

SUNDARAM & SRINIVASAN

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

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 DY 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

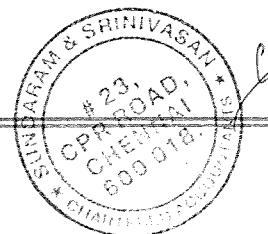
The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Sundaram Mutual Fund SUNDARAM FIXED TERM PLAN - SERIES DY in accordance with the Eleventh Schedule of Securities and Exchange Board of 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 DY as at 31/03/2015

b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund SUNDARAM FIXED TERM PLAN - SERIES DY 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.

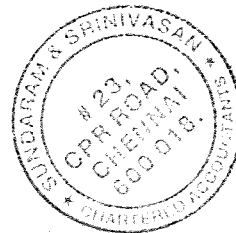
For and on behalf of SUNDARAM & SRINIVASAN
Chartered Accountants (FRN No:004207S)


K.SRINIVASAN

Place : Chennai
Date : 29th June 2015

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	222,240,650	430,717,900
Reserves & Surplus	2	33,251,802	20,962,599
Current Liabilities & Provisions	3	89,554	391,994
		255,582,006	452,072,493
ASSETS			
Investments	4	242,542,565	451,847,442
Other Current Assets	5	13,039,441	225,051
		255,582,006	452,072,493

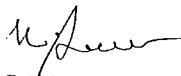
Notes on Accounts

8


As per our Report of even date

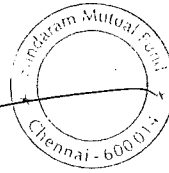
For
Sundaram & Srinivasan
Chartered Accountants
(FRN.: 004207S)

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		26.09.2013 - 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
REVENUE					
Interest	6	32,662,176		21,630,147	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		18,321		-	
Other Income		-		8,136	
TOTAL (A)		32,680,497	32,680,497	21,638,283	21,638,283
EXPENSES					
Management fee		757,976		180,869	
Service Tax on AMC Fee		93,686		22,355	
Custodian charges		42,069		23,595	
Trusteeship fee		17,772		15,245	
Commission to Agents		1,264,063		849,067	
Audit fee		9,411		8,416	
Other Operating expenses		3,267		1,242	
Investor Education Fees		71,086		45,218	
Sebi Fees		2,092		-	
TOTAL (B)		2,261,422	2,261,422	1,146,007	1,146,007
SURPLUS / (DEFICIT) (A-B)			30,419,075		20,492,276
Add/(Less) : Balance in Equalisation Account			(19,248,960)		-
Surplus /(Deficit) transferred to Balance Sheet			11,170,115		20,492,276

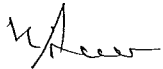
Notes on Accounts

8

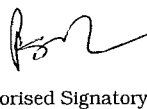
As per our Report of even date

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

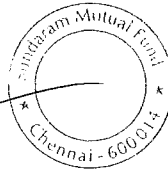
For
Sundaram Mutual Fund



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	43,071,790	430,717,900	43,071,790	430,717,900
Unit Capital Opening Capital	43,071,790	430,717,900	-	-
Add: Units sold during the year	-	-	43,071,790	430,717,900
Less : Units repurchased during the year	43,071,790 20,847,725	430,717,900 208,477,250	43,071,790 -	430,717,900 -
Units at the end of the year	22,224,065	222,240,650	43,071,790	430,717,900
		<u>222,240,650</u>		<u>430,717,900</u>

SCHEDULE : 2

Reserves & Surplus

	31/03/2015		31/03/2014	
	Rs.	Rs.	Rs.	Rs.
General Reserve Opening Balance	20,492,276		-	
Add /(Less): Transfer from Revenue Account	11,170,115		20,492,276	
		31,662,391		20,492,276
Unrealised appreciation reserve Opening Balance	470,323		-	
Add/(Less) Net unrealized appreciation for the year	1,119,088		470,323	
Unrealised Appreciation Reserve (Schedule 7)		1,589,411		470,323
		<u>33,251,802</u>		<u>20,962,599</u>

SCHEDULE : 3

Current Liabilities & Provisions

	31/03/2015	31/03/2014
	Rs.	Rs.
Sundry Creditors	87,227	389,035
Others	2,327	2,959
	<u>89,554</u>	<u>391,994</u>



SCHEDULE : 4**Investments**

	31/03/2015	31/03/2014
	Rs.	Rs.
Debentures / Bonds listed / awaiting listing on the recognised stock exchange	239,647,277	-
Certificate of Deposits	-	352,290,699
Commercial Papers	-	95,564,400
Others - Reverse Repo / CBLO	2,895,288	3,992,343
	242,542,565	451,847,442

SCHEDULE : 5**Other Current Assets**

	31/03/2015	31/03/2014
	Rs.	Rs.
Balance with banks in Current Accounts	225,797	218,926
CBLO Margin Account	146,684	-
Repo Margin Account	53,291	-
Outstanding and accrued Income	12,613,669	6,125
	13,039,441	225,051



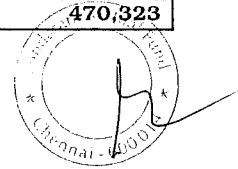
SCHEDULE : 6**Interest**

	01.04.2014 - 31.03.2015	26.09.2013 - 31.03.2014
	Rs.	Rs.
Interest from banks and others	524,836	583,400
Interest on Debentures and Bonds	11,421,932	-
Discounting Charges	20,715,408	21,046,747
	32,662,176	21,630,147

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	-	278,926
Certificate of Deposits	-	191,397
Debentures / Bonds listed / awaiting listing on the recognised stock exchange	1,589,411	-
Appreciation in value of investments (Schedule 2)	1,589,411	470,323

✓



SUNDARAM MUTUAL FUND
SUNDARAM FIXED TERM PLAN - DY
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.

When the future contracts of equity derivative instruments are squared off on or before the expiry of contract, the difference between the settlement price and contractual price is recognized in Revenue Account.

1.3. EXPENSES

Expenses are accounted for on accrual basis.

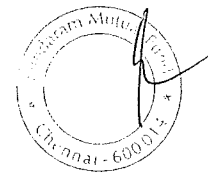
2. INVESTMENT MANAGER FEES

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

Description	01.04.2014 to 31.03.2015	26.09.2013 to 31.03.2014
Average daily net asset value	3,554.21	4,412.86
Management fee @ 0.21% of average daily net asset value (Previous year 0.08%)	7.58	1.81

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 to 31.03.2015	26.09.2013 to 31.03.2014
PURCHASE VALUE (AMOUNT)	3,152.56	4,263.38
%	88.70%	96.61%
SALES VALUE (AMOUNT)	5,405.59	-
%	152.09%	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.	2,396.47	4,479.26
% to the asset under management	93.80%	99.15%

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 to 31.03.2015	26.09.2013 to 31.03.2014
INCOME	9.19%	9.57%
EXPENDITURE	0.64%	0.51%

7. CONTINGENT LIABILITY

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

8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	01.04.2014 to 31.03.2015	26.09.2013 to 31.03.2014
Sundaram Finance Ltd (Sponsor)	0.27	NIL
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	NIL	NIL
INDUSIND BANK (ASSOCIATE)	NIL	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

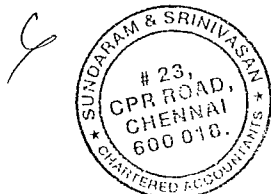
As Per Schedule-I

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



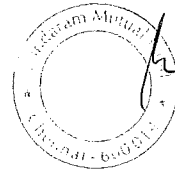
14 HISTORICAL PER UNIT STATISTICS

	2014-15 Rs.				2013-14 Rs.				SFTPDY
	DIRQDIV	DIRGR	HDIV	QDIV	GR	DIRHDIV	DIRQDIV	DIRGR	DIRHDIV
(A) Gross income									
(i) Income other than profit on sale of investment				1.4697					0.5024
(ii) Income from profit on inter scheme sales/transfer of investments				0.0000					0.0000
(iii) Income from profit on sale of investment to third parties				0.0008					0.0000
(iv) Transfer to revenue account from past year's reserves				0.0000					0.0000
(B) Aggregate of expenses, write off, amortisation and charges				0.1018					0.0266
(C) Net income				1.3687					0.4758
(D) Net unrealised appreciation/(diminution) in value of investments				0.0715					0.0109
(E) Net Assets Value	11.5956	11.552	NIL	11.5372	11.4733	NIL	10.5463	10.5086	10.4842
(F) Highest repurchase price	NA	10.9717	10.9219	10.9822	10.9216	10.9717	NA	NA	NA
Lowest repurchase price	NA	10.9717	10.9219	10.9822	10.9216	10.9717	NA	NA	NA
Highest ongoing sale price *	NA	NA	NA	NA	NA	NA	10.0000	10.0000	10.0000
Lowest ongoing sale price *	NA	NA	NA	NA	NA	NA	10.0000	10.0000	10.0000
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage				0.64%					0.51%
(H) Ratio of gross income to average daily net assets by percentage				9.19%					9.57%

15 Computation of Distributable Income

	31.03.15 Rs.	31.03.14 Rs.
Net income as per revenue account	11,170,115	20,492,276
Add: Balance of Undistributed income as at 1st April brought forward	20,492,276	-
	31,662,391	20,492,276
Less: Income Distributed during the year	-	-
Distributable Income	31,662,391	20,492,276

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



ANNEXURE-II

SUNDARAM FIXED TERM PLAN DY % of total Investments within the classification

	2014-2015	2013-2014
DEBT INSTRUMENTS		
a) Listed/awaiting listing on stock exchange		
FINANCE	60.46%	0.00%
ENERGY	39.54%	0.00%
Money Market Instruments		
FINANCE	0.00%	100.00%

h



SUNDARAM MUTUAL FUND

SUNDARAM FIXED TERM PLAN DY

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) Debt Instruments				
		a) Listed / awaiting listing on Stock Exchange				
1	INE134E07398	Power Finance Corporation Ltd**	CRISIL AAA	48	489.28	20.17%
2	INE020B07JA6	Rural Electrification Corporation Ltd**	CRISIL AAA	45	453.87	18.71%
3	INE721A07GK6	Shriram Transport Finance Company Ltd**	CARE AA+	40	407.73	16.81%
4	INE001A07LU2	Housing Development Finance Corporation Ltd**	CRISIL AAA	37	375.22	15.47%
5	INE445L08037	Nabha Power Ltd**	[ICRA]AAA	29	293.04	12.08%
6	INE694L07032	Talwandi Sabo Power Ltd**	CRISIL AA+	20	200.77	8.28%
7	INE027E07071	Family Credit Ltd**	[ICRA]AA+	7	176.56	7.28%
		Sub Total			2,396.47	98.81%
		Total for Debt instruments			2,396.47	98.81%
		B) Money Market Instruments				
		a) Reverse Repo / CBLO				
1		CBLO			28.95	1.19%
		Sub Total			28.95	1.19%
		Total for Money Market Instruments			28.95	1.19%
		GRAND TOTAL			2,425.42	100.00%

** Thinly traded / Non Traded securities

k

