

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 TOP 100-SERIES-IV** as at 31/03/2017, which comprise the Balance Sheet, the Revenue Account for the Year then ended 31/03/2017 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 and financial performance of the Sundaram Mutual Fund **SUNDARAM TOP 100-SERIES-IV** 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.

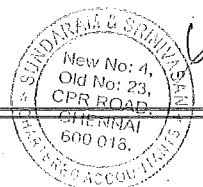
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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 TOP 100-SERIES-IV** as at 31/03/2017.

b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund **SUNDARAM TOP 100-SERIES-IV** for the Year ended on 31/03/2017.



SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
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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 : 23rd June 2017


K.SRINIVASAN
Partner
Membership No. 5809



BALANCE SHEET AS AT 31st MARCH, 2017

DESCRIPTION	SCHEDULE NO.	31-Mar-17	31-Mar-16
		Rs.	Rs.
LIABILITIES			
Unit Capital	1	383,049,560	383,049,560
Reserves & Surplus	2	66,099,118	(23,570,625)
Current Liabilities & Provisions	3	1,160,464	879,852
		450,309,142	360,358,787
ASSETS			
Investments	4	449,544,316	355,829,292
Other Current Assets	5	764,826	4,529,495
		450,309,142	360,358,787

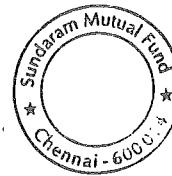
Notes on Accounts

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)



Authorised Signatory

Place : Chennai
Date : 23rd June 2017

REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2017

Description	Sch No.	2016-17		2015-16	
		Rs.	Rs.	Rs.	Rs.
REVENUE					
Dividend	6	5,814,585		4,442,535	
Interest		861,070		592,160	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		7,392,805		-	
Net diminution on sale of investments written back		8,542,192		-	
Other Income		5,355		2,380	
		22,616,007		5,037,075	
TOTAL (A)			22,616,007		5,037,075
EXPENSES					
Net diminution in value of investment		-		8,542,192	
Net Loss on sale / redemption of investments (Other than inter-scheme transfer/sale)		-		8,308,739	
Management Fees		9,188,921		7,598,230	
Service Tax on Management Fees		1,371,402		1,070,617	
Custodian Fees		113,213		124,787	
Trusteeship Fees		20,101		18,690	
Commission to Agent		1,404,559		2,252,101	
Audit Fees		20,028		14,653	
Other Operating Expenses		15,289		11,002	
Investor Education Fees		80,400		74,759	
		12,213,913		28,015,771	
Less : Amount absorbed by AMC		-		20,154	
TOTAL (B)			12,213,913		27,995,617
SURPLUS / (DEFICIT) (A-B)			10,402,094		(22,958,542)
Surplus / (Deficit) transferred to Balance Sheet			10,402,094		(22,958,542)



Notes on Accounts

8

As per our Report of even date

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

For
Sundaram Mutual Fund

Authorised Signatory

K Srinivasan
Partner
(M.NO : 5809)



Place : Chennai
Date : 23rd June 2017

SCHEDULE : 1**Unit Capital**

Description	31/03/2017		31/03/2016	
	Units	Rs.	Units	Rs.
Initial capital	38,304,956	383,049,560	38,304,956	383,049,560
Unit Capital Opening Capital	38,304,956	383,049,560	38,304,956.00	383,049,560
Add: Units sold during the Year	-	-	-	-
	38,304,956	383,049,560	38,304,956	383,049,560
Less : Units repurchased during the Year	-	-	-	-
Units at the end of the Year	38,304,956	383,049,560	38,304,956	383,049,560
	<u>383,049,560</u>		<u>383,049,560</u>	

SCHEDULE : 2**Reserves & Surplus**

Description	31/03/2017		31/03/2016	
	Rs.	Rs.	Rs.	Rs.
General Reserve Opening Balance	(23,576,685)		(618,143)	
Add /(Less): Transfer from Revenue Account	10,402,094	(13,174,591)	(22,958,542)	(23,576,685)
Unrealised Appreciation Reserve Opening Balance	6,060		5,120,130	
Add/(Less): Net unrealized appreciation for the Year	79,267,649		(5,114,070)	
Unrealised Appreciation Reserve (Schedule 7)		79,273,709		6,060
	<u>66,099,118</u>		<u>(23,570,625)</u>	

SCHEDULE : 3**Current Liabilities & Provisions**

Description	31/03/2017	31/03/2016
	Rs.	Rs.
Sundry Creditors	1,100,081	640,352
Contract for Purchase of Investments	-	232,649
Others	60,383	6,851
	<u>1,160,464</u>	<u>879,852</u>



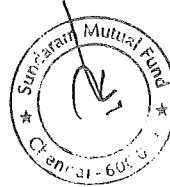
SCHEDULE : 4**Investments**

Description	31/03/2017	31/03/2016
	Rs.	Rs.
Equity Shares	443,544,316	344,723,232
Units of Domestic Mutual Fund	-	7,506,060
Others - Reverse Repo / CBLO	6,000,000	3,600,000
	449,544,316	355,829,292

SCHEDULE : 5**Other Current Assets**

Description	31/03/2017	31/03/2016
	Rs.	Rs.
Balance with banks in Current Accounts	273,944	539,978
Contract for Sale of Investments	-	3,705,965
CBLO Margin Account	78,879	103,739
Repo Margin Account	354,734	179,023
Outstanding and accrued Income	57,269	789
	764,826	4,529,495

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SCHEDULE : 6

Description	2016-17	2015-16
	Rs.	Rs.
Interest from banks and others	861,070	592,160
	861,070	592,160

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

Description	31/03/2017	31/03/2016
	Rs.	Rs.
Appreciation in Value of Investments		
Equity Shares	79,273,709	-
Units of Domestic Mutual Fund	-	6,060
Appreciation in Value of Investments (schedule 2)	79,273,709	6,060
Diminution in value of investments		
Equity Shares	-	8,542,192
Diminution in value of investments transferred to Revenue Account	-	8,542,192



**SUNDARAM MUTUAL FUND
SUNDARAM TOP 100-SERIES-IV**
**Schedules forming part of the Balance Sheet as at 31-Mar-2017
and the Revenue Account for the Year ended 31-Mar-2017**

**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. Front end discount, if any, received from the issuer is reduced from the cost of the investment.

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.

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.

Bonus/Rights entitlements are recognised on ex-bonus /ex- rights dates.

1.2. INCOME RECOGNITION

- (i) Dividend is accounted on accrual basis and recognized on ex-dividend dates.
- (ii) Profit/Loss on sale of investments is recognised on the trade dates based on weighted average cost method.
- (iii) Income on investments is accounted on accrual basis.
- (iv) Other income is accounted on cash basis.

1.3. EXPENSES

- a) All expenses are accounted on an accrual basis and are within the limits of SEBI (Mutual Funds) Regulations 1996.
- b) Common recurring expenses, if any are allocated to the schemes on the basis of Assets under Management of the respective schemes.

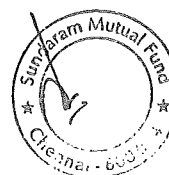
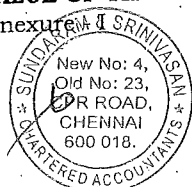
2. INVESTMENT MANAGER FEES

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

Description	2016-17	2015-16
Average daily net asset value	4,019.66	3,737.60
Management fee @ 2.29% of average daily net asset value.(Previous year 2.03%)	91.89	75.98

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



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	2016-17	2015-16
PURCHASE VALUE (AMOUNT)	1,391.59	1,595.24
%	34.62%	42.68%
SALES VALUE (AMOUNT)	1,430.47	1,727.71
%	35.59%	46.23%

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 : **NIL**

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	2016-17	2015-16
INCOME	5.63%	1.35%
EXPENDITURE#	3.04%	2.98%

#Total expenses includes service tax on management fees charged over and above the total expense ratio limits prescribed in the SEBI (Mutual Funds) Regulations, 1996.

7. CONTINGENT LIABILITY

Contingent liability as at 31st March 2017 is Rs. Nil. (Previous year Rs. Nil)

8. AMOUNT PAID TO SPONSORS / ASSOCIATES

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

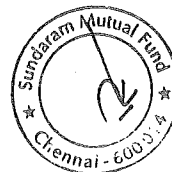
As the Financial Statements are prepared separately on each scheme, no further disclosure under Accounting Standard 17 on segment reporting issued by the Institute of Chartered Accountants of India is considered necessary. There is no secondary reporting segment.

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. INVESTOR EDUCATION & AWARENESS INITIATIVES (IEAI):

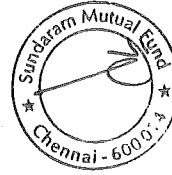
An annual charge of minimum 2bps (0.02% p.a.) of daily net assets, being part of total recurring expenses is set aside for IEAI as mandated by SEBI vide circular no. CIR/IMD/21/DF/21/2012 dated September 13, 2012. Accordingly accrued balance is transferred on periodic basis to a separate bank account maintained for the purpose. From 01.04.2016, 50% of 2bps accrued on daily net assets is transferred to AMFI and the balances are utilized by the AMC in accordance with SEBI Guidelines. The balances pending utilization are deployed in money market instruments. Movement of IEAI balances are provided in Annexure VII.



15 HISTORICAL PER UNIT STATISTICS	01.04.2016 to 31.03.2017		01.04.2015 to 31.03.2016		30.01.2015 to 31.03.2015	
	Rs.		Rs.		Rs.	
(A) Gross income						
(i) income other than profit on sale of investment		0.3974		0.1315		0.0311
(ii) income from profit on inter scheme sales/transfer of investments		0.0000		0.0000		0.0000
(iii) income from profit on sale of investment to third parties		0.1930		-0.2169		0.0000
(iv) transfer to revenue account from past year's reserves		0.0000		0.0000		0.0000
(B) Aggregate of expenses, write off, amortisation and charges		0.3189		0.5140		0.0473
(C) Net income		0.2715		-0.5994		-0.0161
(D) Net unrealised appreciation/(diminution) in value of investments		2.0695		-0.2228		0.1337
(E) Net Assets Value						
(F) Highest repurchase price		11.7250		11.8720		10.1483
Lowest repurchase price		NA		NA		NA
Highest ongoing sale price		NA		NA		NA
Lowest ongoing sale price		NA		NA		NA
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage		3.04%		2.98%		2.79%
(H) Ratio of gross income to average daily net assets by percentage		5.63%		1.35%		1.84%

16 Computation of Distributable Income

	31/03/2017	31/03/2016
	Rs.	Rs.
Net Income as per revenue account	10,402,094	(22,958,542)
Add : Balance of Undistributed income as at 1st April brought forward	(23,576,685)	(618,143)
Less : Income Distributed during the year	(13,174,591)	(23,576,685)
Distributable Income	(13,174,591)	(23,576,685)



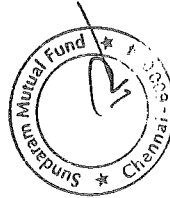
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17 Previous year figures have been regrouped/reclassified wherever necessary to conform with the current year's classification.

ANNEXURE-II		
SUNDARAM TOP 100-SERIES-IV		
% of total Investments within the classification		
	31-Mar-17	31-Mar-16
Equity Instruments		
Listed / awaiting listing on Stock Exchange		
AUTO	12.25%	16.12%
BANKS	28.59%	22.19%
CONSUMER NON DURABLES	7.17%	0.00%
FINANCE	8.76%	5.64%
INDUSTRIAL CAPITAL GOODS	2.98%	6.31%
INDUSTRIAL PRODUCTS	5.61%	0.00%
PETROLEUM PRODUCTS	13.99%	11.39%
PHARMACEUTICALS	1.48%	6.03%
SOFTWARE	5.42%	9.80%
Mutual Fund Units		
SUNDARAM MONEY FUND - DIRECT GROWTH	0.00%	100.00%

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SUNDARAM MUTUAL FUND							
Sundaram TOP 100-Series-IV							
Portfolio Statement as at 31 March 2017							
SL No	ISIN Code	Name of the instrument	Rating / Industry	Quantity	Mkt Value Rs. in Lacs	% of Net Asset	
		(A) Equity & Equity Related					
		(a) Listed / awaiting listing on Stock Exchange					
1	INE040A01026	HDFC Bank Ltd	Banks	29989	432.61	9.63%	
2	INE002A01018	Reliance Industries Ltd	Petroleum Products	23119	305.38	6.80%	
3	INE237A01028	Kotak Mahindra Bank Ltd Ltd	Banks	32226	281.08	6.26%	
4	INE918I01018	Bajaj Finserv Ltd	Finance	6609	270.86	6.03%	
5	INE009A01021	Infosys Ltd	Software	23516	240.39	5.35%	
6	INE242A01010	Indian Oil Corporation Ltd	Petroleum Products	57817	223.78	4.98%	
7	INE090A01021	ICICI Bank Ltd	Banks	76517	211.84	4.72%	
8	INE154A01025	ITC Ltd	Consumer Non Durables	64627	181.15	4.03%	
9	INE298A01020	Cummins India Ltd	Industrial Products	16609	157.69	3.51%	
10	INE585B01010	Maruti Suzuki India Ltd	Auto	2572	154.72	3.44%	
11	INE528G01019	Yes Bank Ltd	Banks	9707	150.14	3.34%	
12	INE158A01026	Hero MotoCorp Ltd	Auto	4120	132.74	2.96%	
13	INE101A01026	Mahindra & Mahindra Ltd	Auto	10003	128.73	2.87%	
14	INE733E01010	NTPC Ltd	Power	76582	127.13	2.83%	
15	INE062A01020	State Bank of India	Banks	38675	113.47	2.53%	
16	INE092A01019	Tata Chemicals Ltd	Chemicals	16219	97.11	2.16%	
17	INE029A01011	Bharat Petroleum Corporation Ltd	Petroleum Products	14031	91.18	2.03%	
18	INE465A01025	Bharat Forge Ltd	Industrial Products	8738	91.06	2.03%	
19	INE628A01036	UPL Ltd	Pesticides	12324	89.58	1.99%	
20	INE018A01030	Larsen & Toubro Ltd	Construction Project	5390	84.89	1.89%	
21	INE021A01026	Asian Paints Ltd	Consumer Non Durables	7891	84.71	1.89%	
22	INE238A01034	Axis Bank Ltd	Banks	16124	79.14	1.76%	
23	INE481G01011	Ultratech Cement Ltd	Cement	1926	76.75	1.71%	
24	INE263A01024	Bharat Electronics Ltd	Industrial Capital Goods	46740	73.26	1.63%	
25	INE115A01026	LIC Housing Finance Ltd	Finance	11584	71.64	1.60%	
26	INE256A01028	Zee Entertainment Enterprises Ltd	Media & Entertainment	12563	67.28	1.50%	
27	INE155A01022	Tata Motors Ltd	Auto	14185	66.08	1.47%	
28	INE117A01022	ABB India Ltd	Industrial Capital Goods	4593	58.79	1.31%	
29	INE192A01025	Tata Global Beverages Ltd	Consumer Non Durables	34741	52.30	1.16%	
30	INE774D01024	Mahindra & Mahindra Financial Services Ltd	Finance	14620	46.04	1.03%	
31	INE917I01010	Bajaj Auto Ltd	Auto	1482	41.58	0.93%	
32	INE012A01025	ACC Ltd	Cement	2379	34.40	0.77%	
33	INE059A01026	Cipla Ltd	Pharmaceuticals	5746	34.07	0.76%	
34	INE111A01017	Container Corporation of India Ltd	Transportation	2552	32.50	0.72%	
35	INE935A01035	GlenMark Pharmaceuticals Ltd	Pharmaceuticals	3726	31.75	0.71%	
36	INE208A01029	Ashok Leyland Ltd	Auto	23200	19.62	0.44%	
		Total for Equity & Equity Related				4435.44	98.75%
		(B) Money Market Instruments					
1		Reverse Repo			60.00	1.34%	
		Total for Money Market Instruments				60.00	1.34%
		Cash and Other Net Current Assets			-3.96	-0.09%	
		Grand Total				4491.49	100.00%

