would seek to hedge against a decline in securities owned by the Fund or an increase in the prices of securities which the Fund plans to purchase. The Fund would sell futures contracts on securities indices in anticipation of a fall in stock prices, to offset a decline in the value of its equity portfolio. When this type of hedging is successful, the futures contract increase in value while the Fund's investment portfolio declines in value and thereby keep the Fund's net asset value from declining as much as it otherwise would. Similarly, when the Fund is not fully invested, and an increase in the price of equities is expected, the Fund would purchase futures contracts to gain rapid market exposure that may partially or entirely offset increase in the cost of the equity securities it intends to purchase. In certain cases the Fund might invest in futures contracts as against underlying cash stocks for reasons of liquidity and lower impact costs.

**Stock and Index Futures****Hedging against an anticipated rise in equity prices:-**

The scheme has a corpus of Rs.100 crores and has cash of Rs.15 crores available to invest. The Fund may buy index/stock futures of a value of Rs.15 crores. The scheme may reduce the exposure to the future contract by taking an offsetting position as investments are made in the equities; the scheme wants to invest in. Here, if the market rises, the scheme gains by having invested in the index futures.

**Hedging against anticipated fall in equity prices:-**

If the Fund has a negative view on the market and would not like to sell stocks as the market might be weak, the scheme of the Fund can go short on index/stock futures. Later, the scheme can unwind the future positions. A short position in the future would offset the long position in the underlying stocks and this can curtail potential loss in the portfolio. The Fund's successful use of futures contracts is subject to the Fund Manager's ability to predict correctly the market factor affecting the market value of the Fund's portfolio securities. For example if a Fund is hedged against a fall in the securities using a short position in index futures, and the market instead rises, the Fund loses part or all of the benefit of the increase in securities prices on account of the offset losses in index futures. Imperfect co-relation between the price movements in the securities index on the one hand and the stocks held by the Fund or the futures contracts itself on the other hand may result in trading losses. The Fund may not be able to close an open futures position due to insufficient liquidity in the futures market. Under such circumstances, the Fund would be required to make daily cash payments of variation margin in the event of adverse price movements. If the Fund has insufficient cash, the Fund may be required to sell portfolio securities to meet daily variation margin requirement at a time when it may be disadvantageous to do so.

A hedge is designed to offset a loss on a portfolio with a gain in the hedge position. At the same time, however, a properly correlated hedge will result in a gain in the portfolio position being offset by a loss in the hedge position. As a result the use of derivatives could limit any potential gain from an increase in value of the position hedged. In addition, an exposure to derivatives in excess of the hedging requirement can lead to losses.

#### **Stock and Index Options:**

Option contracts are of two types - Call and Put; the former being the right, but not obligation, to purchase a prescribed number of shares at a specified price before or on a specific expiration date and the latter being the right, but not obligation, to sell a prescribed number of shares at a specified price before or on a specific expiration date. The price at which the shares are contracted to be purchased or sold is called the strike price. Options that can be exercised on or before the expiration date are called American Options, while those that can be exercised only on the expiration date are called European Options. In India, all individual stock options are American Options, whereas all index options are European Options. Option contracts are designated by the type of option, name of the underlying, expiry month and the strike price.

#### **Example for Options:**

**Buying a Call Option:** Let us assume that the Fund buys a call option of XYZ Ltd. with strike price of Rs.1000/-, at a premium of Rs.25/-. If the market price of ABC Ltd on the expiration date is more than Rs.1000/-, the option will be exercised. The Fund will earn profits once the share price crosses Rs.1025/- (Strike Price + Premium i.e. 1000+25). Suppose the price of the stock is Rs.1100/-, the option will be exercised and the Fund will buy 1 share of XYZ Ltd. from the seller of the option at Rs.1000/- and sell it in the market at Rs.1100/-, making a profit of Rs.75/-. In another scenario, if on the expiration date the stock price falls below Rs.1000/-, say it touches Rs.900/-, the Fund will choose not to exercise the option. In this case the Fund loses the premium (Rs.25/-), which will be the profit earned by the seller of the call option.

**Buying a Put Option.** Let us assume the Fund owns the shares of XYZ Ltd, which is trading at Rs.500/-. The fund wishes to hedge this position in the short-term as it perceives some downside to the stock in the short-term. It can buy a Put Option at Rs.500/- by paying a premium of say Rs.10/- In case the stock goes down to Rs.450/- the fund has protected its downside to only the premium i.e Rs.10/- instead of Rs.50/-. On the contrary if the stock moves up to say Rs.550/- the fund may let the Option expire and forego the premium thereby capturing Rs.40/- upside. The strategy is useful for downside protection at cost of foregoing some upside.

For an option buyer, loss is limited to the premium that he has paid and gains are unlimited.

The above example is hypothetical in nature and all figures are assumed for the purpose of illustrating the use of call options in individual stocks. Similar analogy can be used for Index Options too when the fund wishes to hedge a part of the total portfolio or cash.

**The following section describes some of the more common debt derivatives transactions along with their benefits:**

#### **Interest Rate Swap (IRS)**

An IRS is an agreement between two parties to exchange stated interest obligations for an agreed period in respect of a notional principal amount. The most common form is a fixed to floating rate swap where one party receives a

fixed (pre-determined) rate of interest while other receives a floating (variable) rate of interest.

### Interest Rate Futures (IRF)

An interest rate futures contract is "an agreement to buy or sell a debt instrument at a specified future date at a price that is fixed today." Interest rate futures are derivative contracts which have a notional interest bearing security as the underlying instrument. The buyer of an interest rate futures contract agrees to take delivery of the underlying debt instruments when the contract expires and the seller of interest rate futures agrees to deliver the debt instrument.

**The fund can effectively use interest rate futures to hedge from increase in interest rates.**

### Forward Rate Agreement (FRA)

A FRA is basically a forward starting IRS. It is an agreement between two parties to pay or receive the difference between an agreed fixed rate (the FRA rate) and the interest rate (reference rate) prevailing on a stipulated future date, based on a notional principal amount for an agreed period. The only cash flow is the difference between the FRA rate and the reference rate. As is the case with IRS, the notional amounts are not exchanged in FRAs.

### Example

Let us assume that a scheme has an investment of Rs.10 crore in an instrument which pays interest linked to NSE Mibor. Since the NSE Mibor would vary daily, the scheme is running an interest rate risk on its investment and would stand to lose if rates go down. To hedge itself against this risk, the scheme could do an IRS where it receives a fixed rate (assume 10%) for the next 5 days on the notional amount of Rs.10 crore and pay a floating rate (NSE Mibor). In doing this, the scheme would effectively lock itself into a fixed rate of 10% for the next five days. The steps would be.

1. The scheme enters into an IRS on Rs.10 crore from May 1, 2013 to May 6, 2013. It receives a fixed rate of interest at 10% and the counter party receives the floating rate (NSE Mibor). The Scheme and the counter party exchange a contract of having entered into this IRS.
2. On a daily basis, the NSE Mibor will be tracked by the counterparties to determine the floating rate payable by the scheme.
3. On May 6, 2013, the counterparty will calculate the following;
  - The scheme will receive interest on Rs.10 crore at 10% p.a. for 5 days i.e. Rs.1,36,986/-
  - The scheme will pay the compounded NSE Mibor for 5 days
  - Effectively, the scheme has earned interest at 10% p.a. for 5 days by converting its floating rate asset into a fixed rate through the IRS.

If the total interest on the compounded NSE Mibor rate is lower than Rs.1,36,986/-, the scheme will receive the difference from the counterparty and vice-versa. In case the interest on compounded NSE Mibor is higher, the scheme would make a lower return than what it would have made had it not undertaken IRS.

Further, SEBI vide its Circular No. Cir/IMD/DF/11/2010 dated August 18, 2010, has prescribed the following in respect of investments in derivatives:

- 1) The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the Scheme.
- 2) The Scheme shall not write options or purchase instruments with embedded written options.
- 3) The total exposure related to option premium paid must not exceed 20% of the net assets of the Scheme.
- 4) Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
- 5) Exposure due to hedging positions may not be included in the above mentioned limits, subject the following:
  - (a) Hedging positions are the derivative positions that reduce possible losses on existing positions in securities and till the existing position remains.

- (b) Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.
- (c) Any derivative instrument used to hedge has the same underlying security as the existing positions being hedged.
- (d) The quantity of underlying associated with the derivative positions taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
- 6) The Scheme may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.
- 7) Exposure due to derivative positions taken for hedging purposes in excess of the underlying positions against which the hedging position has been taken, shall be treated under the limits mentioned in Point 1.
- 8) Position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows: -

<b>Position</b>	<b>Exposure</b>
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option bought	Option premium Paid * Lot Size* Number of Contracts

#### **Portfolio Turnover Rate**

The Portfolio Turnover Rate (PTR) means the lower of aggregate sales or purchases made during a particular year/period divided by the Average Asset under Management (average of Assets under Management on last day of month) for the relevant year/period.

"Portfolio Turnover" is the term used by any Mutual Fund for measuring the amount of trading that occurs in a Scheme's portfolio during the year. The Scheme is an open-ended scheme. It is expected that there may be a number of subscriptions and repurchases (after completion lock in period) on a daily basis. Moreover, portfolio turnover in the Schemes will be a function of market opportunities. The economic environment changes on a

continuous basis and exposes portfolio to systematic as well as non-systematic risk. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. However, a high turnover would significantly affect the brokerage and transaction costs. This will exclude the turnover caused on account of:

- Investing in the initial subscription,
- Subscriptions and redemptions undertaken by the unit holders.

The AMC will endeavor to balance the increased cost on account of higher portfolio turnover with the benefits derived therefrom. A high portfolio turnover rate is not necessarily a drag on portfolio performance and may be representative of arbitrage opportunities that exist for scrips/securities held in the portfolio rather than an indication of a change in AMC's view on a scrip, etc.

#### **Risk Profile**

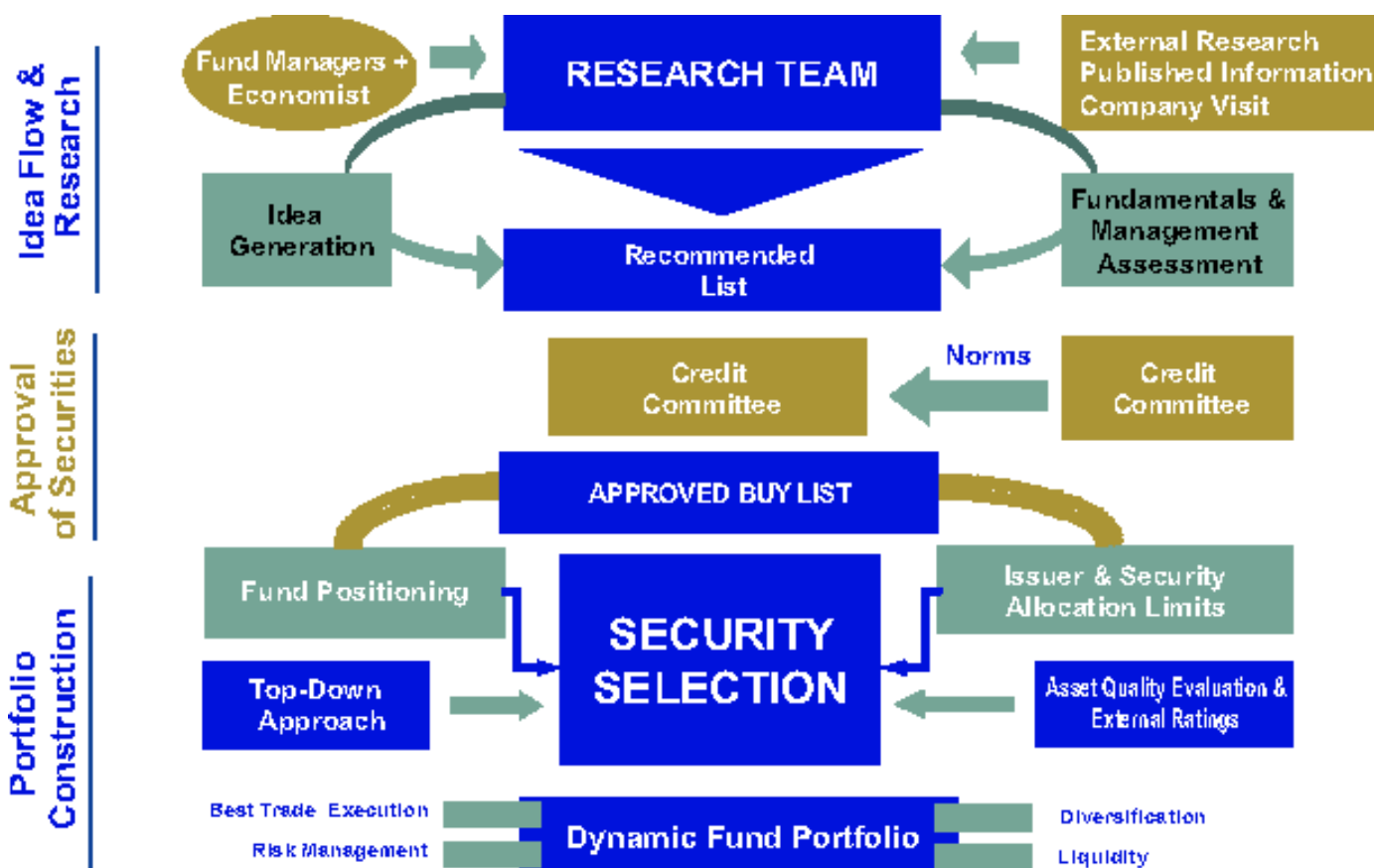
The risk of concentration in the portfolio shall be mitigated by having internal fund management guidelines that provide for single-stock – subject to the SEBI prescribed limit of 10% - and sector exposure limits. The adherence shall be monitored by the Risk Management team that reports to the Managing Director of Sundaram Asset Management. Deviation if any, from the limit will have to approved by the Managing Director subject to rustication by the fund manager and will also, if required, be brought to the notice of the Risk Management Committee/Audit Committee at the board level.

As the portfolio shall include a sizeable allocation to large-cap stocks, the liquidity aspect will be taken care. Even

for the mid- and small-cap exposures, the fund manager takes into account liquidity in the stock before deciding on the exposure level. Portfolio liquidity is monitored on a regular basis by the Risk Management team and fund managers are also kept posted through internal reports.

The focus of the fund manager is on ensuring that stocks selected for the portfolio and the allocation to each sector/stock does not lead to excessive volatility that is not in line with the positioning of the Scheme. The volatility of portfolio relative to peers, benchmark and broad market is monitored. The endeavour is to deliver returns that are commensurate with risks over the long term.

### Summary of Investment Process



**Research & Analysis:** Research is meant to look at opportunities differently from the market and competition. The Investment Manager has a research set up that works to identify investment opportunities through continuous research on sectors and companies that are relevant to the theme and investment objectives of the Scheme. The analysis focuses on the past performance and future prospects of the company and the business, financial health, competitive edge, managerial quality and practices, minority shareholder fairness, transparency. Companies that adequately satisfy the prescribed criteria are included in the portfolio. The weight of individual companies will be based on their upside potential relative to downside risk.

**Approval of Securities:** After the identification of the stock on the basis of four minimum parameters- balance sheet, profit and loss statement, valuation and ratios- the stock is approved by the Internal Investment Committee (comprising of the Managing Director, Fund Managers - Equity and Fixed Income before any investment can be made. For research, inputs from published sources and reports of broking houses will be used. In order to eliminate more risks and ensure higher reliability, at least one management contact either by way of visit, or any other form of communication will be mandatory once a quarter.

**Portfolio Construction & Selection of Stock for Investment / Sale:** The Fund Manager will construct the portfolio with stocks in the approved universe within the guidelines set in the Scheme Information Document and by the IIC for the



Scheme. The Fund Manager will be the sole deciding authority in relation to stock selection, allocation of weight, sale & purchase of stocks and other issues that are related to portfolio construction.

**Monitoring:** The IIC of the Board reviews the performance of the Scheme and the decisions of the Internal Investment Committee. Head Equity and Head-Fixed Income are permanent invitees to the meetings of the committee. The reasons for purchase / sale are recorded in the system/Deal Tickets. Every quarter, the fund manager presents a review of all decisions taken and on fund performance to the Board of Directors of the Investment Manager and the Trustee Company.

**Risk Mitigation:** An independent risk management team is in place to oversee and monitor portfolio risk on a day-to-day basis. Internal risk control guidelines are in place and the portfolio contours are tracked on a daily basis to ensure adherence. Any deviation is brought to the notice of the Managing Director and the fund manager for corrective action. Follow up actions are made to ensure that the deviation is corrected within the time period prescribed in internal risk control guidelines. Adherence to limits from SEBI regulations as well as stipulations in the Scheme Information Document is monitored by the Compliance team. The Risk Management team reports to the CEO / MD.

**Risk Process / Guidelines:** Risk Management is an independent function and the Risk team reports directly to the MD. Broadly the function is divided into two – Regulatory and Internal. Regulatory risk consists of ensuring adherence to all the rules prescribed by the SEBI as well as the limits prescribed in the Offer documents. Internal risk monitoring consists of a host of other parameters that the risk team monitors on a continuous basis like internal limits (i.e. soft limits established to red flag potential breach in SEBI prescribed limits), adherence to fund style, operational and preparation of reports etc.,

The primary mechanism that the Risk team employs to monitor is through Bloomberg. All the rules (regulatory and internal) are uploaded into Bloomberg which thereafter monitors its adherence on a continuous basis. All trades are routed through Bloomberg systems and hence no deviation can occur without an alert being triggered by the Bloomberg system. Any breach in limits consequent to inputting of a trade is flagged off with various levels of concern and needs specific approvals in order to proceed.

**Committee Monitoring Risk Management:** The Board of

Sundaram Asset Management has constituted a committee comprising Managing Director, & Two Independent Directors to monitor risk management. The Committee reviews the reports prepared by the Risk Officers and looks into the implementation of Enterprise Risk Management. The Committee also reviews the risk guidelines with respect to equity and fixed income funds, set/modify the limits of counter party exposure, review exceptions and overrides and suggest improvements to the framework/formats.

The Heads of Equity and Fixed Income, the Risk Analyst and the Managing Director and other senior management personnel will be the permanent invitees to the Committee. The Compliance Officer acts as the secretary to the committee.

**Role of the Committee:** The Committee will approve the Global Issuer limits (including limit per maturity), Counterparty limits and Limits applicable to each fund such as Credit Diversification ratio, Duration Limit, WAM Limit, Maximum Maturity Limit, Liquidity Risk Limits, Valuation Risk Limits, Risk Grade Limits etc. The Committee monitors Enterprise Risk Management framework proposed on various functions and processes.

**Risk Guidelines:** Sundaram Asset Management has internal investment norms and risk guidelines for equity and debt investments. Also fund specific guidelines are in place. Every endeavour will be made to achieve the objectives of the Scheme. The Investment Manager Sponsors/Trustee/Mutual Fund do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme. Risk control is customized by product according to the level of risk the fund can expose investors to, as specified in the investment mandate.

The Investment Manager will carry out the daily investment activities within the framework of SEBI guidelines in accordance with the investment objective as per the Scheme Information Document. The Board of AMC and Trustee review the performance of the Scheme in comparison to corresponding schemes of other mutual funds with similar investment objective and asset profile generally. The performance of the Scheme is compared with benchmark.

#### D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

**The Benchmark Index of the Scheme is Nifty Dividend Opportunities 50 Index TRI**

The composition of the aforesaid benchmark is such that it is most suited for comparing performance of the Scheme. The Fund reserves the right to change the said benchmark and/or adopt one/more other benchmarks

to compare the performance of the Scheme, subject to SEBI Regulations

#### E. WHO MANAGES THE SCHEME?

Name, Age & Tenure <sup>^</sup>	Educational Qualifications	Experience (last 10 years)	Name of the Scheme(s)
<b>Mr. Ratish B Varier</b> 40, 5.8 years	B.Com., MBA in Finance. PG in Investment Analysis as Certified Portfolio Manager	Sundaram Asset Management Co. Nov 2018 to till date Fund Manager - Equity Mahindra AMC – Sept 2013 to Nov 2018 – Fund Manager equity Reliance Life Insurance – Jan 2007 to Sept 2013 – Associate Fund Manager - Equity	<b>Joint Fund Managed</b> Sundaram Dividend Yield Fund*, Sundaram Consumption Fund*, Sundaram Mid Cap Fund*, Sundaram Multi Cap Fund* and Sundaram Infrastructure Advantage Fund.
<b>Ashish Aggarwal,</b> 44 , 2.6 Years	BE, PGPM	Jan 2022 to Present Sundaram Asset Management - Associate Fund Manager - Equity 2015 to Oct 2019 - Principal MF,; Sr Analyst, Oct 2014 to August 2015 - Antique Stock Broking- AVP- Institutional Research-IT Services , Nov 2009 to Oct 2014 Tata Securities AVP- Institutional Research-IT Services, Telecom	<b>Joint Fund Managed</b> Sundaram Infrastructure Advantage Fund*, Sundaram Large & Mid Cap Fund*, Sundaram Dividend Yield Fund*, Sundaram Consumption Fund*, Sundaram Financial Services Opportunities Fund*, Sundaram Arbitrage Fund* and Sundaram Nifty 100 Equal Weight Fund*

<sup>^</sup> Cut-off date considered for calculation of tenure is September 30, 2024.

**F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?**

<b>Name of the Scheme</b>	<b>Asset Allocation Pattern</b>	<b>Investment Objective</b>	<b>Differentiation</b>
Sundaram Large Cap Fund	equity & equity related instruments of Large Cap Companies: 80%-100% • other equities: 0-20% • Fixed Income, Money Market instruments and Cash & Cash equivalents:0-20% • Investment in REITs & InvITs: 0-10% • overseas Securities ADR/GDR 0-20% of the net assets.	The investment objective of the scheme is to generate capital appreciation by investing in large cap stocks.	The fund is an open ended equity scheme predominantly investing in large cap stocks. This fund will be categorised under Large Cap Fund as per SeBI Categorization. This fund will invest in equity & equity related instruments of large cap companies.
Sundaram Mid Cap Fund	equity & equity related instruments of Mid cap companies: 65%-100% • other equities 0-35% • high Fixed Income, Money Market instruments and Cash & Cash equivalents: 0-35% • Investment in ReITs & InvITs: 0-10% • Medium to high overseas Securities (including ETFs) 0-35% of the net asset	The objective of the scheme is to achieve capital appreciation by investing predominantly in stocks that are termed as mid-cap	This fund will invest in equity & equity related instruments of mid cap companies. Sundaram Asset Management Company Limited do not have any other fund in this category.
Sundaram Large and Mid Cap Fund	Equity & equity related instruments of large cap companies- 35-65%; Mid cap companies- 35-65%; Other Equity - 0-30%; Fixed Income & Money Market instruments - 0-30%; Units issued by REITs/InvITs -0-10%;Overseas Securities -upto-25%	To seek capital appreciation by investing predominantly in equity and equity related instruments in large and mid cap stocks	This fund is an aggressive go-anywhere fund in terms of the cap curve and sector preferences depending on the view of the fund manager and the Investment Manager. The portfolio may be concentrated or diversified depending on the macro environment and opportunities.
Sundaram Flexi Cap Fund	Equity & equity related instruments of large cap, mid cap and small cap companies- 65-100%; Debt & Money Market instruments - 0-35%; Units issued by REITs/InvITs -0-10%;Overseas Securities(including ETFs) -0-30%	To generate capital appreciation by dynamically investing in a mix of equity and equity related instruments across market capitalization (i.e., large, mid and small cap stocks)	The Fund invests predominantly in equity and equity related instruments of companies focusing on most promising sectors in the ongoing market cycle. Sundaram Asset Management Company Limited do not have any other fund investing in this sector.
Sundaram Multi Cap Fund	Equity & equity related instruments of large cap companies- 25-50%; Mid cap companies- 25-50%; Small cap companies- 25-50%; Fixed Income & Money Market instruments - 0-25%; Overseas Securities -upto-25%	The investment objective of the scheme is to generate capital appreciation by investing in a diversified portfolio of equity & equity related instruments across market capitalisation.	This fund falls in the Multi Cap category as per SEBI Categorization. SAMC do not have any other fund investing in this category
Sundaram Small Cap Fund	Equity & Equity related instruments of Small cap;	The objective of the scheme is to achieve	The fund is Small Cap fund. This fund falls in the Small Cap Category

	Companies: 65%-100% • other equities 0-35% • high Fixed Income, Money Market instruments and Cash & Cash equivalents: 0-35% • Investment in REITs & InvITs: 0-10% • Medium to high overseas Securities (including eTFs) 0-35% of the net asset	capital appreciation by investing predominantly in diversified stocks that are generally termed as small-cap stock	as per SEBI Categorization
Sundaram Focused Fund	Equity and Equity Related Instruments*: 65-100%;Debt (including Securitised debt**), Money Market instruments and Cash and Cash Equivalents: 0-35%; Units issued by REITs/InvITs - 0-10%	To provide capital appreciation and / or IDCW distribution by investing in companies across market capitalization.	This fund falls in the Focused Category as per SEBI Categorization. This Fund focuses on the Multi cap Category and will have 30 stocks
Sundaram Dividend Yield Fund	Equity and Equity related instruments of High Dividend Yield companies* - 65-100%; Debt and Money Market Instruments (including Units of Debt/ Liquid Mutual Fund Schemes and Cash) : 0-35%	The investment objective of the scheme would be to provide capital appreciation and/or dividend distribution by investing predominantly in a well-diversified portfolio of companies that have a relatively high dividend yield.	The Fund invests in equity & equity related securities of high dividend yield Companies.
Sundaram ELSS Tax Saver Fund	Equity and Equity Linked Instruments : Not less than 80%; Debt securities (*including securitised debt) and Money market instruments : Upto 20%	To build a high quality growth-oriented portfolio to provide long-term capital gains to the investors. The scheme aims at providing returns through capital appreciation	This fund falls in the ELSS Category as per SEBI Categorisation.
Sundaram Consumption Fund	Equity and equity related securities of companies engaged in consumption sector: 80-100% • other equities: 0-20% • Fixed Income, Money Market instruments and Cash & Cash equivalents: 0-20% • Investment in REITs & InvITs 0- 10% • overseas Securities (Including eTFs) 0-20% of the net assets	The primary investment objective of the Scheme is to generate returns by investing predominantly in equity / equity-related instruments of companies engaged in rural and/or consumption business	This fund falls in the Thematic/Sectoral Category as per SEBI Categorization, which predominantly invests in consumption space
Sundaram Financial Services opportunities Fund	Equity & Equity Related Instruments engaged in Banking and Financial Services: 80-100%; Other Equity : 0-20%; Fixed Income, Money Market Instruments, Cash and Cash Equivalents :Upto 20%; Investment in REITs & InvITs : 0-10%	To seek long-term capital appreciation by investing predominantly in equity and equity related securities of Indian companies engaged in the banking and financial services sector	The fund focuses on the financial services theme in India. The Scheme shall have a portfolio that is spread across different cap curves or concentrated on a particular cap curve or have a combination of stocks under different cap curves depending upon the fund manager's view. Single-stock exposures may be up

			to 10 per cent of the net assets of the scheme. This is not a sector-specific fund.
Sundaram Services Fund	Equity & Equity Related Instruments: 80-100%; Other Equity : 0-20%; Fixed Income and Money Market Instruments :0-20%; Investment in REITs & InvITs : 0-10%	To seek capital appreciation by investing in equity / equity related instruments of companies who drive a majority of their income from business predominantly in the Services sector of the economy.	This fund falls in the Thematic/Sectoral Category as per SeBI Categorization, which predominantly invests in businesses in the Services Sector
Sundaram Infrastructure Advantage Fund	Equity & Equity Related Instruments engaged in Banking and Infrastructure Advantage Fund : 80-100%; Other Equity : Upto 20%; Fixed Income Instruments issued by Companies engaged in Infrastructure Sector - Upto 20%; , Money Market Instruments, Cash and Cash Equivalents :Upto 20%; Investment in REITs & InvITs : 0-10%	To generate long-term returns by investing predominantly in equity / equity-related instruments of companies engaged either directly or indirectly in infrastructure - and infrastructure related activities or expected to benefit from the growth and development of infrastructure	The fund focuses on the infrastructure theme, which is a key growth driver in the Indian economy. The Scheme is, under normal circumstances, likely to have a portfolio that is spread across the cap curve – large-cap, mid-cap and small-cap stocks. Single-stock exposures may be up to 10 per cent of the net assets of the scheme. This is not a sector-specific fund.
Sundaram Aggressive Hybrid Fund	Equity & Equity Related Instruments: 65-80%; Debt and Money Market Instruments including Cash and Cash Equivalents and units of Liquid/ Money Market/ Debt Mutual Fund Schemes and Securitised Debt* 20-35%;units issued by REITs & InvITs : 0-10%	An open ended hybrid scheme investing predominantly in equity and equity related instruments. To provide long-term appreciation and current income by investing in a portfolio of equity, equity related securities and fixed income securities	Invests in an open ended hybrid scheme investing predominantly in equity and equity related instruments. This fund will be categorised under Aggressive Equity Hybrid Category as per SEBI Categorization. Sundaram Asset Management Company Limited do not have any other fund in this category
Sundaram Equity Savings Fund	<b>Under Normal Circumstances:</b> Equity & Equity related instruments (Including Derivatives) • Derivatives includes Index Futures, Stock Futures, Index options, Stock options, etc., backed by underlying equity (only arbitrage opportunities)* : 65-100%; unhedged Equity position : 15-40%; Fixed Income and money market**10-35%; units issued by REITs/InvITs:0-10%	The Scheme is to provide capital appreciation and income distribution to the investors by using equity and equity related instruments, arbitrage opportunities, and investments in debt and money market instruments.	Sundaram Equity Savings Fund is an open ended fund providing capital appreciation and income distribution to the investors by using equity and equity related instruments, arbitrage opportunities, and investments in debt and money market instruments. This fund will be categorised under Equity Savings Category as per SEBI Categorization. Sundaram Asset Management Company Limited do not have any other fund in this category.
Sundaram Arbitrage Fund	Under Normal Circumstances: Equity and equity related instruments: 65-100%; @ Derivatives including Index Futures, Stock Futures,	An open ended scheme investing in arbitrage opportunities. To generate income with minimal volatility by investing in	Sundaram Arbitrage Fund invests in an open ended scheme investing in arbitrage opportunities. This fund will be categorised under Arbitrage Category as per SeBI

	Index options and Stock options, etc.: 65-100%; Debt securities, Money Market Instruments & cash and cash equivalents : 0-35%	equity, arbitrage strategies which fully offset the equity exposure and investments in debt instruments	Categorization. Sundaram Asset Management Company Limited do not have any other fund in this category.
Sundaram Balanced Advantage Fund	Equity & Equity Related Instruments: 0-100%; Fixed Income, Money Market Instruments and Government, Securities Cash and Cash Equivalents: 0-100%; Units issued by REITs/InvITs: 0-10%	The investment objective of the Scheme is to provide accrual income and capital appreciation by investing in a mix of equity, debt, REITs/InvITs and equity derivatives that are managed dynamically	Sundaram Balanced Advantage Fund is an open ended dynamic asset allocation fund. This fund is being categorized under Dynamic/Balanced Advantage Category as per SEBI Categorization. Sundaram Asset Management Company Limited do not have any other fund in this category
Sundaram Global Brand Fund	units/Shares of Sundaram Global Brand Fund, Singapore: 95-100%; Cash, domestic money market securities and/or money market/liquid schemes of domestic mutual funds including that of Sundaram Mutual Fund : 0-5%	To achieve capital appreciation by investing in units of Sundaram Global Brand Fund - Master Class, Singapore as a feeder fund	The scheme will invest predominantly in in units of Sundaram Global Brand Fund, Singapore as a feeder fund. extensive analysis has led to the development of a unique portfolio allocation and re-balancing methodology. A list of leading brands will be created using publicly available annual rankings of leading brand rating agencies
Sundaram Nifty 100 Equal Weight Fund	Equity and Equity related Instruments covered by NIFTY 100 Equal Weighted Index 95% 100%, Debt instruments, cash and money market instruments including TREPS / Reverse Repos 0% 5%	To invest principally in securities that comprise Nifty 100 Equal Weight Index in the same proportion as the index and subject to tracking errors endeavour to attain results commensurate with the Nifty 100 Equal Weight Index	The portfolio of the Scheme will be invested in stocks constituting the NIFTY 100 Equal Weighted Index and in the same weightage that they represent in the NIFTY 100 Equal Weighted Index. The Scheme endeavors to keep the tracking error not more than 2%. None of the existing funds of Sundaram Mutual endeavours to replicate the composition of NIFTY 100 Equal Weighted Index. Sundaram Asset Management Company Limited do not have any other fund in this category.
Sundaram Multi Asset Allocation Fund	Equity and equity related instruments^ 65-80%, Debt and Money Market Securities#^ 10-25%, Gold ETFs as permitted by SEBI from time to time. ^ 10-25%	The investment objective of the scheme is to generate long term capital appreciation by investing in Equity & Equity related Securities, Debt & Money Market Instruments and Gold ETFs	To achieve the investment objective, the scheme will invest in Equity and Equity related securities, Debt & Money Market Instruments and Gold ETFs as permitted by SEBI from time to time.

**Differentiating aspect of Sundaram Dividend Yield Fund:** The Fund invests in equity & equity related securities of high dividend yield Companies.

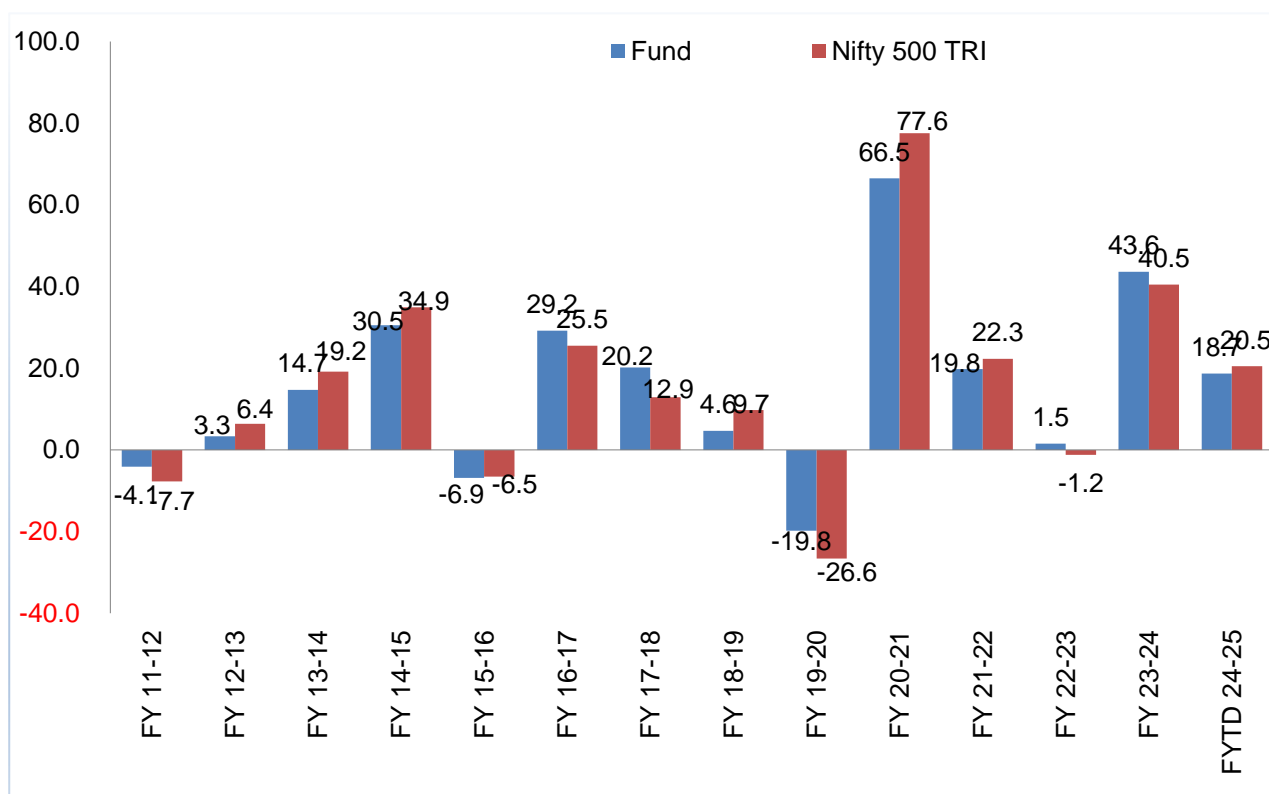
Track Record							
Fund/Benchmark	Returns (in %)					Folios	AUM
	Launched in	One year	Three years	Five years	Since Inception	#	(Rs. Crore)
<b>Aggressive Hybrid Fund</b> <i>CRISIL Hybrid 35+65 - Aggressive Index</i>	Jan-00	31.8	13.9	16.9	11.3	1,02,039	5,369
		28.7	13.6	16.8	N.A.		
<b>Large Cap Fund</b> <i>Nifty 100 TRI</i>	Jul-02	31.2	14.2	17.4	18.2	1,51,252	3,702
		38.8	15.9	19.6	N.A.		
<b>Global Brand Fund</b> <i>MSCI ACWI TRI</i>	Mar-04	21.8	8.3	14.0	8.4	10,905	115
		32.8	12.5	16.1	11.6		
<b>Financial Services Opportunities Fund</b> <i>Nifty Financial Services Index</i>	Jun-08	30.3	19.0	18.5	15.3	56,073	1,474
		24.8	11.2	14.3	16.0		
<b>Infrastructure Advantage Fund</b> <i>Nifty Infrastructure TRI</i>	Sep-05	51.9	26.2	26.0	12.9	1,01,800	1,047
		54.6	25.3	26.0	10.3		
<b>Consumption Fund</b> <i>Nifty India Consumption TRI</i>	May-06	44.0	22.1	20.8	13.7	63,088	1,495
		53.2	22.5	22.3	14.6		
<b>Large And Mid Cap Fund</b> <i>Nifty Large Mid Cap 250 TRI</i>	Feb-07	40.9	17.6	22.1	15.4	2,29,915	7,115
		43.5	21.0	25.5	15.0		
<b>Small Cap Fund</b> <i>Nifty Small Cap 250 TR</i>	Feb-05	40.7	23.4	30.6	18.5	1,31,606	3,505
		51.5	26.2	32.6	N.A.		
<b>Diversified Equity Fund</b> <i>Nifty 500 TRI</i>	Nov-99	30.7	15.5	18.0	16.6	1,47,481	1,680
		41.5	18.4	22.2	15.3		
<b>Focused Fund</b> <i>Nifty 500 TRI</i>	Nov-05	35.9	16.0	21.4	16.2	44,951	1,173
		41.5	18.4	22.2	14.8		
<b>Mid Cap Fund</b> <i>Nifty Mid Cap 150 TRI</i>	Jul-02	56.1	26.6	26.6	25.1	3,32,127	12,549
		48.2	26.1	31.4	N.A.		
<b>NIFTY 100 Equal Weight Fund</b> <i>NIFTY 100 Equal Weighted Index</i>	Jul-99	51.1	19.2	22.2	12.2	16,183	100
		54.0	20.7	24.1	N.A.		
<b>Services Fund</b> <i>Nifty Services Sector TRI</i>	Sep-18	37.2	18.4	24.3	22.8	169,112	3,966
		33.0	11.6	16.6	15.6		
<b>Equity Savings Fund</b> <i>Nifty Equity Savings Index</i>	May-02	19.4	11.2	11.4	8.6	19,671	997
		16.3	9.3	10.9	N.A.		
<b>Balanced Advantage Fund</b> <i>Nifty 50 Hybrid Composite Debt 50:50 Index</i>	Dec-10	24.6	12.4	14.8	10.7	34,251	1,516
		20.7	10.6	13.5	10.6		
<b>Arbitrage Fund</b> <i>NIFTY 50 Arbitrage Index</i>	Apr-16	7.1	5.4	4.7	4.1	2,605	156
		7.1	6.1	5.0	5.2		
<b>ELSS Tax Saver Fund</b> <i>Nifty 500 TRI</i>	Mar-96	34.5	17.0	21.3	18.6	1,36,175	1,433
		41.5	18.4	22.2	14.7		
<b>Multi Cap Fund</b> <i>Nifty 500 Multi Cap 50:25:25</i>	Oct-00	42.2	18.9	22.6	16.3	1,21,621	2,879
		44.3	21.1	25.9	N.A.		
<b>Dividend Yield Fund</b> <i>Nifty 500 TRI</i>	Oct-04	44.3	19.4	23.0	14.4	35,304	959
		41.5	18.4	22.2	16.3		
<b>Flexicap Fund</b> <i>Nifty 500 TRI</i>	Sep-22	32.6			21.9	85,982	2,256
		41.5			26.0		
<b>Multi Asset Fund</b> <i>NIFTY 500 TRI (65%) + NIFTY Short Duration Debt Index (10%) + Domestic Prices of Gold (25%)</i>	Jan-24	—	—	—	17.6	85,829	2,464
		—	—	—	22.7		
<b>Business Cycle Fund</b> <i>Nifty 500 TRI</i>	Jun 24	—	—	—	—	70,533	1,447

**Past performance may or may not be sustained in the future;** Returns in %. Returns computed on compounded annualised basis based on the NAV of Regular Plan -Growth option. Performance, Folios & AUM as on September 30, 2024; Relevant benchmarks highlighted in italics.

**G. HOW HAS THE SCHEME PERFORMED (if applicable)**

Compounded Annualised Returns	Scheme Returns %	Benchmark Returns %
Returns for the last 1 year	44.3	41.5
Returns for the last 3 years	19.4	18.4
Returns for the last 5 years	23.0	22.2
Returns since inception	14.4	16.3

Past performance may or may not be sustained in the future. Returns are in %. Returns computed on compounded annualised basis based on the NAV of Regular Plan - Growth option. Relevant benchmarks highlighted in italics. NAV & performance as on September 30, 2024.

**H. Additional Scheme Related Disclosure(s)****i. Portfolio Related Disclosures (as on September 30, 2024)**

Portfolio - Top 10 Holdings (Issuer-wise)	
Issuer	% to NAV
HDFC Bank Ltd	5.34%
NTPC LTD	4.15%
Infosys Ltd	4.08%
ICICI Bank Ltd	3.32%
Reliance Industries Ltd	2.66%
Tata Consultancy Services Ltd	2.59%
Power Grid Corporation of India Ltd	2.41%
ITC Ltd	2.38%



Hindustan UniLever Ltd	2.24%
State Bank of India	2.23%
<b>TOTAL</b>	<b>31.4%</b>

ii. Sector as a percentage of NAV of the scheme

Sector Allocation (% of Net Assets)	
Sector Allocation	% to NAV
Banks	15.36%
It - Software	11.54%
Power	9.88%
Automobiles	6.40%
Pharmaceuticals & Biotechnology	5.12%
Diversified Fmcg	4.63%
Petroleum Products	4.39%
Finance	4.31%
Cement & Cement Products	2.70%
Aerospace & Defense	2.65%
Gas	2.53%
Electrical Equipment	2.49%
Oil	2.46%
Food Products	2.37%
Construction	2.23%
Telecom - Services	2.16%
Consumable Fuels	2.06%
Industrial Products	1.88%
Consumer Durables	1.52%
Healthcare Services	1.45%
Other Consumer Services	1.26%
Auto Components	1.25%
Agricultural Food & Other Products	1.16%
Ferrous Metals	1.11%
It - Services	1.05%
Fertilizers & Agrochemicals	0.76%
Cash & Others	5.28%
<b>Total</b>	<b>100.00%</b>

iii. Portfolio Disclosure - Fortnightly / Monthly/ Half Yearly please refer the below link

[www.sundarammutual.com/Statutory-Disclosures](http://www.sundarammutual.com/Statutory-Disclosures)

iv. Portfolio Turnover Ratio -Last 1 Year: 44%

Aggregate of equity securities and debt instruments held by the Scheme at issuer level/sectors are as of the date indicated.

Top 10 holdings disclosure do not include cash & cash equivalents, fixed deposits and/or exposure in derivative instruments, if any.

Others under sector disclosure include cash & cash equivalents.

For complete details and latest monthly portfolio, investors are requested to visit [www.sundarammutual.com/Statutory Disclosures/Monthly Portfolios](http://www.sundarammutual.com/Statutory%20Disclosures/Monthly%20Portfolios)

#### v. Aggregate investment in the Scheme by:

Sr. No.	Category of Persons	Net Value		Market Value ( in Rs.)
		Units	NAV per unit	
1.	Concerned scheme's Fund Manager(s)	2534.845	158.3847	401480.66

For any other disclosure w.r.t investments by key personnel and AMC directors including regulatory provisions in this regard kindly refer SAI.

#### vi. Investments of AMC in the Scheme

The AMC shall not invest in any of the schemes unless full disclosure of its intention to invest has been made in the Scheme Information Document and that the AMC shall not be entitled to charge any fees on such investment

### Part III- OTHER DETAILS

#### A. COMPUTATION OF NAV

The Net Asset Value (NAV) is the most widely accepted yardstick for measuring the performance of any Scheme of a Mutual Fund. NAV calculations shall be based upon the following formula:

$$\frac{\text{Market value of the Scheme's investments + other current assets + deposits} - \text{all liabilities except unit capital, reserves and Profit \& Loss Account}}{\text{Number of units outstanding of the Scheme}}$$

Valuation of Securities will be according to the valuation norms, as specified in Schedule VIII of the Regulation and will be subject to such rules or Regulation that SEBI may prescribe. The Debt and Money market securities are valued based on the prices provided by AMFI approved agencies such as CRISIL & ICRA. Please refer the valuation policy on our website [https://www.sundarammutual.com/pdf2/2020/common/Valuation\\_Norms\\_Feburary\\_2020.pdf](https://www.sundarammutual.com/pdf2/2020/common/Valuation_Norms_Feburary_2020.pdf)

NAV of the Scheme – Plan/Option wise - will be calculated and disclosed up to four decimals. For details of Valuation of Overseas Securities, please refer Statement of Additional Information.

#### B. NEW FUND OFFER (NFO) EXPENSES

This section does not apply as the scheme covered in this document is available on an on-going basis for subscription and redemption.

#### C. ANNUAL SCHEME RECURRING EXPENSES

The total annual recurring expenses of the Scheme, excluding deferred revenue expenditure written off, issue or redemption expenses, but including the investment management and advisory fee that can be charged to the scheme shall be within the limits specified in Regulation 52 of SEBI (Mutual Funds) Regulations. Expenses incurred in excess of the permitted limits shall be borne by the Investment Manager or the Trustee or the Sponsor.

The expenses chargeable to the scheme shall include investment management & advisory fee, Trustee fee, custodian fee, Registrar and Transfer Agent fee, Audit fee, Marketing and Selling expenses and other expenses (including listing fee) as listed in the table below:

Expense Head	% of daily Net Assets
--------------	-----------------------

Investment Management and Advisory Fees	Upto 2.25%
Trustee fee & expenses	
Audit fees & expenses	
Custodian fees & expenses	
RTA Fees & expenses	
Marketing & Selling expense incl. agent commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and dividend redemption cheques and warrants	
Costs of statutory Advertisements	
Cost towards investor education & awareness (at least 2 bps)	
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	
Service tax on expenses other than investment management and advisory fees	
Service tax on brokerage and transaction cost	
Other Expenses	
Maximum total expense ratio (TER) permissible under Regulation 52 (4) and (6)(c)	Upto 2.25%
Additional expenses under regulation 52 (6A) (c)	Upto 0.05%
Additional expenses for gross new inflows from specified cities under regulation 52 (6A) (b)	Upto 0.30%

\$Direct Plan under the aforementioned Scheme shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission for distribution of Units will be paid / charged under the Direct Plan.

#Expenses charged under this clause shall be utilised for distribution expenses incurred for bringing inflows from such cities.

Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.

The AMC may charge investment management and advisory fees and other expenses up to 2.25% of the daily net assets. The AMC reserves the right to change the estimates; both inter se or in total, subject to prevailing SEBI Regulations.

^The nature of expenses can be any permissible expenses including Investment Management & Advisory Fees. The purpose of the above table is to assist in understanding the various costs and expenses that the Unit Holders in the Scheme will bear directly or indirectly.

The AMC may incur actual expenses which may be more or less than those estimated above under any head and / or in total. The AMC will charge the Scheme such actual expenses incurred, subject to the statutory limit prescribed in the SEBI Regulations, as given below.

## Maximum Recurring Expenses:

Daily net assets	As a % of daily net Assets (per annum)	Additional Total Expense Ratio as per SEBI Regulations 52 (6A) (c) #	Additional Total Expense Ratio as per SEBI Regulations 52 (6A) (b) #
First Rs. 500 crores	2.25%	0.05%	0.30%
Next Rs. 250 crores	2.00%	0.05%	0.30%
Next Rs. 1,250 crores	1.75%	0.05%	0.30%
Next 3,000 crores	1.60%	0.05%	0.30%
Next 5,000 crores	1.50%	0.05%	0.30%
Next 40,000 crores	Reduction of 0.05% for every increase of 5000 crores	0.05%	0.30%
Balance of assets over and above Rs. 50,000 crores	1.05%	0.05%	0.30%

# Further, in addition to the limits on total expenses specified in Regulation 52(6) of SEBI (Mutual Funds) Regulations, 1996 (the Regulation) the following expenses may be charged to the Scheme(s) under Regulation 52 (6A) -

- Brokerage and transaction costs incurred for the purpose of execution of trades and included in the cost of investment, not exceeding 0.12% of the value of trades in case of cash market transactions and 0.05% of the value of trades in case of derivative transactions;
- Expenses not exceeding 0.30% of daily net assets, if the new inflows from such cities as specified by SEBI from time to time are atleast (i) 30% of gross inflows in the Scheme OR (ii) 15% of the average assets under management (year to date) of the Scheme - whichever is higher.

However if inflows from such cities is less than the higher of (i) & (ii) as mentioned above, such expenses on daily net assets of the Scheme may be charged on proportionate basis. Further, the expenses charged under this clause shall be utilized for distribution expenses incurred for bringing inflows from such cities. The amount incurred as expense on account of inflows from such cities shall be credited back to the Plan in case the said inflows are redeemed within a period of one year from the date of investment. . Inflows of amount upto Rs. 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investor".

- Additional expenses incurred towards different heads mentioned under sub-regulation 52(2) & 52(4) of the Regulation not exceeding 0.05% of the daily net assets of the scheme or as specified by the Board.

"Provided that such additional expenses shall not be charged to the schemes where the exit load is not levied or applicable."

AMC may charge Goods and Services Tax on investment and advisory fees of the scheme in addition to the maximum limit of TER as per the Regulation 52(6)and (6A).

Further, the following may be charged to the Schemes within the maximum limit of Total Expense Ratio as per Regulation 52 of the SEBI (Mutual Funds) Regulations, as amended from time to time -

- (a) Goods and Services Tax on expenses other than investment and advisory fees, if any;
- (b) \*Goods and Services Tax on brokerage and transaction costs on execution of trades, if any; and
- (c) Investor Education and awareness fees of at least 2 basis point on daily net assets of respective schemes. The Goods and Services Tax on brokerage and transaction costs which are incurred for the purpose of execution of trade, will be within the limit of prescribed under Regulation 52 of SEBI Regulations.

These estimates have been made in good faith by the AMC as per the information available to AMC –the investment manager, based on the past experience and are subject to change inter-se. The expenses may be more than as specified in the table above, but the total recurring expenses that can be charged to the Scheme will be subject to limits prescribed from time to time under the SEBI Regulations. Expenses over and above the permissible limits will be borne by the AMC and/or the Trust and/ or the sponsor. The purpose of the above table is to assist the unitholder in understanding the various costs and expenses that a unitholder in the Scheme will bear directly or indirectly.

The mutual fund would update the current expense ratios on the website at least three working days prior to the effective date of the change. Additionally, AMCs shall upload the TER details on the website under the below link: <https://www.sundarammutual.com/downloads-disclosures.aspx>  
<https://www.sundarammutual.com/TER>

Any other expenses that are directly attributable to the Scheme, and permissible under SEBI (Mutual Funds) Regulations, 1996 from time to time, may be charged within the overall limits as specified in the Regulations.

All scheme related expenses including commission paid to distributors, by whatever name it may be called and in whatever manner it may be paid, shall necessarily be paid from the scheme only within the regulatory limits and not from the books of the Asset Management Companies (AMC), its associate, sponsor, trustee or any other entity through any route.

The Scheme shall strive to reduce the level of these expenses so as to keep them well within the maximum limits currently allowed by SEBI and any revision in the said expenses limits by SEBI would be applicable.

All fees and expenses charged in a direct plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in a regular plan.

Particulars		Regular Plan	Direct Plan
Opening NAV per unit	A	10.0000	10.0000
Gross Scheme Returns @ 8.75%	B	0.8750	0.8750
Expense Ratio @ 1.50 % p.a.	$C = (A \times 1.50\%)$	0.1500	0.1500
Distribution Expense Ratio @ 0.25 % p.a. <sup>1</sup>	$D = (A \times 0.25\%)$	0.0250	0.0000
Total Expenses	$E = C + D$	0.1750	0.1500
Closing NAV per unit	$F = A + B - E$	10.7000	10.7250
Net 1 Year Return	$F/A - 1$	<b>7.00%</b>	<b>7.25%</b>

<sup>1</sup> Distribution/Brokerage expense is not levied on Direct Plan

#### D. LOAD STRUCTURE

**Entry Load:** Nil.

**Exit Load:**

If redeemed/ switched on or before 365 days from the date of allotment:

- Nil for redemption/ switch out of units upto 24% of the units allotted (the limit)
- 1% on redemption in excess of 24% of the limit stated above- Redemption of units would be done on First in First out Basis (FIFO)
- Nil thereafter

Further, exit load will be waived on Intra-scheme and Inter scheme Switch-outs/STP.

- 3) A switch-out or a withdrawal under Regular Withdrawal Plan (RWP) / Systematic Transfer Plan (STP) shall also attract an Exit Load like any Redemption.
- 4) No exit load shall be levied for switch-out from Direct Plan to Regular Plan or from Regular Plan to Direct Plan. However, any subsequent switch-out or redemption of such investment from Regular Plan/ Direct Plan shall be subject to exit load based on the original date of investment in the Direct Plan/ Regular Plan.

No exit load shall be levied for switching between Options under the same Plan within the Scheme.

- 5) Switch of investments between Plans under a Scheme having separate portfolios, will be subject to applicable exit load. No load shall be applicable for switches between options under the same Plan.
- 6) In accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009 inter alia no entry load will be charged by the Fund with effect from August 01, 2009. Upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN holder.
- 7) Effective October 01, 2012, exit load (if any) charged to the unit holders by the Mutual Fund on redemption (including switch out) of units shall be credited to the respective scheme net of Goods and Services Tax. Goods and Services Tax on exit load, if any, shall be paid out of the exit load proceeds.
- 8) Load structure is variable and subject to change from time to time, in alignment with provisions of the relevant SEBI Regulations/Guidelines. The AMC reserves the right to change/modify exit/switchover load (including zero load), depending upon the circumstances prevailing at any given time. A notice intimating the change shall be displayed on the website / Investor service centre.

The AMC may also:

- i. Attach the Addendum to Scheme Information Document and Key Information Memorandum and / or circulate the same to Distributors / Brokers so that the same can be attached to all Scheme Information Documents and Key Information Memoranda already in stock.
- ii. Arrange to display the addendum to the Scheme Information Document in the form of a notice in all the investor service centres and distributors/brokers office.
- iii. Disclose exit load/ CDSC in the statement of accounts issued after the introduction of such load/CDSC.
- iv. take other measures which it may feel necessary.

The investor is requested to check the prevailing load structure of the scheme before investing. For the current applicable structure, he may refer to the website of the AMC - [www.sundarammutual.com](http://www.sundarammutual.com) or may call at may call at 1800 425 5600 or your distributor.

- 2) Load on switch out will be same as exit load applicable to the respective schemes.

If the Applicable NAV is Rs11.25 and a 1% exit load is charged the repurchase price will be calculated as follows:

E.g. Repurchase Price = Applicable NAV x (1-Exit Load, if any).

Therefore, the Repurchase Price would be Rs11.25 x (1-1.00% of Rs11.25) = Rs11.1375.

- 3) The repurchase price shall not be lower than 93% of the NAV and the sale price shall not be higher than 105% of the NAV. However, the difference between the repurchase price and sale price shall

not exceed 5% on the sale price.

- 4) The exit load may be linked to the period of holding. Any imposition/enhancement or change in load structure shall be applicable on prospective investment only. However, any change at a later stage shall not affect the existing unit holders adversely.

#### Transaction Charges –

In accordance with SEBI Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, Sundaram Asset Management Private Limited (SAMC) /Sundaram Mutual Fund(SMF) shall deduct Transaction Charges on purchase / subscription received from the Investors through Distributors/Agents (who have opted to receive the transaction charges) as under:

- (i) First Time Mutual Fund Investor (across Mutual Funds): Transaction charge of Rs.150/- for subscription of Rs.10,000 and above will be deducted from the subscription amount and paid to the Distributor/Agent of the first time investor and the balance shall be invested.

First time investor in this regard shall mean an Investor who invests for the first time ever in any Mutual Fund either by way of Subscription or Systematic Investment Plan.

- (ii) Investor other than First Time Mutual Fund Investor: Transaction charge of Rs.100/- per subscription of Rs. 10,000 and above will be deducted from the subscription amount and paid to the Distributor/Agent of the investor and the balance shall be invested.

However, Transaction Charges in case of investments through Systematic Investment Plan (SIP) shall be deducted only if the total commitment (i.e. amount per SIP installment x No. of installments) amounts to Rs.10,000/- or more. The Transaction Charges shall be deducted in 3-4 installments.

- (iii) Transaction charges shall not be deducted for:

- purchases /subscriptions for an amount less than Rs.10,000/-;
- transaction other than purchases/ subscriptions relating to new inflows such as Switch/Systematic Transfer Plan/IDCW/Transfer Sweep facility under the Half Yearly IDCW Option of the Scheme etc.;
- purchases/subscriptions made directly with the Fund (i.e. not through any Distributor/Agent);
- transactions routed through Stock Exchange route.

Statement of Account issued to such Investors shall state the net investment as gross subscription less transaction charge and mention the number of units allotted against the net investment.

Further, in accordance with SEBI Circular No. SEBI/IMD/CIR/No.4/168230/09 dated June 30, 2009, upfront commission to Distributors/Agents shall be paid by the Investor directly to the Distributor/Agent by a separate cheque based on his assessment of various factors including the service rendered by the Distributor/Agent.

# SECTION II



## I. Introduction

### Definition

In this document, the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

**Applicable NAV:** The NAV applicable for purchase /redemption/switch on the Business Day on which the subscription/redemption/switch is sought by the investor and determined by the Fund.:

For subscription/redemption/switch request received before 3.00 pm on any business day, the closing NAV of the day of receipt of application.

For subscription/redemption/switch request received after 3.00 pm on any business day, the closing NAV of next business day after the receipt of application.

**Benchmark:** The index for evaluating the performance of the Scheme.

### Business Day

A day other than

A Saturday;

A Sunday;

A day on which there is no RBI clearing/settlement of securities;

A day on which the Reserve Bank of India and/or banks in Mumbai are closed for business/clearing;

A day on which the Stock Exchange, Bombay or National Stock Exchange of India or RBI and/or banks are closed; A day which is a public and/or bank holiday at an investor centre where the application is received;

A day on which sale/redemption/switch of units is suspended by the Investment Manager / Trustee; A day which falls within a book closure period announced by the Trustee / Investment Manager and

A day on which normal business cannot be transacted due to storms, floods, bandh, strikes or such other events as the Investment Manager may specify from time to time.

The Investment Manager reserves the right to declare any day as a business day or otherwise at any or all branches / Investor Service Centres.

**Custodian:** A person who has been granted a certificate of registration to carry on the business of custodian of securities under the Securities and Exchange Board of India (Custodian of Securities) Regulation, 1996 and includes any entity appointed to act as custodian in respect of foreign securities (including approved banks).

**First Time Mutual Fund Investor:** An investor who invests for the first time ever in any mutual fund either by way of purchase/subscription or Systematic Investment Plan.

**Investment Management Agreement:** Investment Management Agreement dated August 24, 1996, executed between the Trustee and the Investment Manager as amended from time to time.

**Investment Manager:** Sundaram Asset Management Company Limited incorporated under the provisions of the Companies Act, 1956 and approved by the Securities and Exchange Board of India to act as the Investment Manager for the Schemes of Sundaram Mutual Fund. AMC is also called as Investment Manager alternatively.

**Investor Service Centres or Official Points of acceptance of transactions:** Designated branches of Sundaram Asset Management Limited or such other centres/offices as may be designated by the Investment Manager or its registrars from time to time.

**Mutual Fund or the Fund:** Sundaram Mutual Fund, a trust set up under the provisions of the Indian Trust Act, and registered with SEBI vide Registration No.MF/034/97/2.

**NAV:** The Net Asset Value per unit of the Scheme, calculated in the manner provided in the Scheme Information Document, as may be prescribed by SEBI Regulation from time to time.

**Regulations:** Securities and Exchange Board of India (Mutual Funds) Regulation 1996 as amended from time to time.

**Trustee:** Sundaram Trustee Company Limited, as incorporated under the Provisions of the Companies Act, 1996, and approved by SEBI to act as Trustee to the Scheme of Sundaram Mutual Fund.

**Trust Deed:** The Trust Deed dated March 31st 2006 (as amended from time to time) establishing the Mutual Fund.

**Unit Holder:** The term unit holder and investor has been used interchangeably in this document.

## Abbreviation & Interpretation

### Abbreviation

In this document, an investor may find the following abbreviations.

AMC	Asset Management Company
AMFI	Association of Mutual Funds in India
AML	Anti-Money Laundering
AUM	Assets Under Management
BSE	Bombay Stock Exchange Limited
SFS	Sundaram Fund Services Limited
CCC	Customer Care Centre
CDSC	Contingent Deferred Sales Charge
ECS	Electronic Clearing System
EFT	Electronic Funds Transfer
FATCA	Foreign Account Tax Compliance Act
FPI	Foreign Portfolio Investor
FRA	Forward Rate Agreement
HUF	Hindu Undivided Family
IDCW	Income Distribution cum Capital Withdrawal
IMA	Investment Management Agreement
IRS	Interest Rate Swap
KIM	Key Information Memorandum
KYC	Know Your Customer
MFU	Mutual Fund Utility
NAV	Net Asset Value
NRI	Non-Resident Indian
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number
PIO	Person of Indian Origin
PMLA	Prevention of Money Laundering Act, 2002
POS	Points of Service
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
SAI	Statement of Additional Information
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEFT	Special Electronic Funds Transfer
SI	Standing Instructions
SID	Scheme Information Document
SIP	Systematic Investment Plan
STP	Systematic Transfer Plan
SWP	Systematic Withdrawal Plan
TREPS	Triparty Repo Trades

### Interpretation

The words and expressions used in this document and not defined shall have the meanings respectively assigned to them therein under the SEBI Act or the SEBI Regulation.

For the purpose of this document, except as otherwise expressly provided or unless the context otherwise requires:

- the terms defined in this Scheme Information Document include the singular as well as the plural;
- pronouns having a masculine or feminine gender shall be deemed to be all inclusive;
- all references to 'dollars' or '\$' refers to the United States dollars;
- Rs refers to Indian Rupee;
- A crore means ten million or 100 lakh;
- A lakh means a hundred thousand;
- References to timings relate to Indian Standard Time (IST) and
- References to a day are to a calendar day including non-Business Day.

#### A. Risk factors

##### Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuate, the value of your investment in the Scheme may go up or down. As with any investment in stocks, shares and securities, the NAV of the Units under the Scheme can go up or down, depending on the factors and forces affecting the capital markets.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.
- Sundaram ELSS Tax Saver Fund is only the name of the scheme and does not in any manner indicate either the quality of the scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs 1 lakh made by them towards setting up the Fund (The present scheme) is not a guaranteed or assured return scheme.

##### Specific Risk Factors:

##### Risk Associated with Investing in Equities –

- The value of Scheme's investments may be affected by factors affecting the Securities markets and price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in law/policies if the Government, taxation laws and political, economic or other developments which may have an adverse bearing on individual securities, a specific sector or all sectors. Consequently, the NAV of the units of the Scheme may be affected.
- Equity & Equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Schemes' portfolio may result, at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Schemes' portfolio.
- The liquidity and valuation of the Scheme investments due to the holdings of unlisted securities may be affected if they have to be sold prior to the target date of disinvestment.
- Securities which are not quoted on the stock exchanges are inherently illiquid in nature and carry a larger liquidity risk in comparison with securities that are listed on the exchanges or offer other exit options to the investors, including put options.
- The liquidity of the scheme is inherently restricted by trading volumes in securities in which it invests.

- Investment decisions made by the Investment Manager may not always be profitable.

#### **Risk Associated with Investing in Debt and / or Money Market Instruments-**

**Price-Risk or Interest-Rate Risk:** Fixed income securities such as bonds, debentures and money market instruments run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates.

**Credit Risk:** In simple terms this risk means that the issuer of a debenture/ bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. Even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down. It must, however, be noted that where the Scheme has invested in Government Securities, there is no credit risk to that extent.

**Re-investment Risk:** Investments in fixed income securities may carry re-investment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.

**Interest Rate Movement (Basis Risk):** The changes in the prevailing rates of interest will likely affect the value of the Schemes' holdings until the next reset date and thus the value of the Schemes' Units will be affected. Increased rates of interest, which frequently accompany inflation and/ or a growing economy, are likely to have a negative effect on the value of the Units. The value of securities held by the Scheme generally will vary inversely with changes in prevailing interest rates. The fund could be exposed to the interest rate risk (i) to the extent of time gap in resetting of the benchmark rates, and (ii) to the extent the benchmark index fails to capture the interest rate movement.

**Prepayments and Charge Offs Risk:** In the event of prepayments, investors may be exposed to changes in tenor and yield. Also, any Charge Offs would result in the reduction in the tenor of the Pass Through Certificates (PTCs).

**Spread Risk:** In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. However depending upon the market conditions the spreads may move adversely or favorably leading to fluctuation in NAV.

#### **Risks associated with Investing in Foreign Securities**

Subject to necessary approvals and within the investment objectives, the Scheme may invest in overseas markets which carry risks related to fluctuations in the foreign exchange rates, the nature of the securities market of the country, repatriation of capital due to exchange controls and political circumstances.

It is the AMC's belief that investment in foreign securities offers new investment and portfolio diversification opportunities into multimarket and multi-currency products. However, such investments also entail additional risks. Such investment opportunities may be pursued by the AMC provided they are considered appropriate in terms of the overall investment objectives of the Scheme. Since the Scheme would invest only partially in foreign securities, there may not be readily available and widely accepted benchmarks to measure performance of the Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use derivatives for efficient portfolio management including hedging and in accordance with conditions as may be stipulated under the Regulations or by RBI from time to time. The Scheme may invest in ADR/GDR/Foreign Securities and / or other securities as may be permissible and described in SEBI Circular Reference No. SEBI/IMD/CIR NO. 7/104753/07 dated September 26, 2007, SEBI Circular Reference No. SEBI/HO/IMD/DF3/CIR/P/2020/225 dated November 05, 2020 and SEBI/HO/IMD/IMD-II/DOF3/P/CIR/2021/571 dated June 03, 2021 as may be amended from time to time, within the overall applicable limits and within the scheme specific asset allocation pattern.

As per the extant SEBI (MF) Regulation, the Fund is permitted to invest USD 1 billion. However, the overall limit for the Mutual Fund Industry is USD 7 billion. The Scheme therefore may or may not be able to utilise the limit of USD 1 billion due to the USD 7 billion limit being exhausted by other Mutual Funds. Further, the overall ceiling for investment in overseas Exchange Traded Funds (ETFs) that invests in securities is USD 1 billion subject to a maximum of USD 300 million per mutual fund. As and when the investment limits are breached, the subscriptions into the Scheme shall be suspended till further notice by the AMC.

Ongoing period: During the ongoing period the scheme shall have an investment headroom of 20% of the average

AUM of schemes of Sundaram Mutual Fund in Overseas securities / Overseas ETFs of the previous three calendar months shall be available for that month to invest in Overseas securities / Overseas ETFs subject to maximum limits of USD 1 billion. As and when the investment limits are breached, the subscriptions into the Scheme shall be suspended till further notice by the AMC.

The above limits are subject to change from time to time based on changes in the regulatory requirements

Overseas investments will be made subject to any/all approvals, conditions thereof as may be stipulated under the Regulations or by RBI and provided such investments are consistent with costs and expenses attendant to international investing and do not result in expenses to the Scheme in excess of the ceiling on expenses prescribed under Regulations. The Fund may, where necessary, may appoint other intermediaries of repute as advisors, custodian/sub custodians etc. for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the permissible ceilings of expenses. The fees and expenses would illustratively include, besides the investment management fees, custody fees and costs, fees of appointed advisors and sub-managers, transaction costs and overseas regulatory costs.

To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of said foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

#### **Risks associated with Investing in Derivatives**

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies.

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments. The AMC may use various derivative products, as permitted by SEBI and the RBI from time to time, in an attempt to optimize the value of the portfolio and enhance Unit holder's interest/value of the Scheme. As and when the Scheme trades in the derivatives market, there are risk factors and issues concerning the use of derivatives that investors should understand. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is a possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. The Scheme bears a risk that it may not be able to correctly forecast future market trends or the value of assets, indices or other financial or economic factors in establishing derivative positions for the Scheme. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives and the inability of derivatives to correlate in line with underlying assets, rates and indices.

Also, the market for derivative instruments is relatively nascent in India and does not have the volumes which may be seen in other developed markets, which may result in volatility to the values. Derivatives require the maintenance of adequate controls to monitor the transactions and the embedded market risks that a derivative adds to the portfolio. Besides the price of the underlying asset, the volatility, tenor and interest rates affect the pricing of derivatives.

#### **Other risks in using derivatives include but are not limited to:**

(a) **Credit Risk** – this occurs when a counterparty defaults on a transaction before settlement and therefore, the Scheme(s) is compelled to negotiate with another counter party, at the then prevailing (possibly unfavorable) market

price, in order to maintain the validity of the hedge. For exchange traded derivatives, the risk is mitigated as the

exchange provides a guaranteed settlement but one takes the performance risk on the exchange.

(b) **Market Liquidity risk** – this occurs where the derivatives cannot be sold (unwound) at prices that reflect the underlying assets, rates and indices.

(c) **Model Risk** - this is risk of mis-pricing or improper valuation of derivatives.

d) **Basis Risk** – This risk arises when the instrument used as a hedge does not match the movement in the instrument/ underlying asset being hedged. The risks may be inter-related also; for e.g. interest rate movements can affect equity prices, which could influence specific issuer/industry assets.

Trading in derivatives carry a high degree of risk although they are traded at a relatively small amount of margin which provides the possibility of great profit or loss in comparison with the principal investment amount. The Scheme may find it difficult or impossible to execute derivative transactions in certain circumstances. For example, when there are insufficient bids or suspension of trading due to price limit or circuit breakers, the Scheme may face a liquidity issue.

Interest Rate Swaps (IRS) are highly specialized instruments that require investment technique and risk analysis different from those associated with equity shares and other traditional securities. The use of a IRS requires not only an understanding of the referenced asset, reference rate, or index but also of the swap itself, without the benefit of observing the performance of the swap under all possible market conditions. Swap agreements are also subject to liquidity risk, which exists when a particular swap is difficult to purchase or sell. Swap agreements may be subject to pricing risk, which exists when a particular swap becomes extraordinarily expensive (or cheap) relative to historical prices or the prices of corresponding cash market instruments. IRS agreements are also subject to counterparty risk on account of insolvency or bankruptcy or failure of the counterparty to make required payments or otherwise comply with the terms of the agreement.

#### **Risks associated with investing in Securitised Debt**

The Scheme may invest in domestic securitised debt such as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). Asset Backed Securities (ABS) are securitised debts where the underlying assets are receivables arising from various loans including automobile loans, personal loans, loans against consumer durables, etc. Mortgage Backed Securities (MBS) are securitised debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties. ABS/ MBS instruments reflect the undivided interest in the underlying pool of assets and do not represent the obligation of the issuer of ABS/MBS or the originator of the underlying receivables. The ABS/MBS holders have a limited recourse to the extent of credit enhancement provided. If the delinquencies and credit losses in the underlying pool exceed the credit enhancement provided, ABS/MBS holders will suffer credit losses. ABS/MBS are also normally exposed to a higher level of reinvestment risk as compared to the normal corporate or sovereign debt.

At present in Indian market, following types of loans are securitised:

- Auto Loans (cars / commercial vehicles / two wheelers)
- Residential Mortgages or Housing Loans
- Consumer Durable Loans
- Personal Loans
- Corporate Loans

The main risks pertaining to each of the asset classes above are described below:

#### **Auto Loans (cars / commercial vehicles /two wheelers)**

The underlying assets (cars, commercial vehicles, two wheelers etc.) are susceptible to depreciation in value whereas the loans are given at high loan to value ratios. Thus, after a few months, the value of asset becomes lower than the loan outstanding. The borrowers, therefore, may sometimes tend to default on loans and allow the vehicle to be repossessed. These loans are also subject to model risk. i.e. if a particular automobile model does not become popular, loans given for financing that model have a much higher likelihood of turning bad. In such cases, loss on sale of repossession vehicles is higher than usual. Commercial vehicle loans are susceptible to the cyclical in the

economy. In a downturn in economy, freight rates drop leading to higher defaults in commercial vehicle loans.

Further, the second hand prices of these vehicles also decline in such economic environment.

### **Housing Loans**

Housing loans in India have shown very low default rates historically. However, in recent years, loans have been given at high loan to value ratios and to a much younger borrower classes. The loans have not yet gone through the full economic cycle and have not yet seen a period of declining property prices. Thus the performance of these housing loans is yet to be tested and it need not conform to the historical experience of low default rates.

### **Consumer Durable Loans**

The underlying security for such loans is easily transferable without the bank's knowledge and hence repossession is difficult. The underlying security for such loans is also susceptible to quick depreciation in value. This gives the borrowers a high incentive to default.

### **Personal Loans**

These are unsecured loans. In case of a default, the bank has no security to fall back on. The lender has no control over how the borrower has used the borrowed money.

### **Corporate Loans**

These are loans given to single or multiple corporates. The receivables from a pool of loans to corporates are assigned to a trust that issues Pass through certificates in turn. The credit risk in such PTCs is on the underlying pool of loans to corporates. The credit risk of the underlying loans to the corporates would in turn depend of economic cycles.

### **Further, all the above categories of loans have the following common risks:**

All the above loans are retail, relatively small value loans. There is a possibility that the borrower takes different loans using the same income proof and thus the income is not sufficient to meet the debt service obligations of all these loans. In India, there is no ready database available regarding past credit record of borrowers. Thus, loans may be given to borrowers with poor credit record. In retail loans, the risks due to frauds are high.

### **Risks associated with Short Selling and Securities Lending**

- **Short selling –**

Short-selling is the sale of shares that the seller does not own at the time of trading. Instead, he borrows it from someone who already owns it. Later, the short seller buys back the stock he shorted and returns the stock to close out the loan. If the price of the stock has fallen, he can buy the stock back for less than he received for selling it and profits from it (the difference between higher short sale price and the lower purchase price). However, Short positions carry the risk of losing money and these losses may grow theoretically unlimited if the price increases without limit and shall result into major losses in the portfolio. In addition, the short selling will also have the risk of inability to borrow the securities by the seller. Then, it might be possible that the short seller will be required to purchase the securities sold short to cover the short even if the price of the security is higher at the time of the short sale.

If a stock starts to rise and a large number of short sellers try to cover their positions at the same time, it can quickly drive up the price even further. This phenomenon is known as a short squeeze. This might result in major losses in the portfolio.

- **Securities Lending :**

It may be noted that Securities Lending activity would have the inherent probability of collateral value drastically falling in times of strong downward market trends or due to it being comprised of tainted/forged securities, resulting in inadequate value of collateral until such time as that diminution in value is replenished by additional security. It is also possible that the borrowing party and /or the approved intermediary may suddenly suffer severe business setback and become unable to honor its commitments. This along with a simultaneous fall in value of collateral would render potential loss to the Scheme(s). Besides, there can also be temporary illiquidity of the securities that are lent out and the Scheme(s) may not be able to sell such lent out securities.

**Risk factors specific to the Scheme**

1. Though the investments would be made in companies having a track record of dividend payments, the performance of the scheme would inter-alia depend on the ability of these companies to sustain dividends in future.
2. These stocks, at times, may be relatively less liquid as compared to growth stocks.
3. The securities in the fund would be predominantly characterized as those having a value style. There could be time periods when securities of this nature would under-perform relative to other stocks in the market. This could have an impact on the relative performance of the fund over differing time periods.

**Risks associated with investing in Tri-Party Repo through CCIL (TREPS)**

Tri-party Repo i.e. TREPS facilitates, borrowing and lending of funds, in Triparty Repo arrangement. CCIL would be the Central Counterparty to all trades from Tri Party Repo Dealing System (TREPS) and would also perform the role and responsibilities of Triparty Repo Agent, in terms of Repurchase Transactions (Repo) (Reserve Bank) Directions, 2018 as amended from time to time. The mutual fund is a member of securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India (CCIL). All TREPS trades are settled anonymously and centrally through the infrastructure and settlement systems provided by CCIL. Further the settlement is guaranteed by CCIL. This is a collateralized investment whereby borrowers have to give adequate amount of securities on which a haircut is applied by CCIL. CCIL periodically prescribes a list of securities eligible for contributions as collateral by members. Presently, all Central Government securities and Treasury bills are accepted as collateral by CCIL. The risk factors may undergo change in case the CCIL notifies securities other than Government of India securities as eligible for contribution as collateral.”

CCIL has several risk management processes in place such as initial margin, borrowing limits, identification of eligible collateral, haircuts on eligible collateral, mark to market margins (MTM) and volatility margin are applicable for Triparty Repo trades. There is a default fund for Triparty Repo trades. The exposure monitoring is online and on a pre-order basis, ensuring that orders can be placed only if the member has sufficient initial margin and/or borrowing limits to support the resultant trades. CCIL may temporarily impose volatility margin in case of a sudden increase in volatility in interest rates. Thus, the settlement and counterparty risks are considerably low.

In the event of a clearing member failing to honour his settlement obligations, the default Fund is utilized to handle any shortfall arising out of such default and to complete the settlement. The sequence in which the above resources are used is known as the “Default Waterfall”. As per the waterfall mechanism, after the defaulter’s margins and the defaulter’s contribution to the default fund have been appropriated, CCIL’s contribution is used to meet the losses. Post utilization of CCIL’s contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members. Thus the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

**RISK CONTROL**

Since investing requires disciplined risk management, the AMC has incorporated adequate safeguards for controlling risks in the portfolio construction process. The risk control process involves reducing risks through portfolio diversification, taking care however not to dilute returns in the process. The AMC believes that this diversification would help achieve the desired level of consistency in returns. The AMC may also implement certain internal control procedures/risk & exposure limits etc., which may be varied from time to time.

The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, rigorous in-depth credit evaluation of the securities proposed to be invested in, is carried out by the investment team of the AMC.

The Scheme may also use various derivatives and hedging products from time to time, as would be available and permitted by SEBI/RBI, in an attempt to protect the value of the portfolio and enhance Unitholders’ interest.

**Liquidity Risk**

**For Equity Asset Class, and Equity & Equity Oriented schemes:**



Sundaram Asset Management Company (SAMC) evaluates both stock level and portfolio level liquidity of the equity schemes and the concentration of investors and Distributors in the AUM of

each Equity scheme. The portfolio level liquidity of each scheme is estimated every month for very short time horizons as a % of AUM assuming 20% participation in the combined daily average market volume (across all exchanges) for the last three months and the trend of excessive liquidity over the Top Investors and Top Distributors concentration is evaluated. The monthly trend of estimated portfolio liquidity of the scheme, contribution by Top Investors and Top Distributors to the scheme AUM is analysed regularly by the Investment Manager to make relevant changes in the portfolio to maintain adequate portfolio liquidity.

At each investee company's stock level, number of days to liquidate (DTL) a stock position held across by all the schemes of SAMC based on the volume assumptions as mentioned above is measured and monitored every month for increase or decrease in the liquidity levels of the stock position. Exposure to stocks with more than high levels of DTL at the fund house level is monitored every month along with scheme level exposure for such stocks. Cumulative exposure across all schemes to overall free float levels of each stock and significant changes in the free float level of each stock is monitored on a monthly basis.

The trends of the trading volume at the stock level are monitored and significant changes in the trading volume at stock level is discussed during the monthly risk review meetings. The impact cost levels of the Stocks are monitored every month and exposure to the top stocks in terms of impact cost is closely monitored. In addition to this, the bulk / block trades are regularly monitored. The monthly trend of the Liquidity Risk Score for each scheme under the Risk-o-Meter framework is monitored.

#### **For Debt Asset Class, Debt and Debt Oriented Schemes:**

**Liquidity Risk evaluation Framework for Debt and Debt Orientation Schemes of SAMC is based on the following principles –**

- Regular estimation of the scheme portfolio assets by assigning liquidity grades / scores to each category of securities by factoring in the credit rating, maturity levels, sector, issuer type, structure etc.,
- Regular estimation of potential liabilities at the investor level and at the distributor level based on the concentration levels and fund category level redemption probabilities.
- Use of liquidity ratios/tools for monitoring liquidity
- System-based preparation of cash flows with adequate maker/ check controls
- Linkage with stress testing policy, stress events and early warning signals

#### **Liquidity Risk Management (LRM) framework:**

A Liquidity Risk Management (LRM) framework was introduced by AMFI during July 2021 (as per AMFI Best Practices Guidelines Circular No.93 / 2021-22) in accordance with the SEBI circular issued during Nov 2020 and Jun 2021. The fund-category wise redemption probability data provided by AMFI which is used for arriving at the Redemption-at-Risk (RaR) and Conditional Redemption-at-Risk (CRaR) requirements, covers all possible outflow (liquidity requirement) scenarios including stress scenarios. Further the factors used for arriving at the potential liquidity requirements for each category of fund is derived from industry data based on last 11-year period. The redemption probability data for RaR & CRaR would be updated annually thereby fulfilling the criteria of both near terms as well as longer term (through the cycle) liquidity events. The LRM framework thus effectively addresses Liquidity Risk evaluation and adequate buffers for managing such requirements through the RaR and CRaR requirements on the asset side for a period of 0-30 days.

The LRM approach focuses on management of mismatch in putative liabilities (arising in short term period of up to 30 days) vis-à-vis the liquid and eligible assets of each scheme, and include the below liquidity ratios –

- Liquidity ratio based on 30-day Redemption at Risk (LR-RaR) requirements
- Liquidity ratio based on Conditional Redemption at Risk (LR-CRaR) requirements

The LRM framework also highlights additional factors contributing to the Liquidity Risk like Investor Concentration and Distributor concentration, for which additional mark-up in the Liquidity Ratio would be applied if the concentration levels are beyond certain maximum thresholds.

Back testing of the RaR and CRaR is done for each scheme every month by comparing RaR and CRaR fixed at the start of the month with the actual redemptions that have occurred during the month to evaluate the need for further mark-up in the RaR and CRaR levels. Comparison of LR- CRaR with the proportion of the fund AUM beyond the exit load period and proportion of the fund AUM beyond the long-term capital gain window (3 year holding period) is also be done to evaluate the adequacy of the LR-CRaR.

#### **Asse-Liability Management (ALM):**

With up to 30-day Liquidity Risk Management Covered under the LRM Framework, the ALM framework is intended to address a slightly longer-term asset Liability matching up to a period of 90 days.

The redemption probability data input on the liability side and the value realization assumptions on the asset side for these calculations has been provided by AMFI and is based on similar methodology used for the LRM Framework, i.e., 11 years industry level fund category wise redemption data ending October 2020. In line with the LRM framework, this data will also be revised by AMFI once a year.

The ALM framework calculates potential liquidity requirements (net AUM change) over a 90-day period with a confidence interval of 95% for the four liability buckets mentioned in the LRM circular i.e., Rs. 0-1 Cr, Rs.1 to 5 Cr, Rs. 5 to 100 Cr and more than Rs.100 Cr. Against this data, the asset side is expected to be evaluated by applying haircuts in line with Risk-o-Meter scores in an accelerated (non – linear) manner.

The adequacy on the asset side vs the liability side is measured monthly (like under the LRM framework). Any negative gaps in this ALM framework would trigger asset realignment in the fund portfolio or any other appropriate efforts at the sales side in terms of moderating the investor concentration.

#### **Stress Testing Framework:**

Liquidity Risk is also evaluated under the Stress Testing Framework by assuming certain liquidity stress impact scenarios for various rating categories, maturity buckets and issuer types of securities.

SAMC regularly evaluates the intraday liquidity requirements and ensure that there are sufficient liquid assets, back up facilities in terms of intra-day bank limits, short term borrowing limits etc., for meeting the liquidity requirements considering seasonal / event based factors.

As a part of the Liquidity Risk evaluation framework for debt asset class/schemes, SAMC regularly evaluate the trend of the top investor and top distributor concentration and the trend of the liquidity risk score under the Risk-o-Meter Framework.

#### **Minimum Number of Investors & Single-Investor Limit**

As per SEBI Regulations, the Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme in each calendar quarter on an average basis. In case the Scheme does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulation would become applicable automatically without any reference from SEBI and accordingly the Scheme shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25% limit. Failure on the part of the said investor to redeem his exposure over the 25% limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

#### **Special Considerations**

Prospective investors should review / study this Scheme Information Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial/ investment matters and are advised to consult their own professional advisor(s) as to the legal or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale, transfer, switch or redemption or

conversion into money) of units and to the treatment of income (if any), capitalisation, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalisation, disposal (sale, transfer, switch or redemption or conversion into money) of units within their jurisdiction / of nationality, residence, domicile etc. or under the laws of any jurisdiction to which they or any managed Scheme to be used to purchase/gift units are subject, and (also) to determine possible legal, tax, financial or other consequences of subscribing / gifting to, purchasing or holding units before making an application for units.

Neither this Scheme Information Document nor the units have been registered in any jurisdiction outside India. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this Scheme Information Document in certain jurisdictions are required to inform themselves about, and to observe, any such restrictions. No person receiving a copy of this Scheme Information Document or any accompanying application form in such jurisdiction may treat this Scheme Information Document or such application form as constituting an invitation to them to subscribe for units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Neither the delivery of this Scheme Information Document nor any sale made hereunder shall, under any circumstances, create any implication that the information contained herein is correct.

### **The scheme got the approval from the AMC and Trustee to enable the segregation of portfolio in case of credit event**

SEBI vide circular number SEBI/HO/IMD/DF2/CIR/P/2018/160 and dated 28th December 2018 prescribed the procedure for segregation of portfolio in mutual fund schemes. Following is the extract from the circular:

1. Segregated portfolio may be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under:
  - Downgrade of a debt or money market instrument to 'below investment grade', or
  - Subsequent downgrades, or
  - Similar such downgrades of a loan rating.
2. In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events and implemented at the ISIN level.
3. Creation of segregated portfolio shall be optional and at the discretion of the AMC. It should be created only if the SID of the scheme has provisions for segregated portfolio with adequate disclosures.
4. AMCs shall have a detailed written down policy on creation of segregated portfolio and the same shall be approved by the trustees.
5. Process for creation of segregated portfolio
  - a. AMC shall decide on creation of segregated portfolio on the day of credit event. Once an AMC decides to segregate portfolio, it shall
    - i. seek approval of trustees prior to creation of the segregated portfolio.
    - ii. immediately issue a press release disclosing its intention to segregate such debt and money market instrument and its impact on the investors.
    - iii. ensure that till the time the trustee approval is received, which in no case shall exceed 1 business day from the day of credit event, the subscription and redemption in the scheme shall be suspended for processing with respect to creation of units and payment on redemptions.
  - b. Once trustee approval is received by the AMC,
    - i. Segregated portfolio shall be effective from the day of credit event ii. AMC shall issue a press release immediately with all relevant information pertaining to the segregated portfolio. The said information shall also be submitted to SEBI.
    - ii. An e-mail or SMS should be sent to all unit holders of the concerned scheme.
    - iii. The NAV of both segregated and main portfolio shall be disclosed from the day of the credit event.
    - v. All existing investors in the scheme as on the day of the credit event shall be allotted equal number of units in the segregated portfolio as held in the main portfolio.
    - vi. No redemption and subscription shall be allowed in the segregated portfolio. however, in order to facilitate exit to unit holders in segregated portfolio, AMC shall enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests.

- c. If the trustees do not approve the proposal to segregate portfolio, AMC shall issue a press release immediately informing investors of the same.
6. Valuation and processing of subscriptions and redemptions
  - a. the valuation should take into account the credit event and the portfolio shall be valued based on the principles of fair valuation (i.e. realizable value of the assets).
  - b. All subscription and redemption requests for which NAV of the day of credit event or subsequent day is applicable will be processed as per the existing circular on applicability of NAV as under:
    - i. upon trustees' approval to create a segregated portfolio
      - Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
      - Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.
    - ii. In case trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the NAV of total portfolio (scheme portfolio including the securities affected by the credit event).

**Regulatory Risks:** Neither this SID nor the Units have been registered in any jurisdiction. The distribution of this SID in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this SID are required to inform themselves about, and to observe, any such restrictions. No person receiving a copy of this SID or any accompanying application form in such jurisdiction may treat this SID or such application form as constituting an invitation to them to subscribe for Units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this SID does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this SID and any persons wishing to apply for Units pursuant to this SID to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction.

Prospective investors should review/study this SID along with SAI carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial/investment matters and are advised to consult their own professional advisor(s) as to the legal or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale, transfer, switch or redemption or conversion into money) of Units and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalization, disposal (sale, transfer, switch or redemption or conversion into money) of Units within their jurisdiction/of nationality, residence, domicile etc. or under the laws of any jurisdiction to which they or any managed Funds to be used to purchase/gift Units are subject, and (also) to determine possible legal, tax, financial or other consequences of subscribing/gifting to, purchasing or holding Units before making an application for Units.

No person has been authorized to give any information or to make any representations not confirmed in this SID in connection with the Offer of Units, and any information or representations not contained herein must not be relied upon as having been authorized by the Mutual Fund or the AMC or the Trustee. Statements made in this SID are based on the law and practice currently in force in India and are subject to change therein. Neither the delivery of this SID nor any sale made hereunder shall, under any circumstances, create any impression that the information herein is correct as of any time subsequent to the date hereof.

**Performance Risk:** The value of (and income from) an investment in the Scheme can decrease as well as increase, depending on a variety of factors, which may affect the values and income generated by a Scheme's portfolio of securities. The returns of a Scheme investments are based on the current yields of the securities, which may be affected generally by factors affecting capital markets such as price and volume, volatility in the stock markets, interest rates, currency exchange rates, changes in government and Reserve Bank of India policy, taxation, political, economic or other developments and closure of the stock exchanges. Investors should understand that the investment composition indicated for the Scheme, in line with prevailing market conditions, is only a hypothetical example as all investments involve risk and there can be no assurance that the Scheme's investment objective will be attained nor will the Scheme be in a position to maintain the

model percentage of investment pattern/composition particularly under exceptional circumstances such that the interest of the unit holders are protected.

The AMC will endeavor to invest in highly researched growth companies, however the growth associated with equities is generally high as also the erosion in the value of the investments/portfolio in the case of the capital markets passing through a bearish phase is a distinct possibility. Changes in the prevailing rates of interest are likely to affect the value of the Scheme investments and thus the value of the Scheme's Units. The value of money market/debt instruments held by the Scheme generally will vary inversely with the changes in prevailing interest rates. The AMC, while investing in fixed income instruments like debt, etc., shall consider and evaluate the risk of an issuer's ability to meet principal and interest payments (credit risk) and also the price volatility due to such factors as interest sensitivity, market perception or the creditworthiness of the issuer and general market liquidity (market risk). While it is the intent of the AMC to invest primarily in more highly rated debt securities and highly researched growth companies, the Scheme may from time to time invest in high yielding/growth, lower rated and/or privately placed/unlisted/secured securities. Lower rated or unrated securities are more likely to react to developments affecting market and credit risk than highly rated securities. The credit risk factors pertaining to lower rated securities also apply to lower rated zero coupon, deferred interest bonds.

**Techniques Risk:** The Scheme may use techniques (including derivatives, futures and options, warrants, etc.) and instruments that may be permitted and/or that may become permissible under SEBI/RBI Regulations and/or Regulations and/or statutory modification or re-enactment thereof for efficient portfolio management and to attempt to hedge or reduce the risk of such fluctuation. However, these techniques and instruments, if imperfectly used have the risk of the scheme incurring losses due to mismatches particularly in a volatile market. The Fund's ability to use these techniques may be limited by market conditions, regulatory limits and tax considerations (if any). The use of these techniques is dependent on the ability to predict movements in the prices of securities being hedged and movements in interest rates. There exists an imperfect correlation between the hedging instruments and the securities or market sectors being hedged. Besides, the fact that skills needed to use these instruments are different from those needed to select the Fund's/Scheme's securities. There is a possible absence of a liquid market for any particular instrument at any particular time even though the futures and options may be bought and sold on an organized stock exchange. The use of these techniques involves possible impediments to effective portfolio management or the ability to meet repurchase/redemption requests or other short-term obligations because of the percentage of the Scheme's assets segregated to cover its obligations.

**Political Risk:** Whereas the Indian market was formerly restrictive, a process of deregulation has been taking place over recent years. This process has involved the removal of trade barriers and other protectionist measures, which could adversely affect the value of investments. It is possible that future changes in the Indian political situation, including political, social, or economic instability, diplomatic developments and changes in laws or regulations could have an effect on the value of investments. Expropriation, confiscatory taxation, or other relevant developments could also affect the value of investments.

**Forex Risk:** The scheme may also invest in overseas financial assets in accordance with the guidelines issued by the concerned regulatory authorities in India. To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distribution and income may be adversely affected by changes in the value of respective foreign currencies relative to the Indian rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it or other restrictions on investment. In addition, country risks would include events such as introduction of extraordinary exchange controls, economic deterioration and bi-lateral conflict leading to immobilisation of the overseas financial assets.

**Liquidity and Settlement Risks:** The liquidity of the Scheme's investments may be inherently restricted by trading volumes, transfer procedures and settlement periods. From time to time, the Scheme will invest in certain securities of certain companies, industries, sectors etc. based on certain investment parameters as adopted internally by AMC. While at all times the Trustees and the AMC will endeavor that excessive holding/investment in certain securities of industries, sectors, etc. by the Scheme be avoided, the assets invested by the Scheme in certain securities of industries, sectors, etc. may acquire a substantial portion of the Scheme's investment portfolio and collectively may constitute a risk associated with non-diversification and thus could affect the value of investments. The Scheme may have difficulty in disposing of certain securities because the security may be unlisted, due to greater price fluctuations there may be a thin trading market, different settlement periods and transfer procedures for a particular security at any given time. Settlement, if accomplished through physical delivery of stock certificates, is labour and paper intensive and may affect the liquidity. It should be noted that the Fund bears the risk of purchasing fraudulent or tainted papers. The secondary market for money market/debt

securities does exist, but is generally not as liquid as the secondary market for other securities. Reduced liquidity in the secondary market may have an adverse impact on market price and the Scheme's ability to dispose of particular securities, when necessary, to meet the Scheme's liquidity needs or in response to a specific economic event, such as the deterioration in the creditworthiness of the issuer, etc. or during restructuring of the Scheme investment portfolio. Furthermore, from time to time, the AMC, the Custodian, the Registrar, any Associate, any distributor, dealer, any company, corporate body, trust, any scheme/Mutual Fund managed by the AMC or by any other AMC may invest in the Scheme. While at all times the Trustees and the AMC will endeavor that excessive holding of Units in the Scheme among a few unit holders is avoided, however, the amounts invested by these aforesaid persons may acquire a substantial portion of the Scheme's outstanding Units and collectively may constitute a majority unit holder in the Scheme. Accordingly, redemption of Units held by such persons may have an adverse impact on the value of the redemption and may impact the ability of the unit holders to redeem their respective Units.

#### **Details under FATCA/Common Reporting Standards (CRS)/Foreign Tax Laws**

Compliance under Foreign Account Tax Compliance Act /Common Reporting Standard requirements: Foreign Account Tax Compliance Act: Foreign Account Tax Compliance Act ("FATCA") is a United States (US) law aimed at prevention of tax evasion by US citizens and residents ("US Persons") through use of offshore accounts. FATCA obligates foreign financial institution (FFIs), including Indian financial institutions to provide the US Internal Revenue Service (IRS) with information on the accounts of to report accounts held by specified US Persons. FATCA requires enhanced due diligence processes by the FFI so as to identify US reportable accounts. With respect to individuals, the US reportable accounts would cover those with US citizenship or US residency. The identification of US person will be based on one

or more of following "US indicia" • Identification of the Account Holder as a US citizen or resident; Unambiguous indication of a US place of birth; • Current US mailing or residence address (including a US post office box); • Current US telephone number; • Standing instructions to transfer funds to an account maintained in USA; • Current effective power of attorney or signing authority granted to a person with a US address; or • An "in-care of or "hold mail" address that is the sole address that the Indian Financial Institution has on the file for the Account Holder. Since domestic laws of sovereign countries, (including India) may not permit sharing of confidential client information by FFIs directly with US IRS, the U.S. has entered into Inter-Governmental Agreement (IGA) with various countries. The IGA between India and USA was signed on 9th July, 2015, which provides that the Indian FIs will provide the necessary information to Indian tax authorities, which will then be transmitted to USA automatically. Common Reporting Standard - The New Global Standard for Automatic Exchange of Information: On similar lines as FATCA, the Organization of Economic Development (OECD), along with the G20 countries, of which India is a member, has released a "Standard for Automatic Exchange of Financial Account Information in Tax Matters", in order to combat the problem of offshore tax evasion and avoidance and stashing of unaccounted money abroad, requiring cooperation amongst tax authorities. The G20 and OECD countries have together developed a Common Reporting Standard (CRS) on Automatic Exchange of Information (AEOI). The CRS on AEOI was presented to G20 Leaders in Brisbane on 16th November, 2014. On June 3, 2015, India has joined the Multilateral Competent Authority Agreement (MCAA) on AEOI. The CRS on AEOI requires the financial institutions of the "source" jurisdiction to collect and report information to their tax authorities about account holders "resident" in other countries, such information having to be transmitted "automatically' annually. The information to be exchanged relates not only to individuals, but also to shell companies and trusts having beneficial ownership or interest in the "resident" countries. Accordingly with effect from November 1, 2015 all investors will have Sundaram Mutual Fund / the AMC is classified as a 'Foreign Financial Institution' under the FATCA provisions. Accordingly, the AMC / Mutual Fund will be required to undertake due diligence process and identify US reportable accounts and collect such information / documentary evidences of the US and / or non-US status of its investors / Unit holders and disclose such information (directly or through its agents or service providers) as far as may be legally permitted about the holdings / investment returns to US Internal Revenue Service (IRS) and / or the Indian Tax Authorities. The MF has registered with US Internal Revenue Service (IRS) and has obtained a Global Intermediary Identification Number (GIIN): EY9227.99999.SL356 for the said reporting purposes.

FATCA/CRS due diligence will be directed at each investor / Unit holder (including joint investor) and on being identified as a reportable person / specified US person, all the folios will be reported. In case of folios with joint holders, the entire account value of the investment portfolio will be attributable under each such reportable person. An investor / Unit holder will therefore be required to furnish such information as and when sought by the AMC in order to comply with the information reporting requirements stated in IGA and circulars issued by SEBI/Government of India in this regard from time to time. The information disclosed may include (but is not limited to) the identity of the investors and their direct or indirect beneficiaries, beneficial owners and controlling persons. Investors / Unitholders should consult their tax advisors

regarding FATCA/CRS requirements with respect to their situation.

## II. Information about the scheme:

### A. Where will the scheme invest

- The corpus of the Scheme shall be predominantly invested in equity and equity related instruments of \*high dividend yield companies. The fund is defining dividend yield as "high" if the security is either constituent of the Nifty Dividend Opportunities 50 Index, or, has a dividend yield higher than that of the NSE Nifty on the earlier trading day, at the time of investment. The overall portfolio structuring would aim at controlling risk at a moderate level. The Scheme shall invest a part of its corpus in equity / equity related instruments other than those mentioned above. Further the Scheme may also invest part of its corpus in money market securities/instruments/funds, to manage its liquidity requirements. However, due to market conditions, the AMC may invest beyond the range set out above. Such deviations shall normally be for a short term defensive considerations, and the intention being at all times to protect the interests of the Unit Holder;

\*High Dividend Yield Companies are defined as Companies whose dividend yield, at the time of investment, is equal to or higher than the dividend yield of the Company with the lowest dividend yield in the Nifty Dividend Opportunities 50 Index, ascertained as at the close of previous trading day

While the criterion of high dividend-yields would be used to identify the investment universe from which the portfolio will be constructed, within this universe, there will be a strong focus on selecting companies with a consistent dividend track-record, strong business fundamentals, good quality of management, strong cash generation in excess of their capital expenditure requirements, strong balance sheets and attractive valuations

- At present Mutual Funds are not permitted to participate in Inter Bank Calls. The Scheme will participate in Inter Bank Calls only when Mutual Funds are permitted to do so. The Scheme may participate in securities lending as permitted under the Regulations.
  - The Scheme may also invest in another schemes managed by the same AMC or by the AMC of any other mutual fund without charging any fees on such investments, within the limits specified under SEBI Regulations;
- The Asset Management Company further reserves the right to invest in derivatives and Foreign debt securities subject to SEBI / RBI or any other Regulatory Authorities permitted from time to time.

#### Foreign Debt securities shall without limitation include:-

- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies;
- Money market instruments rated not below investment grade;
- Repos in the form of investment, where the counterparty is rated not below investment grade;
- Government securities where the countries are rated not below investment grade;
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities;
- Short term deposits with banks overseas where the issuer is rated not below investment grade;
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets)

And such other Securities as may be prescribed by SEBI/RBI from time to time.

The securities may be acquired by the Scheme through Initial Public Offerings (IPOs), secondary market operations, private placement, right offers or negotiated deals. Securities shall be purchased in public offerings, primary/ reissues/ Open Market Operations (OMO) auctions / OMO sales, private placement, right offers, negotiated deals or any other mode of investment made available in the market from time to time.

The regulation and limits as applicable under the SEBI (Mutual Funds) Regulations, 1996 are specified under the Para of Investment Restrictions.

## Depository

The Securities of the Scheme will be held in demat (electronic) mode and accordingly the rules of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 would apply. The service charges payable to the Depository Participant will form a part of the annual recurring expenses.

### B. What are the investment restrictions?

Following Investment limitations/restrictions are specific to these Scheme:-

- The Fund under all its Scheme should not own more than 10% of any company's paid up capital carrying voting rights.
- Transfers of investments from one scheme to another scheme of Sundaram Mutual Fund shall be allowed only if:
  - i. The transfer is in adherence with the SEBI circular no. SEBI/HO/IMD/DF4/CIR/P/2020/202 dated October 08, 2020. Key requirements of the circular are stated below:
    - IST shall be permitted only if other resources such as cash and cash equivalent, market borrowing, and selling securities in the market are exhausted.
    - ISTs will be permitted for the rebalancing of a portfolio only if there is a passive breach of regulatory limits or where duration, issuer, sector, and group rebalancing are required in both the transferor and transferee schemes.
    - No inter-scheme transfer of a security shall be allowed, if there is negative news or rumour in the mainstream media or an alert is generated about the security, based on internal credit risk assessment.
    - If the security gets downgraded within a period of four months following such a transfer, the fund manager of the buying scheme will have to provide detailed justification to the trustees for buying such a security.
  - ii. The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.
  - iii. Such transfer shall be carried out at the price obtained from valuation agencies in accordance with the guidelines provided in the SEBI circular no. SEBI/HO/IMD/DF4/CIR/P/2019/102 dated September 24, 2019.
  - iv. If prices are not received from any valuation agencies within the turn-around-time, such transfers shall be done at the prevailing market price for quoted instruments on spot basis.

[Explanation - "Spot basis" shall have same meaning as specified by stock exchange for spot transactions.]

- A scheme may invest in another scheme under the same asset management company or any other mutual fund without charging any fees, provided that aggregate interscheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund.
- The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities. Provided that the Scheme may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI. Provided further that the Scheme may also enter into derivatives transactions in a recognised stock exchange, subject to the framework specified by the Board. Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.
- The Mutual Fund shall get the securities purchased or transferred in the name of the Mutual Fund on account of the concerned scheme, wherever investments are intended to be of long-term nature.
- Pending deployment of Funds of the Scheme in terms of investment objective, the Scheme may invest them in short term deposits of scheduled commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 and September 20, 2019, as amended from time to time:



- The Scheme shall not park more than 15% of the net assets in Short term deposit(s) of all the scheduled commercial banks put together. However, it may be raised to 20% with prior approval of the trustees. Also, parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the mutual fund in short term deposits.
- The Scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
- No funds of the Scheme may be parked in short term deposit of a bank which has invested in the Scheme. It shall be ensured that the bank in which the scheme has parked in short term deposit does not invest in the scheme until the scheme has short term deposit with such bank.
- Short Term for such parking of fund by Mutual Fund shall be treated as a period not exceeding 91 days.
- No investment and advisory fees shall be charged for parking of funds in short term deposits of scheduled commercial banks.
- The scheme shall not make any investment in:
  - any unlisted security of an associate or group company of the sponsor; or
  - any security issued by way of private placement by an associate or group company of the sponsor; or
  - the listed securities of group companies of the sponsor which is in excess of 25% of the net assets
- The Scheme shall not invest in any Fund of Funds Scheme.
- The Scheme shall not invest more than 10% of its NAV in the equity shares or equity related instruments of any Company.
- Provided that, the limit of 10 per cent shall not be applicable for investments in index fund or sector or industry specific scheme.
- The cumulative gross exposure through equity, debt, derivative positions (including commodity and fixed income derivatives), repo transactions and credit default swaps in corporate debt securities, Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs), other permitted securities/assets and such other securities/assets as may be permitted by SEBI from time to time should not exceed 100% of the net assets of the Scheme.
- All investments by a mutual fund scheme in equity shares and equity related instruments shall only be made provided such securities are listed or to be listed
- Aggregate value of "Illiquid Securities" of the Scheme, which are defined as non-traded, thinly traded and unlisted equity share, shall not exceed 15% of the total assets of the Scheme.

- **Investment in foreign Securities:**

In accordance with RBI Circular A.P. (DIR) Series Circular No. 3 dated July 26, 2006 read with SEBI Circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, SEBI Circular SEBI/HO/IMD/DF3/CIR/P/2020/225 dated November 05, 2020 and SEBI Circular SEBI/HO/IMD/IMD - II/DOF3/P/CIR/2021/571 dated June 03, 2021, the Fund is permitted to invest only up to US\$ 1 billion in identified overseas securities. Such limit and/or identified securities may be revised at the discretion of the Fund in alignment with the provision that may be prescribed in this regard by SEBI/RBI from time to time.

- As per the extant SEBI (MF) Regulation, the Fund is permitted to invest USD 1 billion. However, the overall limit for the Mutual Fund Industry is USD 7 billion. The Scheme therefore may or may not be able to utilise the limit of USD 1 billion due to the USD 7 billion limit being exhausted by other Mutual Funds. Further, the overall ceiling for investment in overseas Exchange Traded Funds (ETFs) that invests in securities is USD 1 billion subject to a maximum of USD 300 million per mutual fund. As and when the investment limits are breached, the subscriptions into the Scheme shall be suspended till further notice by the AMC

- **Ongoing period:** During the ongoing period the scheme shall have an investment headroom of 20% of the average AUM of schemes of Sundaram Mutual Fund in Overseas securities / Overseas ETFs of the previous three calendar months shall be available for that month to invest in Overseas securities / Overseas ETFs subject to maximum limits of USD 1 billion. As and when the investment limits are breached, the subscriptions into the Scheme shall be suspended till further notice by the AMC
- The above limits are subject to change from time to time based on changes in the regulatory requirements.

Where the Scheme may invest a part of its corpus in debt oriented and money market securities/instruments/funds, to manage its liquidity requirements, the investment restrictions specific to debt securities have been provided here below:-

- The scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of the AMC.

Provided that such limit shall not be applicable for investments in government securities Treasury Bills and TREPS.

Provided further that the investment within such limit can be made in mortgaged backed securitized debt which are rated not below investment grade by a credit rating agency registered with SEBI.

Provided further that such limit shall not be applicable for investments in case of debt exchange traded funds or such other funds as may be specified by the Board from time to time.

- The scheme shall not invest in unlisted debt instruments including commercial papers except for government securities, other money market instruments and derivative products used by mutual funds for hedging.

Provided that mutual fund schemes may invest in unlisted Non-Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio of the scheme subject to the condition as may be specified by SEBI from time to time.

For the above clause, listed debt instruments shall include listed and to be listed debt instruments. Investments in CPs will be made only in CPs which are listed or to be listed

The Scheme shall not invest more than 5% of its NAV in unrated debt instruments. Investments will only be made in such instruments, including bills re-discounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 1996 and various circulars issued thereunder. Investments in unrated debt instruments shall be subject to norms and guidelines as specified by SEBI from time to time. All such investments shall be made with the prior approval of the Board of Trustees and the Board of AMC.

Further the investments by the Scheme shall be in compliance with SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 1, 2019 and as amended by SEBI from time to time.

These investment limitations/parameters (as expressed/linked to the net asset/NAV/capital) shall in the ordinary course apply as of the date of the most recent transaction or commitment to invest, and changes do not have to be effected merely because, owing to appreciation or depreciation in value, or by reason of the receipt of any rights, bonuses or benefits in the nature of capital, or of any scheme of arrangement, or for amalgamation, reconstruction or exchange, or at any repayment or repurchase or other reason outside the control of the Fund, any such limits would thereby be breached. If these limits are exceeded for reasons beyond its control, the AMC shall adopt as a priority objective the remedying of that situation, taking due account of the interests of the unit holders.

In addition, certain investment parameters (like limits on exposure to sectors, industries, issuers, etc.) may be adopted internally by the AMC, as amended from time to time, to ensure appropriate diversification/security for the Fund. The AMC may alter these above stated limitations from time to time, and also to the extent the SEBI Regulations change, so as to permit the Fund to make its investments in the full spectrum of permitted investments for Mutual Funds to achieve its investment objective. As such all investments of the Fund will be made in accordance with SEBI Regulations including Schedule VII thereof.

### • CASH AND CASH EQUIVALENT

Pursuant to SEBI Circular SEBI/HO/IMD-II/DOF3/OW/P/2021/31487/1 dated 3rd November 2021 cash equivalent shall consist of following securities having residual maturity less than 91 days: (a) Government Securities, (b) T - Bills and (c) Repo on Government Securities.

### C. Fundamental Attributes

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI Regulation:

- (i) **Type of Scheme:** An open ended equity scheme predominantly investing in dividend yielding stocks.
- (ii) **Investment objective:** Main objective & investment pattern. (Indicated in Highlights & Scheme Summary and Part II of this document).
- (iii) **Terms of Issue:** Provisions in respect redemption of units, fees and expenses as indicated in this Scheme Information Document.
  - Liquidity provisions such as listing, repurchase, redemption (Indicated in Highlights & Scheme Summary and Part III of this document).
  - Aggregate fees and expenses charged to the Scheme (Indicated in Highlights & Scheme Summary and Part IV of this document).
  - Any safety net or guarantee.

The Scheme does not offer a safety net or guarantee.

In accordance with Regulation 18(15A) of the SEBI Regulation, the Trustee shall ensure that no change in the fundamental attributes of the Scheme the Trustee, fee & expenses and any other change which would modify the Scheme and affect the interests of unit holders is carried out unless:

- A written communication about the proposed change is sent to each unit holder; An advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated and
- The unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.
- In addition to the conditions specified under Regulation 18 (15A) for bringing change in the fundamental attributes of any scheme, the trustees shall take comments of SEBI before bringing such change(s).

### D. Index methodology

**(for index funds, ETFs and FoFs having one underlying domestic ETF)**

NA

### E. Principles of incentive structure for market makers (for ETFs)

NA

### F. Floors and ceiling within a range of 5% of the intended

allocation against each sub class of asset, as per

clause 13.6.2 of SEBI master circular for mutual funds

dated May19, 2023 (only for close ended debt schemes)

NA

## G. other Scheme Specific Disclosures:

<p><b>Ongoing offer period</b></p>	<p>The date of inception of Regular Plan under the Scheme is October 15, 2004</p> <p>The date of inception of Direct Plan under the Scheme is January 1, 2013 The Schemes being open ended Scheme , investors can subscribe to the units of the Scheme on an ongoing basis.</p> <p>To provide liquidity to the investors, the Scheme will offer for Redemption / Switch-out of Units at NAV based prices on every Business Day on an ongoing basis</p>
<p><b>Ongoing price for subscription</b></p> <p>This is the price you need to pay for purchase / switch-in.</p>	<p>At applicable NAV</p>
<p><b>Ongoing price for redemption</b></p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>At the applicable NAV subject to prevailing exit load.</p> <p><b>Methodology of calculating the repurchase price:</b></p> <p>Repurchase or redemption price is the price or NAV at which the investor redeems his investments after deducting the exit load applicable at the time of investment.</p> <p>Repurchase Price will be calculated using the following formula: Repurchase Price = Applicable NAV*(1 – Exit Load, if any).</p> <p>Example for calculation of Repurchase Price.</p> <p>If the Applicable NAV is Rs. 11.25 and a 1.00% exit load is charged, the repurchase price will be calculated as follows:</p> $\begin{aligned} \text{Repurchase Price} &= \text{Rs. } 11.25 \times (1-1.00\%) \\ &= \text{Rs. } 11.25 - \text{Rs. } 0.1125 \\ &= \text{Rs. } 11.1375 \text{ pper unit} \end{aligned}$
<p><b>Cut off timing</b></p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>Pursuant to SEBI Circular No. SeBI/HO/IMD/DF2/CIR/P/2020/175 dated September 17, 2020, Investors are requested to note the revised provisions for applicability of NAV, with effect from January 1, 2021:</p> <p>Applicable NAV for Subscriptions / Switch-ins (irrespective of application amount):</p> <ol style="list-style-type: none"> <li>1. In respect of valid applications received upto 3.00 p.m on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase (including switch ins) as per the application are credited to the bank account of the respective Schemes before the cut-off time of the same day i.e., available for utilization before the cut-off time - the closing NAV of the day shall be applicable.</li> <li>2. In respect of valid applications received after 3.00 p.m on a Business Day at the official point(s) of acceptance and funds for the entire amount of subscription/purchase (including switch ins) as per the application are credited to the bank account of the respective Schemes before the cut-off time of the next Business Day i.e available for utilization before the cut-off time of the next Business Day - the closing NAV of the next Business Day shall be applicable.</li> <li>3. Irrespective of the time of receipt of application at the official point(s) of acceptance, where funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the respective Schemes before the cut-off time on any subsequent Business Day - i.e. available for utilization before the cut-off time on any subsequent Business Day - the closing NAV of such subsequent Business Day shall be applicable.</li> <li>4. For Switch-ins of any amount: For determining the applicable NAV, the following shall be ensured:</li> </ol>

	<ul style="list-style-type: none"> <li>• Application for switch-in is received before the applicable cut-off time.</li> <li>• Funds for the entire amount of subscription / purchase as per the switch-in request are credited to the bank account of the Scheme before the cut-off time.</li> <li>• The funds are available for utilization before the cut-off time.</li> <li>• In case of 'switch' transactions from one scheme to another, the allocation and settlement shall be in line with redemption payouts.</li> </ul> <p>To clarify, for investments through systematic investment routes such as Systematic Investment Plans (SIP), Systematic Transfer Plans (STP) and Transfer IDCW, etc. the units will be allotted as per the closing NAV of the day on which the funds are available for utilization before the cut-off time by the Target Scheme irrespective of the instalment date of the SIP, STP or record date of Income Distribution.</p> <p>While subscribing to an option under Direct Plan which does not have a NAV, units shall be allotted based on the NAV of corresponding option/ sub-option under the regular Plan. In case of non-availability of NAV in the corresponding option / sub-option (due to NIL investors under the option/sub-option) in the regular plan, the applicable NAV shall be that of the corresponding Growth option under the regular Plan.</p>
<p><b>Where can the applications for purchase / redemption / switches be submitted</b></p>	<p>Subscription/redemption request can be submitted on any business day at branches of Sundaram Asset Management, the Registrar and at Investor Service Centres of the registrar.</p> <p><b>Registrar &amp; Transfer Agent</b>  <b>KFin Technologies Limited</b>  CIN: L72400TG2017PLC117649  Unit: Sundaram mutual Fund,  Tower- B, Plot No. 31 &amp; 32, Selenium building, Gachibowli Road, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500032.  Contact No. 1800 425 7237 (India) +91 40 2345 2215 (NRI)  Email us at: <a href="mailto:customerservices@sundarammutual.com">customerservices@sundarammutual.com</a></p> <p>Applications can be submitted at branches of Sundaram Asset Management Company Ltd, details of which are furnished on back cover page of this document.  Applications can also be submitted at the authorised POS of MF Utility India. Please refer section on MF Utility Platform under Highlights &amp; Scheme Summary Section for further information in this regard.</p> <p>The Investment Manager may modify, from time to time, the places for acceptance of applications in the interest of investors. For details investors may also refer to the website of the Asset Management Company / use the Toll Free Number provided in this document.</p>
<p><b>Transaction Charge to Distributors</b></p>	<ol style="list-style-type: none"> <li>1 The Distributor would be allowed to charge the Mutual Fund Investor a Transaction Charge where the amount of investment is Rs. 10,000/-and above on a per subscription basis</li> <li>2 For an investor other than First Time Mutual Fund Investor, the Transaction Charge allowed will be Rs. 100/- per subscription of Rs. 10,000/- and above  For a First Time Mutual Fund Investor, the Transaction Charge allowed will be Rs. 150/- per subscription of Rs. 10,000/- and above</li> <li>3 The Transaction Charge, where applicable based on the above criteria, will be deducted by the Investment Manager from the subscription amount remitted by the Investor and paid to the distributor; and the balance (net) amount will be invested in the scheme. Thus units will be allotted against the net investment.</li> <li>4 No Transaction charges shall be levied:</li> </ol>

	<p>a) Where the distributor/agent of the investor has not opted to received any Transaction Charges;</p> <p>b) Where the investor purchases the Units directly from the Mutual Fund (i.e. not through any distributor);</p> <p>c) Where total commitment in case of SIP / Purchases / Subscriptions is for an amount less than Rs. 10,000/-;</p> <p>d) On transactions other than purchases / subscriptions relating to new inflows. Switches / Systematic Transfers / Allotment of Bonus Units / IDCW reinvestment Units / Transfer / Transmission of units, etc will not be considered as subscription for the purpose of levying the transaction charge.</p> <p>e) Purchases / subscriptions carried out through stock exchange(s), as applicable. The distributors can opt-in / opt-out of levying transaction charges based on 'type of the Product/Scheme' instead of 'for all Schemes'. Accordingly, the transaction charges would be deducted from the subscription amounts, as applicable. However, the distributor shall not be able to opt-in or opt-out at the investor- level i.e. a distributor shall not charge one investor and choose not to charge another investor.</p> <ol style="list-style-type: none"> <li>1. During the period of suspension, no commission shall be accrued or payable to the distributor whose ARN is suspended. During the period of suspension, commission on the business canvassed prior to the date of suspension shall stand forfeited, irrespective of whether the suspended distributor is the main ARN holder or a sub-distributor.</li> <li>2. All Purchase/Switch requests (including under fresh registrations of Systematic Investment Plan (SIP)/ Systematic Transfer Plan (STP) or under SIPs/STPs registered prior to the suspension period) received during the suspension period shall be processed under Direct Plan and shall continue to be processed under Direct Plan perpetually*, with a suitable intimation to the unitholder/s mentioning that the distributor has been suspended from doing mutual fund distribution.  * If the AMC receives a written request / instruction from the unitholder/s to shift back to Regular Plan under the ARN of the distributor post the revocation of suspension of ARN, the same shall be honored.</li> <li>3. Any Purchase/Switch or SIP/STP transaction requests received through the stock exchange platform, from any distributor whose ARN has been suspended, shall be rejected.</li> <li>4. Additionally, where the ARN of a distributor has been terminated permanently, the AMC shall advise the concerned unitholder(s), who may at their option, either continue their existing investments under regular/distributor Plan under any valid ARN holder of their choice or switch their existing investments from regular/distributor Plan to Direct Plan subject to tax implications and exit load, if any.</li> </ol> <p>The transaction charges are in addition to the existing system of commission permissible to the Distributors. On subscription through Distributors, the upfront commission if any will be paid directly by the Investors to the Distributor by a separate cheque based on their assessment of various factors including the service rendered by the Distributor.</p> <p>Any circular/clarification issued by SEBI in this regard will automatically become applicable and will be incorporated in the SID/SAI/KIM wherever applicable.</p>
<b>Allotment on on-going basis</b>	For subscription to units by the investors, the units shall be allotted to them, provided the application is complete in every respect and in order. Failing which the application will be rejected.
<b>How to apply</b>	Please refer to the Statement of Additional Information and Key Information

	Memorandum, which is a part of the Application Form (available free of cost with the offices of the Investment Manager and can be downloaded from the Website of the Investment Manager ( <a href="http://www.sundarammutual.com">www.sundarammutual.com</a> )).
<b>Minimum investment amount</b>	<p><b>New Investor</b> - Rs 5,000/- for both IDCW and Growth Option under both the Plans and any amount thereafter under each option.</p> <p><b>Existing Investor</b> -Rs 1000/- and any amount thereafter under each Plan / Option.</p> <p><b>Systematic Investment Plan:</b> Daily SIP, Rs.100/- and minimum 3 months, Minimum twelve installments of Rs.500/- for Monthly SIP, Rs.500 for Quarterly SIP, Rs.500 for Weekly SIP and any amount thereafter.</p> <p><b>Systematic Transfer Plan:</b> Daily: Rs.1,000/- (6 Instalments); Weekly: Rs.1,000/-; (6 Instalments) Monthly: Rs.1,000/-(6 Instalments); Quarterly: Rs.1,000/-(6 Instalments).</p> <p><b>Systematic Withdrawal Plan:</b> Monthly / Quarterly: Rs.500/- (6 instalments)</p>
<b>Minimum amount for Redemption/Switches</b>	<p>The minimum amount for redemption/switch out will be: Regular &amp; Direct Plan: Rs.500 or 50 units.</p> <p>Systematic Investment Plan/ Regular Withdrawal Plan (Post lock in period) / Systematic Transfer Plan (Post lock in period): Minimum 6 installments of Rs.500/- each.</p> <p>After the expiry of lock – in period, minimum repurchase amount will be Rs500/- or 50 units.</p>
<b>Minimum balance to be maintained</b>	At present investor are not required to maintain minimum balance in their respective folios, however the AMC/Trustees reserves the right to change it at any future date by giving advance notice.
<b>Special facilities / products available</b>	<p>The Fund reserves the right to amend or terminate or introduce special facilities in the SID. The current special facilities offered are as follows:</p> <p><b>1. Switching Option</b></p> <p>Investors can opt to switch the units between Regular Plan &amp; Direct Plan and Options therein, at NAV based prices. Switching will also be allowed from any select open ended scheme managed under the Fund, into either scheme existing on the date of switch or during the NFO period of the new scheme at NAV based prices.</p> <p>In the case of NRIs, FIIs, etc. this will be subject to necessary approval (if any) from the Reserve Bank of India and any other approval as applicable. Tax deduction at source, if any, will be effected at the appropriate rate in case of a switch and the balance amount would be utilized to exchange units to the other Scheme.</p> <p>Switching from the Scheme into other existing schemes would be available, after expiry of lock-in period, on a continuous basis, subject to the loads, as may be applicable.</p> <p>A request for switch may be specified either in terms of amount or in terms of the number of units of the scheme/plan/option from which the switch is sought. Such instructions may be provided in writing by completing the switch form or using the relevant tear off section of the Transaction Slip that may be enclosed with the Account Statement and lodging the same on any business day at any of the designated Official Points of Acceptance. The switch will be effected by redeeming units from the scheme in which the units are held and investing the net proceeds in the other Scheme, subject to the minimum balance applicable for the respective Scheme.</p> <p>The price at which the units will be switched out of the scheme / into the scheme will be based on the applicable NAV of the relevant Scheme and after considering any exit</p>

loads. The Switch request will be subject to the minimum application amount and other terms and conditions of the scheme for which the Switch request has been made

## 2. Systematic Investment Plan

Systematic Investment Plan (SIP) is available for planned and regular investments. Under SIP, unit holders can benefit by investing specified rupee amounts periodically for a continuous period. This concept is called Rupee Cost Averaging. This program allows unit holders to save a fixed amount of rupees every month/quarterly by purchasing additional units of the Scheme.

### Example

Let us take an example of a unit holder who invests Rs.3000/- per month

Month	NAV	Amount (R)	Units
April 1	10.50	3000	285.71
May 1	10.65	3000	281.69
June 1	10.05	3000	298.50
July 1	9.75	3000	307.69
August 1	9.60	3000	312.50
September 1	9.50	3000	315.79
October 1	9.25	3000	324.32
November 1	9.05	3000	331.49
December 1	8.90	3000	337.08
January 1	8.75	3000	342.86
February 1	8.50	3000	352.94
March 1	8.80	3000	340.91
TOTAL		36000	3831.48

Note: The figures of NAV are hypothetical and are for illustrative purposes only.

At the end of one year the unitholder would have 3831.48 units, at an average per unit cost of Rs. 9.40.

Rupee Cost Averaging does not guarantee a profit nor protect against a loss. Rupee Cost Averaging can smooth out the market's ups and downs and reduce the risk of investing in volatile markets.

Features of the SIP

1. The investor can select 'any day of the month' for Systematic Investment Plan ("SIP"). However, in case the chosen date falls on a Non Business Day, the SIP will be processed on the immediate next Business Day. Where the SIP date is not available in a particular month, the same will be processed on the last day of that month. The first cheque and subsequent cheque should not fall in the same month in case of Monthly SIP and in the same quarter in case of Quarterly SIP. The cheques should be drawn in favour of respective Scheme(s) e.g. "XYZ Scheme Name A/c PAN" or "XYZ Scheme Name A/c First Investor Name" or "XYZ Scheme A/c. Folio Number"; and crossed "A/c Payee only". The default date will be considered as 07th of the month in case the installment date is not selected in the SIP form. The above option will be available under both Monthly and Quarterly frequency. SIP can be registered with minimum twelve instalments of INR 500/- each.

2. Investors, who wish to opt for NACH (National Automated Clearing House – One Time Mandate) facility available with select banks, should ensure that there is a minimum time gap of 30 days between the first cheque for SIP enrolment and first installment of SIP through NACH.



3. Unit holders have the right to discontinue the SIP facility at any time by sending a written request to any of the designated Investor Service Centers (ISCs) of Sundaram Mutual Fund. Please also note that notice of such discontinuation should be received at least 21 working days prior to the due date of the next SIP installment.

4. SIP enrolment will be discontinued by AMC in case [a] the SIP installment is not honored consecutively for three SIP installments [b] if any installment of a SIP transaction gets rejected due to the bank account of the Investor being closed, the SIP would be suspended for subsequent SIP transactions and registration will be cancelled for SIP through NACH is closed and the request for change in bank account / Bank Branch is not submitted by the concerned unit holder at least 21 working days before the due date of next SIP installment[d] if the Bank account is frozen for further commercial transaction by the Bank.

5. SIP Top-up feature

The top-up feature under the Systematic Investment Plan is to enable the investors increase their contribution in an SIP at pre-determined intervals by a fixed amount during the tenure of SIP. This feature is optional and is available to investors under all Schemes offering SIP facility w.e.f. April 21, 2014. The terms & conditions of the Top-up feature are stated below:

1. Frequency for Top-up: Monthly & Quarterly

a. For monthly SIP, the top-up options are:

- Half Yearly Top-up: under this option, the amount of investment through SIP installment shall be increased by an amount chosen by the Investor post every 6th (sixth) SIP installment.
- Yearly Top-up: under this option, the amount of investment through SIP installment shall be increased by an amount chosen by the Investor post every 12th (twelfth) SIP installment.

b. For Quarterly SIP, the top option is

- Yearly Top-up: under this option, the amount of investment through SIP installment shall be increased by an amount chosen by the Investor post every 4th (fourth) SIP installment.

In case the investor who has registered under quarterly SIP has opted for half yearly Top-up, the SIP will be registered and processed as Yearly Top-up.

The Top-up feature shall not be available for weekly SIPs.

2. Minimum Top-up Amount: Rs. 500 and in multiples of Rs. 500 thereafter.

3. Default Top-up Frequency and amount:

a. In case the investor does not specify either the frequency or the amount for Top-up, the applications shall be processed with following default options:

Default frequency - Yearly Default Amount – Rs. 500

b. In case the investor does not specify the frequency for Top-up and amount for Topup, the application form may be processed as SIP without Top-up feature, subject to it being valid and complete in all other aspects.

4. The SIP period has to be for a minimum of seven complete months in case of half-yearly top up and thirteen complete months for yearly top up.

5. SIP instalment amount has to be a minimum of Rs. 500/- in order to avail the top-up feature under monthly SIP. Otherwise, the transaction would be processed as a SIP without Top-up feature subject to it being valid and complete in all other aspects.

6. The Top-up option must be specified by the investors while enrolling for the SIP facility. The top-up feature can be availed only at the time of registration or renewal of SIP.
7. The Top-up feature shall be available for SIP Investments only through eCS (Debit Clearing) / Direct Debit Facility/Standing Instruction.
8. The top-up feature shall not be available in the following cases: (i) SIP registration under perpetual mode. (ii) SIP registrations which are received through Channel Partners, exchanges and ISIPs. (iii) Registrations under COMBO SIP facility.
9. The Top-up details cannot be modified once enrolled. In order to make any changes, the investor must cancel the existing SIP and enroll for a fresh SIP with the revision in Top-up details.  
For further details please refer the Key Information Memorandum cum Applicatio Form.

#### **6. SIP Pause Facility**

The existing investor who has an ongoing SIP will have an option to pause the SIP with effect from 23rd April 2020. The investor will have to submit the signed SIP Pause facility form duly complete in all respects to avail this facility. The terms and conditions for availing the 'SIP Pause Facility' shall be as follows:

1. The SIP Pause Facility is available for SIP registration with monthly frequency only.
2. The request for SIP Pause should be submitted at least 21 days prior to the subsequent SIP date.
3. The request for SIP Pause can be for minimum 1 instalment and maximum 6 instalments
4. Investor can opt for the SIP Pause facility only once during the tenure of particular SIP.
5. The SIP shall continue from the subsequent instalment after the completion of Pause period automatically.

#### **Micro SIP:**

Pursuant to SEBI's communication to AMFI vide its letter dated June 19, 2009; AMFI has issued guidelines for uniform implementation of the said SEBI letter. In accordance to the same, Systematic Investment Plans (SIP) up to Rs.50,000/- per year per investor ('Micro SIP') shall be exempt from requirement of PAN.

This exemption will be applicable ONLY to investments by individuals (including NRIs but not PIOs), Minors and Sole proprietary firms. HUFs and other categories will not be eligible for Micro SIPs. Details on Micro SIP are available in Statement of Additional Information.

However, effective January 1, 2012, new Investors registering for Micro SIP have to mandatorily submit KYC acknowledgement letter.

**Systematic Investment Plan (SIP) for Corporate Employees.**

With a view to encourage employees of Corporate to invest their savings into the various Schemes of our Mutual Fund through payroll deductions, Sundaram Mutual Fund provides a investment facility to the employees of Corporate under the Employee Savings Plan (ESP).

This feature will be guided by the terms and conditions as laid down below:

1. Under this feature the employees can submit application vide the normal application and/or ESP Forms. The employee is required to fill the details in the normal application/ ESP form providing the details of amount and duration of such SIP installments and the details of such investment should also be provided to the Human Resources

Department of such Corporate (HRD).

2. The employees should instruct the HRD to deduct the amount of Investment every month / quarter from their salary for such period as indicated by him / her. Such periodicity shall be monthly or quarterly.
3. The minimum amount and periodicity, to be contributed to open an account under this option is as per the minimum scheme requirements as prescribed under Systematic Investment Plan/additional subscription of the Scheme.
4. The periodic employee contribution should at least be equal to the minimum application amount of SIP. The employee has an option to select either 1st or 5th of every month for such investment.
5. The employee can seek redemption independently.
6. The applicable NAV for application received under such plan, will be as per the date and time (refer to section on cut off timing) on which the request / payment instrument and sheet detailing the list of Investment of such employees, is received from HRD of such Employees at the Official Points of Acceptance of AMC .

#### Prosperity SIP

**1. Prosperity SIP Facility:** Under this facility, an investor can register for a SIP (Systematic Investment Plan) cum SWP (Systematic Withdrawal Plan) for a specified duration. Post the completion of the SIP tenure, the accumulated cleared units will be switched out to the chosen target scheme (or remain in the same scheme). The SWP will be activated upon processing the switch in transaction.

**2. Eligible Investors:** The facility will be available for all investors except minors.

**3. Eligible Schemes where SIP and SWP are available under the facility:** The facility will be allowed only under the **Growth Option** of the open ended/hybrid schemes listed below.

Sundaram Mid Cap Fund	Sundaram Business Cycle Fund
Sundaram Services Fund	Sundaram Financial Services Oppor
Sundaram Large Cap Fund	Sundaram Infrastructure Advantag
Sundaram Flexi Cap Fund	Sundaram Consumption Fund
Sundaram Large and Mid Cap Fund	Sundaram Balanced Advantage Fur
Sundaram Focused Fund	Sundaram Multi Asset Allocation Fu
Sundaram Multi Cap Fund	Sundaram Aggressive Hybrid Fund
Sundaram Small Cap Fund	Sundaram Equity Savings Fund
Sundaram Dividend Yield Fund	

\*The AMC reserves the right to modify the list of eligible schemes from time to time. The Target Scheme is the Scheme in which the Lumpsum switch and Monthly SWP Scheme shall be registered in.

The SWP scheme can be different from the Source scheme to process a Switch and the

SWP. If the Target SWP scheme is not mentioned in the application, no switch will be processed and SWP will start from the scheme selected for SIP.

4. **Registration:** SIP can be registered in the eligible schemes for a fixed period of either 7, 10, 12, 15, 20, 25 or 30 years. The minimum tenure is 7 years, and the **default tenure shall be 20 years when no tenure is selected.** Prosperity SIP can be registered in a separate/new folio or an existing folio. Standalone Existing SIP registrations cannot be converted into Prosperity SIP registrations.

The facility shall be registered only for **MONTHLY** frequency under the eligible Schemes.

5. **SIP Installment Amount:** The minimum SIP installment amount under Prosperity SIP shall be Rs.2000 and in multiples of Re.1 thereafter.

6. Prosperity SIP will be available on Physical, digital assets (Website and Mobile app) of Sundaram AMC &, Exchange Platforms of BSE and NSE under non-demat mode.

7. **Additional Purchases:** Additional purchase/ switch-in will be allowed under Source scheme. All clear units will be switched to the target scheme on completion of Prosperity SIP tenure.

8. **SWP:** Post the Switch, SWP starts on the same date opted for SIP for a pre-determined amount mentioned by the investor in the form. In case the investor does not fill in any SWP amount, the default SWP amount will be derived as per the table below.

**Default SWP amounts**

Registered SIP Tenure	Default monthly SWP installment
7 years	1.0x of the monthly SIP Installment
10 years	1.5x of the monthly SIP Installment
12 years	2.0x of the monthly SIP Installment
15 years	3.0x of the monthly SIP Installment
20 years	5.0x of the monthly SIP Installment
25 years	8.0x of the monthly SIP Installment
30 years	12.0x of the monthly SIP Installment

SWP under this facility shall be processed up to 31 Dec 2099 or till units (acquired under this facility or otherwise) are available in the SWP Scheme, whichever is earlier.

**9. How the facility works:**

- On completion of the SIP tenure, the entire accumulated units in the Prosperity SIP facility of the respective scheme will be available for SWP.
- On completion of 15 days from the date of last SIP installment in Source Scheme, the entire amount representing accumulated clear units will be Switched into the investor's chosen Target scheme.
- The Switch will not happen if the target scheme is the same as the source scheme

10. **Commencement of SWPs:** Post completion of SIP tenure in the source scheme, entire units allotted by way of SIP will be switched to the target scheme (if different from the

source scheme) with the applicable load if any on the 15<sup>th</sup> day from the last SIP instalment date. SWP will start from the target scheme or the same scheme as the SIP if no target scheme has been chosen from the following month on the same day as SIP instalment date.

**11. Exit Load:** Exit load shall be applicable as follows:

Exit load will be applicable on the switch from Source scheme to target scheme in line with the respective scheme features. For subsequent SWP/redemptions/Switch-outs from the target scheme, exit load will be calculated from the date of unit allotment/Switch In date.

Load amounts are variable and are subject to change from time to time. Investors are requested to ascertain the applicable exit load structure prior to investing

**12. Cessation of registration:** The registration under the facility including Switch and SWP will be discontinued-

- If three (3) consecutive SIP installments are not honored or the Bank Account [for OTM / Direct Debit / Standing Instruction] is closed.
- On cancellation of SIP before the end of tenure.
- In the case of transmission reported in folio during the tenure period of SIP.

**Redemptions/Switch Out in Source scheme:** Redemption /Switch outs can be processed in the Source Scheme during the Prosperity SIP's tenure. Units that are redeemed/switched out from the source scheme will be on First in First out (FIFO) basis.

However, if the units in the folio are impacted by way of outflow i.e. redeemed/switched-out, the corresponding Switch and SWP will be discontinued. The SIP alone will continue like a normal SIP until the completion of the SIP tenure.

**Redemptions/Switch Out in Target scheme:** Redemption/Switch-out in the target scheme under this facility will be allowed during the SWP period and SWP triggers will continue unaffected till the units are available in the target scheme.

All other terms and conditions applicable to Systematic Investment Plan and Systematic Withdrawal Plan (SWP) facilities shall apply mutatis mutandis to this facility. The AMC/Trustee reserves the right to change / modify the terms and conditions of the facility or withdraw from the facility.

**Enabling of SIP Top up Facility in BSE and NSE platforms.**

Investors are requested to note that SIP Top up facility will be available in Exchange platform of BSE/NSE under Non-Demat Mode.

### **3. Systematic Withdrawal Plan**

After expiry of lock-in period, a unitholder may avail of the Systematic Withdrawal Plan and receive regular payments from the account. The unitholder has an option to select 1st, 11th or 21st day of the month on which the Regular Withdrawal is to be made.

The unitholder may set up a Systematic Withdrawal Plan on a monthly, quarterly or semi-annual or annual basis as follows:

- Redeem a fixed amount

Once the unitholder sets up a Regular Withdrawal Facility the plan would continue until:

- The unitholder instructs the Fund to stop periodic withdrawal in writing; or
- The unitholder's account balance is zero
- On expiry of the time/period specified by the unitholder

The amount thus withdrawn shall be converted into the respective scheme units at the applicable NAV, subject to an exit load, if any (on which date the payment/switch is scheduled), and such units will be subtracted from the unit balance of that unitholder. The minimum balance amount needed for the Regular Withdrawal Plan may be altered from time to time at the discretion of the AMC.

Unitholders may change the amount of Systematic withdrawal/switch but not below the specified minimum amount of repurchase for a particular Scheme by giving 30 days written notice to the Registrars/AMC. The various triggers for activating a Regular withdrawal and/or switch facility can also be used for activating a normal repurchase and/or switch facility.

#### **4. Systematic Transfer/Switch Plan**

After expiry of lock-in period, the unitholder may set up a Systematic Switching Plan on a daily, weekly, monthly, quarterly, semi-annual or annual basis to transfer a fixed number of units and /or amount in one scheme to another scheme or one plan/option to another.

Once the unitholder sets up a Systematic Switching Plan the plan would continue until:

- the unitholder instructs the Fund to stop periodic switching in writing; or
- the unitholders account balance is zero.

The unitholder has an option to select 1st, 11th or 21st day of the month on which the Systematic Switch is to be made.

If the selected date is not a business day, the switch will take place on the next business day.

In case of daily and weekly frequency, STP will take place as under:

- (i) Daily – Each Business Day
- (ii) Weekly – Every Wednesday \*

\* Next Business Day if Wednesday is a non-business day

All switches are subject to the minimum investment and eligibility requirements of the switch in scheme

The amount subject to an exit load, if any, thus switched shall be converted into the respective scheme units at the applicable NAV, (on which date the payment/switch is scheduled), and such units will be subtracted from the unit balance of that unitholder. The minimum balance amount needed for the Systematic Switch Plan may be altered from time to time at the discretion of the AMC.

Unitholders may change the amount of Regular withdrawal/switch but not below the specified minimum amount of repurchase for a particular Scheme by giving 30 days written notice to the Registrars/AMC. The various triggers for activating a Regular withdrawal and/or switch facility can also be used for activating a normal repurchase and/or switch facility. (Available after expiry of the lock-in period.)

#### **6. TRANSACTIONS THROUGH STOCK EXCHANGE MECHANISM**

The scheme [except Direct Plan and Sweep facility under IDCW Option of Regular Plan]

have been admitted on the order routing platform of NSE and BSE, enabling investors to submit applications for subscription and redemption there under.

**The salient features of this facility are as follows:**

1. Purchase/redemption of units will be available to both existing and new investors. Currently switching of units, Systematic Investment Plan, Systematic Transfer Plan, Systematic Withdrawal Plan will not be permitted through this facility. However, transactions through Systematic Investment Plan is available only through the BSE StAR MF Platform
2. The list of eligible scheme is subject to change from time to time.
3. In order to facilitate transactions through stock exchange infrastructure, NSE & BSE has introduced Mutual Fund Service System (MFSS) and BSE StAR MF Platform respectively. All trading members of NSE & BSE registered as Participants with NSE & BSE [Eligible Brokers] and/or registered Clearing Members of National Securities Clearing Corporation Limited (NSCCL) and Indian Clearing Corporation Limited (ICCL) [Clearing Members] who are registered with AMFI as mutual fund advisors and who are empanelled with Sundaram Asset Management Pvt. Ltd (AMC) will be eligible to offer this facility to the investors. Further, Depository Participant(s) of Depositories are eligible for processing redemption transactions. Condition stipulated in SEBI Circular No. SEBI/IMD/CIR NO.11/183204/2009 dated November 13, 2009 for stock brokers viz. AMFI/NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund, shall be applicable for such clearing members and Depository participants as well.

Eligible investors who are willing to transact under this facility are required to register themselves with Eligible Broker/Clearing Members/Depository Participants.

4. The units of eligible schemes are not listed on NSE & BSE and the same cannot be traded on stock exchange like shares. The window for purchase/ redemption of units on NSE/BSE will be available between 9.00 a.m. to 3.00 p.m. or such other timings as may be decided.
5. All Eligible Brokers/Clearing Members/Depository Participants will be considered as the Official Point of Acceptance for the transactions done under this facility.
6. Investors have an option to hold units in physical form or in dematerialized form.
7. International Security Identification Number (ISIN) in respect of plans/options of the eligible schemes have been created and admitted in National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).
8. Investors will be able to purchase/redeem units in the eligible schemes in the following manner:

**I. Physical Form:**

- (a) Investors desirous of transacting (subscription/redemption) through NSE/BSE should approach an Eligible Broker along with duly filled in application form and other documents (including KYC and PAN) as may be required. The payment for subscription should be made to the eligible broker/clearing member.
- (b) Dispatch of accounts statements and payment of redemption proceeds will be made by the Mutual Fund / registrar directly to the investor. Based on the information

provided by the investor the redemption payout shall be to the investor's bank account registered with the Mutual Fund.

- (c) In case of a subscription transaction, the allotment of units will be on 'Provisional' basis till the time AMC/ KFin Technologies Limited. (Registrar) has received all the required documents from the eligible brokers/clearing members. Any application for redemption of units so allotted on provisional basis will be rejected.
- (d) In case investor desires to convert the existing physical units into dematerialize form, the request for the same will have to be submitted to the Depository Participant.

## II. Dematerialized Form:

- (i) Eligible investors having a beneficiary account with a Depository Participant may avail the facility to subscribe units in dematerialize form.
- (ii) Eligible investor desirous in transacting (Subscription / redemption) through NSE/BSE should place an order with Eligible Broker/Clearing Member/Depository Participant:-

**(a) In case of subscription,** the payment of subscription money should be made to the Eligible Broker / Clearing Member. Investors shall receive units through Eligible Broker / Clearing Member's pool account. Sundaram Mutual Fund (SMF) / Sundaram Asset Management Company Limited (SAMC) would credit the units to Eligible Broker / Clearing Member's pool account and the Eligible Broker/Clearing member in turn to the respective investor.

**(b) In case of redemption,** investors shall receive redemption amount through Eligible Broker / Clearing Member's / Depository Participant's pool account. Payment of redemption proceeds will be made by SMF / SAMC to the Eligible Broker / Clearing Member / Depository Participant and the Eligible Broker / Clearing Member/Depository Participant in turn to the respective Investor.

Payment of redemption proceeds to the Eligible Broker/Clearing Members/Depository Participant by SMF / SAMC shall discharge SMF / PAMC of its obligation of payment to individual investor. Similarly, in case of subscription, crediting units into Eligible Broker/Clearing Member pool account shall discharge SMF / SAMC of its obligation to allot units to individual investor.

## 9. Transaction through Mutual Fund distributor:

- a) Mutual fund Distributor (hereinafter referred as 'distributor') registered with Association of Mutual Funds in India (AMFI) and empaneled with the AMC, and permitted by the concerned recognized stock exchanges shall be eligible to use recognized stock exchanges' infrastructure to purchase and redeem mutual fund units on behalf of their clients, directly from SMF/ AMC.
- b) The distributor shall not handle payout and pay in of funds as well as units on behalf of investor. Pay in will be directly received by recognized clearing corporation and payout will be directly made to investor account. Similarly, units shall be credited and debited directly from the demat account of investors, where units are held in the dematerialized mode.

Non-demat transactions are also permitted through stock exchange platform, as and when they are made available by the recognized stock exchanges

10. Applications for purchase/redemption of units which are incomplete / invalid are liable to be rejected.

11. For any complaints or grievances against the Eligible Broker / Clearing Member / Depository Participant with respect to transactions done through NSE/BSE, the



investor should either contact the concerned Eligible Broker / Clearing Member/Depository Participant or Investor Grievance Cell of respective stock exchanges. In case of non-financial request/applications such as change in address, change in bank details etc. the investors should approach Investors Service Centers of Sundaram Mutual Fund if units are held in physical mode and the respective Depository Participant if the units are held in dematerialized mode.

12. Investors will have to comply with KYC norms as prescribed by NSE/BSE/CDSL/NSDL and Sundaram Mutual Fund from time to time.
13. In case of unitholders holding units in dematerialized mode, the fund will not send the account statement to the unitholders. The statement provided by the Depository Participant will be equivalent to the account statement for the purpose of adequate compliance with the regulatory requirements applicable on the Fund's part.
14. The applicability of NAV will be subject to guidelines issued by SEBI on uniform cut-off timings for applicability of NAV for Mutual Funds Scheme(s)/plan(s). The date of acceptance will be reckoned as per the date & time, The transaction is entered in Stock exchanges infrastructure for which a system generated confirmation slip will be issued to the investor.
15. This facility shall be subject to the terms and conditions specified and guidelines issued by SEBI/AMFI/NSE/BSE from time to time.
16. AMC reserves the right to change / modify or discontinue this facility at any time in future.

#### **(9) KFINKART Facility**

In addition to the existing investor service centers and other modes of investment, investors / unit holders of Sundaram Mutual Fund ('the Fund') will now be allowed to transact in schemes of the Fund through [www.mfs.kfintech.com](http://www.mfs.kfintech.com) as well as mobile app, electronic platforms provided by KFIN Technologies Ltd., Registrar & Transfer Agent of the Fund ('KFin'). The facility to transact in schemes will also be available through mobile application of Karvy i.e. 'KFINKART'.

The uniform cut off time as prescribed under the SEBI (Mutual Funds) Regulations, 1996 and as mentioned in Scheme Information Documents ('SIDs')/ Key Information Memorandums ('KIMs') of respective schemes of the Fund will be applicable for transactions received through KFin's electronic platforms and the time of receipt transaction recorded on the server of KFin will be reckoned as the time of receipt of transaction for the purpose of determining applicability of NAV, subject to credit of funds to bank account of scheme(s), wherever applicable.

The facility to transact in eligible schemes of Sundaram Mutual Fund through KFin's electronic platforms is available subject to such operating guidelines, terms and conditions as may be prescribed from time to time by Sundaram Asset Management Company Ltd Sundaram Trustee Company Ltd, KFIN Technologies Ltd and other applicable laws for the time being in force.

For operating guidelines, terms and conditions, registration form and further details, investors/ unit holders are requested to visit [www.mfs.kfintech.com](http://www.mfs.kfintech.com)

Account statement	<p><b>Consolidated Account Statement:</b></p> <p>(1) A consolidated account statement (CAS)^ for each calendar month to the Unit holder(s) in whose folio(s) transaction**(s) has/have taken place during the month shall be sent on or before 15th of the succeeding month by mail/e-mail.</p> <p>^Consolidated Account Statement (CAS) shall contain details relating to all the transactions** carried out by the investor across all schemes of all mutual funds during the month and holding at the end of the month including transaction charges paid to the distributor, if any.</p> <p>**The word 'transaction' shall include purchase, redemption, switch, IDCW payout, IDCW reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan and bonus transactions.</p> <p>(2) In case of a specific request received from the Unit holders, the AMC/Mutual Fund will provide the account statement to the investors within 5 Business Days from the receipt of such request.</p> <p>(3) In case the mutual fund folio has more than one registered holder, the first named Unit holder shall receive the CAS/account statement.</p> <p>(4) For the purpose of sending CAS, common investors across mutual funds shall be identified by their Permanent Account Number (PAN).</p> <p>(5) The CAS shall not be received by the Unit holders for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN.</p> <p>(6) Further, the CAS detailing holding across all schemes of all mutual funds at the end of every six months (i.e. September/ March), shall be sent by mail/e-mail on or before 21st day of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period. The half yearly CAS will be sent by e-mail to the Unit holders whose e-mail address is available, unless a specific request is made to receive in physical. Such Consolidated Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement.</p> <p>(7) The statement of holding of the beneficiary account holder for units held in DEMAT will be sent by the respective DPs periodically.</p> <p>(8) Pursuant to SEBI circular CIR/MRD/DP/31/2014 dated November 12, 2014, investors having Mutual Fund investments and holding securities in Demat account shall receive a single Consolidated Account Statement (CAS) from the Depository. Consolidation of account statement shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding. The CAS shall be generated on a monthly basis. If there is any transaction in any of the Demat accounts of the investor or in any of his mutual fund folios, depositories shall send the CAS within ten days from the</p>
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	<p>month end. In case, there is no transaction in any of the mutual fund folios and demat accounts then CAS with holding details shall be sent to the investor on half yearly basis.</p> <p>(9) Pursuant to SEBI circular SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20, 2016, the following points have been incorporated to increase the transparency of information to the investors.</p> <ul style="list-style-type: none"> <li>• Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme.</li> <li>• Further, CAS issued for the half-year (ended September/ March) shall also provide: <ul style="list-style-type: none"> <li>• The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as GST (wherever applicable, as per existing rates), operating expenses, etc.</li> <li>• The scheme's average Total Expense Ratio (in percentage terms) along with the break up between investment and advisory fees, commission paid to the distributor and other expenses for the half-year period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.</li> </ul> </li> </ul> <p>C. Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.</p> <p>(10) 10 As per SEBI Circular no. SEBI/HO/IMD/DF3/CIR/P/2020/194 dated October 05, 2020 on IDCW option/plans in mutual fund schemes, whenever distributable surplus is distributed under IDCW Plan, the AMCs are required to clearly segregate and disclose, income distribution (appreciation in NAV) and capital distribution (Equalisation Reserve) in the Consolidated Account Statement provided to the investors. The above provisions is effective from 1 April 2021</p> <p>Any circular/clarification issued by SEBI in this regard will automatically become applicable and shall be incorporated in the SID/SAI/KIM wherever applicable.</p>
<b>IDCW</b>	<p>The IDCW warrant/cheque shall be dispatched to the unit holders within 7 days of the date of declaration of the IDCW. The Investment Manager shall be liable to pay interest to the unit holders at such rate as may be specified by SEBI for the period of such delay. The prescribed rate at present is 15% per annum. In case of delay, the AMC shall be liable to pay interest @ 15 per cent per annum to the unit holders. It may be noted that the Mutual Fund is not guaranteeing or assuring any IDCW. IDCW payment may also be done by Direct Credit subject to availability of necessary facility at each location. For further details please refer to the Application Form.</p>

**Policy on distribution of income to unitholders of IDCW options.**

Further this table is not covering the recent circular on delegation of powers to CEO/committee etc. for frequencies upto monthly.

Income may be declared by the Trustee at its discretion subject to the availability of distributable surplus as calculated in accordance with the Regulations. There is no assurance/guarantee with respect to the quantum or the frequency or the certainty of income (Dividend) distribution. The decision on whether to declare a Dividend or not will depend on the performance of the scheme and availability of distributable surplus. The rate of such income distribution may also vary from time to time. The decision of the Trustee will be final in this regard. It will be declared on the face value of Rs 10 per unit.

Unit holders opting for the IDCW Option only will be eligible to receive the income distributed.

All unit holders whose names appear in the Register of the Scheme in the IDCW Option category as on the Record Date will be entitled to the distribution. The payment will be subject to the statutory levy, if any, payable by the Mutual Fund as per the Income Tax Act or other laws in force.

Effect of distribution of income: In the IDCW option, after the record date for distribution of income, the NAV per unit will decline to the extent of the pay out and statutory levy, if any. the income so distributed shall be will be paid within 7 days from date of declaration.

Post declaration of income distributed the NAV of the units under the in IDCW option will stand reduced by the amount of Income Distribution declared and applicable statutory levy.

In case of delay, the Investment Manager will be liable to pay interest to the unit holders at such rate as may be specified by SEBI for the period of such delay. The prescribed rate at present is 15% per annum. However if Bank Details are not properly provided by the Investor, the provision regarding payment of interest for delay will not apply.

**Quantum of IDCW:**

For declaration of IDCW upto monthly frequency, as may be determined/approved by the CEO of AMC, subject to availability of distributable surplus on the record date. The policy for determining the quantum of IDCW is as detailed below:

IDCW of other frequencies will be approved by Trustees and notified separately through notice to the public communicating the decision including the record date. The record date shall be 5 calendar days from the date of publication in at least one English newspaper or in a newspaper published in the language of the region, whichever is issued earlier”.

Parameters for Deciding the quantum of the IDCW will as follows:

**Frequency Quantum Record date**

Daily Base NAV will be fixed. Available surplus over and above the base NAV will be distributed. In case of Liquid & Overnight Fund - All Business days and incase of series of holidays IDCW will be declared on the calendar day before the next business day.

**In case of Other schemes – On Business days**

Weekly Base NAV will be fixed. Available surplus over and above the base NAV will be distributed. Every Friday

Fortnightly Base NAV will be fixed. Available surplus over and above the base NAV will be distributed. 2nd and Last Friday of the Month

Monthly Base NAV will be fixed. Available surplus over and above the base NAV will be distributed. 17th of every month

Whenever any new option is introduced upto Monthly frequency, the BASE NAV shall be fixed based on the approval of CEO of AMC. Also, any change in BASE NAV needs to be approved by the CEO of the AMC.

If the record date falls on a non-business day, then the previous business day to the record date will be considered for declaration of IDCW. For example, in case of Friday is a holiday, the record date will be considered as Thursday.

**Effect of income distribution:** In the IDCW option, after the record date for

	<p>distribution of income, the NAV per unit will decline to the extent of the pay out and statutory levy, if any. The income so distributed shall be paid within 7 days from the record date.</p> <p>Post declaration of income distributed the NAV of the Units under the in IDCW option will stand reduced by the amount of Income Distribution declared and applicable statutory levy.</p> <p>In case of delay, the Investment Manager will be liable to pay interest to the unit holders at such rate as may be specified by SEBI for the period of such delay. The prescribed rate at present is 15% per annum. However if Bank Details are not properly provided by the Investor, the provision regarding payment of interest for delay will not apply.</p>
<b>Redemption</b>	<p><b>Repurchase/Redemption Procedure:</b></p> <p>The units of the Scheme can be repurchased (sold back to the Fund) on any business day. The repurchase request can be made on Application Form/Common Transaction form or by using the relevant tear off section of the Transaction Slip that may be enclosed with the Account Statement, which should be submitted at any of the Official Point of Acceptance. Where the date of redemption is a non-business day, the deemed date for such redemption will be the next business day.</p> <p>In case the units are standing in the names of more than one unit holder, where mode of holding is specified as “jointly”, repurchase requests will have to be signed by all the joint holders. However, in cases of holding specified as ‘either/anyone or survivor’, any one of the joint holders (in case of either/anyone or survivor) will have the power to make repurchase request. However, in all cases, the repurchase proceeds will be paid to the first named holder only.</p> <p>In case a unit holder has subscribed to units on more than one Business Day, the units subscribed to prior in time (that is those units which have been held for the longest period of time), will be deemed to have been repurchased first, that is on a First -In -First-Out basis. However, a unit holder may request the Fund to repurchase units subscribed by him/her at different dates, by indicating the specific date of subscription of the units, which is offered for repurchase.</p> <p>The repurchase would be permitted to the extent of credit balance in the unitholder’s account. The repurchase request can be made by specifying the Rupee amount or by specifying the number of units to be repurchased. If a repurchase request is for both a specified Rupee amount and a specified number of units, the specified rupee amount will be considered the definitive request. If only the repurchase amount is specified by the unit holder, the AMC will divide the repurchase amount so specified by the applicable NAV based price to arrive at the number of units. The request for repurchase of units could also be in fractions, up to three decimal places.</p> <p>If the number of Units held by the Investor as per the records maintained by AMC and/or the Registrar is less than the number of Units requested to be redeemed then, all the Units held by the Unit holder in such folio / Scheme / plan for which application for Redemption is made, shall be redeemed. Provided that, where redeem ‘all’ is specified in the request, all Unit holdings in that Scheme shall be redeemed.</p> <p>The AMC reserves the right to change the minimum repurchase amount on a prospective basis subject to SEBI Regulations. Unit holders may also request for repurchase of their entire holding and close the account by indicating the same at the appropriate place in the Transaction Slip/Repurchase form</p> <p>In case if the date of redemption is a non business day, the deemed date will be the next</p>

business day

#### Repurchase Price

The repurchase price will be calculated using the following formula: Repurchase Price = Applicable NAV\*(1 – Exit Load, if any).

Example for calculation of Repurchase Price

If the Applicable NAV is Rs. 11.25 and a 1.00% exit load is charged the repurchase price will be calculated

as follows:

Repurchase Price = Rs.11.25 x (1-1.00% of Rs.11.25)

= Rs. 11.25 – Rs. 0.1125

= Rs.11.1375 per unit

The repurchase price shall not be lower than 93% of the NAV.

The AMC reserves the right to modify the exit load. However, any such change in the load structure shall be only on a prospective basis. The unit holder is requested to confirm the applicable exit load at the time of investment from the AMC/OPT.

#### Payment of Repurchase Proceeds

The time limit set for dispatch of repurchase proceeds will be from the Business Day when the request is accepted at the Official Point of Acceptance. As per the SEBI Regulations, the Fund shall mail the repurchase proceeds within ten Business Days from the date of acceptance of valid request at any of the Official Point of Acceptance, in case of a repurchase request being sent by post.

In the event of failure to dispatch the repurchase or repurchase proceeds within the statutory period specified above as per the SEBI Regulations, the AMC shall be liable to pay interest to the unit holders at such rate (currently 15% per annum) as may be specified by SEBI for the period of such delay.

The payment of redemption proceeds and/or Income Distribution amount may also be released through NEFT / RTGS facility in addition to other options available for releasing the payment.

#### Unit holder's Bank Account Details

Unit holders are on a mandatory basis are required to mention their bank account details in their applications/ requests for redemption. Redemption Cheques and/or any other instruments will then be made out in favour of the "Investor Name, Bank Name, Account Number, << >>" for crediting the respective unit holder's account so specified.

In case of those investors who have not provided their bank account details at the time of investment or thereafter, the redemption applications are liable to be rejected. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and delay/loss in transit.

Further, in accordance with AMFI communication no. 135/BP/26/11-12 dated March 21, 2012, following process vis-à-vis change in bank mandate is being followed effective May 1, 2012 (effective date) -

#### I. Change in Bank Mandate

1. Updation of Bank Account in Customer's Folio shall be either through "Multiple Bank Account Registration Form" or a standalone separate "Change of Bank Mandate Form";
2. In case of standalone change of bank details, documents as entailed below should be

- submitted as a proof of new bank account details. Based on SAMC's internal risk assessment, SAMC may also consider collecting proof of old bank account and proof of identity of the clients, while effecting the change of bank account;
3. Customers are advised to register multiple bank accounts and choose any of such registered bank accounts for receipt of redemption proceeds;
  4. Any unregistered bank account or new bank account forming part of redemption request shall not be entertained or processed;
  5. Such Investors, who have not already provided bank mandate at the time of making investment, are required to submit proof of new bank account details as entailed here below. Such Investors are also required to submit valid Proof of Identity as prescribed under KYC guidelines along with Proof of Investment; and
  6. Any change of Bank Mandate request received/processed few days prior to submission of a redemption request or on the same day as a standalone change request, SAMC will continue to follow cooling period of 10 calendar days for validation of the same.

Investors are required to submit any one of the following documents in Original or produce originals for verification or copy attested by the Bank –

#### **New Bank Account Registration**

- Cancelled original cheque of new bank mandate with first unitholder name and bank account number printed on the face of the cheque; OR
- Self - attested copy of bank statement; OR
- Bank Passbook with current entries not older than 3 months; OR
- Letter from the bank on its letterhead confirming the bank account holder with the account details, duly signed by the Branch Manager/authorised personnel.

AND Proof of Identity as prescribed under KYC guidelines along with Proof of Investment - only for such investors who have not registered their bank mandate at the time of making investment.

#### **Change in Existing Bank Mandate**

- Cancelled original cheque with first unitholder name and bank account number printed on the face of the cheque; OR
- Original bank account statement or pass book; OR
- Original letter issued by the Bank on the letterhead confirming the bank account holder with the account details, duly signed by the Branch Manager; OR
- In case such Bank account is already closed, a duly signed and stamped original letter from such bank on the letter head of bank, confirming the closure of said account.

#### **Updation of email address and mobile number:**

Primary holder's (i.e. First holder's) own email address and mobile number should be provided for speed and ease of communication in a convenient and cost effective manner, and to help prevent fraudulent transactions.

#### **Updation of Permanent Account Number (PAN) and KYC requirements for transactions in schemes of Sundaram Mutual Fund (Fund)**

Investors are requested to note that it is mandatory to update Permanent Account Number (PAN) in all non-PAN-exemptfolios/ accounts of the schemes of Mutual Fund. PAN is required to be updated with respect to all unitholders in the folio. Where the unitholder is a minor, Guardian PAN will have to be updated. Investors are requested to note that effective October 01, 2019, redemption transactions received in any folio where PAN of all

	<p>unitholders has not been provided, shall be rejected in case self-attested copy of the PAN card is not submitted alongwith the transaction.</p> <p>It is mandatory to complete the KYC requirements for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor. Accordingly, financial transactions (including redemptions, switches and all types of systematic plans) and non-financial requests will not be processed if the unit holders have not provided PAN and/ or not completed KYC requirements.</p> <p>AMC reserves the right to keep the transaction on hold till the time PAN is validated by the AMC or the Registrar and Transfer Agent. Investors can submit the request for PAN update in the folio through a simple request letter, quoting the folio number, in the 'Change in Account Information Form' available on <a href="https://www.sundarammutal.com/all-downloads/forms">https://www.sundarammutal.com/all-downloads/forms</a>.</p> <p>Unit holders are advised to use the applicable KYC Form for completing the KYC requirements and submit the form at the point of acceptance. Further, upon updation of PAN details with the KRA (KRA-KYC)/ CERSAI (CKYC), the unit holders are requested to intimate us/our Registrar and Transfer Agent their PAN information along with the folio details for updation in our records</p> <p><b>Closure of Unit holder's Account</b></p> <p>Unit holders may note that the AMC at its sole discretion may close a unit holder's account after giving notice of 45 days, if at the time of any part repurchase, the value of units (represented by the units in the unit holder's account if such repurchase were to take place, valued at the applicable NAV related price), falls below the minimum investment/balance required for each scheme (or such other amount as the AMC may decide from time to time) or where the units are held by a unit holder in breach of any Regulation.</p>
<b>Delay in payment of repurchase / redemption proceeds</b>	The Investment Manager shall be liable to pay interest to the unit holders at such rate as may be specified by SEBI for the period of such delay. The prescribed rate at present is 15% per annum.
<b>Policy on unclaimed redemption and IDCW amounts</b>	The treatment of unclaimed redemption & Income distribution amount will be as per SEBI circular dated Feb 25, 2016. The unclaimed redemption and Income distribution amounts, that were earlier allowed to be deployed only in call money market or money market instruments. Alternatively, it is also be allowed to be invested in a separate plan of Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. In this regard, Board of AMC and Trustee of Sundaram Mutual Fund have approved the introduction of unclaimed Amount Plan for the investor to ascertain any unclaimed Income distribution or redemption proceeds shall be deployed in Sundaram Money Fund unclaimed plan on behalf of the investor under his/her applicable folios and the same has been provided under following link <a href="https://mfs.kfintech.com/mfs/sundaram_unclaimed.aspx">https://mfs.kfintech.com/mfs/sundaram_unclaimed.aspx</a> The Investment Manager shall make a continuous effort to remind the investors through letters to take their unclaimed amounts. The overall TER for unclaimed plan including AMC Fee is restricted to 50 bps. please check the circulars and addendum issued for introduction of unclaimed plan.
<b>Bank account details</b>	As per the directives issued by SEBI, it shall be mandatory for the Unitholders to mention their bank account numbers in their applications. Unitholders are requested to give the full particulars of their Bank Account i.e. nature and number of account, name, Nine digit MICR code No. (For Electronic Credit Facility), IFSC code for NEFT a 11 digit number, branch address of the bank at the appropriate space in the application form. Proceeds of any redemption will be sent only to a bank account that is registered and validated in the Investor's folio at the time of redemption transaction processing. With a view to monitor, as part of Standard KYC Norms, that third party payment



	<p>Instruments are not be accepted for subscription, the Mutual Funds will be providing a facility for investors to do a one-time registration of all their bank accounts (subject to a maximum of 5 accounts) where they are one of the holders and from where they expect to make a payment for mutual fund subscription. For further details please refer to the instructions in the Application Forms/SAI and the Website of the Mutual Fund.</p>
<b>Registration of Bank Account</b>	<p>The Unitholders may choose to receive the redemption/dividend is suffice proceeds in any of the bank accounts, the details of which are registered with the AMC by specifying the necessary details in the "Bank Accounts Registration form" which will be available at our office/Sundaram BNP Paribas Fund Services Ltd and on the website of <a href="http://www.sundarammutual.com">www.sundarammutual.com</a>. Individuals, HUFs, Sole proprietor firms can register up to five bank accounts and other type of investors can register up to ten bank accounts in a folio. The unitholder can choose anyone of the registered bank accounts as default bank account. In case the investor fails to mention any preference, then by default the first number indicated in the list shall be the preferred account number.</p> <p>If unit holder(s) provide a new unregistered bank mandate/ a change of bank mandate request with a specific redemption proceeds such bank account may not be considered for payment of redemption proceeds, or the Fund may withheld the payment for up to 10 calendar days to ensure validation of new bank mandate mentioned. Duly filled and valid change of bank mandate requests with supporting documents will be processed within ten business days of necessary documents reaching the head office of the RTA and any financial transaction request received in the interim will be carried based on previous details only.</p> <p>For more details please refer our websites <a href="http://www.sundarammutual.com">www.sundarammutual.com</a>. For any queries and clarifications that you may have, please get in touch with us at our office or call our toll free number 1860 425 7237.</p>
<b>Non Acceptance of Third Party Instruments</b>	<p>Applications accompanied by a Third Party Instrument will be rejected. Applications accompanied by pre-funded instruments (such as demand drafts, pay order etc.) will also be rejected unless accompanied by a banker's certificate evidencing the source of the funds. In case such pre-funded instruments are purchases through cash for value of Rs 50,000/- and above the same shall also be rejected irrespective of being supported with banker's certificate.</p> <p>Following are the exceptional situations when Third-Party Payments can be made with relevant declaration and KYC/PAN of such Third Party:</p> <p>(i) Payment made by an employer on behalf of its employee(s) under Systematic Investment Plans through payroll deductions;</p> <p>(ii) Custodian on behalf of an FII or a client.</p> <p>The above list is not a complete list and is only indicative in nature and not exhaustive. Any other method of payment, as introduced by the Fund will also be covered under these provisions. The AMC may also request for additional documentation as may be required in this regard from the investor/person making the payment. when payment is made through pre-funded instruments (such as Pay Order, Demand Draft, Banker's cheque, etc.), a certificate from the issuing banker must accompany the application stating the account holder's name and the account number which has been debited for the issue of the instrument. If payment is made by RTGS, NEFT, ECS, bank transfer, etc., a copy of the instruction to the bank stating the account number debited must accompany the application. The AMC may, at its discretion, reject any application which is incomplete or not accompanied with valid documents.</p>
<b>Plans / Options offered</b>	<p>The Scheme has two Plans i.e. Regular Plan &amp; Direct Plan. Both the Plans, offer two Options viz. Half Yearly IDCW and Growth Option. Both (Regular and Direct Plan) will share a common portfolio.</p> <p><b>Regular Plan:</b> Investors opting to invest through a Distributor shall be allotted units under the Regular</p>

Plan. Kindly ensure that a Distributor code is provided in the relevant space on the application form. In the absence of the Distributor Code, the application will be processed under the DIRECT Plan, by default.

**Direct Plan:**

“Direct Plan” is only for investors who purchase /subscribe Units in a Scheme directly with the Fund. This plan is not available for investors who wish to purchase/subscribe units through a Distributor. All categories of investors (whether existing or new Unitholders) as permitted under the Scheme Information Document of the Scheme are eligible to subscribe under Direct Plan. Investments under Direct Plan can be made through various modes offered by the Mutual Fund for investing directly with the Mutual Fund [except through Stock Exchange Platforms for Mutual Funds and all other Platform(s) where investors’ applications for subscription of units are routed through Distributors].

Investors desirous of subscribing under Direct Plan of a Scheme will have to ensure to indicate “Direct Plan” against the Scheme name in the application form. Further, Investors should also indicate “Direct” in the ARN column of the application form.

**Dividend Option also known as Income Distribution cum capital withdrawal option (IDCW):** Under IDCW Option, Income will be declared subject to availability of distributable surplus and at the discretion of AMC/Trustee. The undistributed portion of the income will remain in the Option and be reflected in the NAV, on an ongoing basis. The Trustee decision with regard to availability and adequacy, rate, timing and frequency of distribution of Income shall be final.

Further, the IDCW Option will have the facility of - IDCW Payout and – IDCW Sweep/Transfer. Applicants should indicate the Option/Facility for which the subscription is made by indicating the choice in the appropriate box provided for this purpose in the Application Form. Applicants can allocate the investment in both the Options subject to a minimum investment amount of the Scheme.

**IDCW Payout Facility**

Under this Facility, the unit holders would receive payout of their Income Distribution.

**IDCW Sweep/Transfer Facility**

Under this facility, the unit holders may reinvest their Income distributed in any other open ended scheme of the Fund at the applicable NAV based prices, subject to the minimum investment and eligibility requirements of the scheme in which the distributed Income is being invested. The appropriate number of units shall be credited to unit holder’s account at the applicable NAV on the same date based on ex-NAV.

**Growth Option**

Under this option, the Mutual Fund will not declare any Income Distribution. The income earned by the Schemes will remain invested in the Schemes concerned and will be reflected in the NAV. This Option is suitable for investors who are not looking for current income but who have invested only with the intention of capital appreciation.

Refer table below for understanding the result for various plans selected by the investor for applications –

Scenario	Broker Code mentioned	Plan mentioned by	Default Plan to be
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	by the investor	the investor	captured
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not Mentioned	Direct Plan
6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan
8	Mentioned	Not Mentioned	Regular Plan

In cases of wrong/invalid/incomplete ARN codes mentioned on the application form, the application shall be processed under Direct plan.

The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/distributor. In case, the correct code is not received within 30 calendar days, the AMC will reprocess the transaction under Direct plan from the date of application without any exit load.

The unitholder is subsequently free to switch the units from the default Plan to any other eligible option/s, facilities in the same Scheme, at the applicable NAV.

<p><b>Know Your Customer (KYC) / CKYC</b></p>	<p>The Securities and Exchange Board of India has issued detailed guidelines on 18/01/2006 and measures for prevention Money Laundering and had notified SEBI (KYC Registration Agency) Regulations, 2011 on December 02, 2011 with a view to bring uniformity in KYC Requirements for the securities market and to develop a mechanism for centralization of the KYC records. SEBI has also issued circulars from time to time on KYC compliance and maintenance of documentation pertaining to unit holders of mutual funds. Accordingly the following procedures shall apply:</p> <ul style="list-style-type: none"> <li>• KYC acknowledgement is mandatory for all investors.</li> <li>• An application without acknowledgement of KYC compliance will be rejected</li> <li>• New Investors are required to submit a copy of Income Tax PAN card, address proof and other requisite documents along with the KYC application form to any of the intermediaries registered with SEBI, including Mutual Funds to complete KYC effective from January 01, 2012. The KYC application form is available at <a href="http://www.sundarammutual.com">www.sundarammutual.com</a></li> <li>• The Mutual Fund shall perform initial KYC of its new investors and send the application form along with the supporting documents to the KYC Registration Agency (KRA).</li> <li>• During the KYC process, the Mutual Fund will also conduct In Person Verification (IPV) in respect of its new investors effective from January 01, 2012. Sundaram Asset Management Company Limited and the NISM / AMFI certified distributors who are KYD compliant are authorized to carry out the IPV for investors in mutual funds. In case of applications received directly from the investors (i.e. not through the distributors), mutual funds may rely upon the IPV performed by the scheduled commercial banks.</li> <li>• The KRA shall send a letter to the investor within 10 business days of the receipt of the KYC documents from Mutual Fund, confirming the details thereof.</li> <li>• Investors who have obtained the acknowledgement after completing the KYC process can invest in Scheme of the Mutual funds by quoting the PAN in the application form.</li> <li>• Investors are required to complete KYC process only once to enable them to invest in Scheme of all mutual funds.</li> <li>• Existing Investors, who have already complied with the KYC requirements, can continue to invest as per the current practice.</li> </ul> <p>Pursuant to SEBI circular no. MIRSD/Cir-5/2012 dated April 13, 2012, mutual fund investors who were KYC compliant on or before December 31, 2011 are required to submit 'missing/not available' KYC information and complete the 'In Person Verification' (IPV) requirements if they wish to invest in a new mutual fund, where they have not invested / opened a folio earlier, effective from December 03, 2012: Individual investors have to complete the following missing/not available KYC information:</p> <p>a) Father's/Spouse Name,</p>
	<p>b) Marital Status,</p> <p>c) In-Person Verification (IPV).</p> <p>To update the missing information, investors have to use the "KYC Details Change Form" for Individuals Only available at <a href="http://www.sundarammutual.com">www.sundarammutual.com</a> or <a href="http://www.amfiindia.com">www.amfiindia.com</a>. Section B of the form highlights 'Mandatory fields for KYCs done before 1 January 2012' which has to be completed.</p> <p>In case of Non Individuals, KYC needs to be done afresh due to significant and major changes in KYC requirements by using "KYC Application form" available for Non-</p>

Individuals only in the websites stated above.

Additional details like Nationality, Gross Annual Income or Net worth as on recent date, Politically Exposed Person, and Non Individuals providing specific services have to be provided in Additional KYC details form available in the website of the Investment Manager.

Duly filled forms with IPV can be submitted along with a purchase application, to the new mutual fund where the investor is investing / opening a folio. Alternatively, investors may also approach their existing mutual funds at any investor service centre to update their 'missing/not available' KYC information.

Ultimate Beneficial Owner Pursuant to Prevention of Money Laundering Act, 2002 (PMLA) and Rules framed thereunder and SEBI Master circular dated December 31, 2010 on Anti Money Laundering (AML), sufficient information to identify persons who beneficially own or control the securities account is required to be obtained. Also, SEBI had vide its circular no. CIR / MIRSD / 2 /2013 dated January 24, 2013 prescribed guidelines regarding identification of Ultimate Beneficial Owner(s) ('UBO'). As per these guidelines UBO means 'Natural Person', or persons who ultimately own, control or influence a client and/or persons on whose behalf a transaction is being conducted, and includes a person who exercises ultimate effective control over a legal person or arrangement. Investors are requested to refer to the 'Declaration for UBO' available in the website of the Investment Manager for detailed guidelines on identification of UBO. The provisions relating to UBO are not applicable where the investor or the owner of the controlling interest is a company listed on a stock exchange, or is a majority owned subsidiary of such a company.

#### **Central KYC**

Central KYC Registry is a centralized repository of KYC records of customers in the financial sector with uniform KYC norms and inter-usability of the KYC records across the sector with an objective to reduce the burden of producing KYC documents and getting those verified every time when the customer creates a new relationship with a financial entity. KYC procedure means the due diligence procedure prescribed by the Regulator for identifying and verifying the proof of address, proof of identity and compliance with rules regulations, guidelines and circulars issued by the Regulators or Statutory Authorities under the Prevention of Money Laundering Act, 2002.

The Central Govt. vide notification dt. Nov, 26, 2015 has authorised Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) to act as and to perform the functions of the CKYC Registry including receiving, storing, safeguarding and retrieving the KYC records in digital form of a Client. A 14 digit CKYC identification Number (KIN) would be issued as identifier of each client.

As per PMLA (Maintenance of Records) Amendment rules, 2015, Rule 9(IA), every reporting entity shall within three days after the commencement of an account based relationship with an individual, file the electronic copy of the client's KYC records with the Central KYC Registry. Institutions need to upload the common KYC template along with the scanned copy of the certified supporting documents (Pol/PoA), cropped signature and photograph. SEBI vide its circular dated November 10, 2016 has advised all mutual funds to upload the KYC records of all existing customers into the CKYC database.

Since the records are stored digitally, it helps institutions de-duplicate data so that they don't need to do KYC of customers multiple times. It helps institutions find out if the client is KYC compliant based on Aadhaar, PAN and other identity proofs. If the KYC details are updated on this platform by one entity, all other institutions get a real

	<p>time update. Thus, the platform helps firms cut down costs substantially by avoiding multiplicity of registration and data upkeep.</p> <p>Please note that PAN is mandatory for investing in MF's (Except Micro KYC and other exempted scenarios). If CKYC is done without submission of PAN, then he/she will have to submit a duly self-certified copy of the PAN card alongwith KIN.</p> <p>First time investing Financial Sector (New investor) New to KRA-KYC: while on boarding investors who are new to the MF &amp; do not have KYC registered as per existing KRA norms, such investors should fill up CKYC form (attached). This new KYC form is in line with CKYC form guidelines and requirements and would help to capture all information needed for CKYC as well mandatory requirements for MF. Investors should submit the duly filled form along with supporting documents, particularly, self-certified copy of the PAN Card as a mandatory identity proof. If prospective investor submits old KRA KYC form, which does not have all information needed for registration with CKYC, such customer should either submit the information in the supplementary CKYC form or fill the CKYC form.</p> <p>Updation of Permanent Account Number (PAN) for processing redemption and related transactions in non-PAN exempt folios and various communication(s) sent in this regard from time to time, it is reiterated that, it is mandatory to complete the KYC requirements for all unit holders, including for all joint holders and the guardian in case of folio of a minor investor.</p> <p>Accordingly, financial transactions (including redemptions, switches and all types of systematic plans) and non-financial requests will not be processed if the unit holders have not completed KYC requirements.</p> <p>Unit holders are advised to use the applicable KYC Form for completing the KYC requirements and submit the form at the point of acceptance. Further, upon updation of PAN details with the KRA (KRA-KYC)/ CERSAI (CKYC), the unit holders are requested to intimate us/our Registrar and Transfer Agent their PAN information along with the folio details for updation in our records.</p> <p>Investors who have obtained the KIN through any other financial intermediary, shall provide the 14 digit number for validation and updating the KYC record.</p>
<p><b>Who can invest</b></p>	<p>This is an indicative list and investors are requested to consult a financial/investment/tax/legal advisor to ascertain whether the Scheme is suitable to their risk profile. Investors need to comply with KYC/PAN verification norms, as elaborated in Statement of Additional Information. The following persons, subject to subscription to units of mutual funds being permitted under respective constitution and relevant statutory regulation, are eligible and may apply for subscription to the units of the Scheme:</p> <ol style="list-style-type: none"> <li>1. Resident adult individuals either singly or jointly (not exceeding three)</li> <li>2. Minors through parents/ lawful guardians</li> <li>3. Companies/Bodies Corporate/Public Sector Undertakings registered in India</li> <li>4. Religious and Charitable Trusts under the provisions of 11(5)(xii) of Income Tax Act 1961 read with Rule 17C of Income Tax Rules, 1962.</li> <li>5. Wakf Boards or endowments and Registered societies (including registered co operative societies) and private trusts, authorised to invest in units.</li> <li>6. Partnership firm/Limited Liability Partnership</li> <li>7. Trustee of private trusts authorised to invest in mutual fund Scheme under the Trust Deed</li> <li>8. Karta of Hindu Undivided Family (HUF)</li> </ol>

9. Banks, including Co-operative Banks and Regional Rural Banks, and Financial Institutions
10. Non-Resident Indian (NRI) and Persons of India Origin on full repatriation basis subject to RBI approval, if any
11. A mutual fund subject to SEBI regulation
12. Foreign Institutional Investors (FIIs) registered with SEBI and sub-accounts of FIIs on full repatriation basis subject to RBI approval, if any
13. Army/Air Force/Navy/Para-Military Funds and other eligible institutions
14. Non-Government Provident/Pension/Gratuity and such other funds as and when permitted to invest
15. Scientific and/or industrial research organisations authorised to invest in mutual fund units
16. International Multilateral Agencies approved by the Government of India
17. Non-Government Provident/Pension/Gratuity funds as and when permitted to invest
18. A Scheme of the Sundaram Mutual Fund, subject to the conditions and limits prescribed by SEBI, Trustee, the Investment Manager and the Sponsor. The Investment Manager shall not charge any fees on such investments.
19. Other associations and institutions authorised to invest in mutual fund units.
20. Any individual, being a foreign national who meets the residency tests as laid down in Foreign Exchange Management Act, 1999 or such other act / guidelines / regulations as issued by the RBI / SEBI from time to time.
21. Qualified Foreign Investors (QFI) as may be permitted by SEBI from time to time
22. Any other category of persons who are permitted to invest in the Schemes of Mutual Fund as per the guidelines and / or directions issued by the Government of India / SEBI / RBI from time to time.
23. Foreign Portfolio Investor registered under SEBI (Foreign Portfolio Investor) Regulations, 2014

As per Notification No. LAD-NRO/GN/2014-15/01 dated May 06, 2014 on SEBI (Mutual Funds) (Amendment) Regulations, 2014 the sponsor of Sundaram Mutual Fund or Sundaram Asset Management Company Limited shall invest not less than one percent of the assets under management of each of the scheme covered in this document as on date of notification of these regulations i.e., May 06, 2014 or fifty lakh rupees, whichever is less, in the growth option of the scheme and such investment shall not be redeemed unless the scheme is wound up. Such amount shall be invested within one year from the date of notification of these regulations.

In addition, Sundaram Asset Management may invest in the Scheme depending upon its cash flows and investment opportunities. In such an event, the Investment Manager will not charge management fees on its investment for the period it is retained in the Scheme. Such investment shall not exceed 25% of the net assets of the Scheme on the date of investment.

The Trustee/Mutual Fund reserves the right to include/exclude a category of investors, subject to SEBI Regulation and other prevailing statutory regulation, if any.

- it is expressly understood that the investor has the necessary legal authority and has complied with applicable internal procedures for subscribing to the units.

The Investment Manager/Trustee will not be responsible in case any transaction made by an investor is ultra vires the relevant constitution/internal procedures.

- Non-Resident Indians, Persons of Indian Origin residing abroad and Foreign Institutional Investors (FIIs) have been granted a general permission by the Reserve Bank of India [Schedule 5 to the Foreign Exchange Management

	<p>(Transfer or Issue of Security by a Person Resident Outside India) Regulation, 2000] for investing in/redeeming units of mutual funds subject to conditions set out in the aforesaid regulation.</p> <ul style="list-style-type: none"> <li>• In the case of an application under a power of attorney or by a limited company, other corporate body, an eligible institution, a registered society, a trust fund, the original power of attorney or a certified true copy duly notarised or the relevant resolution or authority to make the application, as the case may be, or a duly notarised copy along with a certified copy of the memorandum and articles of association and/or bye-laws and/or trust deed and/or partnership deed and certificate of registration should be submitted. The officials should sign the application under their official designation. A list of duly certified/attested specimen signatures of the authorised officials should also be attached to the application. In case of a trust/fund, it shall submit a resolution from trustee(s) authorising the purchase.</li> <li>• The Investment Manager/Trustee/Registrar may need to obtain documents for verification of identity or such other details relating to a subscription for units as may be required under any applicable law, which may result in delay in processing the application. It is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per SEBI requirement. Any Application Form without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar/Investment Manager may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number.</li> <li>• Unitholder information (mandatory): In terms of SEBI circular PAN shall be the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. However in the case of investments under Micro SIP simplified alternative identification documents are allowed as per SEBI Circular. For further details please refer to Statement of Additional Information.</li> <li>• Subject to provision of PEKRN obtained investors, who may not be tax payers and may not have PAN/bank accounts, such as farmers, small traders/businessmen/workers can invest in the scheme through the mode of cash payment for fresh purchases/additional purchases upto Rs.50,000/- per investor, per mutual fund, per financial year subject to: <ul style="list-style-type: none"> <li>(i) Compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under;</li> <li>(ii) SEBI Circular(s) on Anti Money Laundering (AML) and other applicable AML rules, regulations and guidelines; and</li> <li>(iii) Sufficient systems and procedures put in place by the AMC / Mutual Fund.</li> </ul> </li> <li>• However, payment to such investors towards redemptions, Income Distribution, etc. with respect to aforementioned investments shall be paid only through banking channel. Sundaram Mutual Fund / Investment Manager is yet to set up appropriate systems and procedures for the said purpose</li> </ul>
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<b>Who cannot invest</b>	<ol style="list-style-type: none"> <li>1. Persons residing in countries which require licensing or registration of Indian Mutual Fund products before selling the same in its jurisdiction.</li> <li>2. Citizens of US/Canada</li> <li>3. Persons residing in any Financial Action Task Force (FATF) declared non-compliant country or territory.</li> <li>4. Overseas Corporate Bodies as specified by RBI in its A.P. (DIR Series) Circular No. 14 dated September 16, 2003,</li> <li>5. Such other persons as may be specified by AMC from time to time.</li> </ol>
<b>Allotment</b>	Allotment is assured to eligible applicants as long as applications are subject to realization of investment amount into the schemes and in order.
<b>Refund</b>	The refund should be made within five business days from the date of receipt of application and realisation of money into the credit of the schemes bank account whichever is later and money failing which an interest @15% shall be paid for the belated refunds.
<b>Restrictions, if any, on the right to freely retain or dispose of unit being offered.</b>	The Trustee may, in the general interest of the unit holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances/unusual market conditions limit the total number of units that may be redeemed on any Business Day to 5% of the total number of units then in issue in the Scheme, plan (s) and option(s) thereof or such other percentage as the Trustee may determine. Any units that are not redeemed on a particular Business Day, will be carried forward for redemption to the next Business Day in order of receipt. Redemption of such carried forward units will be priced on the basis of the applicable NAV, subject to the prevailing load, of the Business Day on which redemption is processed. under such circumstances, to the extent multiple redemption requests are received at the same time on a single Business Day, redemptions will be made on a pro-rata basis based on the size of each redemption request; the balance amount will be carried forward for redemption to the next Business Day. In addition, the Trustee reserves the right, in its sole discretion, to limit redemption with respect to any single account to Rs.1 lakh on a single business day.
<b>Allotment Advice (for DEMAT holders)</b>	On acceptance of a valid application for subscription, units will be allotted and a confirmation specifying the number of units allotted by way of email and/or SMS within 5 Business Days from the date of receipt of valid application / transaction to the Unit holder's registered e-mail address and/or mobile number. Subject to SEBI Regulations, Statement of Accounts will be sent to those unitholders whose registered email address / mobile number is not available with the Mutual Fund, unless otherwise required. Money would be refunded in respect of applications that are rejected. The Units allotted will be credited to the DP account of the Unit holder as per the details provided in the application form.
<b>Dematerialisation</b>	If any investor, who holds the units in physical form, wishes to convert the same to DEMAT form, he shall do so in accordance with the provisions of SEBI (depositories and participants). Regulations, 1996 and procedure laid down by NSDL or CDSL, which may be amended time to time.

<b>Rematerialisation</b>	If the applicant desires to hold the units in physical form (statement of account mode), the Investment Manager shall issue the statement subject to rematerialization of Units in accordance with the provisions of SEBI (Depositories & Participants) Regulations, 1996 as may be amended from time to time. All Units will rank pari passu, among Units within the same Option in the Scheme concerned as to assets, earnings and the receipt of income distributions, if any, as may be declared by the Trustee.
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### III. other Details

**A. In case of Fund of Funds Scheme, Details of Benchmark, Investment objective, Investment Strategy, TER, AuM, Year wise performance, Top 10 holding/ link to Top 10 holding of the underlying fund should be provided**

NA

**B. Periodic Disclosures such as half yearly disclosures, half yearly results, annual report**

<p><b>Half yearly Disclosures: Portfolio</b></p> <p>This is a list of securities where the corpus of the Scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The Investment Manager shall disclose the portfolio (along with ISIN) as on the last day of the month / half-year for all the schemes in its website <a href="http://www.sundarammutual.com">www.sundarammutual.com</a> and on the website of AMFI within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format.</p> <p>In case of unitholders whose e-mail addresses are registered, the Investment Manager will send via email both the monthly and half-yearly statement of scheme portfolio within 10 days from the close of each month/ half-year respectively.</p> <p>The Investment Manager will publish an advertisement every half-year disclosing the hosting of the half-yearly statement of its schemes portfolio on their respective website and on the website of AMFI and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the statement of scheme portfolio. Such advertisement will be published in the all India edition of at least two daily newspapers, one each in English and Hindi.</p> <p><b>Go Green Services: Save the Future</b></p> <p><b>Go Green E-Update/Mobile Services:</b> Registration of Contact Details: By opting to receive the Account Statement and Abridged Scheme Annual Report in a paperless mode by e-mail, you contribute to the environment. The investor is deemed to be aware of security risks including interception of documents and availability of content to third parties.</p> <ul style="list-style-type: none"> <li>• Sundaram Asset Management provides interesting information on the economy, markets and funds. If you wish to receive documents such as The Wise Investor, India Market Outlook, Global Outlook, Fact Sheet and One Page Product updates, to name a few, please choose the 'yes' option.</li> <li>• <b>Go Green Call Service:</b> If you are an existing investor and wish to register your email ID &amp; mobile number with us, please call our Contact No. 1860 425 7237 (India) +91 40 2345 2215 (NRI) between 9.00 &amp; 6.00 pm on any business day. Provide e-mail ID of either Self or Family Member with Relationship.</li> <li>• 'Family' for this purpose shall mean self, spouse, dependent children, dependent parents as specified in SEBI Circular No.CIR/MIRSD/15/2011 dated Aug 02, 2011</li> <li>• As per AMFI Best practices Guidelines Circular No.77/2018-19, Primary holder's own email address and mobile number should be provided for speed and ease of communication in a convenient and cost-effective manner, and to help prevent fraudulent transactions.</li> <li>• The Investment Manager will provide a physical copy of the statement of its</li> </ul>
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	scheme portfolio, without charging any cost, on specific request received from a unitholder.
<b>Half Yearly Results</b>	Sundaram Mutual fund shall make half yearly disclosures of unaudited financial results on its website <a href="http://www.sundarammutual.com">www.sundarammutual.com</a> in the prescribed format within one month from the close of each half year, i.e. on 31st March and on 30th September. The half-yearly unaudited financial results shall contain details as specified in Twelfth Schedule and such other details as are necessary for the purpose of providing a true and fair view of the operations of the mutual fund. In addition, Sundaram Mutual Fund shall publish an advertisement disclosing the hosting of such financial results in its website, in atleast one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the Head Office of Sundaram mutual fund is situated.
<b>Annual Report</b>	<p>Pursuant to Regulation 56 of SEBI (Mutual Funds) Regulations, 1996 read with SEBI circular No. Cir/IMD/ DF/16/2011 dated September 8, 2011, read with SEBI Mutual Fund (Second Amendment) Regulation 2018, the Scheme-wise annual report or an abridged summary thereof shall be provided by AMC/Mutual Fund within four months from the date of closure of relevant accounting year in the manner specified by the Board.</p> <p>The scheme wise annual report will be hosted on the websites of the Investment Manager and AMFI. The Investment Manager will display the link on its website and make the physical copies available to the unitholders, at its registered offices at all times.</p> <p>The Investment Manager will e-mail the scheme annual reports or abridged summary thereof to those unitholders, whose email addresses are registered with the Mutual Fund.</p> <p>In case of unitholders whose email addresses are not registered with the Mutual Fund, the Investment Manager will communicate to the unitholders, through a letter enclosing self-addressed envelope enabling unitholders to 'opt-in' within 30 days, to continue receiving a physical copy of the scheme-wise annual report or abridged summary thereof. The Investment Manager will conduct one more round of similar exercise for those unitholders who have not responded to the 'opt-in' communication as stated above, after a period of not less than 30 days from the date of issuance of the first communication. Further, a period of 15 days from the date of issuances of the second communication will be given to unitholders to exercise their option of 'opt-in' or 'opt-out'.</p> <p>The Investment Manager will publish an advertisement every year disclosing the hosting of the scheme wise annual report on its website and on the website of AMFI and the modes such as SMS, telephone, email or written request (letter), etc. through which unitholders can submit a request for a physical or electronic copy of the scheme wise annual report or abridged summary thereof. Such advertisement will be published in all India edition of at least two daily newspapers, one each in English and Hindi.</p> <p>The Investment Manager will provide a physical copy of the abridged summary of the Annual Report, without charging any cost, on specific request received from a unitholder.</p>

### C. Transparency/NAV Disclosure (Details with reference to information given in Section I)

Investment manager calculates and discloses the NAVs of the scheme on all business days. The Investment Manager will prominently disclose the NAVs of all schemes under a separate head on its website and on the website of Association of Mutual Funds in India (AMFI).

Further, the Investment Manager will extend facility of sending latest available NAVs to unitholders through SMS, upon receiving a specific request in this regard.

NAV will be updated on the websites of Sundaram asset Management ([www.sundarammutual.com](http://www.sundarammutual.com)) and the association of Mutual Funds of India ([www.amfiindia.com](http://www.amfiindia.com)) before 11.00 p.m. every business day.

In case of any delay, the reasons for such delay would be explained to AMFI by the next day. If the NAVs are not available before commencement of working hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs.

#### **D. Transaction charges and stamp duty**

1 The Distributor would be allowed to charge the Mutual Fund Investor a Transaction Charge where the amount of investment is Rs. 10,000/- and above per subscription basis

2 For an investor other than First Time Mutual Fund Investor, the Transaction Charge allowed will be Rs. 100/- per subscription of Rs. 10,000/- and above

For a First Time Mutual Fund Investor, the Transaction Charge allowed will be Rs. 150/- per subscription of Rs. 10,000/- and above

3 The Transaction Charge, where applicable based on the above criteria, will be deducted by the Investment Manager from the subscription amount remitted by the Investor and paid to the distributor; and the balance (net) amount will only be invested in the scheme. Thus units will be allotted against the net investment.

4 No Transaction charges shall be levied:

- a) Where the distributor/agent of the investor has not opted to receive any Transaction Charges;
- b) Where the investor purchases the Units directly from the Mutual Fund;
- c) Where total commitment in case of SIP / Purchases / Subscriptions is for an amount less than Rs. 10,000/-;
- d) On transactions other than purchases / subscriptions relating to new inflows.

Switches / Systematic Transfers / Allotment of Bonus Units / IDCW reinvestment Units / Transfer / Transmission of units, etc will not be considered as subscription for the purpose of levying the transaction charge.

e) Purchases / subscriptions carried out through stock exchange(s) through DeMAT mode.

The distributors can opt-in / opt-out of levying transaction charges based on 'type of the Product/Scheme' instead of 'for all Schemes'. Accordingly, the transaction charges would be deducted from the subscription amounts, as applicable.

However, the distributor shall not be able to opt-in or opt-out at the investor-level i.e. a distributor shall not charge one investor and choose not to charge another investor.

The transaction charges are in addition to the existing system of commission permissible to the Distributors. On subscription through Distributors, the upfront commission if any will be paid directly by the Investors to the Distributor by a separate cheque based on their assessment of various factors including the service rendered by the Distributor.

Any circular/clarification issued by SEBI/AMFI in this regard will automatically become applicable and will be incorporated in the SID/SAI/KIM wherever applicable.

Initial Issue Expenses

Not applicable as this document covers an existing Scheme.

#### **Stamp Duty:**

Pursuant to Notification No. S.O. 1226(e) and G.S.R. 226(e) dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of The Finance Act, 2019, notified on February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India, a stamp duty @0.005% of the transaction value of units would be levied on applicable mutual fund inflow transactions, with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including IDCW reinvestment and switch-in) to the unit holders would be reduced to that extent.

#### **E. Associate Transactions**

Please refer to Statement of Additional Information (SAI)

## F. Taxation

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the Scheme.

For the Mutual Fund:

Income of Sundaram Mutual Fund: Exempt from Tax Rates Specific to Mutual Funds

The rates are applicable for the financial year 2024-25 as per the Finance Act, 2024.

Tax Implications on Income distribution under Income Distribution cum Capital Withdrawal (IDCW) Option received by Unit holders.

Pursuant to SEBI circular no. SEBI/HO/IMD/DF3/CIR/P/2020/194 dated October 05, 2020, there was a change in nomenclature of Dividend to Income Distribution cum Capital Withdrawal (IDCW) available across all the plans offered by the schemes of the Fund with effect from April 01, 2021. The Finance Act, 2020 abolished income distribution tax and instead introduced taxing of income from mutual fund units in the hands of the unit holders.

Income Distributed by a Mutual Fund			
IDCW	Individual/H UF	Domestic Companies	NRI
Equity oriented schemes	At applicable slab rates~	30% <sup>^^</sup> /25% <sup>^^^</sup> /22% <sup>^^^</sup> /15% <sup>^^^</sup>	At applicable slab rates~
Other than Equity oriented schemes	At applicable slab rates~	30% <sup>^^</sup> /25% <sup>^^^</sup> /22% <sup>^^^</sup> /15% <sup>^^^</sup>	At applicable slab rates~

~ Kindly refer Income Tax rates for the applicable rates in case of individuals.

Further, tax needs to be deducted at source as detailed below:

Type of Investor	Withholding Tax rate	Section
Resident@	10%*	194K
NRI/FPI	20% or rate as per 196A <sup>***</sup> /196D <sup>****</sup> applicable tax treaty <sup>***</sup> (whichever is lower)	196A <sup>***</sup> /196D <sup>****</sup>

\* Tax not deductible if income distribution in respect of units of a mutual fund is below ` 5,000 in a financial year. However, on account of practical difficulties involved due to unique nature of mutual fund investments and different schemes involved, Sundaram Mutual Fund shall deduct TDS from each dividend declared once it exceeds Rs. 4,000 threshold benefit on cumulative basis in a Financial year (Consolidate on PAN basis). In case the total TDS exceeds the actual tax liability of any investor, he/she can claim a refund while filing income-tax return.

TDS will not be deducted in the following cases

- The resident individual (not being a company or firm) can submit Form No. 15G to Mutual Fund for non-deduction of TDS under section 194K of the Act provided that the tax on his estimated total income (including such income received from Mutual Fund) of the financial year is NIL and the aggregate income shall not exceed the maximum amount which is not chargeable to tax.
- Form 15H to be submitted by a resident individual (aged 60 years or more) for non-deduction of TDS under section 194K of the Act provided that the tax on his estimated total income (including such income received from Mutual Fund) of the financial year is NIL.
- Certificate from ITO for lower deduction/NIL deduction of TDS under section 197,
- Entities falling under Circular 18/2017 dated 29th May 2017.

The Form 15G or Form 15H or Certificate from ITO should be submitted on an annual basis at the start of the financial year at any of the Official Points of Acceptance of Sundaram Mutual Branch or customer care center of KFin Technologies Ltd.

It may be noted that exemption from tax deduction will be granted only from the date of receipt of Form 15G or Form 15H or Certificate from ITO and any tax deducted and remitted to the government on or before that date cannot be refunded under any circumstances.

Fresh Form 15G or Form 15H to be submitted again when there is a change in the estimated total income already declared, even though the investors might have already furnished the forms for the current financial year.

\*\* The base tax is to be further increased by surcharge at the rate of:

- 37% on base tax where total income exceeds ` 5 crore;
- 25% where total income exceeds ` 2 crore but does not exceed ` 5 crore;
- 15% where total income exceeds ` 1 crore but does not exceed ` 2 crore; and
- 10% where total income exceeds ` 50 lakhs but does not exceed ` 1 crore
- In case investor is opting for 'New Regime' as mentioned on page 3, the rate of surcharge not to exceed 25%.

Further, "Health and Education Cess" is to be levied at 4% on aggregate of base tax and surcharge.

\*\*\* Tax treaty benefit can be claimed subject to fulfillment of stipulated conditions as well as interpretation of Article of relevant tax treaty.

\*\*\*\* As per the provisions of section 196D of the Act which is specifically applicable in case of FPI/FII, the withholding tax rate of 20% (plus applicable surcharge and cess) on any income in respect of securities referred to in section 115AD(1)(a) credited / paid to FII shall apply. The Finance Act, 2021 inserted a proviso to section 196D(1) of the Act to grant relevant tax treaty benefits with effect from 1 April 2021 at the time of withholding tax on income with respect to securities of FPIs, subject to furnishing of tax residency certificate and such other documents as may be required. As per section 196D(2) of the Act, no TDS shall be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD of the Act.

@ **Non linking of PAN with Aadhaar** - As per section 139AA of the Income tax Act, 1961 ('the Act') read with rule 114AAA of the Income-tax Rules, 1962, in the case of a resident person, whose PAN has become inoperative due to PAN – Aadhaar not being linked on or before 30 June 2023 or as extended by Govt., it shall be deemed that he has not furnished the PAN and tax could be withheld at a higher rate of 20% as per section 206AA of the Act. For linking PAN with Aadhaar after 31 March 2022, fees Rs. 500 till 30 June 2022 and Rs. 1,000 till 30 September 2023 has been prescribed.

Capital Gain Taxation			
	Individual/HUF \$	Domestic Company @	NRI \$
Equity Oriented schemes */+			
Long Term Capital gain (Units held for more than 12 months)	12.5%***##	12.5%***##	12.5%***##
Short Term Capital Gains (Units held for 12 months or less)	20%&	20%&	20%&
** - On LTCG amount exceeding Rs. 1,25,000. ###- 10% for transfer that takes place before 23.07.2024 &-15% if the transfer takes place before 23.07.2024			
Other than Specified Mutual Fund & other than Equity Oriented Schemes (funds investing more than 35% & less than 65% of its total proceeds in the equity shares of domestic companies)			
Long Term Capital gain (a) Units held for more than 36 months – If transferred before 23 July, 2024, b) More than 12 months for listed units and 24 months for unlisted units – If transferred on or after 23 July, 2024)	12.5%@@ (without indexation)	12.5%@@ (without indexation)	Listed – 12.5%@@ (without indexation) Unlisted – 12.5%@@ (without indexation)
Short Term Capital Gains (a) Units held for less than or equal to 36 months – If transferred before 23 July, 2024, b) Less than or equal to 12 months for listed units and 24 months for unlisted units – If transferred on or after 23 July, 2024)	30%^	30%^/25%^/22%^/15%^	30%^
Specified Mutual Fund Other Than Equity Oriented Schemes \$\$			
Short Term Capital Gains	30%^	30%^/25%^/2% 15%^	30%^
Tax Deducted at Source (Applicable only to NRI Investors #)			
		Short term capital gains \$	Long term capital gains \$
Equity Oriented Scheme		20%	12.5%***##
Other than Specified Mutual Fund & other than Equity Oriented Schemes		30%^	Listed – 12.5%@@ Unlisted - 12.5%@@
Specified Mutual Fund Other Than Equity Oriented Schemes \$\$		30%	

\$ Surcharge to be levied at:

- 37% on base tax where specified income\*\* exceeds Rs. 5 crore;
- 25% where specified income\*\* exceeds Rs. 2 crore but does not exceed Rs. 5 crore;
- 15% where total income exceeds Rs. 1 crore but does not exceed Rs. 2 crore; and
- 10% where total income exceeds Rs. 50 lakhs but does not exceed Rs. 1 crore.

In case total income includes income by way of dividend on shares and short-term capital gains on units of equity oriented mutual fund schemes and long-term capital gains on mutual fund schemes, the rate of surcharge on the said type of income not to exceed 15%. In case investor is opting for 'New Regime' the rate of surcharge not to exceed 25%.

\*\* Specified income – Total income excluding income by way of dividend on shares and short-term capital gains on units of equity oriented mutual fund schemes and long-term capital gains on mutual fund schemes.

Further, Health and Education Cess to be levied at the rate of 4% on aggregate of base tax and surcharge.

\$\$ As per amendment to Finance Bill, 2023 gains arising on transfer, redemption or maturity of specified mutual funds acquired on or after 1 April 2023 will deemed to be 'short-term capital gains' (regardless of the period of holding). Specified mutual fund means a mutual fund by whatever name called, where not more than 35% of its total proceeds is invested in the equity shares of domestic companies. The definition of the "specified mutual fund" is proposed to be amended from FY 2025-26 as (a) Mutual fund which invests more than 65 per cent of its total proceeds in debt and money market instruments; or (b) a fund which invests 65 per cent or more of its total proceeds in units of a fund referred to in above sub-clause (a).

@ Surcharge at the rate of 7% is levied for domestic corporate unit holders where the income exceeds ` 1 crore but less than ` 10 crores and at the rate of 12%, where income exceeds ` 10 crores. However, Taxation Laws (Amendment) Ordinance, 2019 provides for surcharge at flat rate of 10 percent on base tax for the companies opting for lower rate of tax of 22%/15%.

# Short term/ long term capital gain tax (along with applicable Surcharge and "Health and Education Cess") will be deducted at the time of redemption/switches of units in case of NRI investors only. Tax treaty benefit can be claimed for withholding tax on capital gains subject to fulfillment of stipulated conditions.

## The base year for indexation purpose has been shifted from 1981 to 2001 to calculate the cost of acquisition or to take fair market value of the asset as on that date. Further, it provides that cost of acquisition of an asset acquired before 1 April 2001 shall be allowed to be taken as fair market value as on 1 April 2001.

^ Assuming the investor falls into highest tax bracket.

^^ This rate applies to companies other than companies engaged in manufacturing business who are taxed at lower rate subject to fulfillment of certain conditions.

^^^ If total turnover or gross receipts during the financial year 2020-21 does not exceed ` 400 crores.

^^^^ This lower rate is optional and subject to fulfillment of certain conditions as provided in section 115BAA.

^^^^^ This lower rate is optional for companies engaged in manufacturing business (set-up & registered on or after 1 October 2019) subject to fulfillment of certain conditions as provided in section 115BAB.

+ Securities Transaction Tax ( STT ) will be deducted on equity oriented funds at the time of redemption / switch to other schemes / sale of units.

@@ At the rate of 20% (with indexation) if transfer takes place before 23.07.2024.

\$\$\$ At the rate of 10% (without indexation) if transfer takes place before 23.07.2024.

Further, Minimum Alternate Tax (MAT) applicable to domestic companies (except for those who opt for lower rate of tax of 22%/15%) are not considered in the above tax rates.



### Taxability of segregated portfolios of a mutual fund scheme

The Finance Act, 2020 has rationalized capital gains taxability in relation to mutual fund portfolio segregation as per SEBI regulations as follows: -

- > The period of holding for units in the segregated portfolio to be reckoned from the period for which the original units in the main portfolio were held by the taxpayer.
- > Acquisition cost of units in segregated portfolio to be proportionate to the NAV of assets transferred to the segregated portfolio to the NAV of the total portfolio immediately before the segregation. The cost of acquisition of the original units in the main portfolio to be reduced by the acquisition cost of units in the segregated portfolio.

### Stamp Duty

Pursuant to Notification No. S.O. 1226(E) and G.S.R. 226(E) dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of The Finance Act, 2019, notified on February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India, with effect from July 1, 2020, mutual fund units issued against Purchase transactions (whether through lump-sum investments or SIP or STP or switch-ins or dividend reinvestment) would be subject to levy of stamp duty @ 0.005% of the amount invested. Transfer of mutual fund units (such as transfers between demat accounts) are subject to payment of stamp duty @ 0.015%. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including dividend reinvestment and switch-in) to the Unit holders would be reduced to that extent. The Stamp duty should be considered for the purpose of cost of the investments while calculating capital gains.

### Special provision for deduction of tax at source for non-filers of income-tax return

Tax to be deducted at twice the applicable rate in case of payments to specified person (except non resident not having permanent establishment in India) who has not furnished the return of income for the assessment year relevant to previous year immediately preceding the financial year in which tax is required to be deducted, for which time limit for filing return has expired and the aggregate of tax deducted at source in his case is ` 50,000 or more in the said previous year. Additionally, if provisions of section 206AA are also applicable then tax to be deducted at higher of the two rates provided i.e. rate as per section 206AB or section 206AA.

**Disclaimer:** The information set out above is included for general information purposes only and does not constitute legal or tax advice. In view of the individual nature of the tax consequences, each investor is advised to consult his or her own tax consultant with respect to specific tax implications arising out of their participation in the Scheme. Income Tax benefits to the mutual fund & to the unit holder is in accordance with the prevailing tax laws. Any action taken by you on the basis of the information contained herein is your responsibility alone. Sundaram Mutual Fund will not be liable in any manner for the consequences of such action taken by you. The information contained herein is not intended as an offer or solicitation for the purchase and sales of any schemes of Sundaram Mutual Fund.

### G. Rights of unitholders

Please refer to SAI for details.

### Penalties & Pending Litigations

Details of penalties awarded by SEBI under the SEBI Act or any of its Regulation against the sponsor of the Mutual Fund: the Securities and Exchange Board of India has alleged non disclosure of information to the stock exchanges under SEBI (Prohibition of Insider Trading) Regulations, 1992 and imposed a penalty of Rs, 10 lakhs on the Sponsor. On appeal by the Sponsor, the Securities Appellate Tribunal vide its order dated 1st September 2010, partly allowed the appeal and reduced the Quantum of penalty to Rs. 2. lakh.

No penalties have been awarded by SEBI under the SEBI Act or any of its Regulation against the sponsor of the Mutual Fund or any company associated with the sponsor in any capacity including the Investment Manager, Trustee or any of the directors or any key personnel (specifically the fund managers) of the Investment Manager and Trustee. No penalties have been awarded on the Sponsor and its associates by any financial regulatory body, including stock exchanges, for defaults in respect of shareholders, debenture holders and depositors. No penalties

have been awarded for any economic offence and violation of any securities laws.

There are no pending material litigation proceedings incidental to the business of the Mutual Fund to which the sponsor of the Mutual Fund or any company associated with the sponsor in any capacity including the Investment Manager, Trustee or any of the directors or key personnel of the Investment Manager is a party. Further, there are no pending criminal cases against the Sponsor or any company associated with the sponsor in any capacity including the Investment Manager, Trustee or any of the directors or key personnel.

There is no deficiency in the systems and operations of the sponsor of the Mutual Fund or any company associated with the sponsor in any capacity, including the Investment Manager which SEBI has specifically advised to be disclosed in the Scheme Information Document, or which has been notified by any other regulatory agency.

There are no enquiries or adjudication proceedings under the SEBI Act and the Regulation, which are in progress against any company associated with the sponsor in any capacity including the Investment Manager, Trustee or any directors or key personnel of the Investment Manager.

### Jurisdiction

All disputes arising out of or in relation to the issue made under the Scheme will be subject to the exclusive jurisdiction of courts in India.

### Applicability of SEBI (Mutual Fund) Regulations

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulation, 1996 and the guidelines thereunder shall be applicable.

## H. List of official points of acceptance

**Agra:** 9/4 Ground floor, Shankar Point, Sanjay Place, Agra-282002 **Ahmedabad:** 602 6th Floor Corporate Park, Near Samudra Complex, Near Girish Cold Drink, C G Road Navrangpura, Ahmedabad-380009 **Allahabad:** 38/1 Tashkant Marg, Vashishta Vinayak Tower, Upper Ground Floor, Allahabad-211001 **Amritsar:** SCO-25, 1st Floor, District Shopping Complex B Block , , Ranjit Avenue, Amritsar, 143001 **Anand:** SF No.202, Drashti Arcade Lambvel Road, Opp HDFC Bank, Anand-388001 **Aurangabad:** No.36, Motiwali Trade Center, Nirala Bazar, Aurangabad-431001 **Bangalore (Main Branch):** Ground Floor, Sana Plaza, #21/14 A, Near Trinity Metro Station, Bangalore-560001 **Baroda (Vadodara):** 109, 1st Floor, Siddharth Complex, Near Express Hotel, R.C Dutt Road, Alkapuri, Baroda-390007 **Bhilai:** No. 36/5, 1st Block, Ground Floor, Nehru Nagar East, Near Kotak Mahindra Bank, Bhilai, Chhattisgarh – 490020 **Bhopal:** Plot No. 6, V N V Plaza, , 2nd Floor Bank street, M.P.Nagar Zone 2, Bhopal, 462011 **Bhubaneswar:** Shop No. 16, Deen Dayal Bawan, Jan Path, Ashok Nagar, Bhubaneswar -751009 **Calicut (Kozhikode):** 1st Floor, Karuppalli Square, YMCA cross road, Kozhikode -673001 **Chandigarh:** II Floor, SCO 2475-76, Sector 22/C, Chandigarh -160022 **Chennai HO:** Sundaram Towers 1st&2nd Floor, No.46 Whites Road, Royapettah, Chennai-600014 **Chennai Sales Office:** Metro Plaza, 1st floor, 221 , (Old No.162), Anna Salai (Mount Road ) Above Raymonds Showroom, Chennai, 600002 **Cochin:** Kassim Towers, Sebastian Road, Kaloor, Cochin-682 017 **Coimbatore:** 100 West Periyasamy Road, R S Puram, Coimbatore, 641002 **Dehradun:** 2nd Floor, International Trade Tower, 1 old survey Road, Above Bank of Baroda, Next to cross Road Mall, Dehradun, 248001 **Delhi (Sales Office):** Room No.301.314, 3rd Floor Ashoka Estate, 24 Barakhamba Road, New Delhi-110001 **Dhanbad:** Sri Ram Plaza , Room No. 107, 1st Floor, Bank More, Dhanbad-826001 **Durgapur:** A-307, Bengal Shristi Complex, II Floor, City center, Durgapur-713216 **Goa:** D-1st Floor, Alfran Plaza, Panaji , Goa-403001 **Gorakhpur:** Shop No.20, 2nd Floor, Cross Road The Mall, Bank Road, Gorakhpur-273001 **Gurugram:** Unit No.11 Vipul Agora, Mehrauli Gurugram Road, Gurugram-122002 **Guwahati:** Ganapati Enclave 4th Floor, Above Datamation, Bora Service, G.S Road, Guwahati-781007 **Hubli:** Shop No.UGF 4/5. EUREKA JUNCTION, T.B.Road Hubli 580029. **Hyderabad:** 6-3-1085/D/501/B/C Dega Towers 5th , Rajbhavan Road, Somajiguda, Hyderabad-500082 **Indore:** 205, Starlit Towers, 29/1, Y.N.Road, , Indore, 452001 **Jaipur:** 506-507, 5th floor, , OK Plus Tower, Ajmer Road, , Near Kalyan Jewellers, Jaipur, 302001 **Jalandhar:** Shop No- 11 B 3rd FLOOR, CITY SQUARE MALL, CIVIL LINES JALANDHAR. 144001 **Jamshedpur:** Shop No – 1 & 2, 2nd Floor, Meghdeep Building (Beside Hotel South Park), Q Road, Bistupur, Jamshedpur – 831001 **Jodhpur:** 116, 1st Floor, Mody Arcade, Chopasani Road, Near bombay motor cycle, Jodhpur-342003 **Kanpur:** 218-219, Kan Chamber, 14/113- Civil Lines, Kanpur-208001 **Kolkata (Main Branch):** 7, Camac Street, Azimgunj House, 3rd Floor, Block-6, Kolkata-700017 **Kottayam:** CSI ascension Square, Logos

Junction, Collectorate, P.O Kottayam-686002 **Lucknow:** Room No. G-04, Sky Hi Chambers, 5, Park Road, Lucknow-226001 **Ludhiana:** SCO 18, Feroz Gandhi Market, Ludhiana-141001 **Madurai:** No. 183 C-North Veli Street, Madurai-1 **Mangalore:** B-2, Souza Arcade, Balmatta Road, Mangalore-575002 **Mumbai-Fort:** 5th Floor, City Ice Building, Plot No.298, Perin Nariman Street, Mumbai-400001 **Mumbai-Thane:** Shop No.3, Ramrao Sahani Sadan, Kaka Sohani Road, Behind P. N .Gadgil Jewellers, Off Ram Maruti Road, Mumbai, Thane-400601 **Mumbai (Andheri):** Satellite Gazebo, West Wing, Ground Floor, B D Sawant Marg, Mota Nagar, Andheri (East), Mumbai-400093 **Mysore:** #145, 2nd floor, 5th Main, 5th Cross, Above Canara Bank, Saraswathi Puram, Mysuru-570009 **Nagpur:** Fortune Business centre, 1st Floor, 6 Vasant Vihar, W H C Road, Shankar Nagar, Nagpur, 440010 **Nashik:** shop No. 1, Shrinath apartment, ground floor, , pandit colony-lane no.3, Sharanpur Road, , Sharanpur Road, Nashik, 422002 **Patna:** 305, 306, Hari Nivas, New Dak Bungalow Road, Patna-800001 **Pondicherry:** Jayalakshmi Complex Door NO.114 & 116 , Shop No.: 7, 8, 9 First Floor , Thiruvalluvar Salai, Pondicherry -605013 **Pune:** CTS No. 930 / Final, Plot No.314, 1st Floor, Office No. 1, Aditya Centeegra Apts, Condominium, F.C. Road, Shivaji Nagar, Pune-411005 **Raipur:** S 02, 2nd Floor, Jail Road, Near Fafadih Square, Raipur-492001 **Rajkot:** 301, 3rd floor Metro Plaza, Nr.Eagle Travels, Bhilwas Chowk, Rajkot, 360001 **Ranchi:** Satya Ganga Arcade, 205 2nd Floor, Lalji Hirji Road, Near Sarjana Chowk, Main Road, Ranchi-834001 **Salem:** No.20 1st Floor, Ramakrishna Road, Near Federal Bank, Salem-636007 **Sangli:** SF S 4, 2nd Floor Shiv Ratan Complex, College Corner Madhav Nagar Road, Sangli-416416 **Surat:** HG-18, International Trade Centre, Majuragate , Surat-395002 **Thrissur:** 2nd Floor, Sri Lakshmi Building, Near Thiruvampady Temple, Shoranur Road, Thrissur-680022 **Trichy:** Krishna Complex, 1st Floor, 60, Shastry Road, Tennur, Trichy, 620017 **Trivandrum:** 1st Floor, Bava Sahib Commercial Complex, Ambujavilasam Road, Old GPO, Trivandrum, 695001 **Varanasi:** Shop no. 05, 1st Floor, Kuber Complex, , Rathyatra, Varanasi, 221010 **Vijayawada:** D.No. 40-13-5, Sree Ramachandra Complex, Benz Circle(Bajaj Showroom Lane), Vijayawada-520 010 **Vizag:** Shop No.2, 3rd Floor, Navaratna Jewel Square, Dwaraka Nagar, Vishakapatnam-530016

**Dubai-Representative Office, Unit No. 714, Level 7, Burjuman Business Tower, Bur Dubai, Dubai UAE**

## Collection centres of SAMC

**Akola:** SF C-13 First Floor, Dakshata Nagar, Vyapari Complex, Sindhi Camp Chowk, Akola-444001 **Ajmer:** SF 1st Floor, K C Complex, Opp Daulat Bagh, Ajmer-305001 **Bhagalpur:** Ann Tower, 1st Floor, RBSS Road , Bhikhanpur, Bhagalpur-812001 **Burdwan:** SF 43 G T Road, East Stand Officer's Colony, Raymond Building 2nd Floor, Parbihat, Burdwan-713103 **Gwalior:** SF 44 2nd Floor City Centre, Narayan Krishna Apartments, Madhav Rao Scindia Road, Gwalior-474002 **Jabalpur:** SF No.936 Wright Town, 2nd Floor Digambar Tower, Pandit Bhavani Prasad Ward, Napir Town, Jabalpur-482002 **Jalgaon:** SF India Plaza, 2nd Floor, Above Dominos Pizza, Swatantra Chowk, Jalgaon-425001 **Jamnagar:** SF Corporate House, 4th Floor Office No 404, Opp St.Anns School P N Marg, Jamnagar-361001 **Kolhapur:** SF 2nd Floor Raosahib Vichare Complex, Near ST stand, New Shahupuri Gems Stone, Kolhapur-416 001 **Kota:** SF 393, Shopping Centre, 2nd Floor (Above Reebok Showroom), Near Ghode Wale Baba Circle, Kota-324007 **Muzaffarpur:** Saroj Complex, Ground Floor, Dewan Road, Muzaffarpur-842002 **Siliguri:** SF Home Land (Vishal Mega Mart Building ) 4th Floor Opp Sona Wheels Showroom Sevoke Road, Siliguri-734008 **Tirunelveli:** SF First floor, Indira Complex, No.985/1, C2, 1 D South Bye Pass Road, Opp to Passport Office, Tirunelveli-627005 **Udaipur:** SF 04 th floor centre point building , opp-B.N College, Udaipur-313001 **Vapi:** Shop No-19 & 20, First Floor, Walden Plaza, Imran Nagar (opp SBI), Daman , Silvassa Road, Vapi-396191 **Vellore:** SF No.141/3, First Floor, M P Sarathy Nagar, Vellore DT., Bus Owners Association Building, Chennai-Bangalore Bye Pass Road, Vellore-632012

## Customer care centres of KFin Technologies Limited.

**Agartala:** Ols Rms Chowmuhani, Mantri Bari Road, 1st Floor, Near Jana Sevak Saloon Building, Traffic Point, Tripura West, Agartala 799001 **Agra:** House No. 17/2/4 2Nd Floor Deepak Wasan Plaza Behind Hotel Holiday Inn Sanjay Place Agra 282002 **Ahmedabad:** Office No. 401 On 4Th Floor Abc-I Off. C.G. Road - Ahmedabad 380009 **Ajmer:** Shop no. 2 3rd Floor, Above Raymond Shop, Opp City Power House, Hathi Bhata, Ajmer-305001 **Akola:** Shop No 25, Ground Floor, Yamuna Tarang Complex, Murtizapur Road N.H. No- 6, Opp Radhakrishna Talkies, Akola 444001 Maharashtra **Aligarh:** 1St Floor Sevti Complex Near Jain Temple Samad Road Aligarh-202001 **Allahabad:** Meena Bazar 2Nd Floor 10 S.P. Marg Civil Lines Subhash Chauraha Prayagraj Allahabad 211001 **Alwar:** Office Number 137 First Floor Jai Complex Road No-2 Alwar 301001 **Amaravathi:** Shop No. 21 2Nd Floor Gulshan Tower Near Panchsheel Talkies Jaistambh Square Amaravathi 444601 **Ambala:** 6349 2Nd Floor Nicholson Road Adjacent Kos Hospitalambala Cant Ambala 133001 **Amritsar:** Sco 5 2Nd Floor District Shopping Complex Ranjit Avenue Amritsar 143001 **Anand:** B-42 Vaibhav Commercial Center Nr Tvs Down Town Show Room Grid Char Rasta Anand 380001 **Ananthapur:** #13/4 Vishnupriya Complex Beside Sbi Bank Near Tower Clock Ananthapur-515001. **Asansol:** 112/N G. T. Road Bhanga Pachil G.T Road Asansol Pin: 713 303; Paschim Bardhaman West Bengal Asansol 713303 **Aurangabad:** Shop No B 38 Motiwala Trade Center Nirala Bazar Aurangabad 431001 **Azamgarh:** Shop no. 18 Gr. Floor, Nagarpalika, Infront of Tresery office, Azamgarh, UP-276001 **Balalore:** 1-B. 1St Floor Kalinga Hotel Lane Baleshwar Baleshwar Sadar Balalore 756001 **Bangalore:** No 35 Puttanna Road Basavanagudi Bangalore 560004 **Bankura:** Plot Nos-80/1/Anatunchati Mahalla 3Rd Floor Ward No-24 Opposite P.C Chandra Bankura Town Bankura 722101 **Bareilly:** 1St Floorrear Sidea -Square Building 54-Civil Lines Ayub Khan Chauraha Bareilly 243001 **Baroda:** 1St Floor 125 Kanha Capital Opp. Express Hotel R C Dutt Road Alkapuri Vadodara 390007 **Begusarai:** , Sri Ram Market, Kali Asthan Chowk, Matihani Road, Begusarai, Bihar - 851101 **Belgaum:** Premises No.101 Cts No.1893 Shree Guru Darshani Tower Anandwadi Hindwadi Belgaum 590011 **Bellary:** Ground Floor 3Rd Office Near Womens College Road Beside Amruth Diagnostic Shanthi Archade Bellary 583103 **Berhampur (Or):** Opp Divya Nandan Kalyan Mandap 3Rd Lane Dharam Nagar Near Lohiya Motor Berhampur (Or) 760001 **Bhagalpur:** 2Nd Floor Chandralek Complexghantaghar Radha Rani Sinha Road Bhagalpur 812001 **Bharuch:** 123 Nexus Business Hub Near Gangotri Hotel B/S Rajeshwari Petroleum Makampur Road Bharuch 392001 **Bhatinda:** MCB -Z-3-01043 2 Floor Goniana Road Opporite Nippon India Mf Gt Road Near Hanuman Chowk Bhatinda 151001 **Bhavnagar:** 303 Sterling Point Waghawadi Road - Bhavnagar 364001 **Bhilai:** Office No.2 1St Floor Plot No. 9/6 Nehru Nagar [East] Bhilai 490020 **Bhilwara:** Office No. 14 B Prem Bhawan Pur Road Gandhi Nagar Near Canarabank Bhilwara 311001 **Bhopal:** SF-13 Gurukripa Plaza Plot No. 48A Opposite City Hospital Zone-2 M P Nagar Bhopal 462011 **Bhubaneswar:** A/181 Back Side Of Shivam Honda Show Room Saheed Nagar - Bhubaneswar 751007 **Bikaner:** H.No. 10, Himtasar House, Museum circle, Civil line, Bikaner, Rajasthan - 334001 **Bilaspur:** Shop.No.306 3Rd Floor Anandam Plaza Vyapar Vihar Main Road Bilaspur 495001 **Bokaro:** City Centre Plot No. He-07 Sector-Iv Bokaro Steel City Bokaro 827004 **Burdwan:** Saluja Complex; 846 Laxmipur G T Road Burdwan; Ps: Burdwan & Dist: Burdwan-East Pin: 713101 **Calicut:** Second Floor Manimuriyil Centre Bank Road Kasaba Village Calicut 673001 **Chandigarh:** First Floor Sco 2469-70 Sec. 22-C - Chandigarh 160022 **Chandrapur:** C/o Global Financial Services,2nd Floor, Raghuwanshi Complex,Near Azad Garden, Chandrapur, Maharashtra-442402 **Chennai:** 9Th Floor Capital Towers 180

Kodambakkam High Road Nungambakkam | Chennai – 600 034 **Chinsura:** No : 96 Po: Chinsurah Doctors Lane Chinsurah 712101 **Cochin:** Door No:61/2784 Second floor Sreelakshmi Tower Chittoor Road, Ravipuram Ernakulam-Kerala-682015 **Coimbatore:** 3Rd Floor Jaya Enclave 1057 Avinashi Road - Coimbatore 641018 **Cuttack:** Shop No-45 2Nd Floor Netaji Subas Bose Arcade (Big Bazar Building) Adjusent To Reliance Trends Dargha Bazar Cuttack 753001 **Darbhanga:** , H No-185, Ward No-13, National Statistical office Campus, Kathalbari, Bhandar Chowk , Darbhanga, Bihar - 846004 **Davangere:** D.No 162/6 1St Floor 3Rd Main P J Extension Davangere Taluk Davangere Manda Davangere 577002 **Dehradun:** Shop No-809/799 Street No-2 A Rajendra Nagar Near Sheesha Lounge Kaulagarh Road Dehradun-248001 **Deoria:** K. K. Plaza Above Apurwa Sweets Civil Lines Road Deoria 274001 **Dhanbad:** 208 New Market 2Nd Floor Bank More - Dhanbad 826001 **Dhule:** Ground Floor Ideal Laundry Lane No 4 Khol Galli Near Muthoot Finance Opp Bhavasar General Store Dhule 424001 **Durgapur:** Mwav-16 Bengal Ambuja 2Nd Floor City Centre Distt. Burdwan Durgapur-16 Durgapur 713216 **Eluru:** Dno-23A-7-72/73K K S Plaza Munukutla Vari Street Opp Andhra Hospitals R R Peta Eluru 534002 **Erode:** Address No 38/1 Ground Floor Sathy Road (Vctv Main Road) Sorna Krishna Complex Erode 638003 **Faridabad:** A-2B 2Nd Floor Neelam Bata Road Peer Ki Mazar Nehru Groundnit Faridabad 121001 **Ferozpur:** The Mall Road Chawla Bulding Ist Floor Opp. Centrail Jail Near Hanuman Mandir Ferozepur 152002 **Gandhidham:** Shop # 12 Shree Ambica Arcade Plot # 300 Ward 12. Opp. Cg High School Near Hdfe Bank Gandhidham 370201 **Gandhinagar:** 138 - Suyesh solitaire, Nr. Podar International School, Kudasani, Gandhinagar-382421 Gujarat **Gaya:** Property No. 711045129 Ground Floorhotel Skylark Swaraiपुर Road - Gaya 823001 **Ghatkopar:** 11/Platinum Mall, Jawahar Road, Ghatkopar (East), Mumbai 400077 **Ghaziabad:** Ff - 31 Konark Building Rajnagar - Ghaziabad 201001 **Ghaziipur:** House No. 148/19 Mahua Bagh Raini Katra- Ghaziipur 233001 **Gonda:** H No 782 Shiv Sadan Iti Road Near Raghukul Vidyapeeth Civil Lines Gonda 271001 **Gorakhpur:** Shop No 8 & 9 4Th Floor Cross Road The Mall Bank Road Gorakhpur - 273001 **Gulbarga:** H No 2-231 Krishna Complex 2Nd Floor Opp. Opp. Municipal Corporation Office Jagat Station Main Road Kalaburagi Gulbarga 585105 **Guntur:** 2Nd Shatter 1St Floor Hno. 6-14-48 14/2 Lane Arundal Pet Guntur 522002 **Gurgaon:** No: 212A 2Nd Floor Vipul Agora M. G. Road - Gurgaon 122001 **Guwahati:** Ganapati Enclave 4Th Floor Opposite Bora Service Ullubari Guwahati Assam 781007 **Gwalior:** City Centre Near Axis Bank - Gwalior 474011 **Haldwani:** Shoop No 5 Kmvn Shoping Complex - Haldwani 263139 **Haridwar:** Shop No. - 17 Bhatia Complex Near Jamuna Palace Haridwar 249410 **Hassan:** Sas No: 490 Hemadri Arcade 2Nd Main Road Salgame Road Near Brahmins Boys Hostel Hassan 573201 **Hissar:** Shop No. 20 Ground Floor R D City Centre Railway Road Hissar 125001 **Hoshiarpur:** Unit # Sf-6 The Mall Complex 2Nd Floor Opposite Kapila Hospital Sutheri Road Hoshiarpur 146001 **Hubli:** R R Mahalaxmi Mansion Above Indusind Bank 2Nd Floor Desai Cross Pinto Road Hubballi 580029 **Hyderabad:** , 2nd floor JBS Station, Lower Concourse 1, Situated in Jubilee Bus Metro Station, Secunderabad 500009 **Indore:**. 101 Diamond Trade Center 3-4 Diamond Colony New Palasia Above Khurana Bakery Indore - 452001 **Jabalpur:** 2Nd Floor 290/1 (615-New) Near Bhavartal Garden Jabalpur - 482001 **Jaipur:** Office No 101 1St Floor Okay Plus Tower Next To Kalyan Jewellers Government Hostel Circle Ajmer Road Jaipur 302001 **Jalandhar:** Office No 7 3Rd Floor City Square Building E-H197 Civil Line Next To Kalyan Jewellers Jalandhar 144001 **Jalgaon:** 3Rd Floor 269 Jaee Plaza Baliram Peth Near Kishore Agencies Jalgaon 425001 **Jalpaiguri:** D B C Road Opp Nirala Hotel Opp Nirala Hotel Opp Nirala Hotel Jalpaiguri 735101 **Jammu:** Kfin Technologies.Ltd 1D/D Extension 2 Valmiki Chowk Gandhi Nagar Jammu 180004 State - J&K **Jamnagar:** 131 Madhav Plaza Opp Sbi Bank Nr Lal Bungalow Jamnagar 361008 **Jamshedpur:** Madhukunj 3Rd Floor Q Road Sakchi Bistupur East Singhbhum Jamshedpur 831001 **Jhansi:** 1St Floor Puja Tower Near 48 Chambers Elite Crossing Jhansi 284001 **Jodhpur:** Shop No. 6 Gang Tower G Floor Opposite Arora Moter Service Centre Near Bombay Moter Circle Jodhpur 342003 **Junagadh:** Shop No. 201 2Nd Floor V-Arcade Complex Near Vanzari Chowk M.G. Road Junagadh 362001 **Kalyan:** Seasons Business Centre, 104 / 1st Floor, Shivaji Chowk, Opposite KDMC (Kalyan Dombivali Mahanagar Corporation) Kalyan - 421301 **Kalyani:** Ground Floor, H No B-7/27S, Kalyani, Kalyani HO, Nadia, West Bengal – 741235 **Kannur:** 2Nd Floor Global Village Bank Road Kannur 670001 **Kanpur:** 15/46 B Ground Floor Opp : Muir Mills Civil Lines Kanpur 208001 **Karimnagar:** 2Nd Shutterhno. 7-2-607 Sri Matha Complex Mankammathota - Karimnagar 505001 **Karnal:** 3 Randhir Colony Near Doctor J.C.Bathla Hospital Karnal ( Haryana ) 132001 **Karur:** No 88/11 Bb Plaza Nrmp Street K S Mess Back Side Karur 639002 **Khammam:** 11-4-3/3 Shop No. S-9 1St Floor Srivenkata Sairam Arcade Old Cpi Office Near Priyadarshini Collegenehru Nagar Khammam 507002 **Kharagpur:** Holding No 254/220 Sbi Building Malancha Road Ward No.16 Po: Kharagpur Ps: Kharagpur Dist: Paschim Medinipur Kharagpur 721304 **Kolhapur:** 605/1/4 E Ward Shahupuri 2Nd Lane Laxmi Niwas Near Sultane Chambers Kolhapur 416001 **Kolkata:** 2/1 Russel Street 4Thfloor Kankaria Centre Kolkata 70001 Wb **Kollam:** Sree Vigneswara Bhavan Shastri Junction Kollam - 691001 **Korba:** Office No.202, 2nd floor, ICRC, QUBE, 97, T.P. Nagar, Korba -495677 **Kota:** D-8 Shri Ram Complex Opposite Multi Purpose School Gumanpur Kota 324007 **Kottayam:** 1St Floor Csiascension Square Railway Station Road Collectorate P O Kottayam 686002 **Kurnool:** Shop No:47 2Nd Floor S Komda Shopping Mall Kurnool 518001 **Lucknow:** Ist Floor A. A. Complex 5 Park Road Hazratganj Thaper House Lucknow 226001 **Ludhiana:** Sco 122 Second Floor Above Hdfe Mutual Fun Feroze Gandhi Market Ludhiana 141001 **Madurai:** No. G-16/17 Ar Plaza 1St Floor North Veli Street Madurai 625001 **Malda:** Ram Krishna Pally; Ground Floor English Bazar - Malda 732101 **Mandi:** House No. 99/11 3Rd Floor Opposite Gss Boy School School Bazar Mandi 175001 **Mangalore:** Shop No - 305 Marian Paradise Plaza 3Rd Floor Bunts Hostel Road Mangalore - 575003 Dakshina Kannada Karnataka **Margoa:** Shop No 21 Osia Mall 1St Floor Near Ktc Bus Stand Sgdpa Market Complex Margao - 403601 **Mathura:** Shop No. 9 Ground Floor Vihari Lal Plaza Opposite Brijwasi Centrum Near New Bus Stand Mathura 281001 **Meerut:** Shop No:- 111 First Floor Shivam Plaza Near Canara Bank Opposite Eves Petrol Pump Meerut-250001 Uttar Pradesh India **Mehsana:** Ff-21 Someshwar Shopping Mall Modhera Char Rasta - Mehsana 384002 **Mirzapur:** Second Floor, Triveni Campus| Ratanganj, Mirzapur, Uttar Pradesh, 231001 **Moga:** 1St Floordutt Road Mandir Wali Gali Civil Lines Barat Ghar Moga 142001 **Moradabad:** Chadha Complex G. M. D. Road Near Tadi Khana Chowk Moradabad 244001 **Morena:** House No. Hig 959 Near Court Front Of Dr. Lal Lab Old Housing Board Colony Morena 476001 **Mumbai:** 6/8 Ground Floor Crossley House Near Bse ( Bombay Stock Exchange)Next Union Bank Fort Mumbai - 400 001 **Muzaffarpur:** First Floor Saroj Complex Diwam Road Near Kalyani Chowk Muzaffarpur 842001 **Mysore:** No 2924 2Nd Floor 1St Main 5Th Cross Saraswathi Puram Mysore 570009 **Nadiad:** 311-3Rd Floor City Center Near Paras Circle - Nadiad 387001 **Nagercoil:** Hno 45 1St Floor East Car Street Nagercoil 629001 **Nagpur:** Plot No. 2 Block No. B / 1 & 2 Shree Apratment Khare Town Mata Mandir Road Dharampeth Nagpur 440010 **Nanded:** Shop No.4 Santakripa Market G G Road Opp.Bank Of India Nanded 431601 **Nasik:** S-9 Second Floor Suyojit Sankul Sharanpur Road Nasik 422002 **Navsari:** 103 1St Floore Landmark Mall Near Sayaji Library Navsari Gujarat Navsari 396445 **Nellore:** 24-6-326/1, Ibaco Building 4th Floor, Grand Truck road, Beside Hotel Minerva, Saraswathi Nagar, Dargamitta Nellore - 524003 **New Delhi:** 305 New Delhi House 27 Barakhamba Road - New Delhi 110001 **Noida:** F-21 2Nd Floor Near Kalyan Jewelers Sector-18 Noida 201301 **Palghat:** No: 20 & 21 Metro Complex H.P.O.Road Palakkad H.P.O.Road Palakkad 678001 **Panipat:** Shop No. 20 1St Floor Bmk Market Behind Hive Hotel G.T.Road Panipat-132103 Haryana **Panjim:** H. No: T-9 T-10 Affran Plaza 3Rd Floor Near Don Bosco High School Panjim 403001

**Pathankot:** 2Nd Floor Sahni Arcade Complex Adj.Indra Colony Gate Railway Road Pathankot Pathankot 145001 **Patiala:** B- 17/423 Lower Mall Patiala Opp Modi College Patiala 147001 **Patna:** Flat No.- 102, 2BHK Maa Bhawani Shardalay, Exhibition Road, Patna-800001 **Pondicherry:** No 122(10B) Muthumariamman Koil Street - Pondicherry 605001 **Pune:** Office # 207-210 Second Floor Kamla Arcade Jm Road. Opposite Balgandharva Shivaji Nagar Pune 411005 **Raipur:** Office No S-13 Second Floor Reheja Tower Fafadih Chowk Jail Road Raipur 492001 **Rajahmundry:** D.No: 6-7-7, Sri Venkata Satya Nilayam,1st Floor, Vadrevu vari Veedhi, T - Nagar, Rajahmundry AP- 533101 **Rajkot:** 302 Metro Plaza Near Moti Tanki Chowk Rajkot Rajkot Gujarat 360001 **Ranchi:** Room no 103, 1st Floor, Commerce Tower,Beside Mahabir Tower,Main Road, Ranchi -834001 **Ratlam:** 106 Rajaswa Colony, Near Sailana Bus Stand, Ratlam (M.P.) 457001 **Renukoot:** C/O Mallick Medical Store Bangali Katra Main Road Dist. Sonebhadra (U.P.) Renukoot 231217 **Rewa:** Shop No. 2 Shree Sai Anmol Complex Ground Floor Opp Teerth Memorial Hospital Rewa 486001 **Rohtak:** Office No:- 61 First Floor Ashoka Plaza Delhi Road Rohtak 124001. **Roorkee:** Near Shri Dwarkadhish Dharm Shala, Ramnagar, Roorkee-247667 **Rourkela:** 2Nd Floor Main Road Udit Nagar Sundargarh Rourekla 769012 **Sagar:** II Floor Above Shiva Kanch Mandir. 5 Civil Lines Sagar Sagar 470002 **Saharanpur:** 1st Floor, Krishna Complex, Opp. Hathi Gate, Court Road, Saharanpur, Uttar Pradesh, Pincode 247001 **Salem:** No.6 Ns Complex Omalur Main Road Salem 636009 **Sambalpur:** First Floor; Shop No. 219 Sahej Plaza Golebazar; Sambalpur Sambalpur 768001 **Satara:** G7, 465 A, Govind Park Satar Bazaar, Satara - 415001 **Satna:** 1St Floor Gopal Complex Near Bus Stand Rewa Roa Satna 485001 **Shillong:** Annex Mani Bhawan Lower Thana Road Near R K M Lp School Shillong 793001 **Shimla:** 1St Floor Hills View Complex Near Tara Hall Shimla 171001 **Shimoga:** Jayarama Nilaya 2Nd Corss Mission Compound Shimoga 577201 **Shivpuri:** A. B. Road In Front Of Sawarkar Park Near Hotel Vanasthali Shivpuri 473551 **Sikar:** First Floor super Tower Behind Ram Mandir Near Taparya Bagichi - Sikar 332001 **Silchar:** N.N. Dutta Road Chowchakra Complex Premtala Silchar 788001 **Siliguri:** Nanak Complex 2Nd Floor Sevoke Road - Siliguri 734001 **Sitapur:** 12/12 Surya Complex Station Road Uttar Pradesh Sitapur 261001 **Solan:** Disha Complex 1St Floor Above Axis Bank Rajgarh Road Solan 173212 **Solapur:** Shop No 106. Krishna Complex 477 Dakshin Kasaba Datta Chowk Solapur-413007 **Sonepat:** Shop No. 205 Pp Tower Opp Income Tax Office Subhash Chowk Sonepat. 131001. **Sri Ganganagar:** Address Shop No. 5 Opposite Bihani Petrol Pump Nh - 15 Near Baba Ramdev Mandir Sri Ganganagar 335001 **Srikakulam:** D No 158, Shop No # 3, Kaki Street, Opp Tulasi Das Hospital, CB Road, Srikakulam Andhra Pradesh - 532001 **Sultanpur:** 1St Floor Ramashanker Market Civil Line - Sultanpur 228001 **Surat:** Ground Floor Empire State Building Near Udhna Darwaja Ring Road Surat 395002 **Tinsukia:** 3rd Floor, Chirwapatty Road, Tinsukia-786125, Assam **Tirunelveli:** 55/18 Jeney Building 2Nd Floor S N Road Near Aravind Eye Hospital Tirunelveli 627001 **Tirupathi:** Shop No:18-1-421/F1 City Center K.T.Road Airtel Backside Office Tirupathi - 517501 **Tiruvalla:** 2Nd Floorerinjery Complex Ramanchira Opp Axis Bank Thiruvalla 689107 **Trichur:** 4Th Floor Crown Tower Shakthan Nagar Opp. Head Post Office Thrissur 680001 **Trichy:** No 23C/1 E V R Road Near Vekkaliyamman Kalyana Mandapam Putthur - Trichy 620017 **Trivandrum:** 3rdFloor, No- 3B TC-82/3417, CAPITOL CENTER, OPP SECRETARIAT, MG ROAD, TRIVANDRUM- 695001 **Tuticorin:** 4 - B A34 - A37 Mangalmal Mani Nagar Opp. Rajaji Park Palayamkottai Road Tuticorin 628003 **Udaipur:** Shop No. 202 2Nd Floor Business Centre 1C Madhuvan Opp G P O Chetak Circle Udaipur 313001 **Ujjain:** Heritage Shop No. 227 87 Vishvavidhyalaya Marg Station Road Near Icici Bank Above Vishal Megha Mart Ujjain 456001 **Valsad:** 406 Dreamland Arcade Opp Jade Blue Tithal Road Valsad 396001 **Vapi:** A-8 Second Floor Solitaire Business Centre Opp Dcb Bank Gidc Char Rasta Silvassa Road Vapi 396191 **Varanasi:** D.64 / 52, G - 4 Arihant Complex , Second Floor ,Madhopur, Shivpurva Sagra ,Near Petrol Pump Varanasi -221010 **Vellore:** No 2/19 1St Floor Vellore City Centre Anna Salai Vellore 632001 **Vijayawada:** Hno26-23 1St Floor Sundarammastreet Gandhinagar Krishna Vijayawada 520010 **Visakhapatnam:** Dno : 48-10-40 Ground Floor Surya Ratna Arcade Srinagar Opp Roadto Lalitha Jeweller Showroom Beside Taj Hotel Ladge Visakhapatnam 530016 **Warangal:** Shop No22 Ground Floor Warangal City Center 15-1-237 Mulugu Road Junction Warangal 506002 **Yamuna Nagar:** B-V 185/A 2Nd Floor Jagadri Road Near Dav Girls College (Uco Bank Building) Pyara Chowk - Yamuna Nagar 135001

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**Andheri:** Office No 103, 1st Floor, MTR Cabin-1, Vertex, Navkar Complex M .V .Road, Andheri East , Opp Andheri Court, Mumbai - 400069 **Borivali:** Gomati Smuti Ground Floor, Jambli Gully, Near Railway Station, Borivali, Mumbai 400 092 **Hyderabad(Gachibowli)** Selenium Plot No: 31 & 32, Tower B, Survey No.115/22 115/24 115/25, Financial District, Gachibowli Nanakramguda, Serilingampally Mandal, Hyderabad 500032 **Thane:** Room No. 302, 3Rd Floor, Ganga Prasad, Near RBL Bank Ltd, Ram Maruti Cross Road, Naupada, Thane West, Mumbai 400602 **Vashi:** Haware Infotech Park 902, 9th Floor, Plot No 39/03, Sector 30A, Opp Inorbit Mall, Vashi Navi Mumbai 400703.