

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-GG** 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 FIXED TERM PLAN-GG** 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.

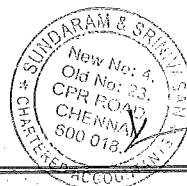
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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-GG** as at 31/03/2017.

b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund **SUNDARAM FIXED TERM PLAN-GG** for the Year ended on 31/03/2017.



SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS

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


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	112,550,620	112,550,620
Reserves & Surplus	2	29,036,781	18,187,091
Current Liabilities & Provisions	3	40,137	46,673
		141,627,538	130,784,384
ASSETS			
Investments	4	131,543,558	122,597,926
Other Current Assets	5	10,083,980	8,186,458
		141,627,538	130,784,384

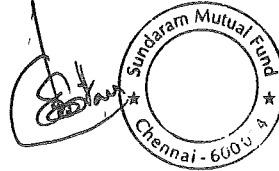
Notes on Accounts


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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)



Authorized 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					
Interest	6	11,351,560		11,996,755	
Net profit on inter scheme transfer / sale of investments		-		21,520	
Net diminution on sale of investments written back		144,870		-	
Other Income		832		512	
		11,497,262		12,018,787	
TOTAL (A)			11,497,262		12,018,787
EXPENSES					
Net diminution in value of investment	7	917		144,870	
Net Loss on sale / redemption of investments (Other than inter-scheme transfer/sale)		209,527		-	
Management Fees		53,678		128,109	
Service Tax on Management Fees		7,979		17,646	
Custodian Fees		40,754		42,441	
Trusteeship Fees		6,822		7,144	
Commission to Agent		243,847		235,942	
Audit Fees		6,746		7,060	
Other Operating Expenses		1,508		5,698	
Investor Education Fees		27,289		28,576	
		599,067		617,486	
Less : Amount absorbed by AMC		-		19,575	
TOTAL (B)			599,067		597,911
SURPLUS / (DEFICIT) (A-B)			10,898,195		11,420,876
Add/(Less) : Balance in Equalisation Account			-		(7,747,509)
			10,898,195		3,673,367
Less: Income Distributed		24,700		-	
Distribution Tax		9,500	34,200	-	
Surplus /(Deficit) transferred to Balance Sheet			10,863,995		3,673,367

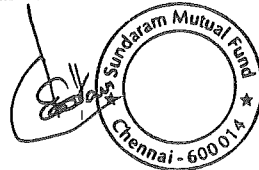
Notes on Accounts

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As per our Report of even date

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

For
Sundaram Mutual Fund



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	20,250,452	202,504,520	20,250,452	202,504,520
Unit Capital				
Opening Capital	11,255,062	112,550,620	20,250,452	202,504,520
Add: Units sold during the Year	-	-	-	-
	11,255,062	112,550,620	20,250,452	202,504,520
Less : Units repurchased during the Year	-	-	8,995,390	89,953,900
Units at the end of the Year	11,255,062	112,550,620	11,255,062	112,550,620
		112,550,620		112,550,620

SCHEDULE : 2**Reserves & Surplus**

Description	31/03/2017		31/03/2016	
	Rs.	Rs.	Rs.	Rs.
General Reserve				
Opening Balance	18,169,735		14,496,368	
Add /(Less): Transfer from Revenue Account	10,863,995	29,033,730	3,673,367	18,169,735
Unrealised appreciation reserve				
Opening Balance	17,356		128,038	
Add/(Less) Net unrealized appreciation for the Year	(14,305)		(110,682)	
Unrealised Appreciation Reserve (Schedule 7)		3,051		17,356
		29,036,781		18,187,091

SCHEDULE : 3**Current Liabilities & Provisions**

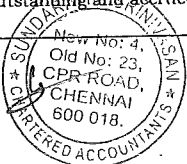
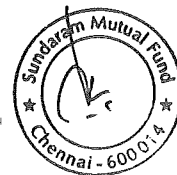
Description	31/03/2017	31/03/2016
	Rs.	Rs.
Sundry Creditors	39,538	46,553
Others	599	120
	40,137	46,673

SCHEDULE : 4**Investments**

Description	31/03/2017	31/03/2016
	Rs.	Rs.
Listed/Awaiting Stock Exchanges		
Debentures & Bonds	107,300,745	118,626,073
Government Securities		898,259
Certificate of Deposits	23,842,813	1,873,594
Others - Reverse Repo / CBLO	400,000	1,200,000
	131,543,558	122,597,926

SCHEDULE : 5**Other Current Assets**

Description	31/03/2017	31/03/2016
	Rs.	Rs.
Balance with banks in Current Accounts	185,951	300,410
CBLO Margin Account	5,246	39,862
Repo Margin Account	23,593	68,789
Outstanding and accrued income	9,869,190	7,777,397
	10,083,980	8,186,458

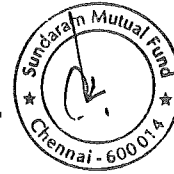


SCHEDULE : 6**Interest**

Description	2016-17	2015-16
	Rs.	Rs.
Interest from banks and others	95,430	239,002
Interest on Debentures and Bonds	10,671,562	8,163,345
Discounting Charges	584,568	3,594,408
	11,351,560	11,996,755

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

Description	31/03/2017	31/03/2016
	Rs.	Rs.
Appreciation in Value of Investments		
Certificate of Deposits	-	5,777
Non-Convertible Debentures	3,051	-
Central Government Securities	-	11,579
Appreciation in value of investments (Schedule 2)	3,051	17,356
Diminution in value of investments		
Certificate of Deposits	917	-
Debentures & Bonds listed / awaiting listing in the recognised stock exchange	-	144,870
Diminution in value of investments transferred to revenue A/C	917	144,870



**SUNDARAM MUTUAL FUND
SUNDARAM FIXED TERM PLAN-GG**

**Schedules forming part of the Balance Sheet as at 31st-Mar-2017
and the Revenue Account for the Year ended 31st March 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.

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

- 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;

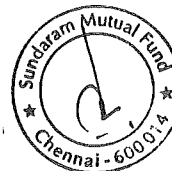
2 INVESTMENT MANAGER FEES

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

Description	2016-17	2015-16
Average daily net asset value	1,364.37	1,428.76
Management fee @ 0.04% of average daily net asset value. (Previous year 0.09%)	0.54	1.28

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	2016-17	2015-16
PURCHASE VALUE (AMOUNT)	313.91	1,906.11
%	23.01%	133.41%
SALES VALUE (AMOUNT)	222.61	2,880.63
%	16.32%	201.62%

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	31.03.2017	31.03.2016
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.	1,251.38	1,113.40
% to the asset under management	88.38%	85.16%

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	8.43%	8.41%
EXPENDITURE #	0.28%	0.32%

#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

	2016-17	2015-16
Sundaram Finance Ltd (Sponsor)	NIL	0.03

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.

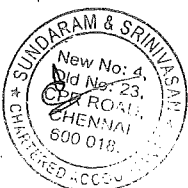
13 ACCOUNTING STANDARD 18 ON RELATED PARTY DISCLOSURES

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



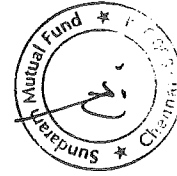
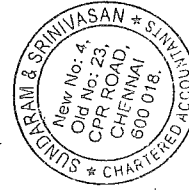
15 HISTORICAL PER UNIT STATISTICS

	01.04.2016 to 31.03.2017			01.04.2015 to 31.03.2016			03.06.2014 to 31.03.2015		
	Regular Growth	Regular Quarterly Dividend	Regular Halfyearly Dividend	Direct Growth	Regular Quarterly Dividend	Regular Halfyearly Dividend	Direct Growth	Regular Quarterly Dividend	Regular Halfyearly Dividend
(A) Gross income									
(i) income other than profit on sale of investment		1.0215			1.0659			0.7456	
(ii) income from profit on inter scheme sales/transfer of investments		0.0000			0.0019			0.0000	
(iii) income from profit on sale of investment to third parties		-0.0186			0.0000			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		0.0346			0.0531			0.0297	
(C) Net income		0.9683			1.0147			0.7159	
(D) Net unrealised appreciation/(diminution) in value of investments		0.0002			-0.0113			0.0063	
(E) Net Assets Value	12.5202	NA	10.7136	12.6444	11.5794	11.5792	11.6522	10.7113	10.7112
(F) Highest repurchase price	NA	NA	NA	NA	10.8556	10.8555	10.8946	NA	NA
Lowest repurchase price	NA	NA	NA	NA	10.8556	10.8555	10.8946	NA	NA
Highest ongoing sale price	NA	NA	NA	NA	NA	NA	NA	10.0000	10.0000
Lowest ongoing sale price	NA	NA	NA	NA	NA	NA	NA	10.0000	10.0000
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage		0.28%			0.32%			0.34%	
(H) Ratio of gross income to average daily net assets by percentage		8.43%			8.41%			8.71%	
(I) Direct Growth									

16 Computation of Distributable Income

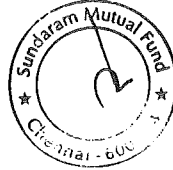
	31.03.2017	31.03.2016
	Rs.	Rs.
Net income as per revenue account	1,08,98,195	36,73,367
Add : Balance of Undistributed Income as at 1st April brought forward	1,81,69,735	1,44,96,368
Less : Income Distributed during the year	2,90,67,930	1,81,69,735
Distributable Income	34,200	-
	2,90,33,730	1,81,69,735

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



ANNEXURE-II		
SUNDARAM FIXED TERM PLAN - GG		
% of total Investments within the classification		
	31-Mar-17	31-Mar-16
Debt Instruments		
Listed / awaiting listing on Stock Exchange		
FINANCE	67.79%	72.90%
POWER	32.21%	18.51%
BANK	0.00%	8.59%
Money Market Instruments		
BANK	100.00%	100.00%

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SUNDARAM MUTUAL FUND						
Sundaram Fixed Term Plan-GG						
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)Debt Instruments						
(a)Listed / awaiting listing on Stock Exchange						
1	INE202B07FA8	Dewan Housing Finance Corporation Ltd - 9.26 - 19/06/2017**	CARE AAA	24	240.99	17.02%
2	INE523E07CJ9	L & T Finance Ltd - 8.8187 - 19/06/2017**	CARE AA+	9	225.88	15.95%
3	INE445L08201	Nabha Power Ltd - 8.11 - 10/04/2017**	CRISIL AAA	22	220.05	15.54%
4	INE134E08HL8	Power Finance Corporation Ltd - 8.35 - 27/05/2017**	CRISIL AAA	20	200.45	14.16%
5	INE752E07IC6	Power Grid Corporation of India Ltd - 9.64 - 31/05/2017**	CRISIL AAA	10	125.58	8.87%
6	INE134E08HR5	Power Finance Corporation Ltd - 8.12 - 17/04/2017**	CRISIL AAA	4	40.02	2.83%
7	INE296A07BC7	Bajaj Finance Ltd - 9.9 - 25/04/2017**	CRISIL AAA	2	20.03	1.41%
Total for Debt Instruments					1073.01	75.78%
(B)Money Market Instruments						
(a)Certificate of Deposits						
1	INE092T16124	IDFC Bank Ltd - 18/05/2017**	CRISIL A1+	130	128.93	9.11%
2	INE141A16XK3	Oriental Bank of Commerce - 28/04/2017**	CRISIL A1+	110	109.50	7.73%
Sub Total					238.43	16.84%
(b)Reverse Repo / CBLO						
1		Reverse Repo			4.00	0.28%
Sub Total					4.00	0.28%
Total for Money Market Instruments					242.43	17.12%
Cash and Other Net Current Assets					100.44	7.09%
Grand Total					1415.87	100.00%

** Thinly traded / Non Traded Securities

