

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-HA** as at 31/03/2018, which comprise the Balance Sheet, the Revenue Account for the Year then ended 31/03/2018 and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

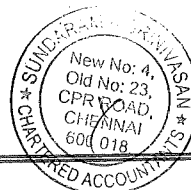
The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Sundaram Mutual Fund **SUNDARAM FIXED TERM PLAN-HA** in accordance with the Eleventh Schedule of Securities and Exchange Board of India (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-HA** as at 31/03/2018.
- b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund **SUNDARAM FIXED TERM PLAN-HA** for the Year ended on 31/03/2018.

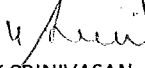
5. Report on Other Legal and Regulatory Requirements

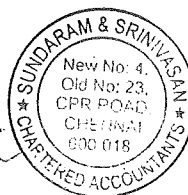
As required by Regulation 55 of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 we report that:

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 : 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	1,205,168,000	1,205,168,000
Reserves & Surplus	2	240,085,867	146,587,533
Current Liabilities & Provisions	3	137,118	120,061
		1,445,390,985	1,351,875,594
ASSETS			
Investments	4	1,405,170,715	1,315,116,534
Other Current Assets	5	40,220,270	36,759,060
		1,445,390,985	1,351,875,594


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

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2018

Description	Sch No.	2017 - 18		2016 - 17	
		Rs.	Rs.	Rs.	Rs.
REVENUE					
Interest	6	118,586,702		111,043,822	
Net diminution on investments written back		-		5,261,553	
Other Income		744		784	
TOTAL (A)		118,587,446	118,587,446	116,306,159	116,306,159
EXPENSES					
Net diminution in value of investment	7	21,184,744		-	
Loss on inter scheme transfer / sale of investments		1,514,169		12,864	
Management Fees		800,517		756,768	
Service Tax / Goods & Service Tax on Management Fees		138,147		112,910	
Custodian Fees		50,336		48,714	
Trusteeship Fees		70,004		64,984	
Commission to Agents		1,407		1,388	
Audit Fees		18,094		20,659	
Transfer Agent Fees & Expenses		54,620		-	
Investor Education Fees		280,009		259,934	
Other Operating Expenses		16,955		16,000	
TOTAL (B)		24,129,002	24,129,002	1,294,221	1,294,221
SURPLUS / (DEFICIT) (A-B)			94,458,444		115,011,938
Less: Income Distributed		4,040		3,020	
Distribution Tax		1,560	5,600	1,180	4,200
Surplus / (Deficit) transferred to Balance Sheet			94,452,844		115,007,738

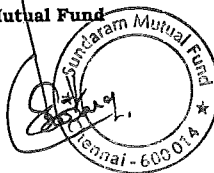
Notes on Accounts

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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

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SCHEDULE : 1**Unit Capital**

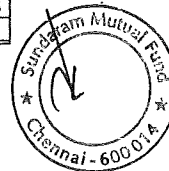
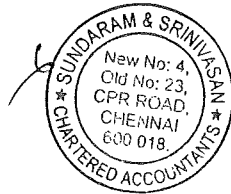
Description	31/03/2018		31/03/2017	
	Units	Rs.	Units	Rs.
Initial capital	120,516,800	1,205,168,000	120,516,800	1,205,168,000
Unit Capital				
Opening Capital	120,516,800	1,205,168,000	120,516,800	1,205,168,000
Add: Units sold during the year	-	-	-	-
	120,516,800	1,205,168,000	120,516,800	1,205,168,000
Less : Units repurchased during the year	-	-	-	-
Units at the end of the year	120,516,800	1,205,168,000	120,516,800	1,205,168,000
		1,205,168,000		1,205,168,000

SCHEDULE : 2**Reserves & Surplus**

Description	31/03/2018		31/03/2017	
	Rs.	Rs.	Rs.	Rs.
General Reserve				
Opening Balance	145,633,023		30,625,285	
Add /(Less): Transfer from Revenue Account	94,452,844	240,085,867	115,007,738	145,633,023
Unrealised appreciation reserve				
Opening Balance	954,510		-	
Add/(Less) Net unrealized appreciation for the year	(954,510)		954,510	
Unrealised Appreciation Reserve (Schedule 7)				954,510
		240,085,867		146,587,533

SCHEDULE : 3**Current Liabilities & Provisions**

Description	31/03/2018	31/03/2017
	Rs.	Rs.
Sundry Creditors	134,505	114,896
Distributed Income Payable	1,010	-
Others - Rates & Taxes	1,603	5,165
	137,118	120,061

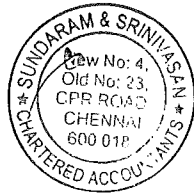


SCHEDULE : 4**Investments**

Description	31/03/2018	31/03/2017
	Rs.	Rs.
Listed / awaiting listing on the stock exchange		
Debentures & Bonds	1,119,627,029	1,078,217,094
Zero Coupon Bond	-	236,599,440
Privately Placed / Unlisted		
Debentures & Bonds	234,888,799	-
Zero Coupon Bond	50,255,150	-
Others - Reverse Repo / CBLO	399,737	300,000
	1,405,170,715	1,315,116,534

SCHEDULE : 5**Other Current Assets**

Description	31/03/2018	31/03/2017
	Rs.	Rs.
Balance with banks in Current Accounts	336,780	357,237
CBLO Margin Account	45,072	4,432
Repo Margin Account	58,766	19,932
Outstanding and accrued Income	39,779,652	36,377,459
	40,220,270	36,759,060

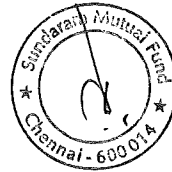
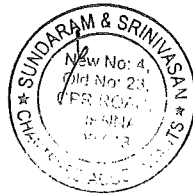


SCHEDULE : 6**Interest**

Description	2017 - 18	2016 - 17
	Rs.	Rs.
Interest from banks and others	300,534	119,716
Interest on Debentures and Bonds	99,791,276	91,860,156
Discounting Charges	18,494,892	19,063,950
	118,586,702	111,043,822

SCHEDULE : 7**Net Unrealised Appreciation/ (Diminution) in value of Investments**

Description	2017 - 18	2016 - 17
	Rs.	Rs.
Appreciation in Value of Investments		
Zero Coupon Bond	-	954,510
Appreciation in value of investments (Schedule 2)	-	954,510
Diminution in value of investments		
Debentures & Bonds	22,869,412	2,098,359
Zero Coupon Bond	413,691	-
Diminution in value of investments transferred to Revenue Account	23,283,103	2,098,359



SUNDARAM MUTUAL FUND
SUNDARAM FIXED TERM PLAN HA
Schedules forming part of the Balance Sheet as at 31-Mar-2018
and the Revenue Account for the year ended 31-Mar-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	2017 - 18	2016 - 17
Average daily net asset value	14,000.47	12,996.72
Management fee @ 0.06% of average daily net asset value. (Previous year 0.06%)	8.01	7.57

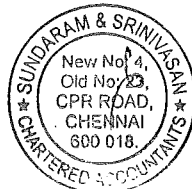
3 INVESTMENTS MADE IN COMPANIES WHO HAVE INVESTED MORE THAN FIVE PERCENT OF THE NET ASSET VALUE OF THE SCHEMES OF SUNDARAM MUTUAL FUND

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	2017 - 18	2016 - 17
PURCHASE VALUE (AMOUNT)	2,241.58	936.50
%	16.01%	7.21%
SALES VALUE (AMOUNT)	1,285.72	42.43
%	9.18%	0.33%



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	31.03.2018	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 year.	9,528.46	7,153.15
% to the asset under management	65.93%	52.92%

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	2017 - 18	2016 - 17
INCOME	8.47%	8.95%
EXPENDITURE #	0.10%	0.10%

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)	0.55	-

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.

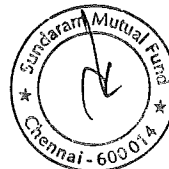
13 ACCOUNTING STANDARD 18 ON RELATED PARTY DISCLOSURES

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/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.

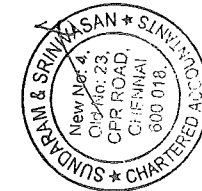
The balances pending utilization are deployed in money market instruments and term deposits. Movement of IEAI balances are provided in Annexure VII.



15 HISTORICAL PER UNIT STATISTICS	01.04.2017 to 31.03.2018		01.04.2016 to 31.03.2017		23.11.2015 to 31.03.2016	
	Rs.		Rs.		Rs.	
(A) Gross income (i) income other than profit on sale of investment (ii) income from profit on inter scheme sales/transfer of investments (iii) income from profit on sale of investment to third parties (iv) transfer to revenue account from past year's reserves	0.9840	0.9651	0.3148	0.0000	0.0000	0.0000
(B) Aggregate of expenses, write off, amortisation and charges	-0.0126	0.0000	0.0000	0.0000	0.0000	0.0000
(C) Net income	0.0000	0.0107	0.0646	0.0000	0.0000	0.0000
(D) Net unrealised appreciation/(diminution) in value of investments	0.1876	0.9543	0.2541	0.0646	0.2541	0.0611
(E) Net Assets Value	-0.1932	-0.0016	-0.0611	-0.0016	-0.0611	-0.0611
(F) Highest repurchase price Lowest repurchase price Highest ongoing sale price Lowest ongoing sale price	11.9755	11.2074	11.216	10.2519	10.2522	10.2541
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage	10.2442	10.5544	10.4014	10.2522	10.2522	10.2541
(H) Ratio of gross income to average daily net assets by percentage	11.9922	11.2074	10.4014	10.2522	10.2522	10.2541

16 Computation of Distributable Income	31.03.2018	31.03.2017
	Rs.	Rs.
Net Income as per revenue account	94,458,444	115,011,938
Add : Balance of Undistributed Income as at 1st April brought forward	145,633,023	30,625,285
	240,091,467	145,637,223
Less : Income Distributed during the year	5,600	4,200
Distributable Income	240,085,867	145,633,023

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



ANNEXURE-II		
Sundaram Fixed Term Plan-HA		
% of total Investments within the classification		
	31-Mar-18	31-Mar-17
Debt Instruments		
(a) Listed / awaiting listing on Stock Exchange		
FINANCE	78.10%	94.68%
POWER	1.61%	5.32%
(b) Privately Placed / Unlisted		
FINANCE	20.30%	0.00%



SUNDARAM MUTUAL FUND						
Sundaram Fixed Term Plan-HA						
Portfolio Statement as at 31 March 2018						
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	INE261F08550	National Bank for Agricultural & Rural Development - 7.9% - 27/11/2018**	CRISIL AAA	240	2406.45	16.65
2	INE020B07HY0	Rural Electrification Corporation Ltd - 9.38% - 06/11/2018	CRISIL AAA	230	2323.78	16.08
3	INE134E08BH9	Power Finance Corporation Ltd - 11.25% - 28/11/2018**	CRISIL AAA	222	2270.96	15.71
4	INE001A07OG5	Housing Development Finance Corporation Ltd - 8.35% - 30/11/2018**	CRISIL AAA	15	1504.77	10.41
5	INE756I07A00	HDB Financial Services Ltd - 7.58% - 22/11/2018**	CRISIL AAA	100	997.39	6.90
6	INE514E08DD7	Export Import Bank of India - 9.7% - 21/11/2018**	CRISIL AAA	50	506.65	3.51
7	INE514E08DF2	Export Import Bank of India - 9.6% - 02/12/2018**	CRISIL AAA	50	506.63	3.51
8	INE514E08DA3	Export Import Bank of India - 9.28% - 15/10/2018**	CRISIL AAA	45	453.96	3.14
9	INE752E07HG9	Power Grid Corporation of India Ltd - 8.64% - 08/07/2018**	CRISIL AAA	18	225.67	1.56
		Sub Total			11196.27	77.47
		(b)Privately Placed / Unlisted				
1	INE071G08700	ICICI Home Finance Company Ltd - 07/12/2018**	ICRA AAA	388	2348.89	16.25
2	INE756I07654	HDB Financial Services Ltd - 8.71% - 20/10/2018**	CRISIL AAA	50	502.55	3.48
		Sub Total			2851.44	19.73
		Total for Debt Instruments			14047.71	97.20
		(B)Money Market Instruments				
		(a)Reverse Repo / CBLO				
1		CBLO			4.00	0.03
		Total for Money Market Instruments			4.00	0.03
		Cash and Other Net Current Assets			400.83	2.77
		Grand Total			14452.54	100.00

** Thinly traded / Non Traded Securities

