

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 GLOBAL ADVANTAGE FUND** 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 GLOBAL ADVANTAGE FUND** 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.

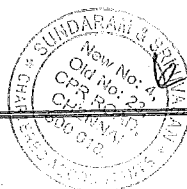
An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud 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 GLOBAL ADVANTAGE FUND** as at 31/03/2017.
- b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund **SUNDARAM GLOBAL ADVANTAGE FUND** 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:

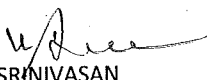
1. We have **sought and** obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.

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)**


K.SRINIVASAN

Partner

Membership No. 5809

Place: Chennai

Date : 23rd June 2017



BALANCE SHEET AS AT 31st MARCH, 2017

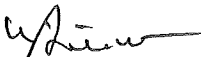
DESCRIPTION	SCHEDULE NO.	31-Mar-17	31-Mar-16
		Rs.	Rs.
LIABILITIES			
Unit Capital	1	15,04,27,267	17,76,52,268
Reserves & Surplus	2	5,86,32,283	4,30,33,822
Current Liabilities & Provisions	3	9,80,303	24,72,666
		21,00,39,853	22,31,58,756
ASSETS			
Investments	4	20,90,26,871	20,01,38,571
Other Current Assets	5	10,12,982	2,30,20,185
		21,00,39,853	22,31,58,756

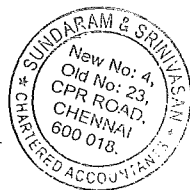
Notes on Accounts

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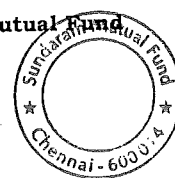
As per our Report of even date

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


K Srinivasan
Partner
(M.NO : 5809)



Place : Chennai
Date : 23rd June 2017

For
Sundaram Mutual Fund



Authorised Signatory

REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2017

Description	Sch No.	2016-17		2015 - 16		
		Rs.	Rs.	Rs.	Rs.	
REVENUE						
Dividend	6	2,16,632		2,54,900		
Interest		5,65,769		6,37,753		
Net Gain on sale / redemption of investments (Other than inter-scheme transfer / sale)		14,75,155		-		
Net Appreciation in value of investment on account of Exchange Difference		-		49,57,001		
Net diminution on value of investments written back		2,40,79,508		-		
Realised Gain on foreign exchange transactions		62,51,692		1,02,31,530		
Other Income		10,563		11,343		
		3,25,99,319		1,60,92,527		
TOTAL (A)			3,25,99,319		1,60,92,527	
EXPENSES						
Unrealised Appreciation in value of investment on account of Exchange Difference written off	7	1,32,09,972		-		
Diminution in value of investments on account of price change		-		2,40,79,508		
Net Loss on sale / redemption of investments (Other than inter-scheme transfer / sale)		-		91,86,838		
Management Fees		22,94,568		23,50,714		
Trusteeship Fees		10,834		11,917		
Commission to Agents		5,17,074		10,05,996		
Audit Fees		13,130		16,269		
Custodian charges		94,548		1,40,524		
Other Operating Expenses		23,178		20,653		
Service tax on Management Fees		3,42,255		3,26,579		
Investor Education Fees		43,326		47,653		
			1,65,48,885		3,71,86,651	
Less : Amount absorbed by AMC			54,665		90,187	
TOTAL (B)				1,64,94,220		3,70,96,464
SURPLUS / (DEFICIT) (A-B)			1,61,05,099		(2,10,03,937)	
Add/(Less) : Balance in Equalisation Account			(1,59,55,389)		(1,33,74,846)	
			1,49,710		(3,43,78,783)	
Less: Income Distributed		-		-		
Distribution Tax		-		-		
Surplus /(Deficit) transferred to Balance Sheet			1,49,710		(3,43,78,783)	

Notes on Accounts

8

As per our Report of even date

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

K Srinivasan
Partner
(M.NO : 5809)



Place : Chennai
Date : 23rd June 2017

For
Sundaram Mutual Fund



Authorised Signatory

SCHEDULE : 1**Unit Capital**

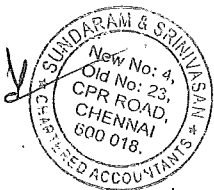
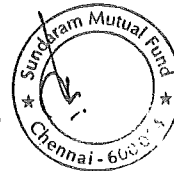
Description	31-03-2017		31-03-2016	
	Units	Rs.	Units	Rs.
Initial capital	30,15,18,084	3,01,51,80,836	30,15,18,084	3,01,51,80,836
Unit Capital				
Opening Capital	1,77,65,227	17,76,52,268	2,00,27,468	20,02,74,680
Add: Units sold during the Year	7,67,275	76,72,752	4,54,047	45,40,465
	1,85,32,502	18,53,25,020	2,04,81,515	20,48,15,145
Less : Units repurchased during the Year	34,89,775	3,48,97,753	27,16,288	2,71,62,877
Units at the end of the Year	1,50,42,727	15,04,27,267	1,77,65,227	17,76,52,268
		15,04,27,267		17,76,52,268

SCHEDULE : 2**Reserves & Surplus**

Description	31-03-2017		31-03-2016	
	Rs.	Rs.	Rs.	Rs.
Unit Premium Reserve				
Opening Balance	(8,21,90,865)		(8,92,62,457)	
Add/ (Less): Net premium on sale / (redemption) of units	72,52,114	(7,49,38,751)	70,71,592	(8,21,90,865)
General Reserve				
Opening Balance	12,52,24,687		15,96,03,470	
Add/(Less): Transfer from Revenue Account	1,49,710	12,53,74,397	(3,43,78,783)	12,52,24,687
Unrealised appreciation reserve				
Opening Balance			23,53,396	
Add/(Less): Net unrealized appreciation for the year	81,96,637	81,96,637	(23,53,396)	
Unrealised Appreciation Reserve (Schedule 7)		81,96,637		
		5,86,32,283		4,30,33,822

SCHEDULE : 3**Current Liabilities & Provisions**

Description	31-03-2017	31-03-2016
	Rs.	Rs.
Sundry Creditors	8,50,900	21,79,659
Distributed Income payable	67,581	67,581
Others	61,822	2,25,426
	9,80,303	24,72,666



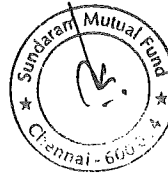
SCHEDULE : 4

Investments Description	31-03-2017	31-03-2016
	Rs.	Rs.
Units of Overseas Mutual Funds	19,97,26,871	19,77,38,571
Others - Reverse Repo / CBLO	93,00,000	24,00,000
	20,90,26,871	20,01,38,571

SCHEDULE : 5

Other Current Assets

Description	31-03-2017	31-03-2016
	Rs.	Rs.
Balance with banks in Current Accounts	3,46,716	5,34,643
Contract for Sale of Investments	-	2,22,79,781
CBLO Margin Account	1,20,939	75,296
Repo Margin Account	5,43,887	1,29,939
Outstanding and accrued Income	1,440	526
	10,12,982	2,30,20,185

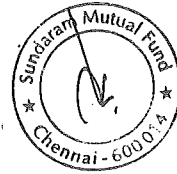


SCHEDULE : 6**Interest**

Description	2016-17	2015 - 16
	Rs.	Rs.
Interest on Repo	5,65,769	6,37,753
	5,65,769	6,37,753

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

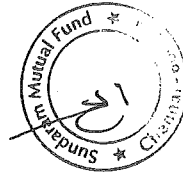
Description	31.03.2017	31.03.2016
	Rs.	Rs.
Appreciation in Value of Investments		
Unrealised appreciation in value of investments on exchange rate change	3,25,91,129	4,58,01,101
Appreciation on account of exchange difference transferred to Revenue Account	3,25,91,129	4,58,01,101
Unrealised appreciation in value of investments on price variance	81,96,637	-
Unrealised appreciation in value of investments on price variance (Schedule 2)	81,96,637	-
Diminution in value of investments		
Diminution in value of investments on account of price change	-	2,40,79,508
Diminution in value of investments transferred to Revenue Account	-	2,40,79,508



15. HISTORICAL PER UNIT STATISTICS	2016-2017		2015-2016		2014-2015		GLOB											
	Rs.		Rs.		Rs.		Rs.											
(A) Gross income other than profit on sale of investment																		
(i) Income from profit on inter-scheme sales/transfer of investments		1,6535		0,3299				1,9600										
(ii) Income from profit on inter-scheme sales/transfer of investments to third parties		0,0000		0,0000				0,0000										
(iii) Income from profit on sale of investment to third parties		0,5137		0,0588				1,6784										
(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		1,0965		1,5710				2,0260										
(C) Net Income		1,0706		-1,1823				1,6125										
(D) Net unrealised appreciation/(diminution) in value of investments (including Exchange Rate appreciation)		2,7115		1,2227				2,1569										
(E) Net Assets Value	Regular Dividend	12,4341	Regular Growth	14,5038	Direct Dividend	13,3388	Direct Growth	14,8327	Regular Dividend	11,1348	Regular Growth	12,9882	Direct Dividend	11,9157	Direct Growth	13,1883		
(F) Highest repurchase price		12,7469		14,8721		13,6741		15,1978		13,3259		15,5444		13,7864		15,3129		
Lowest repurchase price		10,8390		12,6431		11,6015		12,8411		9,4970		11,0781		10,6404		11,8554		
Highest ongoing sale price *		12,7469		14,8721		13,6741		15,1978		13,3259		15,6802		13,9122		13,8569		
Lowest ongoing sale price *		10,8390		12,6431		11,6015		12,8411		9,4970		11,0781		10,1562		11,5505		
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage				1,51%													1,60%	
(H) Ratio of gross income to average daily net assets by percentage				15,02%														22,56%

* Includes entry load as applicable

16 Computation of Distributable Income	31.03.2017		31.03.2016	
	Rs.		Rs.	
Net Income as per revenue account	1,49,710	(3,43,78,783)		
Add : Balance of Undistributed income as at 1st April brought forward	7,94,23,586	11,87,59,370		
	7,95,73,297	8,43,80,587		
Add/ (Less): Unrealised appreciation in value of investments on exchange rate change	1,32,09,972	(49,57,001)		
	9,27,83,269	7,94,23,586.45		
Less : Income Distributed during the year	9,27,83,269	7,94,23,586		
Add : Unit Premium Reserve	(7,49,38,751)	(8,21,90,865)		
Distributable Income	1,78,44,518	(27,67,279)		



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

**SUNDARAM MUTUAL FUND
SUNDARAM GLOBAL ADVANTAGE FUND**

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

SCHEDULE 8

(All amounts mentioned rupees in lakhs)

NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 INVESTMENTS

a) Units of Overseas Mutual Funds

Investments are in the nature of units of overseas mutual funds. These securities are valued at the last disclosed Net asset Value (NAV) at the local currency and converted into Indian Rupee value by applying the RBI reference rate/Cross currency rate through Bloomberg.

b) Money Market Securities

Instruments bought on 'repo' basis have been valued at the resale price after deduction of applicable interest up to date of resale.

Investment transactions are accounted on trade dates at cost including brokerage, stamp duty and other levies, if any.

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 arising on account of the net asset value movement of the overseas mutual fund units is directly transferred to unrealised appreciation reserve and the net diminution arising there from is debited to revenue account.

c) Foreign Exchange Transactions:

Transactions expressed in currencies other than Indian Rupee are translated into Indian Rupees at the exchange rates applicable on the transaction dates.

Exchange differences arising on settlement of transactions are recognized as income or expense.

Assets and liabilities designated in currencies other than Indian Rupee are translated into Indian Rupee at the exchange rates at the end of each year.

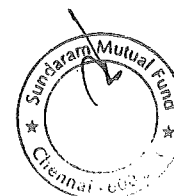
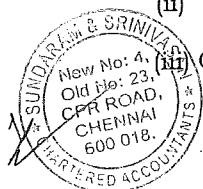
Exchange gain or loss on account of changes in the foreign exchange rates is considered as income or expense in the revenue account. The unrealized appreciation arising on account of changes in foreign exchange rate is reduced for calculating the distributable income.

1.2 INCOME RECOGNITION

(i) Profit/Loss on sale of investments is recognized 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.

1.4 LOAD

In terms of SEBI (Mutual Funds) regulations, 1996 :

- a. Out of the exit load charged to the investor, during the period from 01st April, 2012 to 30th September, 2012 a maximum of 1% of the redemption proceeds is maintained in a separate account which can be used by the AMC to pay commission to the distributor and for marketing and selling expenses of the scheme. Any balance in excess of 1% is credited to the scheme immediately and unutilized portion in the load account shall be credited to the scheme whenever felt appropriate by the AMC.
- b. The entire exit load charged to the investor for the period 01st April 2014 to 31st March, 2015 net of service tax is fully credited to the scheme.

1.5 EQUALISATION ACCOUNT

In terms of SEBI circular dated 15th March 2010, on Unit Premium Reserve, the equalisation account has been credited/debited with an appropriate portion (excluding the Unit Premium Reserve and Unrealised Appreciation) of the sale proceeds/repurchase price in respect of units sold / repurchased on or after 15th March 2010. The net balance in this account is transferred to revenue account for the year.

1.6 UNIT PREMIUM RESERVE

In terms of SEBI circular dated 15 March 2010, on Unit Premium Reserve, when units are sold / repurchased on or after 15th March 2010 a part of the sale price / repurchase price representing unrealized gains is credited / debited to Unit Premium Reserve. The balance in Unit Premium Reserve will not be utilized for determination of distributable surplus.

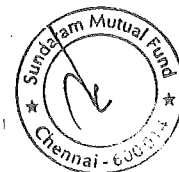
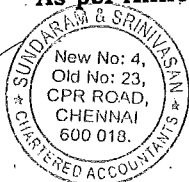
2. INVESTMENT MANAGER FEES

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

Particulars	2016-17	2015 - 16
Average daily net asset value	2170.68	2,382.69
Management fee @ 1.06% of average daily net asset value (Previous Year - 0.99%)	22.95	23.51

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 financial year as a percentage of average daily net asset value is as under:

Description	2016-17	2015-16
PURCHASE VALUE (AMOUNT)	-	-
%	0.00%	0.00%
SALES VALUE (AMOUNT)	249.43	424.64
%	11.49%	17.82%

5. AGGREGATE FAIR VALUE OF NON-TRADED/THINLY TRADED INVESTMENTS

NIL

6. INCOME / EXPENDITURE

The total income and expenditure as a percentage of the average daily net assets, during the year are given below:

Particulars	2016-17	2015 - 16
Income	15.02%	6.75%
Expenditure#	1.51%	1.60%

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 ASSOCIATES

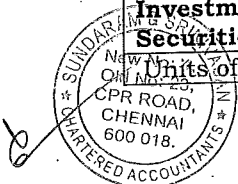
	2016-17	2015-16
Sundaram Finance Ltd (Sponsor)	0.12	0.12
Sundaram Finance Holdings Limited (formerly known as Sundaram Finance Distribution Limited- a subsidiary of Sponsor)	NIL	NIL
IndusInd Bank (Associate)@	NIL	NIL

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

9. TOTAL VALUE OF INVESTMENTS (EXCLUDING MONEY MARKET INVESTMENTS) FALLING UNDER EACH MAJOR INDUSTRY GROUP WHICH CONSTITUTES NOT LESS THAN 5% OF THE TOTAL INVESTMENTS IS AS BELOW:

(% of total investments within the classification)

	31.03.17	31.03.16
Investments in Overseas Securities		
Of Units of Mutual Funds	100%	100%



10. PORTFOLIO DISCLOSURE

Full portfolio of the scheme is given in **Annexure – II**

11. MOVEMENT IN UNIT CAPITAL

Refer Schedule 1

12. UNCLAIMED REDEMPTION / DIVIDEND

The details of unclaimed dividends and redemption accounts are disclosed in Annexure VI

13. Audit Fees

The current year audit fees of Rs.13,130/- (Previous Year Rs.16,296/-) as per Revenue account includes SEBI audit fees of Rs. Nil (Previous Year Rs.2,607/-).

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.



Annexure II

SUNDARAM GLOBAL ADVANTAGE FUND						
Portfolio Statement as at 31st March 2017						
S. No.	ISIN CODE	Particulars	Industry/ Rating	Quantity	Mkt Value Rs. in Lacs	% of Net Asset
A) Investments in Foreign Securities - Units of Mutual Funds						
1	LU0048597586	FIL Investment Management Luxembourg Sa - Fidelity-Asia Focus -A Usd	Mutual Fund	94,334.65	456.42	21.83%
2	LU0292107991	D B Tracker EM Asia	Mutual Fund	15,880.00	444.60	21.27%
3	LU0029875118	Templeton Asia GR FD PR SH CI A(YDIS)USD	Mutual Fund	19,525.46	392.21	18.76%
4	LU0266114668	Morgan Stanley Inv Mgt-Morgan Stanley SICAV- Global Property Fund Class I	Mutual Fund	9,090.65	177.48	8.49%
5	LU0292108619	D B Tracker LATAM	Mutual Fund	5,884.00	163.19	7.81%
6	GB0033737874	First State Global Resources FD CL A GBP	Mutual Fund	60,072.41	137.33	6.57%
7	IE0009751193	Nevsky Eastern European	Mutual Fund	3,160.05	128.82	6.16%
8	LU0823414809	Parvest Equity World Energy	Mutual Fund	210.25	97.24	4.65%
9	LU0102008223	Parvest Equity Latin America	Mutual Fund	0.004	0	#
Sub-total					1,997.27	95.54%
B) Money Market Investments						
CBLO/Reverse Repo					93.00	4.45%
Sub-total					93.00	4.45%
C) Others						
Net Current Assets					0.33	0.02%
Sub-total					0.33	0.02%
GRAND TOTAL					2,090.60	100.00%

Indicates percentage to NAV of security is less than 0.01%

