

# 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-V as at 31/03/2018, which comprise the Balance Sheet, the Revenue Account for the Period ended 26/03/2018 and a summary of significant accounting policies and other explanatory information.

### 2. Management's Responsibility for the Financial Statements

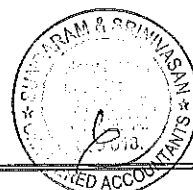
The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Sundaram Mutual Fund SUNDARAM TOP 100-SERIES-V in accordance with the Eleventh Schedule of Securities and Exchange Board of India (Mutual 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.



# SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS

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ALWARPET, CHENNAI - 600 018.

## 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-V as at 31/03/2018.
- b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund SUNDARAM TOP 100-SERIES-V for the Period ended on 26/03/2018.


## 5. Report on Other Legal and Regulatory Requirements

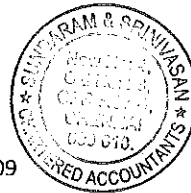
As required by Regulation 55 of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 we report that:

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:0042075)

Place: Chennai  
Date : 29<sup>th</sup> June 2018

  
K.SRINIVASAN  
Partner  
Membership No. 5809



**BALANCE SHEET AS AT 31st MARCH, 2018**

DESCRIPTION	SCHEDULE NO.	31-Mar-18	31-Mar-17
		Rs.	Rs.
<b>LIABILITIES</b>			
Unit Capital	1	-	390,156,920
Reserves & Surplus	2	-	56,374,652
Current Liabilities & Provisions	3	12,496,345	1,152,637
		<b>12,496,345</b>	<b>447,684,209</b>
<b>ASSETS</b>			
Investments	4	-	446,914,067
Other Current Assets	5	12,496,345	770,142
		<b>12,496,345</b>	<b>447,684,209</b>

Notes on Accounts

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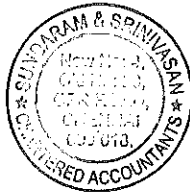
As per our Report of even date

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

**For**  
**Sundaram Mutual Fund**



K Srinivasan  
Partner  
(M.NO : 5809)



Authorized Signatory

Place : Chennai  
Date : 29th June 2018

## REVENUE ACCOUNT FOR THE PERIOD FROM 01.04.2017 TO 26.03.2018

Description	Sch No.	01.04.2017 - 26.03.2018		01.04.2016 - 31.03.2017	
		Rs.	Rs.	Rs.	Rs.
<b>REVENUE</b>					
Dividend	6	5,789,278		5,793,090	
Interest		1,218,445		821,418	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		136,440,832		5,015,100	
Net diminution on sale of investments written back		-		8,783,338	
Other Income		3,421		5,108	
			<b>143,451,976</b>		<b>20,418,054</b>
<b>TOTAL (A)</b>			<b>143,451,976</b>		<b>20,418,054</b>
<b>EXPENSES</b>					
Management Fees		10,923,316		9,134,925	
Service Tax / Goods & Service Tax on Management Fees		1,886,476		1,363,343	
Transfer Agents Fees & Expenses		52,357		-	
Custodian Fees		117,780		113,394	
Trusteeship Fees		24,222		19,982	
Commission to Agents		1,684,034		1,395,334	
Audit Fees		14,287		20,010	
Investor Education Fees		96,887		79,924	
Other Operating expenses		15,502		14,783	
		<b>14,814,861</b>		<b>12,141,695</b>	
Less : Amount absorbed by AMC		7,610		-	
<b>TOTAL (B)</b>			<b>14,807,251</b>		<b>12,141,695</b>
<b>SURPLUS / (DEFICIT) (A-B)</b>			<b>128,644,725</b>		<b>8,276,359</b>
Add/(Less) : Balance in Equalisation Account			<b>(104,059,994)</b>		
<b>Surplus /(Deficit) transferred to Balance Sheet</b>			<b>24,584,731</b>		<b>8,276,359</b>

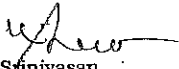
Notes on Accounts

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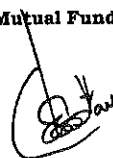
As per our Report of even date

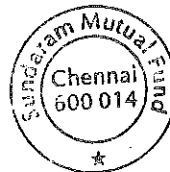
For  
Sundaram & Srinivasan  
Chartered Accountants  
(FRN.: 004207S)

For  
Sundaram Mutual Fund

  
K Srinivasan  
Partner  
(M.NO : 5809)



  
Authorised Signatory



Place : Chennai  
Date : 29th June 2018

**SCHEDULE : 1****Unit Capital**

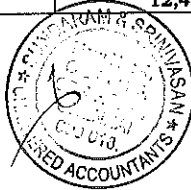
Description	31/03/2018		31/03/2017	
	Units	Rs.	Units	Rs.
<b>Initial capital</b>	<b>39,015,692</b>	<b>390,156,920</b>	<b>39,015,692</b>	<b>390,156,920</b>
<b>Unit Capital</b> Opening Capital	39,015,692	390,156,920	39,015,692	390,156,920
Add: Units sold during the Period	-	-	-	-
Less : Units repurchased during the Period	39,015,692	390,156,920	39,015,692	390,156,920
Units at the end of the Period	-	-	39,015,692	390,156,920
				<b>390,156,920</b>

**SCHEDULE : 2****Reserves & Surplus**

Description	31/03/2018		31/03/2017	
	Rs.	Rs.	Rs.	Rs.
<b>General Reserve</b> Opening Balance	(24,584,731)	-	(32,861,090)	-
Add /(Less): Transfer from Revenue Account	24,584,731	-	8,276,359	(24,584,731)
<b>Unrealised Appreciation Reserve</b> Opening Balance	80,959,383	-	4,040	-
Add/(Less): Net unrealized appreciation for the Period	(80,959,383)	-	80,955,343	-
Unrealised Appreciation Reserve (Schedule 7)	-	-	-	80,959,383
				<b>56,374,652</b>

**SCHEDULE : 3****Current Liabilities & Provisions**

Description	31/03/2018	31/03/2017
	Rs.	Rs.
Sundry Creditors	12,483,883	1,092,607
Others - Rates & Taxes	12,462	60,030
	<b>12,496,345</b>	<b>1,152,637</b>



**SCHEDULE : 4****Investments**

Description	31/03/2018	31/03/2017
	Rs.	Rs.
Equity Shares	-	441,214,067
Others - Reverse Repo / CBLO	-	5,700,000
	-	<b>446,914,067</b>

**SCHEDULE : 5****Other Current Assets**

Description	31/03/2018	31/03/2017
	Rs.	Rs.
Balance with banks in Current Accounts	12,496,345	301,957
CBLO Margin Account	-	74,704
Repo Margin Account	-	335,959
Outstanding and accrued Income	-	57,522
	<b>12,496,345</b>	<b>770,142</b>



**SCHEDULE : 6****Interest**

Description	01.04.2017 - 26.03.2018	01.04.2016 - 31.03.2017
	Rs.	Rs.
Interest from banks and others	1,218,445	821,418
	<b>1,218,445</b>	<b>821,418</b>

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

Description	31/03/2018	31/03/2017
	Rs.	Rs.
<b>Appreciation in Value of Investments</b>		
Equity Shares	-	80,959,383
<b>Appreciation in Value of Investments ( Schedule 2 )</b>	-	<b>80,959,383</b>



**SUNDARAM MUTUAL FUND**  
**SUNDARAM TOP 100-SERIES-V**  
**Schedules forming part of the Balance Sheet as at 31-Mar-2018**  
**and the Revenue Account for the Period from 01.04.2017 to 26.03.2018**

**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) Interest Income on debt or money market instruments 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	01.04.2017 - 26.03.2018	01.04.2016 - 31.03.2017
Average daily net asset value	4,911.19	3,995.84
Management fee @ 2.26% of average daily net asset value (Previous year 2.29%)	109.23	91.35

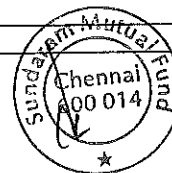
**3 INVESTMENTS MADE IN COMPANIES WHO HAVE INVESTED MORE THAN FIVE PERCENT OF THE NET ASSET VALUE OF THE SCHEMES OF SUNDARAM MUTUAL FUND:**

As Per Annexure - I

**4 AGGREGATE VALUE OF PURCHASES & SALES MADE DURING THE PERIOD**

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

Description	01.04.2017 - 26.03.2018	01.04.2016 - 31.03.2017
<b>PURCHASE VALUE (AMOUNT)</b>	338.38	1,418.22
%	6.89%	35.49%
<b>SALES VALUE (AMOUNT)</b>	5,305.34	1,435.95
%	108.03%	35.94%





**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 period : **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	01.04.2017 - 26.03.2018	01.04.2016 - 31.03.2017
INCOME	29.61%	5.11%
EXPENDITURE#	3.06%	3.04%

# Total expenses includes Service Tax / Goods & Service Tax on management fees charged over and above the total expense ratio limits prescribed in the SEBI (Mutual Funds) Regulations, 1996. - Refer Annexure IX for Planwise Expense Ratio.

**7 CONTINGENT LIABILITY**

Contingent liability as at 31st March 2018 is Rs. Nil. Previous Year Rs. Nil

**8 AMOUNT PAID TO SPONSORS / ASSOCIATES**

	01.04.2017 - 26.03.2018	01.04.2016 - 31.03.2017
Sundaram BNP Paribas Fund Services Ltd (R & T)	0.52	-

**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)

NIL

**10 PORTFOLIO DISCLOSURE**

NIL

**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/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 and term deposits. Movement of IEAI balances are provided in Annexure VII.

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