

Independent auditor's report on the financial statements
To the Board of Trustees of Sundaram Mutual Fund

1. Report on the Financial Statements.

We have audited the accompanying financial statement of Sundaram Mutual Fund SUNDARAM FIXED TERM PLAN - SERIES DU as at 31/03/2015, which comprise the Balance Sheet, the Revenue Account for the year then ended 31/03/2015 and a summary of significant accounting policies and other explanatory information

2. Management's Responsibility for the Financial Statements

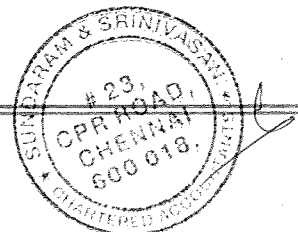
The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Sundaram Mutual Fund SUNDARAM FIXED TERM PLAN - SERIES DU in accordance with the Eleventh Schedule of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 ("The Regulations"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Regulations for safeguarding the assets of the Mutual fund and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountant of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Mutual fund's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the mutual fund has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS
23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said statements together with the notes forming part of Accounts give the information required by "The Regulations" in the manner so required and 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 Sundaram Mutual fund, SUNDARAM FIXED TERM PLAN - SERIES DU as at 31/03/2015

b. In the case of Revenue Account of the Deficit of Sundaram Mutual fund SUNDARAM FIXED TERM PLAN - SERIES DU for the year ended on 31/03/2015.

5. Report on Other Legal and Regulatory Requirements

As required by Regulation 55 of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 we report that:

1. We have sought and 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 dealt with by this Report are in agreement with the books of accounts of the Sundaram Mutual Fund.
- 3.a. The accounts have been prepared in accordance with accounting policies and standards as specified in the Ninth Schedule of "The Regulations".
- b. In our opinion, the valuation methods adopted by the fund for valuation of non-traded securities, "in good faith" are fair and reasonable.

For and on behalf of SUNDARAM & SRINIVASAN
Chartered Accountants (FRN No:004207S)

Place : Chennai
Date : 29th June 2015


K.SRINIVASAN
Partner Membership No. 5809



BALANCE SHEET AS AT 31st MARCH, 2015

	SCHEDULE NO.	31-Mar-15	31-Mar-14
		Rs.	Rs.
LIABILITIES			
Unit Capital	1	101,748,700	325,198,120
Reserves & Surplus	2	16,788,592	20,678,421
Current Liabilities & Provisions	3	66,520	225,531
		118,603,812	346,102,072
ASSETS			
Investments	4	111,917,084	345,946,609
Other Current Assets	5	6,686,728	155,463
		118,603,812	346,102,072

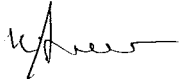
Notes on Accounts

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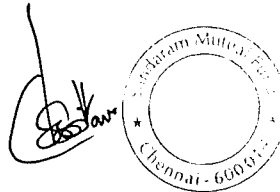
As per our Report of even date

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

For
Sundaram Mutual Fund



K Srinivasan
Partner
(M.NO : 5809)

Authorised Signatory

Place : Chennai

Date : 29th June 2015

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

	Schedule No.	01.04.2014-31.03.2015		04.09.2013 TO 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
REVENUE					
Interest	6	21,566,253		20,438,010	
Other Income		-		3,779	
TOTAL (A)		21,566,253	21,566,253	20,441,789	20,441,789
EXPENSES					
Management fee		745,547		134,918	
Service Tax on AMC Fees		92,150		16,676	
Custodian charges		41,499		23,595	
Trusteeship fee		10,910		13,633	
Commission to Agents		1,046,012		945,064	
Audit fee		7,306		7,743	
Other Operating expenses		4,133		1,095	
Investor Education Fees		43,640		38,547	
Sebi Fees		1,596		-	
TOTAL (B)		1,992,793	1,992,793	1,181,271	1,181,271
SURPLUS / (DEFICIT) (A-B)			19,573,460		19,260,518
Add/(Less) : Balance in Equalisation Account			(22,918,824)		-
Surplus /(Deficit) transferred to Balance Sheet			(3,345,364)		19,260,518

Notes on Accounts

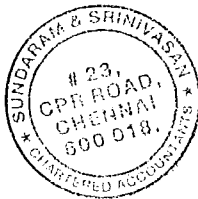
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As per our Report of even date

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

For
Sundaram Mutual Fund

K Srinivasan
Partner
(M.NO : 5809)



Authorised Signatory

Place : Chennai
Date : 29th June 2015

SCHEDULE : 1**Unit Capital**

	31/03/2015		31/03/2014	
	Units	Rs.	Units	Rs.
Initial capital	32,519,812	325,198,120	32,519,812	325,198,120
Unit Capital				
Opening Capital	32,519,812	325,198,120	-	-
Add: Units sold during the year	-	-	32,519,812	325,198,120
Less : Units repurchased during the year	32,519,812	325,198,120	32,519,812	325,198,120
	22,344,942	223,449,420	-	-
Units at the end of the year	10,174,870	101,748,700	32,519,812	325,198,120
		101,748,700		325,198,120

SCHEDULE : 2**Reserves & Surplus**

	31/03/2015		31/03/2014	
	Rs.	Rs.	Rs.	Rs.
General Reserve				
Opening Balance	19,260,518	-	-	-
Add /(Less): Transfer from Revenue Account	(3,345,364)	15,915,154	19,260,518	19,260,518
Unrealised appreciation reserve				
Opening Balance	1,417,903	-	-	-
Add/(Less) Net unrealized appreciation for the year	544,465	873,438	1,417,903	1,417,903
Unrealised Appreciation Reserve (Schedule 7)		873,438		1,417,903
		16,788,592		20,678,421

SCHEDULE : 3**Current Liabilities & Provisions**

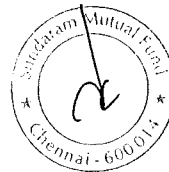
	31/03/2015	31/03/2014
	Rs.	Rs.
Sundry Creditors	65,172	223,367
Others	1,348	2,164
	66,520	225,531

SCHEDULE : 4**Investments**

	31/03/2015	31/03/2014
	Rs.	Rs.
Debentures & Bonds listed / awaiting listing on the recognised stock exchange	110,319,684	-
Certificate of Deposits	-	239,295,185
Commercial Papers	1,597,400	103,058,315
Others - Reverse Repo / CBLO	1,597,400	3,593,109
	111,917,084	345,946,609

SCHEDULE : 5**Other Current Assets**

	31/03/2015	31/03/2014
	Rs.	Rs.
Balance with banks in Current Accounts	119,266	149,950
CBLO Margin Account	82,657	-
Repo Margin Account	30,031	-
Outstanding and accrued Income	6,454,774	5,513
	6,686,728	155,463



SCHEDULE : 6**Interest**

	01.04.2014- 31.03.2015	04.09.2013 TO 31.03.2014
	Rs.	Rs.
Interest from banks and others	690,098	365,972
Interest on Debentures and Bonds	5,711,752	-
Discounting Charges	15,164,403	20,072,038
	21,566,253	20,438,010

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

	31/03/2015	31/03/2014
	Rs.	Rs.
Appreciation in Value of Investments		
Commercial Paper	-	533,129
Certificate of Deposits	-	884,774
Debentures & Bonds listed / awaiting listing on the recognised stock exchange	873,438	-
Appreciation in value of investments (Schedule 2)	873,438	1,417,903



SUNDARAM MUTUAL FUND
SUNDARAM FIXED TERM PLAN - DU
Schedules forming part of the Balance Sheet as at 31-Mar-2015
and the Revenue Account for the Year Ended 31-Mar-2015

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 & ICRA 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 and in true and fair manner through appropriate valuation policies and procedures.

For securities having residual maturity of less than 60 days are valued on the basis of amortisation or reference prices as per the valuation policy. With effect from 29th November 2013, securities having residual maturity of more than 60 days are valued based on the scrip level prices provided by AMFI approved agencies viz., CRISIL & ICRA in line with AMFI Circular No.42/2013-14 dated 19th November 2013.

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.

2. INVESTMENT MANAGER FEES

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

Description	01.04.2014 -31.03.2015	04.09.2013 to 31.03.2014
Average daily net asset value	2,181.90	3,365.99
Management fee @ 0.34% of average daily net asset value (previous year 0.07%)	7.46	1.35

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	01.04.2014 -31.03.2015	04.09.2013 to 31.03.2014
PURCHASE VALUE (AMOUNT)	1,101.89	3,208.64
%	50.50%	95.33%
SALES VALUE (AMOUNT)	3,561.00	-
%	163.21%	0.00%

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	31.03.2015	31.03.2014
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.	1,103.19	3,423.54
% to the asset under management	93.07%	98.98%

6. INCOME / EXPENDITURE

The total income and expenditure as a percentage of the daily average net assets, on an annualised basis, are given below.

DESCRIPTION	01.04.2014 -31.03.2015	04.09.2013 to 31.03.2014
INCOME	9.88%	10.61%
EXPENDITURE	0.91%	0.61%

7. CONTINGENT LIABILITY

Contingent liability as at 31st March 2015 is Rs. Nil.

8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	01.04.2014 -31.03.2015	04.09.2013 to 31.03.2014
Sundaram Finance Ltd (Sponsor)	0.36	NIL
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	NIL	NIL
IndusInd Bank (Associate)	0.02	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

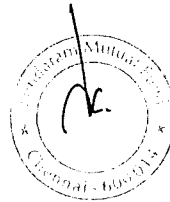
As Per Schedule-I

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.

13. ACCOUNTING STANDARD 18 ON RELATED PARTY DISCLOSURES

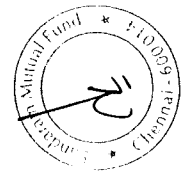
Related party disclosures as required by the Accounting Standard 18 - "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given as Annexure - IV



14 HISTORICAL PER UNIT STATISTICS	2014-15					2013-14															
	Rs.					Rs.															
(A) Gross income																					
(i) Income other than profit on sale of investment																					
(ii) Income from profit on inlier scheme sale/transfer of investments																					
(iii) Income from profit on sale of investment to third parties																					
(iv) Income from profit on sale of investment to third parties																					
(v) Income from profit on sale of investment to third parties																					
(B) Aggregate of expenses, write off, amortisation and charges																					
(C) Net income																					
(D) Net unrealised appreciation/(diminution) in value of investments																					
(E) Net Assets Value																					
(F) Highest repurchase price																					
Lowest repurchase price																					
Highest ongoing sale price																					
Lowest ongoing sale price																					
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage																					
(H) Ratio of gross income to average daily net assets by percentage																					

15 Computation of Distributable Income	31.03.15	31.03.14
	Rs.	Rs.
Net income as per revenue account	(3,345,364)	19,260,518
Add: Balance of Undistributed income as at 1st-April brought forward	19,260,518	-
	15,915,154	19,260,518
Less: Income Distributed during the year	-	-
Distributable Income	15,915,154	19,260,518

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

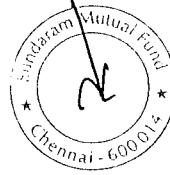


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ANNEXURE-II

SUNDARAM FIXED TERM PLAN DU	% of total Investments within the classification	
	2014-2015	2013-2014
DEBT INSTRUMENTS		
a) Listed/awaiting listing on stock exchange		
FINANCE	49.73%	0.00%
ENERGY	50.27%	0.00%
Money Market Instruments		
FINANCE	0.00%	100.00%

4



SUNDARAM MUTUAL FUND						
SUNDARAM FIXED TERM PLAN DU						
Portfolio Statement as at 31 March 2015						
S.NO	ISIN CODE	Name of the Instrument	Rating / Industry	Quantity	Mkt Value Rs. in Lacs	% of Investments
		A) Equity & Equity Related				
		a) Listed / awaiting listing on Stock Exchange				
		Sub Total			-	0.00%
		b) Preference / Right Shares				
		Sub Total			-	0.00%
		c) Warrants				
		Sub Total				
		d) Derivative				
		Sub Total			-	0.00%
		Total for Equity & Equity Related			-	0.00%
		B) Debt Instruments				
		a) Listed / awaiting listing on Stock Exchange				
1	INE445L08037	Nabha Power Ltd**	[ICRA]AAA	22	222.31	19.86%
2	INE020B07JA6	Rural Electrification Corporation Ltd**	CRISIL AAA	22	221.89	19.83%
3	INE115A07EH2	LIC Housing Finance Ltd**	CRISIL AAA	21	215.04	19.21%
4	INE027E07071	Family Credit Ltd**	[ICRA]AA+	8	201.78	18.03%
5	INE134E08D00	Power Finance Corporation Ltd**	CRISIL AAA	13	131.75	11.77%
6	INE694L07032	Talwandi Sabo Power Ltd**	CRISIL AA+	11	110.42	9.87%
		Sub Total			1,103.19	98.57%
		b) Privately Placed / Unlisted				
		Sub Total			-	0.00%
		c) Govt Security				
		Sub Total			-	0.00%
		d) Securitized Debt Instruments				
		Sub Total			-	0.00%
		Total for Debt Instruments			1,103.19	98.57%
		C) Money Market Instruments				
		a) Certificate of Deposits				
		Sub Total			-	0.00%
		b) Commercial Papers				
		Sub Total			-	0.00%
		c) Treasury Bills				
		Sub Total			-	0.00%
		d) Reverse Repo / CBLO				
		CBLO			15.97	1.43%
		Sub Total			15.97	1.43%
		Total for Money Market Instruments			15.97	1.43%
		D) Mutual Fund Units				
		a) Investment in Mutual Fund Units				
		Sub Total			-	0.00%
		E) Others				
		a) FDs with Commercial Banks				
		Sub Total			-	0.00%
		b) Primary Market Application				
		Sub Total			-	0.00%
		GRAND TOTAL			1,119.16	100.00%

** Thinly traded / Non Traded securities

