

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-ER** as at 31/03/2018, which comprise the Balance Sheet, the Revenue Account for the Period ended 02/01/2018 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 FIXED TERM PLAN-ER** 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
23, C.P. RAMASWAMY ROAD,
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 FIXED TERM PLAN-ER** as at 31/03/2018.

b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund **SUNDARAM FIXED TERM PLAN-ER** for the Period ended on 02/01/2018.

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.

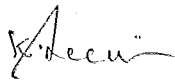
2. The Balance Sheet and Revenue Account **dealt with by this Report** are in agreement with the books of accounts of the Sundaram Mutual Fund.

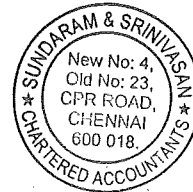
3.a. The accounts have been prepared in accordance with accounting policies and standards as specified in the Ninth Schedule of "The Regulations".

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:004207S)

Place: Chennai
Date : 29th 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.
LIABILITIES			
Unit Capital	1	-	502,327,710
Reserves & Surplus	2	-	163,755,755
Current Liabilities & Provisions	3	11,340	228,117
		11,340	666,311,582
ASSETS			
Investments	4	-	622,315,978
Other Current Assets	5	11,340	43,995,604
		11,340	666,311,582

Notes on Accounts

8

As per our Report of even date

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



K Srinivasan
K Srinivasan
Partner
(M.NO : 5809)

For
Sundaram Mutual Fund

Authorized Signatory

Place : Chennai
Date : 29th June 2018

REVENUE ACCOUNT FOR THE PERIOD FROM 01.04.2017 TO 02.01.2018

Description	Sch No.	01.04.2017 - 02.01.2018		01.04.2016 - 31.03.2017	
		Rs.	Rs.	Rs.	Rs.
REVENUE					
Interest	6	40,263,862		53,596,232	
Net profit on inter scheme transfer / sale of investments		4,402		22,126	
Net diminution on sale of investments written back		-		837,410	
Other Income		2,817		1,268	
TOTAL (A)		40,271,081	40,271,081	54,457,036	54,457,036
EXPENSES					
Net Loss on sale / redemption of investments (Other than inter-scheme transfer/sale)		5,077,397		-	
Management Fees		595,906		775,118	
Goods & Service Tax on Management Fees		101,193		115,644	
Transfer Agents Fees & Expenses		2,392		-	
Custodian Fees		33,833		44,958	
Trusteeship Fees		25,881		32,077	
Commission to Agent		907,716		1,147,453	
Audit Fees		15,045		16,045	
Other Operating Expenses		23,503		9,348	
Investor Education Fees		103,530		128,310	
		6,886,396		2,268,953	
Less : Amount absorbed by AMC		11,988		-	
TOTAL (B)			6,874,408		2,268,953
SURPLUS / (DEFICIT) (A-B)			33,396,673		52,188,083
Add/(Less) : Balance in Equalisation Account			(197,031,031)		-
			(163,634,358)		52,188,083
Less: Income Distributed		720		1,300	
Distribution Tax		280	1,000	500	1,800
Surplus /(Deficit) transferred to Balance Sheet			(163,635,358)		52,186,283

Notes on Accounts

8

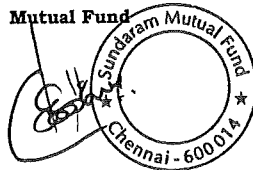
As per our Report of even date

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



K Srinivasan
Partner
(M.NO : 5809)

For
Sundaram Mutual Fund



Authorised Signatory

Place : Chennai
Date : 29th June 2018

SCHEDULE : 1**Unit Capital**

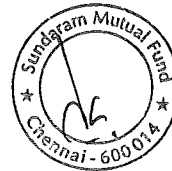
Description	31/03/2018		31/03/2017	
	Units	Rs.	Units	Rs.
Initial capital	60,132,717	601,327,170	60,132,717	601,327,170
Unit Capital				
Opening Capital	50,232,771	502,327,710	50,232,771	502,327,710
Add: Units sold during the Period	-	-	-	-
	50,232,771	502,327,710	50,232,771	502,327,710
Less : Units repurchased during the Period	50,232,771	502,327,710	-	-
Units at the end of the Period	-	-	50,232,771	502,327,710
				502,327,710

SCHEDULE : 2**Reserves & Surplus**

Description	31/03/2018		31/03/2017	
	Rs.	Rs.	Rs.	Rs.
Unit Premium Reserve				
Opening Balance	(16,227)	-	(16,227)	-
Add : Amount Received on Sale / Repurchase of Units (net)	16,227	-	-	(16,227)
General Reserve				
Opening Balance	163,635,358	-	111,449,075	-
Add /(Less): Transfer from Revenue Account	(163,635,358)	-	52,186,283	163,635,358
Unrealised Appreciation Reserve				
Opening Balance	136,624	-	-	-
Add/(Less) Net unrealized appreciation for the Period	(136,624)	-	136,624	-
Unrealised Appreciation Reserve (Schedule 7)		-		136,624
		-		163,755,755

SCHEDULE : 3**Current Liabilities & Provisions**

Description	31/03/2018	31/03/2017
	Rs.	Rs.
Sundry Creditors	11,340	223,099
Others - Rates & Taxes	-	5,018
	11,340	228,117

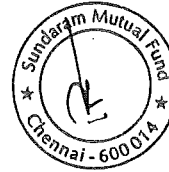


SCHEDULE : 4**Investments**

Description	31/03/2018	31/03/2017
	Rs.	Rs.
Debentures & Bonds listed / awaiting listing on the recognised stock exchange	-	578,923,605
Certificate of Deposits	-	41,692,373
Others - Reverse Repo / CBLO	-	1,700,000
	-	622,315,978

SCHEDULE : 5**Other Current Assets**

Description	31/03/2018	31/03/2017
	Rs.	Rs.
Balance with banks in Current Accounts	2,923	329,131
CBLO Margin Account	-	22,727
Repo Margin Account	-	102,206
Outstanding and accrued Income	-	43,541,540
Inter Scheme Dues	8,417	-
	11,340	43,995,604

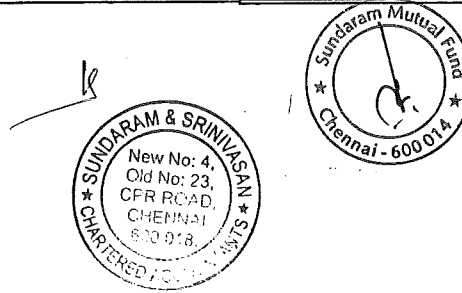


SCHEDULE : 6**Interest**

Description	01.04.2017 - 02.01.2018	01.04.2016 - 31.03.2017
	Rs.	Rs.
Interest from banks and others	4,408,886	257,012
Interest on Debentures and Bonds	33,269,045	51,799,069
Discounting Charges	2,585,931	1,540,151
	40,263,862	53,596,232

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

Description	31/03/2018	31/03/2017
	Rs.	Rs.
Appreciation in Value of Investments		
Certificate of Deposits	-	32,038
Debentures & Bonds listed / awaiting listing on the recognised stock exchange	-	104,586
Appreciation in value of investments (Schedule 2)	-	136,624



SUNDARAM MUTUAL FUND
SUNDARAM FIXED TERM PLAN-ER
Schedules forming part of the Balance Sheet as at 31st-Mar-2017
and the Revenue Account for the Period from 01.04.2017 to 02.01.2018

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.

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) Interest Income on debt or money market instruments 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	01.04.2017 - 02.01.2018	01.04.2016 - 31.03.2017
Average daily net asset value	6,820.82	6,415.35
Management fee @ 0.12% of average daily net asset value.(Previous Year 0.12%)	5.96	7.75

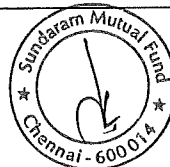
3 INVESTMENTS MADE IN COMPANIES WHO HAVE INVESTED MORE THAN FIVE PERCENT OF THE NET ASSET VALUE OF THE SCHEMES OF SUNDARAM MUTUAL FUND

NIL

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 - 02.01.2018	01.04.2016 - 31.03.2017
PURCHASE VALUE (AMOUNT)	6,034.14	498.38
%	88.47%	7.77%
SALES VALUE (AMOUNT)	12,364.10	97.40
%	181.27%	1.52%



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 :

Description	31.03.2018	31.03.2017
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.	-	6,044.60
% to the asset under management	-	90.75%

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 - 02.01.2018	01.04.2016 - 31.03.2017
INCOME	7.78%	8.49%
EXPENDITURE #	0.35%	0.35%

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

	2017 - 18	2016 - 17
Sundaram BNP Paribas Fund Services Ltd (R & T)	0.02	-

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 wherever necessary to conform with the current period's classification

