

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-GJ** 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-GJ** 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-GJ** as at 31/03/2017.
- b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund **SUNDARAM FIXED TERM PLAN-GJ** 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	201,878,860	201,878,860
Reserves & Surplus	2	53,178,362	33,188,884
Current Liabilities & Provisions	3	64,477	79,718
		255,121,699	235,147,462
ASSETS			
Investments	4	243,376,144	223,847,808
Other Current Assets	5	11,745,555	11,299,654
		255,121,699	235,147,462

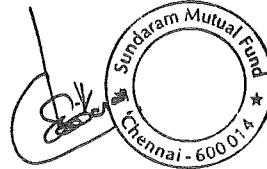
Notes on Accounts


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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 : 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	21,347,508		20,354,878	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		145,040		860,397	
Net profit on inter scheme transfer / sale of investments		35,518		-	
Other Income		1,170		472	
TOTAL (A)		21,529,236	21,529,236	21,215,747	21,215,747
EXPENSES					
Management Fees		374,980		433,791	
Service Tax on Management Fees		55,935		60,479	
Custodian Fees		34,015		42,509	
Trusteeship Fees		12,286		11,283	
Commission to Agent		295,557		232,294	
Audit Fees		7,482		7,556	
Other Operating Expenses		2,697		4,941	
Investor Education Fees		49,143		45,130	
		832,095		837,983	
Less : Amount absorbed by AMC		-		4,144	
TOTAL (B)			832,095		833,839
SURPLUS / (DEFICIT) (A-B)			20,697,141		20,381,908
Less: Income Distributed		94,020		-	
Distribution Tax		36,130	130,150	-	
Surplus /(Deficit) transferred to Balance Sheet			20,566,991		20,381,908

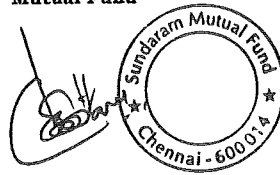
Notes on Accounts

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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 : 23rd June 2017

SCHEDULE : 1**Unit Capital**

Description	31/03/2017		31/03/2016	
	Units	Rs.	Units	Rs.
Initial capital	20,187,886	201,878,860	20,187,886	201,878,860
Unit Capital				
Opening Capital	20,187,886	201,878,860	20,187,886	201,878,860
Add: Units sold during the Year	-	-	-	-
	20,187,886	201,878,860	20,187,886	201,878,860
Less : Units repurchased during the Year	-	-	-	-
Units at the end of the Year	20,187,886	201,878,860	20,187,886	201,878,860
		201,878,860		201,878,860

SCHEDULE : 2**Reserves & Surplus**

Description	31/03/2017		31/03/2016	
	Rs.	Rs.	Rs.	Rs.
General Reserve				
Opening Balance	31,868,066		11,486,158	
Add /(Less): Transfer from Revenue Account	20,566,991	52,435,057	20,381,908	31,868,066
Unrealized Appreciation Reserve				
Opening Balance	1,320,818		2,648,057	
Add/(Less) Net unrealized appreciation for the Year	(577,513)		(1,327,239)	
Unrealised Appreciation Reserve (Schedule 7)		743,305		1,320,818
		53,178,362		33,188,884

SCHEDULE : 3**Current Liabilities & Provisions**

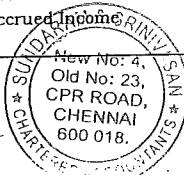
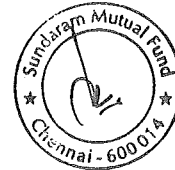
Description	31/03/2017	31/03/2016
	Rs.	Rs.
Sundry Creditors	62,856	79,320
Others	1,621	398
	64,477	79,718

SCHEDULE : 4**Investments**

Description	31/03/2017	31/03/2016
	Rs.	Rs.
Debentures & Bonds listed / awaiting listing on the recognised stock exchange	173,211,353	176,344,501
Certificate of Deposits	17,657,946	-
Others - Reverse Repo / CBLO	1,700,000	1,100,000
Zero Coupon Bond	50,806,845	46,403,307
	243,376,144	223,847,808

SCHEDULE : 5**Other Current Assets**

Description	31/03/2017	31/03/2016
	Rs.	Rs.
Balance with banks in Current Accounts	255,750	141,174
CBLO Margin Account	23,289	34,547
Repo Margin Account	104,736	59,617
Outstanding and accrued income	11,361,780	11,064,316
	11,745,555	11,299,654

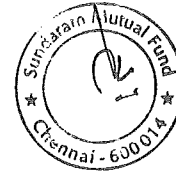
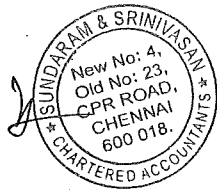


SCHEDULE : 6**Interest**

Description	2016-17	2015-16
	Rs.	Rs.
Interest from banks and others	187,628	207,708
Interest on Debentures and Bonds	15,926,890	15,916,452
Discounting Charges	5,232,990	4,230,718
	21,347,508	20,354,878

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	16,674	-
Zero Coupon Bond	201,935	17,557
Non-Convertible Debentures	524,696	-
Debentures & Bonds listed / awaiting listing on the recognised stock exchange	-	1,303,261
Appreciation in value of investments (Schedule 2)	743,305	1,320,818



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

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

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	2,457.16	2,256.48
Management fee @ 0.15% of average daily net asset value. (Previous year 0.19%)	3.75	4.34

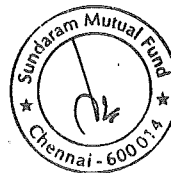
3 INVESTMENTS MADE IN COMPANIES WHO HAVE INVESTED MORE THAN FIVE PERCENT OF THE NET ASSET VALUE OF THE SCHEMES OF SUNDARAM MUTUAL FUND.

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)	787.78	650.25
%	32.06%	28.82%
SALES VALUE (AMOUNT)	678.90	534.10
%	27.63%	23.67%



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.	2,336.73	2,134.88
% to the asset under management	91.62%	90.82%

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	8.76%	9.40%
EXPENDITURE #	0.34%	0.37%

#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

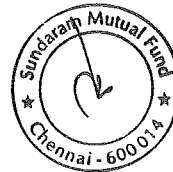
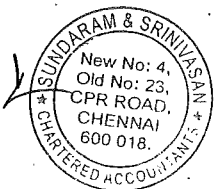
As the Financial Statements are prepared separately on each scheme, no further disclosure under Accounting Standard 17 on segment reporting issued by the Institute of Chartered Accountants of India is considered necessary. There is no secondary reporting segment.

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				21.08.2014 to 31.03.2015			
	Rs.				Rs.				Rs.			
(A) Gross income	1.0575				1.0083				0.5904			
(i) income other than profit on sale of investment of investments	0.0018				0.0000				0.0000			
(ii) income from profit on Inter scheme sales/transfer	0.0072				0.0426				0.0000			
(iii) income from profit on sale of investment to third parties	0.0000				0.0000				0.0000			
(iv) transfer to revenue account from past year's reserves	0.0412				0.0413				0.0214			
(B) Aggregate of expenses, write off, amortisation and charges	1.0252				1.0096				0.5690			
(C) Net income	0.0368				0.0654				0.1312			
(D) Net unrealised appreciation/(diminution) in value of investments												
(E) Net Assets Value	Regular Growth	Regular Quarterly Dividend	Direct Growth	Direct Quarterly Dividend	Regular Growth	Regular Quarterly Dividend	Direct Growth	Direct Quarterly Dividend	Regular Growth	Regular Quarterly Dividend	Direct Growth	Direct Quarterly Dividend
(F) Highest repurchase price	12.5337	11.3804	10.7271	12.6709	11.5032	10.8612	11.5956	11.5955	11.5954	11.6577	11.6571	11.6562
Lowest repurchase price	NA	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	NA
Lowest ongoing sale price	NA	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	0.34%				0.37%				0.33%			
(H) Ratio of gross income to average daily net assets by percentage	8.76%				9.40%				9.32%			

16 Computation of Distributable Income

	31.03.2017	31.03.2016
	Rs.	Rs.
Net income as per revenue account	2,06,97,141	2,03,81,908
Add: Balance of Undistributed income as at 1st April brought forward	3,18,68,066	1,14,86,159
Less: Income Distributed during the year	5,25,65,207	3,18,68,066
Distributable Income	1,30,150	-
	5,24,35,057	3,18,68,066

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



ANNEXURE-II		
SUNDARAM FIXED TERM PLAN - GJ		
% of total Investments within the classification		
	31-Mar-17	31-Mar-16
Debt Instruments		
Listed / awaiting listing on Stock Exchange		
FINANCE	74.19%	76.03%
RETAILING	22.68%	20.83%
Money Market Instruments		
BANK	100.00%	0.00%



SUNDARAM MUTUAL FUND						
Sundaram Fixed Term Plan-GJ						
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	INE849A08041	Trent Ltd - 30/06/2017**	BWR AA+	27	508.07	19.92%
2	INE134E08GC9	Power Finance Corporation Ltd - 9.32 - 19/08/2017**	CRISIL AAA	43	433.81	17.01%
3	INE001A07JC4	Housing Development Finance Corporation Ltd - 9.5 - 13/08/2017**	CRISIL AAA	43	433.31	16.99%
4	INE020B08757	Rural Electrification Corporation Ltd - 9.4 - 20/07/2017**	CRISIL AAA	39	392.82	15.40%
5	INE721A07HH0	Shriram Transport Finance Company Ltd - 9.85 - 15/07/2017**	CRISIL AA+	23000	231.25	9.07%
6	INE202B07EG8	Dewan Housing Finance Corporation Ltd - 9.74 - 09/06/2017**	CARE AAA	16	160.90	6.31%
7	INE445L08201	Nabha Power Ltd - 8.11 - 10/04/2017**	CRISIL AAA	7	70.01	2.75%
8	INE296A07BC7	Bajaj Finance Ltd - 9.9 - 25/04/2017**	CRISIL AAA	1	10.01	0.39%
Total for Debt Instruments					2240.18	87.83%
(B) Money Market Instruments						
(a) Certificate of Deposits						
1	INE238A16N36	Axis Bank Ltd - 21/07/2017**	CRISIL A1+	180	176.58	6.92%
Sub Total					176.58	6.92%
(b) Reverse Repo / CBLO						
1		Reverse Repo			17.00	0.67%
Sub Total					17.00	0.67%
Total for Money Market Instruments					193.58	7.59%
Cash and Other Net Current Assets					116.81	4.58%
Grand Total					2550.57	100.00%

** Thinly traded / Non Traded Securities

