

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 ER 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

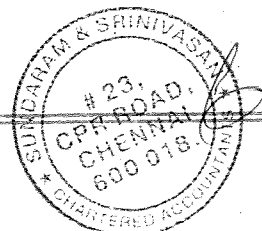
The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Sundaram Mutual Fund SUNDARAM FIXED TERM PLAN - SERIES ER in accordance with the Eleventh Schedule of Securities and Exchange Board of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



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 ER as at 31/03/2015

b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund SUNDARAM FIXED TERM PLAN - SERIES ER 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:0042075)

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	601,327,170	601,327,170
Reserves & Surplus	2	75,935,754	20,070,821
Current Liabilities & Provisions	3	109,927	171,044
		677,372,851	621,569,035
ASSETS			
Investments	4	636,764,266	586,234,086
Other Current Assets	5	40,608,585	35,334,949
		677,372,851	621,569,035

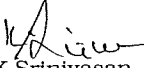
Notes on Accounts

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As per our Report of even date

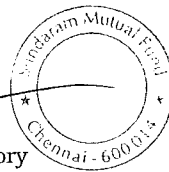
For
Sundaram & Srinivasan
Chartered Accountants
(FRN.: 004207S)

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		28.11.2013 - 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
REVENUE					
Interest	6	58,930,015		18,594,178	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		375,247		351,100	
Net profit on inter scheme transfer / sale of investments		-		180,565	
Other Income		-		700	
TOTAL (A)		59,305,262	59,305,262	19,126,543	19,126,543
EXPENSES					
Net diminution in value of investment	7	33,134		-	
Management fee		780,592		248,922	
Service Tax on AMC Fee		96,482		30,767	
Custodian charges		43,654		16,871	
Trusteeship fee		32,496		10,617	
Commission to Agents		1,300,042		407,858	
Audit fee		10,910		11,236	
Other Operating expenses		4,593		2,745	
Investor Education Fees		129,976		41,487	
Sebi Fees		2,895		-	
TOTAL (B)		2,434,774	2,434,774	770,503	770,503
SURPLUS / (DEFICIT) (A-B)			56,870,488		18,356,040
Surplus / (Deficit) transferred to Balance Sheet			56,870,488		18,356,040

Notes on Accounts

8

As per our Report of even date

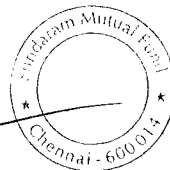
For
Sundaram & Srinivasan
Chartered Accountants
(FRN.: 004207S)

For
Sundaram Mutual Fund

K Srinivasan
K Srinivasan
Partner
(M.NO : 5809)



Pon
Authorized Signatory



Place : Chennai
Date : 29th June 2015

SCHEDULE : 1**Unit Capital**

	31/03/2015		31/03/2014	
	Units	Rs.	Units	Rs.
Initial capital	60,132,717	601,327,170	60,132,717	601,327,170
Unit Capital				
Opening Capital	60,132,717	601,327,170	-	-
Add: Units sold during the Year	-	-	60,132,717	601,327,170
Less : Units repurchased during the Year	60,132,717	601,327,170	60,132,717	601,327,170
Units at the end of the Year	60,132,717	601,327,170	60,132,717	601,327,170
		601,327,170		601,327,170

SCHEDULE : 2**Reserves & Surplus**

	31/03/2015		31/03/2014	
	Rs.	Rs.	Rs.	Rs.
General Reserve				
Opening Balance	18,356,040	-	-	-
Add /(Less): Transfer from Revenue Account	56,870,488	75,226,528	18,356,040	18,356,040
Unrealised appreciation reserve				
Opening Balance	1,714,781	-	-	-
Add/(Less) Net unrealized appreciation for the Year	(1,005,555)	709,226	1,714,781	1,714,781
Unrealised Appreciation Reserve (Schedule 7)		709,226		1,714,781
		75,935,754		20,070,821

SCHEDULE : 3**Current Liabilities & Provisions**

	31/03/2015	31/03/2014
	Rs.	Rs.
Sundry Creditors	102,284	165,073
Others	7,643	5,971
	109,927	171,044

SCHEDULE : 4**Investments**

	31/03/2015	31/03/2014
	Rs.	Rs.
Debentures & Bonds listed / awaiting listing in the Recognised the recognised stock exchange	432,034,704	481,363,687
Certificate of Deposits	170,684,966	101,277,290
Others - Reverse Repo / CBLO	34,044,596	3,593,109
	636,764,266	586,234,086

SCHEDULE : 5**Other Current Assets**

	31/03/2015	31/03/2014
	Rs.	Rs.
Balance with banks in Current Accounts	261,498	2,936,608
CBLO Margin Account	1,709,625	-
Repo Margin Account	621,117	-
Outstanding and accrued Income	38,016,345	32,398,341
	40,608,585	35,334,949



SCHEDULE : 6**Interest**

	01.04.2014 - 31.03.2015	28.11.2013 TO 31.03.2014
	Rs.	Rs.
Interest from banks and others	735,795	544,958
Interest on Debentures and Bonds	45,896,274	17,624,495
Discounting Charges	12,297,946	424,725
	58,930,015	18,594,178

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

	31/03/2015	31/03/2014
	Rs.	Rs.
Appreciation in Value of Investments		
Certificate of Deposits	-	551,325
Debentures & Bonds listed / awaiting listing in the Recognised the recognised stock exchange	709,226	1,163,456
Appreciation in value of investments (Schedule 2)	709,226	1,714,781
Diminution in value of investments		
Money Market Instruments	33,134	-
Diminution in value of investments transferred to revenue account	33,134	-



SUNDARAM MUTUAL FUND
SUNDARAM FIXED TERM PLAN -ER
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
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 & 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.

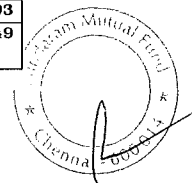
2. INVESTMENT MANAGER FEES

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

Description	01-04-2014 to 31-03-2015	28.11.2013 to 31.03.2014
Average daily net asset value	6,498.75	6,105.93
Management fee @ 0.12% of average daily net asset value (previous year 0.12%)	7.81	2.49

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	28.11.2013 to 31.03.2014
PURCHASE VALUE (AMOUNT)	2,789.54	7,571.14
%	42.92%	124.00%
SALES VALUE (AMOUNT)	2,699.31	1,596.14
%	41.54%	26.14%

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.	6,027.19	5,646.62
% to the asset under management	89.00%	90.87%

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	28.11.2013 to 31.03.2014
INCOME	9.13%	9.22%
EXPENDITURE	0.37%	0.37%

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	28.11.2013 to 31.03.2014
Sundaram Finance Ltd (Sponsor)	NIL	2,0468
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	NIL	NIL
IndusInd Bank (Associate)	NIL	NIL

9.

(% 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

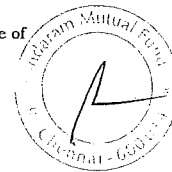
12. ACCOUNTING STANDARD 17 ON SEGMENT REPORTING

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

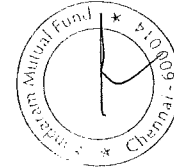
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14 HISTORICAL PER UNIT STATISTICS	2014-15		2013-14		SFTPER							
	Rs.		Rs.		Rs.							
(A) Gross income												
(i) income other than profit on sale of investment		0.9800		0.3092								
(ii) income from profit on inter scheme sales/transfer of investments		0.0000		0.0030								
(iii) income from profit on sale of investment to third parties		0.0062		0.0058								
(iv) transfer to revenue account from past year's reserves		0.0000		0.0000								
(B) Aggregate of expenses, write off, amortisation and changes		0.0399		0.0128								
(C) Net income		0.9463		0.3052								
(D) Net unrealised appreciation/(diminution) in value of investments		0.0112		0.0285								
(E) Net Assets Value												
	Growth Option	11.2402	Quarterly Dividend Option	11.2402	Half Yearly Dividend Option	10.3286	Quarterly Dividend Option	10.3286	Direct Quarterly Dividend Option	10.3407	Direct Growth Option	10.3407
(F) Highest repurchase price	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Lowest repurchase price	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Highest ongoing sale price *	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Lowest ongoing sale price *	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage			0.37%								0.37%	
(H) Ratio of gross income to average daily net assets by percentage			9.13%								9.22%	

15 Computation of Distributable Income

	31.03.15	31.03.14
	Rs.	Rs.
Net Income as per revenue account	56,870,488	18,356,040
Add : Balance of Undistributed income as at 1st April brought forward	18,356,040	-
	75,226,528	18,356,040
Less : Income Distributed during the year	-	-
Distributable Income	75,226,528	18,356,040



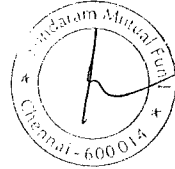
16. Previous year figures have been regrouped wherever necessary to conform with the current year's classification

ANNEXURE-II

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

	2014-2015	2013-2014
DEBT INSTRUMENTS		
a) Listed/awaiting listing on stock exchange		
FINANCE	100.00%	89.80%
ENERGY	0.00%	10.20%
Money Market Instruments		
FINANCE	100.00%	100.00%

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SUNDARAM MUTUAL FUND						
SUNDARAM FIXED TERM PLAN - ER						
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	INE001A07IE2	Housing Development Finance Corporation Ltd**	CRISIL AAA	100	999.90	15.70%
2	INE043D07CH4	IDFC Ltd**	CRISIL AAA	100	999.89	15.70%
3	INE134E08EQ4	Power Finance Corporation Ltd**	CRISIL AAA	72	719.88	11.31%
4	INE667F07CM5	Sundaram BNP Paribas Home Finance Ltd**	CARE AA+	70	700.79	11.01%
5	INE660A07HY5	Sundaram Finance Ltd**	CRISIL AA+	50	500.22	7.86%
6	INE134E08CW6	Power Finance Corporation Ltd**	CARE AAA	40	399.66	6.28%
		Sub Total			4,320.34	67.85%
		Total for Debt Instruments			4,320.34	67.85%
		B) Money Market Instruments				
		a) Certificate of Deposits				
1	INE141A16TT2	Oriental Bank of Commerce**	CRISIL A1+	1730	1,706.85	26.81%
		Sub Total			1,706.85	26.81%
		b) Reverse Repo / CBLO				
1		CBLO			340.45	5.35%
		Sub Total			340.45	5.35%
		Total for Money Market Instruments			2,047.30	32.15%
		GRAND TOTAL			6,367.64	100.00%

** Thinly traded / Non Traded securities

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