

**SUNDARAM & SRINIVASAN**  
**CHARTERED ACCOUNTANTS**  
**23, C.P. RAMASWAMY ROAD,**  
**ALWARPET, CHENNAI - 600 018.**

**AUDITORS REPORT**

The Board of Trustees  
Sundaram Mutual Fund  
Chennai

We have audited the attached Balance Sheet of Sundaram Mutual Fund - **SUNDARAM FIXED TERM PLAN BK** as at March 31, 2012 and the Revenue Account for the **Period** 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.

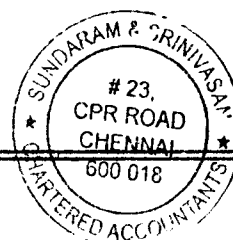
On the basis of the audit as indicated above, we report as follows:-

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 TERM PLAN BK** as at March 31, 2012 and
  - b) In the case of Revenue Account of the **Surplus** of Sundaram Mutual Fund - **SUNDARAM FIXED TERM PLAN BK** for the **Period** 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
<b>LIABILITIES</b>		
Unit Capital	1	557,762,020
Reserves & Surplus	2	20,471,106
Current Liabilities & Provisions	3	197,211
		<b>578,430,337</b>
<b>ASSETS</b>		
Investments	4	552,791,948
Other Current Assets	5	25,638,389
		<b>578,430,337</b>

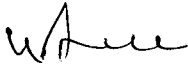
Notes on Accounts

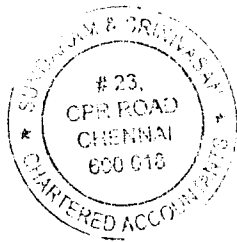
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As per our Report of even date

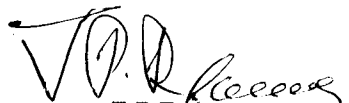
**For**  
**Sundaram & Srinivasan**  
Chartered Accountants  
(FRN.: 004207S)

**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

## REVENUE ACCOUNT FOR THE PERIOD FROM 05.10.2011 TO 31.03.2012

		Amount, Rs	
	Schedule No.	05.10.2011 TO 31.03.2012	
<b>REVENUE</b>			
Interest	6	26,334,445	
<b>TOTAL (A)</b>		<b>26,334,445</b>	<b>26,334,445</b>
<b>EXPENSES</b>			
Net diminution in value of investment	7	3,972,081	
Management fee		305,347	
Trusteeship fee		27,758	
Marketing Expenses		183,214	
Publicity expenses		2,550	
Audit fee		11,030	
Other operating expenses		36,229	
Custodian charges		19,921	
Commission to Agent		105,135	
Registrar expenses		30,545	
<b>TOTAL (B)</b>		<b>4,693,810</b>	<b>4,693,810</b>
<b>SURPLUS / (DEFICIT) (A-B)</b>			<b>21,640,635</b>
<b>Less: Income Distributed</b>		914,679	
Distribution Tax		254,850	<b>1,169,529</b>
<b>Surplus /(Deficit) transferred to Balance Sheet</b>			<b>20,471,106</b>

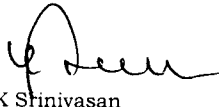
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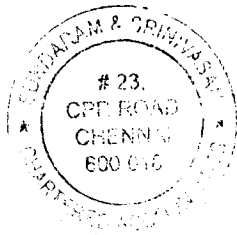
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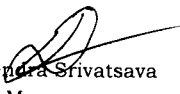
As per our Report of even date


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

**For**  
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Partner  
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M. S. Sundara Rajan  
Director

Place : Chennai

Date : 26th June 2012

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**SCHEDULE : 1****Unit Capital**

	31/03/2012	
	UNITS	AMOUNT
<b>Initial capital</b>	<b>55,776,202</b>	<b>557,762,020</b>
<b>Unit Capital</b>		
Opening Capital	-	-
Add: Units sold during the Period	55,776,202.00	557,762,020
	55,776,202.00	557,762,020
Less : Units repurchased during the Period	-	-
Units at the end of the Period	55,776,202.00	557,762,020
		<b>557,762,020</b>

**SCHEDULE : 2****Reserves & Surplus**

	31/03/2012	
	Rs.	
<b>General Reserve</b>		
Opening Balance	-	
Add /(Less): Transfer from Revenue Account	20,471,106	
		<b>20,471,106</b>
		<b>20,471,106</b>

**SCHEDULE : 3****Current Liabilities & Provisions**

	31/03/2012
	Rs.
<b>Current Liabilities</b>	
Sundry Creditors	195,071
Others	2,140
	<b>197,211</b>

**SCHEDULE : 4****Investments**

	<b>31/03/2012</b>
	<b>Rs.</b>
Certificate of Deposits	552,192,723
Others - Reverse Repo / CBLO	599,225
	<b>552,791,948</b>

**SCHEDULE : 5****Other Current Assets**

	<b>31/03/2012</b>
	<b>Rs.</b>
Balance with banks in Current Accounts	160,889
Outstanding and accrued Income	25,477,500
	<b>25,638,389</b>

**SCHEDULE : 6****Interest**

	<b>05.10.2011 TO 31.03.2012</b>
	Rs.
Interest from banks and others	667,731
Discounting Charges	25,666,714
	<b>26,334,445</b>

**SCHEDULE :7****Net unrealised appreciation / (Diminution) in value of Investments**

	<b>31.03.2012</b>
	Rs.
<b>Diminution in value of investments\</b> Money Market Instruments	3,972,081
	3,972,081
Net Diminution in value of investments	<b>(3,972,081)</b>

# SUNDARAM MUTUAL FUND

## SUNDARAM FIXED TERM PLAN BK

Schedules forming part of the Balance Sheet as at 31-Mar-2012  
and the Revenue Account for the Period from 05.10.2011 to 31.03.2012

### SCHEDULE 8

All amounts mentioned rupees in lakhs

#### NOTES ON ACCOUNTS

#### 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

When the units are sold / re-purchased, the difference between the sale price / re-purchase price and the face value of the units is credited / debited to equalisation account. The net balance in this account is transferred to revenue account for the Period.

#### 2. INVESTMENT MANAGER FEES

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

Description	05.10.11 to 31.03.12
Average daily net asset value	5,675.42
Management fee @ 0.11% of average daily net asset value.	3.05

#### 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 PERIOD.

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

Description	05.10.11 to 31.03.12
<b>PURCHASE VALUE (AMOUNT)</b>	<b>5,649.75</b>
%	<b>99.55%</b>
<b>SALES VALUE (AMOUNT)</b>	<b>90.00</b>
%	<b>1.59%</b>

#### 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 Period. :

Description	31.03.2012
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 Period.	<b>5,521.93</b>
% to the asset under management	<b>95.50%</b>

#### 6. INCOME / EXPENDITURE

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

DESCRIPTION	05.10.11 to 31.03.12
<b>INCOME</b>	<b>9.49%</b>
<b>EXPENDITURE</b>	<b>0.26%</b>

#### 7. CONTINGENT LIABILITY

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

#### 8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	05.10.11 to 31.03.12
Sundaram Finance Ltd (Sponsor)	<b>0.28</b>
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	<b>NIL</b>
Indus Ind Bank Ltd (Associate)	<b>NIL</b>
Sundaram BNP Paribas Funds Services Ltd (R & T)	<b>0.31</b>

#### 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**

		2011-2012	
		Rs.	
(A)	Gross income		
	(i) income other than profit on sale of investment	0.4721	
	(ii) income from profit on inter scheme sales/transfer of investments	0.0000	
	(iii) income from profit on sale of investment to third parties	0.0000	
	(iv) transfer to revenue account from past year's reserves	0.0000	
(B)	Aggregate of expenses, write off, amortisation and charges	0.0129	
(C)	Net income	0.4592	
(D)	Net unrealised appreciation/(diminution) in value of investments	-0.0712	
		REGULAR	
		Dividend Option	Growth Option
(E)	Net Assets Value	10.2048	10.3884
(F)	Highest repurchase price	NA	NA
	Lowest repurchase price	NA	NA
	Highest ongoing sale price *	NA	NA
	Lowest ongoing sale price *	NA	NA
(G)	Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage	0.26%	
(H)	Ratio of gross income to average daily net assets by percentage	9.49%	

\* includes entry load as applicable

**15. Computation of Distributable Income**

	31/03/2012
Net Income as per revenue account	21,640,635
Add : Balance of Undistributed income as at 1st April brought forward	-
	21,640,635
Less : Income Distributed during the year	1,169,529
Distributable Income	20,471,106

16. Since the scheme was launched during the year, previous year figures are not provided.

## ANNEXURE - II

SUNDARAM FIXED TERM PLAN BK		% of total investments within the classification
		2011-2012
Money Market Instruments		
FINANCE		100.00%

## ANNEXURE - III

SUNDARAM FIXED TERM PLAN BK					
Portfolio Statement for the period ended 31 March, 2012					
S.NO	Particulars	Rating	Quantity	Mkt Value Rs. in Lacs	% of Holding
<b>A) Debt Instruments</b>					
<b>a) Listed / awaiting listing on Stock Exchange</b>					
		NIL			
<b>B) Money Market Instruments</b>					
1	Jammu & Kashmir Bank **	A1+	1500	1360.23	24.61%
2	South Indian Bank Ltd **	A1+	1500	1357.19	24.55%
3	Indian Bank **	A1+	1000	908.74	16.44%
4	State Bank of Hyderabad **	A1+	1000	907.82	16.42%
5	TAMILNADU MERCANTILE BANK **	A1+	1000	904.78	16.37%
6	UNITED BANK OF INDIA **	A1+	85	83.16	1.50%
	<b>Sub Total</b>			<b>5521.93</b>	<b>99.89%</b>
<b>C) Others</b>					
1	REVERSE REPO / CBLO			5.99	0.11%
<b>GRAND TOTAL</b>				<b>5,527.92</b>	<b>100.00%</b>

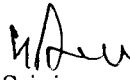
\*\* Thinly traded / Non Traded securities

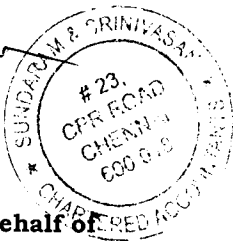
Signatures to the schedules 1 to 8 are forming part of the Balance Sheet and the Revenue Account.

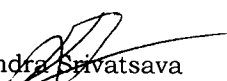
**For Sundaram & Srinivasan**  
**Chartered Accountants**


(FRN No.: 004207S)

**For Sundaram Asset Management Company Ltd**


  
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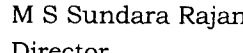
  
T P Raman  
Managing Director

**For and on Behalf of**  
**Sundaram Trustee Company Ltd**

  
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Chairman

  
S Viji  
Director

  
R Rajamani  
Director

  
M S Sundara Rajan  
Director

**Place : Chennai**

**Date : 26th June, 2012**