

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 D** 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.

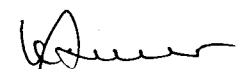
We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence 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.

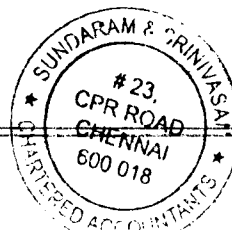
On the basis of the audit as indicated above, we report as follows:-

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 D** as at March 31, 2012 and
 - b) In the case of Revenue Account of the **Deficit** of Sundaram Mutual Fund - **SUNDARAM FIXED INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN D** 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	107,664,257	987,644,807
Reserves & Surplus	2	6,678,700	66,350,338
Current Liabilities & Provisions	3	17,451	2,428,717
		114,360,408	1,056,423,862
ASSETS			
Investments	4	111,476,498	1,035,601,350
Other Current Assets	5	2,883,910	20,822,512
		114,360,408	1,056,423,862

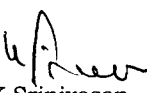
Notes on Accounts

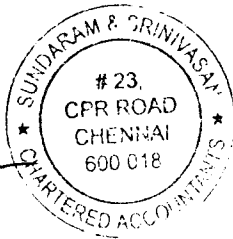
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As per our Report of even date

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 - 12		2010 - 11	
REVENUE					
Interest	6	27,830,341		68,071,176	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		-		5,476	
Other Income		7,568			
TOTAL (A)		27,837,909	27,837,909	68,076,652	68,076,652
EXPENSES					
Management fee		126,876		360,783	
Trusteeship fee		31,716		90,192	
Commission to Agents		73,944		222,325	
Audit fee		13,515		15,881	
Other operating expenses		23,169		65,809	
Custodian charges		63,768		220,803	
Registrar expenses		53,381		111,621	
SUB TOTAL		386,369	380,632	1,087,414	1,082,351
Less : Amount transferred from load on account of Marketing Expenses		5,737		5,063	
TOTAL (B)			380,632		1,082,351
SURPLUS / (DEFICIT) (A-B)			27,457,277		66,994,301
Add/(Less) : Balance in Equalisation Account			(65,526,348)		52,948,039
			(38,069,071)		119,942,340
Less: Income Distributed		17,160,597		44,741,689	
Distribution Tax		4,441,970	21,602,567	9,525,900	54,267,589
Surplus /(Deficit) transferred to Balance Sheet			(59,671,638)		65,674,751

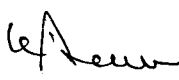
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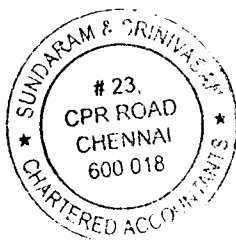
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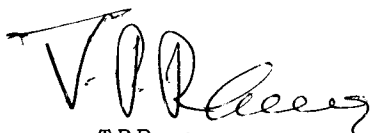
For
Sundaram & Srinivasan
Chartered Accountants
(FRN.: 004207S)

For
Sundaram Asset Management Company Ltd

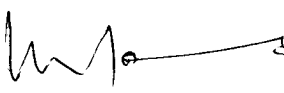

K Srinivasan
Partner
(M.NO : 5809)





Dwijendra Srivatsava
Fund Manager

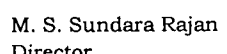

T P Raman
Managing Director

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

SCHEDULE : 1**Unit Capital**

	31/03/2012		31/03/2011	
	Rs.		Rs.	
Initial capital	151,331,584.70	1,513,315,847	151,331,584.70	1,513,315,847
Unit Capital				
Opening Capital	98,764,480.71	987,644,807	977,320.90	9,773,209
Add: Units sold during the year	28,964,513.56	289,645,136	202,081,850.50	2,020,818,505
	127,728,994.27	1,277,289,943	203,059,171.40	2,030,591,714
Less : Units repurchased during the year	116,962,568.62	1,169,625,686	104,294,690.69	1,042,946,907
Units at the end of the Year	10,766,425.65	107,664,257	98,764,480.71	987,644,807
		107,664,257		987,644,807

SCHEDULE : 2**Reserves & Surplus**

	31/03/2012		31/03/2011	
	Rs.		Rs.	
General Reserve				
Opening Balance	66,350,338		675,587	
Add /(Less): Transfer from Revenue Account	(59,671,638)		65,674,751	
		6,678,700		66,350,338
		6,678,700		66,350,338

SCHEDULE : 3**Current Liabilities & Provisions**

	31/03/2012	31/03/2011
	Rs.	Rs.
Current Liabilities		
Sundry Creditors	16,146	11,361
Distributed Income Payable	-	13,567
Others	1,305	2,403,789
	17,451	2,428,717

SCHEDULE : 4**Investments**

	31/03/2012	31/03/2011
	Rs.	Rs.
Certificate of Deposits	111,176,941	1,034,602,486
Others - Reverse Repo / CBLO	299,557	998,864
	111,476,498	1,035,601,350

SCHEDULE : 5**Other Current Assets**

	31/03/2012	31/03/2011
	Rs.	Rs.
Balance with banks in Current Accounts	651,986	397,444
Outstanding and accrued Income	2,231,924	20,425,068
	2,883,910	20,822,512

SCHEDULE : 6**Interest**

	2011 - 12	2010 - 11
	Rs.	Rs.
Interest from banks and others	2,127,662	1,404,525
Interest on Debentures and Bonds	-	7,343,666
Discounting Charges	25,702,679	59,322,985
	27,830,341	68,071,176

SUNDARAM MUTUAL FUND

SUNDARAM FIXED INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN D

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	3,171.55	9,019.24
Management fee @ 0.04% of average daily net asset value. (Previous year 0.04%)	1.27	3.61

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)	11,436.58	45,573.09
%	360.60%	505.29%
SALES VALUE (AMOUNT)	21,109.80	35,616.10
%	665.60%	394.89%

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.	1,111.77	10,346.02
% to the asset under management	97.26%	98.16%

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	8.78%	7.55%
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)	0.05	NIL
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	NIL	NIL
Indus Ind Bank Ltd (Associate)	0.00	NIL
Sundaram BNP Paribas Funds Services Ltd (R & T)	0.40	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 STATISTICS

	2011-12		2010-11		2009-10			
	Rs.		Rs.		Rs.			
(A) Gross income								
(i) income other than profit on sale of investment		2.5849		0.6892		2.4725		
(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		0.0001		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		0.0359		0.0110		0.0351		
(C) Net income		2.5490		0.6783		2.4374		
(D) Net unrealised appreciation/(diminution) in value of investments		0.0000		0.0000		0.0000		
(E) Net Assets Value	Dividend Option	10.2119	Growth Option	13.6467	Inst Dividend Option	10.2143	Inst Growth Option	0.0000
(F) Highest repurchase price		10.1309		13.5348		10.0070		12.4854
Lowest repurchase price		10.0000		12.5230		10.0000		11.7045
Highest ongoing sale price *		10.0167		13.3662		10.0023		12.2528
Lowest ongoing sale price *		10.0000		12.5230		10.0000		11.8422
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage				0.12%				0.12%
(H) Ratio of gross income to average daily net assets by percentage				8.78%				7.55%
								0.12%
								8.47%

* 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	(38,069,071)	119,942,340	(311,146)
Add : Balance of Undistributed income as at 1st April brought forward	66,350,338	675,587	6,169,824
	28,281,267	120,617,927	5,858,678
Less : Income Distributed during the year	21,602,567	54,267,589	5,183,091
Distributable Income	6,678,700	66,350,338	675,587

16. Previous Years figures have been regrouped wherever necessary to confirm with the current years classification

ANNEXURE - II

SUNDARAM FIXED INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN D		% of total investments within the classification	
		2011-2012	2010-2011
	Money Market Instruments		
	FINANCE	100.00%	100.00%

ANNEXURE - III

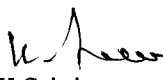
SUNDARAM FIXED INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN D					
Portfolio Statement for the Year ended 31 March, 2012					
S.NO	Particulars	Rating	Quantity	Mkt Value Rs. in Lacs	% of Holding
	A) Debt Instruments				
	a) Listed / awaiting listing on Stock Exchange				
	NIL				
	B) Money Market Instruments				
1	State Bank of Bikaner & Jaipur **	A1+	340	333.12	29.88%
2	Jammu & Kashmir Bank **	A1+	340	332.63	29.84%
3	UNITED BANK OF INDIA **	A1+	340	332.55	29.83%
4	ING Vyasya Bank **	A1+	116	113.46	10.18%
	Sub Total			1111.77	99.73%
	C) Others				
1	REVERSE REPO / CBLO			3.00	0.27%
	GRAND TOTAL			1,114.76	100.00%

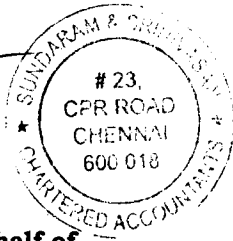
** Thinly traded / Non Traded securities

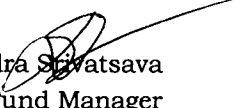
Signatures to the schedules 1 to 7 are forming part of the Balance Sheet and the Revenue Account.

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

For Sundaram Asset Management Company Ltd

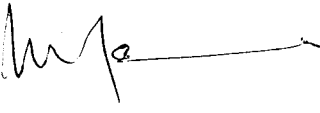

K Srinivasan
Partner
(M.No : 5809)

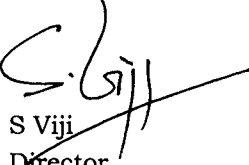



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Place : Chennai

Date : 26th June, 2012