

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 DP** as at 31/03/2016, which comprise the Balance Sheet, the Revenue Account for the Year then ended 31/03/2016 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 DP** 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 :



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SUNDARAM & SRINIVASAN

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

- a. In case of Balance sheet, of the state of affairs of Sundaram Mutual fund, **SUNDARAM FIXED TERM PLAN - SERIES DP** as at 31/03/2016
- b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund **SUNDARAM FIXED TERM PLAN - SERIES DP** for the Year ended on 31/03/2016.

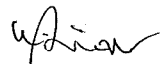
5. Report on Other Legal and Regulatory Requirements

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 : 30th June 2016


K.SRINIVASAN
Partner
Membership No. 5809



BALANCE SHEET AS AT 31st MARCH, 2016

	SCHEDULE NO.	31-Mar-16	31-Mar-15
		Rs.	Rs.
LIABILITIES			
Unit Capital	1	200,861,160	303,224,070
Reserves & Surplus	2	49,617,190	48,896,689
Current Liabilities & Provisions	3	164,679	259,987
		250,643,029	352,380,746
ASSETS			
Investments	4	241,830,259	337,657,456
Other Current Assets	5	8,812,770	14,723,290
		250,643,029	352,380,746

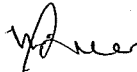
Notes on Accounts

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As per our Report of even date

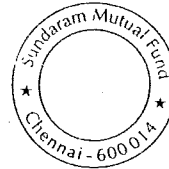
For
Sundaram & Srinivasan
Chartered Accountants
(FRN.: 004207S) ...

For
Sundaram Mutual Fund



K Srinivasan
Partner
(M.NO : 5809)





Authorised Signatory

Place : Chennai

Date : 30th June 2016

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016

	Schedule No.	2015-16		2014-15	
		Rs.	Rs.	Rs.	Rs.
REVENUE					
Interest	6	24,261,111		30,056,731	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		4,323,842		1,170,947	
Other Income		2,244		-	
TOTAL (A)		28,587,197	28,587,197	31,227,678	31,227,678
EXPENSES					
Net diminution in value of investment	7	549,892			
Loss on inter scheme transfer / sale of investments		66,525		-	
Management fee		1,857,832		2,164,030	
Service Tax on AMC Fee		256,861		267,475	
Custodian charges		42,948		42,106	
Trusteeship fee		14,319		16,910	
Commission to Agents		659,615		1,027,142	
Audit fee		8,349		8,373	
Other Operating expenses		9,291		4,404	
Investor Education Fees		57,274		67,636	
Sebi Fees		4,488		1,491	
TOTAL (B)		3,527,394	3,527,394	3,599,567	3,599,567
SURPLUS / (DEFICIT) (A-B)			25,059,803		27,628,111
Add/(Less) : Balance in Equalisation Account			(19,700,349)		-
Surplus /(Deficit) transferred to Balance Sheet			5,359,454		27,628,111

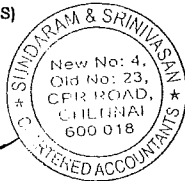
Notes on Accounts

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As per our Report of even date

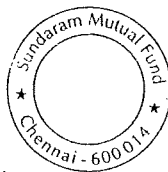
For
Sundaram & Srinivasan
Chartered Accountants
(FRN.: 004207S)

K Srinivasan
Partner
(M.NO : 5809)



For
Sundaram Mutual Fund

Authorised Signatory



Place : Chennai
Date : 30th June 2016

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SCHEDULE : 1**Unit Capital**

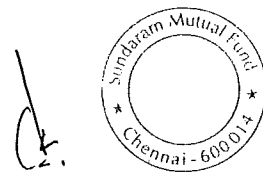
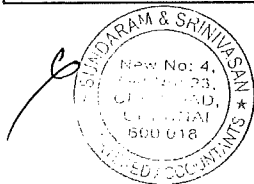
	31/03/2016		31/03/2015	
	Units	Rs.	Units	Rs.
Initial capital	30,322,407	303,224,070	30,322,407	303,224,070
Unit Capital				
Opening Capital	30,322,407	303,224,070	30,322,407.00	303,224,070
Add: Units sold during the year	-	-	-	0.0
	30,322,407	303,224,070	30,322,407	303,224,070
Less : Units repurchased during the year	10,236,291	102,362,910	-	-
Units at the end of the year	20,086,116	200,861,160	30,322,407	303,224,070
	200,861,160		303,224,070	

SCHEDULE : 2**Reserves & Surplus**

	31/03/2016		31/03/2015	
	Rs.	Rs.	Rs.	Rs.
Unit Premium Reserve				
General Reserve				
Opening Balance	44,206,163		16,578,052	
Add /(Less): Transfer from Revenue Account	5,359,454		27,628,111	
		49,565,617		44,206,163
Unrealised appreciation reserve				
Opening Balance	4,690,526		4,233,150	
Add/(Less) Net unrealized appreciation for the year	(4,638,953)		457,376	
Unrealised Appreciation Reserve (Schedule 7)		51,573		4,690,526
		49,617,190		48,896,689

SCHEDULE : 3**Current Liabilities & Provisions**

	31/03/2016	31/03/2015
	Rs.	Rs.
Sundry Creditors	163,271	240,310
Others	1,408	19,677
	164,679	259,987

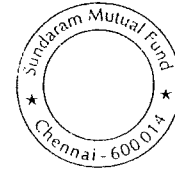
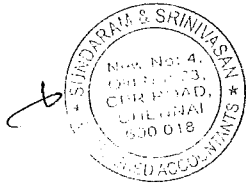


SCHEDULE : 4**Investments**

	31/03/2016	31/03/2015
	Rs.	Rs.
Debentures & Bonds listed / awaiting listing in the recognised stock exchange	141,305,488	334,662,330
Certificate of Deposits	96,524,771	-
Others - Reverse Repo / CBLO	4,000,000	2,995,126
	241,830,259	337,657,456

SCHEDULE : 5**Other Current Assets**

	31/03/2016	31/03/2015
	Rs.	Rs.
Balance with banks in Current Accounts	317,391	204,603
Repo Margin Account	216,136	54,715
CBLO Margin Account	125,245	150,603
Outstanding and accrued Income	8,108,383	14,313,369
Others	45,615	-
	8,812,770	14,723,290

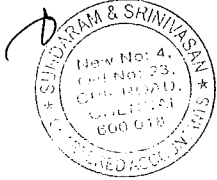


SCHEDULE : 6**Interest**

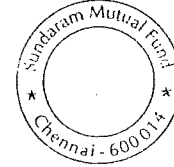
	2015-16	2014-15
	Rs.	Rs.
Interest from banks and others	991,174	559,187
Interest on Debentures and Bonds	18,997,903	29,497,544
Discounting Charges	4,272,034	-
	24,261,111	30,056,731

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

	31/03/2016	31/03/2015
	Rs.	Rs.
Appreciation in Value of Investments		
Certificate of Deposits	51,573	-
Debentures & Bonds listed / awaiting listing in the recognised stock exchange	-	4,690,526
Appreciation in Value of Investments (Schedule 2)	51,573	4,690,526
Diminution in value of investments		
Debentures & Bonds listed / awaiting listing in the recognised stock exchange	549,892	-
Diminution in value of investments transferred to Revenue Account	549,892	-



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SUNDARAM MUTUAL FUND
SUNDARAM FIXED TERM PLAN - DP
Schedules forming part of the Balance Sheet as at 31-Mar-2016
and the Revenue Account for the Year Ended 31-Mar-2016

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	2015-16	2014-15
Average daily net asset value	2,863.66	3,381.63
Management fee @ 0.65% of average daily net asset value. (Previous year 0.64%)	18.58	21.64

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.

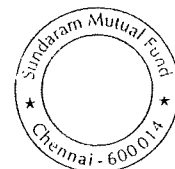
The aggregate value of investments purchased and sold (including matured) during the year, as a percentage of average daily net asset value is as under :

Description	2015-16	2014-15
PURCHASE VALUE (AMOUNT)	17,971.59	1,167.92
%	627.57%	34.54%
SALES VALUE (AMOUNT)	18,984.32	942.45
%	662.94%	27.87%



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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	31.03.2016	31.03.2015
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.	2,267.93	3,346.63
% to the asset under management	90.58%	95.04%

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	2015-16	2014-15
INCOME	9.98%	9.23%
EXPENDITURE #	1.02%	1.06%

Total expenses charged includes service tax on management fees charged to the investor over and above

the normal expense charged as per SEBI CIR/IMD/DF/21/2012 dated September 13,2012.

7. CONTINGENT LIABILITY

Contingent liability as at 31st March 2016 is Rs. Nil. Previous Year Rs. Nil

8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	2015-16	2014-15
Sundaram Finance Ltd (Sponsor)	0.02	NIL
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	NIL	NIL
IndusInd Bank (Associate)@	NIL	NIL

@ IndusInd Bank ceased to be an associate with effect from 27 June 2015

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 Investor Education & Awareness Initiatives (IEAI)

An annual charge of minimum 2bps (0.02% p.a.) of daily net assets, being part of total recurring expenses is set aside for IEAI as mandated by SEBI vide circular no. CIR/IMD/21/DF/21/2012 dated September 13, 2012. Accordingly accrued balance is transferred on periodic basis to a separate bank account maintained for the purpose. These funds are utilized by the AMC in accordance with SEBI Regulations.

The balances pending utilization are deployed in money market instruments. Movement of IEAI balances are provided in Annexure-VII



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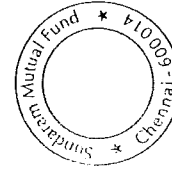
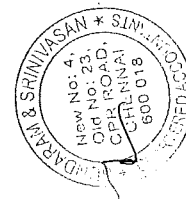
15 HISTORICAL PER UNIT STATISTICS

	SFTPOP			
	01.04.2015 - 31.03.2016	01.04.2014 - 31.03.2015	14.08.2013 - 31.03.2014	
	Rs.			
(A) Gross income				
(I) Income other than profit on sale of investment	1,2080	0,9912		0,5693
(II) Income from profit on inter scheme sales/transfer of investments	-0,0033	0,0000		0,0030
(III) Income from profit on sale of investment to third parties	0,2153	0,0386		0,0168
(IV) Transfer to revenue account from past year's reserves				
(B) Aggregate of expenses, write off, amortisation and charges	0,1723	0,1187		0,0624
(C) Net income	1,2476	0,9111		0,5467
(D) Net unrealised appreciation/(diminution) in value of investments	-0,0248	0,1547		0,1396
(E) Net Asset Value				
	Direct Growth Option	Half Yearly Dividend Option	Quarterly Dividend Option	Direct Growth Option
	12,5620	12,4642	12,4652	11,6115
	11,9927	11,9217	11,9228	11,6113
	11,9927	NA	11,9228	10,7066
	NA	NA	NA	10,687
	NA	NA	NA	10,6859
(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	1,02%	1,06%		0,95%
(H) Ratio of gross income to average daily net assets by percentage	9,98%	9,23%		9,32%

16 Computation of Distributable Income

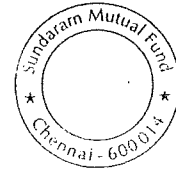
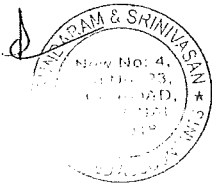
	31.03.2016	31.03.2015
	Rs.	
Net Income as per revenue account	5,359,454	27,928,111
Add: Balance of Undistributed Income as at 1st April brought forward	44,206,163	16,578,052
	49,565,617	44,206,163
Less: Income Distributed during the year	-	-
Distributable Income	49,565,617	44,206,163

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



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ANNEXURE-II		
SUNDARAM FIXED TERM PLAN - DP		
% of total Investments within the classification		
	31-Mar-16	31-Mar-15
Debt Instruments		
Listed / awaiting listing on Stock Exchange		
FINANCE	100.00%	100.00%
Money Market Instruments		
BANK	100.00%	0.00%



SUNDARAM MUTUAL FUND						
SUNDARAM FIXED TERM PLAN - DP						
Portfolio Statement as at 31 March 2016						
S.NO	ISIN CODE	Name of the Instrument	Rating / Industry	Quantity	Mkt Value Rs. in Lacs	% of Net Asset
A) Debt Instruments						
a) Listed / awaiting listing on Stock Exchange						
1	INE134E08FV1	Power Finance Corporation Ltd - 8.27 - 25/06/2016**	CRISIL AAA	45	450.12	17.97%
2	INE202B07AW3	Dewan Housing Finance Corporation Ltd - 10.7 - 03/06/2016**	CARE AAA	39	391.02	15.61%
3	INE721A07FU7	Shriram Transport Finance Company Ltd - 9.65 - 01/08/2016**	CRISIL AA+	27000	270.79	10.81%
4	INE020B08583	Rural Electrification Corporation Ltd - 9.45 - 10/08/2016**	CRISIL AAA	19	190.76	7.62%
5	INE020B07IX0	Rural Electrification Corporation Ltd - 9.27 - 08/08/2016**	CRISIL AAA	9	90.30	3.61%
6	INE001A07HF1	Housing Development Finance Corporation Ltd - 9.65 - 29/08/2016**	CRISIL AAA	2	20.07	0.80%
Sub Total					1413.05	56.41%
Total for Debt Instruments					1413.05	56.41%
B) Money Market Instruments						
a) Certificate of Deposits						
1	INE528G16B74	Yes Bank Ltd - 23/08/2016**	ICRA A1+	740	718.86	28.70%
2	INE476A16QN1	Canara Bank - 15/06/2016**	CRISIL A1+	250	246.39	9.84%
Sub Total					965.25	38.54%
b) Reverse Repo / CBLO						
1		364 Days T Bill Maturing on 14/04/2016			40.00	1.60%
Sub Total					40.00	1.60%
Total for Money Market Instruments					1005.25	40.13%
Cash & Other Net Current Assets					86.48	3.45%
GRAND TOTAL					2504.78	100.00%

** Thinly traded / Non Traded securities

