

AUDITORS REPORT

The Board of Trustees
Sundaram Mutual Fund
Chennai

We have audited the attached Balance Sheet of Sundaram Mutual Fund - **SUNDARAM FIXED INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN C** as at March 31, 2012 and the Revenue Account for the **Year** ended on **that date**. These financial statements are the responsibility of the management. Our responsibility is to express our opinion on these financial statements based on our audit.

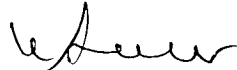
We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

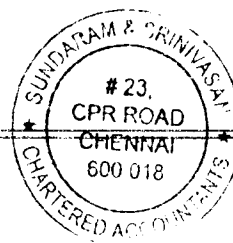
On the basis of the audit as indicated above, we report as follows:-

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. The Balance Sheet and Revenue Account are in agreement with the books of accounts of Sundaram Mutual Fund.
3. a) The accounts have been prepared in accordance with accounting policies and standards as specified in the Ninth Schedule of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
b) In our opinion, the valuation methods adopted by the fund for valuation of non-traded securities, "in good faith" are fair and reasonable.
4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes forming part of Accounts give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in case of Balance Sheet, of the state of affairs of the aforesaid Schemes of Sundaram Mutual Fund, **SUNDARAM FIXED INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN C** as at March 31, 2012 and
 - b) In the case of Revenue Account of the **Surplus** of Sundaram Mutual Fund - **SUNDARAM FIXED INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN C** for the **Year** ended on **31/03/2012**.

For and on behalf of **SUNDARAM & SRINIVASAN**
CHARTERED ACCOUNTANTS (FRN No.: 004207S)

Place: Chennai
Date: 26th June, 2012


K. SRINIVASAN
PARTNER (M.No: 5809)



BALANCE SHEET AS AT 31st MARCH, 2012

Amount in Rs.

	SCHEDULE NO.	31-Mar-12	31-Mar-11
LIABILITIES			
Unit Capital	1	272,731,088	563,989,022
Reserves & Surplus	2	23,214,222	11,534,626
Current Liabilities & Provisions	3	1,626,537	175,030
		297,571,847	575,698,678
ASSETS			
Investments	4	293,300,454	567,791,691
Other Current Assets	5	4,271,393	7,906,987
		297,571,847	575,698,678

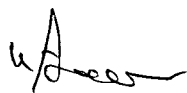
Notes on Accounts

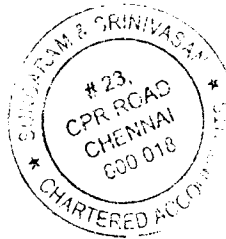
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As per our Report of even date

For
Sundaram & Srinivasan
Chartered Accountants
(FRN.: 004207S)

For
Sundaram Asset Management Company Ltd



K Srinivasan
Partner
(M.NO : 5809)




Dwijendra Srivatsava
Fund Manager


T P Raman
Managing Director

For and on Behalf of
Sundaram Trustee Company Ltd


K V Ramanathan
Chairman


S Viji
Director


R. Rajamani
Director

M. S. Sundara Rajan
Director

Place : Chennai
Date : 26th June 2012

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REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

		Amount, Rs			
	Schedule No.	2011 - 2012		2010 - 2011	
REVENUE					
Interest	6	31,199,792		28,643,203	
Other Income		308			
		31,200,100		28,643,203	
TOTAL (A)			31,200,100		28,643,203
EXPENSES					
Management fee		133,619		138,123	
Trusteeship fee		33,404		34,523	
Commission to Agents		80,493		102,270	
Audit fee		12,404		11,042	
Other operating expenses		34,650		34,157	
Custodian charges		77,947		86,917	
Registrar expenses		55,290		42,190	
		427,807		449,222	
Less : Amount transferred from Unit Premium Reserve on account of Management Expenses		26,919		34,923	
TOTAL (B)			400,888		414,299
SURPLUS / (DEFICIT) (A-B)			30,799,212		28,228,904
Add/(Less) : Balance in Equalisation Account			3,258,802		9,599,744
			34,058,014		37,828,648
Less: Income Distributed		17,780,138		21,934,020	
Distribution Tax		4,598,280		4,641,240	
			22,378,418		26,575,260
Surplus /(Deficit) transferred to Balance Sheet			11,679,596		11,253,388

Notes on Accounts

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As per our Report of even date

For

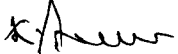
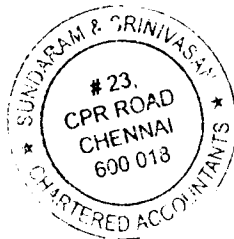
Sundaram & Srinivasan

Chartered Accountants

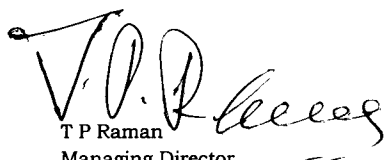
(FRN.: 004207S)

For

Sundaram Asset Management Company Ltd


 K Srinivasan
 Partner
 (M.NO : 5809)


 Dwijendra Srivatsava
 Fund Manager


 T P Raman
 Managing Director

 For and on Behalf of
 Sundaram Trustee Company Ltd



 K V Ramanathan
 Chairman


 S Viji
 Director


 R. Rajamani
 Director

 M. S. Sundara Rajan
 Director

Place : Chennai

Date : 26th June 2012

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SCHEDULE : 1**Unit Capital**

	31/03/2012		31/03/2011	
	Rs.		Rs.	
	UNITS	AMOUNT	UNITS	AMOUNT
Initial capital	304,498,328.51	3,044,983,285	304,498,328.51	3,044,983,285
Unit Capital				
Opening Capital	56,398,902.24	563,989,022	251,472.45	2,514,725
Add: Units sold during the year	51,261,311.38	512,613,114	125,564,341.20	1,255,643,412
	107,660,213.62	1,076,602,136	125,815,813.65	1,258,158,137
Less : Units repurchased during the year	80,387,104.79	803,871,048	69,416,911.41	694,169,115
Units at the end of the Year	27,273,108.83	272,731,088	56,398,902.24	563,989,022
		272,731,088		563,989,022

SCHEDULE : 2**Reserves & Surplus**

	31/03/2012		31/03/2011	
	Rs.		Rs.	
General Reserve				
Opening Balance	11,534,626		281,238	
Add /(Less): Transfer from Revenue Account	11,679,596	23,214,222	11,253,388	11,534,626
		23,214,222		11,534,626

SCHEDULE : 3**Current Liabilities & Provisions**

	31/03/2012	31/03/2011
	Rs.	Rs.
Current Liabilities		
Sundry Creditors	1,614,453	171,148
Distributed Income Payable	10,455	-
Others	1,629	3,882
	1,626,537	175,030

SCHEDULE : 4**Investments**

	31/03/2012	31/03/2011
	Rs.	Rs.
Certificate of Deposits	293,100,749	567,591,918
Others - Reverse Repo / CBLO	199,705	199,773
	293,300,454	567,791,691

SCHEDULE : 5**Other Current Assets**

	31/03/2012	31/03/2011
	Rs.	Rs.
Balance with banks in Current Accounts	269,002	268,742
Outstanding and accrued Income	4,002,391	7,638,245
	4,271,393	7,906,987

SCHEDULE : 6

Interest		
	2011 - 2012	2010 - 2011
	Rs.	Rs.
Interest from banks and others	1,458,599	703,486
Discounting Charges	29,741,193	27,939,717
	31,199,792	28,643,203

SUNDARAM MUTUAL FUND

SUNDARAM FIXED INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN C

Schedules forming part of the Balance Sheet as at 31-Mar-2012
and the Revenue Account for the Year ended 31-Mar-2012

SCHEDULE 7 NOTES ON ACCOUNTS

All amounts mentioned rupees in lakhs

1 SIGNIFICANT ACCOUNTING POLICIES

1.1. INVESTMENTS

Investment transactions are accounted on trade dates at cost including brokerage, stamp duty and other levies.

Investments are marked to market. In valuing the Scheme's investments:

a) Government Securities

· Government Securities are valued at the prices obtained from CRISIL in accordance with the guidelines for valuation of securities for mutual funds issued by SEBI.

· Instruments bought on 'repo' basis have been valued at the resale price after deduction of applicable interest up to date of resale.

b) Other Securities

· Traded Securities are valued at the last quoted closing price on the stock exchange. Non-traded / thinly traded securities are valued in good faith on the basis of guidelines issued by SEBI in this regard.

In accordance with the guidance note on accounting for investments in the financial statement of mutual funds issued by The Institute of Chartered Accountants of India, the investments are valued separately category-wise and the net unrealised appreciation is directly transferred to unrealised appreciation reserve and the net diminution is debited to revenue account.

1.2. INCOME RECOGNITION

(i) Profit/Loss on sale of investments is recognised on the trade dates based on weighted average cost method.

(ii) Income on investments is accounted on accrual basis.

(iii) Other income is accounted on cash basis.

1.3. EXPENSES

Expenses are accounted for on accrual basis.

1.4. LOAD

In terms of SEBI circular dated 30th June 2009, out of the exit load charged to the investor, a maximum of 1% of the redemption proceeds is maintained in a separate account which can be used by the AMC to pay commission to the distributor and for marketing and selling expenses of the scheme. Any balance in excess of 1% is credited to the scheme immediately and unutilised portion in the load account shall be credited to the scheme whenever felt appropriate by the AMC.

1.5. EQUALISATION ACCOUNT

In terms of SEBI circular dated 15th March 2010, on Unit Premium Reserve, the equalisation account has been credited/debited with an appropriate portion (excluding the Unit Premium Reserve and Unrealised Appreciation) of the sale proceeds/repurchase price in respect of units sold / repurchased on or after 15th March 2010. The net balance in this account is transferred to revenue account for the Year.

1.6. UNIT PREMIUM RESERVE

In terms of SEBI Circular dated 15th March 2010, on Unit Premium Reserve, when units are sold / repurchased on or after 15th March 2010 a part of the sale price / re-purchase price representing unrealized gains is credited/debited to Unit Premium Reserve. The balance in Unit Premium Reserve will not be utilised for determination of distributable surplus.

2. INVESTMENT MANAGER FEES

Management fee is computed on daily average net assets as under:

Description	01.04.11 to 31.03.12	01.04.10 to 31.03.11
Average daily net asset value	3,340.46	3,452.36
Management fee @ 0.04% of average daily net asset value.(Previous year 0.04%)	1.34	1.38

3. INVESTMENTS MADE IN COMPANIES WHO HAVE INVESTED MORE THAN FIVE PERCENT OF THE NET ASSET VALUE OF THE SCHEMES OF SUNDARAM MUTUAL FUND.

As Per Annexure - I

4. AGGREGATE VALUE OF PURCHASES & SALES MADE DURING THE YEAR.

The aggregate value of investments purchased and sold (including matured) during the Year. as a percentage of average daily net asset value is as under :

Description	01.04.11 to 31.03.12	01.04.10 to 31.03.11
PURCHASE VALUE (AMOUNT)	13,662.99	16,092.69
%	409.02%	466.14%
SALES VALUE (AMOUNT)	16,741.67	10,619.79
%	501.18%	307.61%

5. AGGREGATE FAIR VALUE OF NON-TRADED / THINLY TRADED INVESTMENTS-

Aggregate Fair Value of non traded / thinly traded investments valued in "good faith" exceeding 5% of the Net Asset Value as at the end of the Year. :

Description	31.03.2012	31.03.2011
Aggregate Fair Value of non traded / thinly traded investments valued in "good faith" exceeding 5% of the Net Asset Value as at the end of the Year.	2,931.01	5,675.92
% to the asset under management	99.04%	98.62%

6. INCOME / EXPENDITURE

The total income and expenditure as a percentage of the daily average net assets, during the Year. are given below.

DESCRIPTION	01.04.11 to 31.03.12	01.04.10 to 31.03.11
INCOME	9.34%	8.30%
EXPENDITURE	0.12%	0.12%

7. CONTINGENT LIABILITY

Contingent liability as at 31st March 2012 is Rs. Nil. Previous Year Rs. Nil

8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	01.04.11 to 31.03.12	01.04.10 to 31.03.11
Sundaram Finance Ltd (Sponsor)	0.07	NIL
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	NIL	NIL
Indus Ind Bank Ltd (Associate)	NIL	NIL
Sundaram BNP Paribas Funds Services Ltd (R & T)	0.41	NIL

9. TOTAL VALUE OF INVESTMENTS FALLING UNDER EACH MAJOR INDUSTRY GROUP WHICH CONSTITUTES NOT LESS THAN 5% OF THE TOTAL INVESTMENTS IS AS BELOW:

(% of total investment within the classification)

Refer Annexure - II

10. PORTFOLIO DISCLOSURE

Full portfolio of the scheme is given in Annexure - III

11. MOVEMENT IN UNIT CAPITAL

As Per Schedule-I

12. ACCOUNTING STANDARD 17 ON SEGMENT REPORTING

As the Financial Statements are prepared separately on each scheme, no further disclosure under Accounting Standard 17 on segment reporting issued by the Institute of Chartered Accountants of India is considered necessary. There is no secondary reporting segment.

ACCOUNTING STANDARD 18 ON RELATED PARTY DISCLOSURES

Related party disclosures as required by the Accounting Standard 18 - "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given as Annexure - IV

14. HISTORICAL PER UNIT	2011-12 Rs.		2010-11 Rs.		2009-10 Rs.	
	Dividend Option	Growth Option	Dividend Option	Growth Option	Dividend Option	Growth Option
(A) Gross income		1.1440		0.5079		1.1181
(i) income other than profit on sale of investment						
(ii) income from profit on inter scheme sales/transfer of investments		0.0000		0.0000		0.0000
(iii) income from profit on sale of investment to third parties		0.0000		0.0000		0.0000
(iv) transfer to revenue account from past year's reserves		0.0000		0.0000		0.0000
(B) Aggregate of expenses, write off, amortisation and charges		0.0157		0.0080		0.0334
(C) Net income		1.1283		0.4999		1.0847
(D) Net unrealised appreciation/(diminution) in value of investments		0.0000		0.0000		0.0000
(E) Net Assets Value						
Retail	10.1431	13.4647	10.0078	12.2787	10.0397	11.5696
Institutional	10.1431	13.4662	10.0078	12.2826		
Highest repurchase price	10.0073	13.2785	10.0853	12.1143	10	11.5243
Retail	10.0028	13.2785	10.0000	0.0000		
Institutional	10.0000	12.4028	9.9314	11.7700	9.9298	11.1771
Lowest repurchase price	10.0000	12.6894	10.0000	0.0000		
Retail	10.0028	13.2785	10.0000	12.1143		
Institutional	10.0028	13.2785	10.0000	11.8811		
Highest ongoing sale price *	10.0000	12.4028	10.0000	11.7394		
Retail	10.0000	12.4067	10.0000	11.8811		
Institutional						
(F) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage		0.12%		0.13%		0.12%
(G) Ratio of gross income to average daily net assets by percentage		9.34%		8.30%		4.03%

* Includes entry load as applicable

15. Computation of Distributable Income

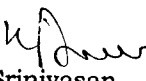
	31.03.12	31.03.11	31.03.10
Net income as per revenue account	34,058,014.03	37,828,648.00	4,538,047.00
Add : Balance of Undistributed income as at 1st April brought forward	11,534,626	281,238	5,051,099
	45,592,640	38,109,886	513,052
Less : Income Distributed during the year	22,378,418	26,575,260	231,814
Distributable Income	23,214,222	11,534,626	281,238

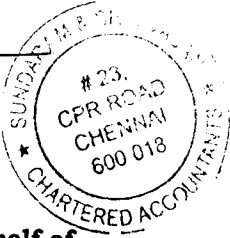
16. Previous year figures have been regrouped wherever necessary to conform with the current year's classification


Signatures to the schedules 1 to 7 are forming part of the Balance Sheet and the Revenue Account.

For Sundaram & Srinivasan
Chartered Accountants
(FRN No.: 004207S)

For Sundaram Asset Management Company Ltd



K Srinivasan
Partner
(M.No : 5809)




Dwijendra Sivatsava
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Place : Chennai

Date : 26th June, 2012