

SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS
23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

AUDITORS REPORT

The Board of Trustees
Sundaram Mutual Fund
Chennai

We have audited the attached Balance Sheet of Sundaram Mutual Fund - **SUNDARAM EQUITY MULTIPLIER FUND** as at March 31, 2012 and the Revenue Account for the **Year** ended on **that date**. These financial statements are the responsibility of the management. Our responsibility is to express our opinion on these financial statements based on our audit.


We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

On the basis of the audit as indicated above, we report as follows:-

1. We have 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 are in agreement with the books of accounts of Sundaram Mutual Fund.
3. a) The accounts have been prepared in accordance with accounting policies and standards as specified in the Ninth Schedule of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
b) In our opinion, the valuation methods adopted by the fund for valuation of non-traded securities, "in good faith" are fair and reasonable.
4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes forming part of Accounts 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 the aforesaid Schemes of Sundaram Mutual Fund, **SUNDARAM EQUITY MULTIPLIER FUND** as at March 31, 2012 and
 - b) In the case of Revenue Account of the **Deficit** of Sundaram Mutual Fund - **SUNDARAM EQUITY MULTIPLIER FUND** for the **Year** ended on **31/03/2012**.

For and on behalf of SUNDARAM & SRINIVASAN
CHARTERED ACCOUNTANTS (FRN No.: 004207S)

Place: Chennai
Date: 26th June, 2012


K. SRINIVASAN
PARTNER (M.No: 5809)



BALANCE SHEET AS AT 31st MARCH, 2012

Amount in Rs.

	SCHEDULE NO.	31-Mar-12	31-Mar-11
LIABILITIES			
Unit Capital	1	1,464,818,830	2,307,247,388
Reserves & Surplus	2	299,666,161	558,299,854
Current Liabilities & Provisions	3	9,876,297	29,859,892
		1,774,361,288	2,895,407,134
ASSETS			
Investments	4	1,770,287,253	2,886,407,786
Other Current Assets	5	4,074,035	8,999,348
		1,774,361,288	2,895,407,134

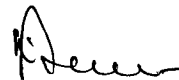
Notes on Accounts

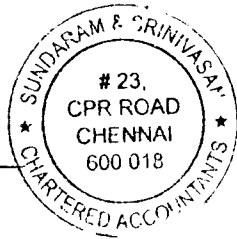
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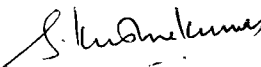
As per our Report of even date

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

For
Sundaram Asset Management Company Ltd



K Srinivasan
Partner
(M.NO : 5809)





S. Krishnakumar
Fund Manager


T P Raman
Managing Director

For and on Behalf of
Sundaram Trustee Company Ltd


K V Ramanathan
Chairman


S Vij
Director


R. Rajamani
Director

M. S. Sundara Rajan
Director

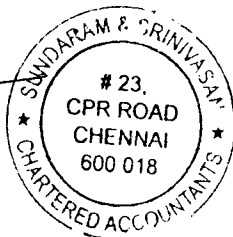
Place : Chennai
Date : 26th June 2012

Amount, Rs

	Schedule No.	2011-12		2010-11	
REVENUE					
Dividend		31,458,995		30,357,159	
Interest	6	20,981,365		12,001,028	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		-		530,255,221	
Other Income		1,055,349		-	
TOTAL (A)		53,495,709	53,495,709	572,613,408	572,613,408
EXPENSES					
Net Loss on sale / redemption of investments (Other than inter-scheme transfer/sale)	7	46,604,863			
Management fee		25,045,154		38,839,268	
Trusteeship fee		225,452		363,392	
Commission to Agents		13,834,956		25,527,881	
Publicity expenses		8,756,895		5,690,019	
Marketing Expense		6,507,975		2,782,667	
Audit fee		124,342		129,816	
Other operating expenses		2,858,579		6,598,676	
Custodian charges		544,275		1,062,648	
Registrar expenses		2,074,548		3,079,959	
SEBI Fees		19,338		28,690	
		106,596,377		84,103,016	
Less : Amount transferred from load on account of Marketing Expenses		6,773,196		-	
TOTAL (B)			99,823,181		84,103,016
SURPLUS / (DEFICIT) (A-B)			(46,327,472)		488,510,392
Add/(Less) : Balance in Equalisation Account			(135,641,057)		(230,569,283)
			(181,968,529)		257,941,109
Less: Income Distributed		-	-	-	-
Distribution Tax		-	-	-	-
Surplus /(Deficit) transferred to Balance Sheet			(181,968,529)		257,941,109

Notes on Accounts
As per our Report of even date

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For
Sundaram & Srinivasan
Chartered Accountants
(FRN.: 004207S)For
Sundaram Asset Management Company LtdK Srinivasan
Partner
(M.NO : 5809)S. Krishnakumar
Fund ManagerT P Raman
Managing DirectorFor and on Behalf of
Sundaram Trustee Company LtdK V Ramanathan
ChairmanS. Viji
DirectorR. Rajamani
DirectorM. S. Sundara Rajan
DirectorPlace : Chennai
Date : 26th June 2012

SCHEDULE : 1**Unit Capital**

	31/03/2012		31/03/2011	
	UNITS	AMOUNT	UNITS	AMOUNT
	550,000,000.00	5,500,000,000	550,000,000.00	5,500,000,000
Initial capital				
Unit Capital				
Opening Capital	230,724,739	2,307,247,388	388,579,626	3,885,796,258
Add: Units sold during the year	941,495	9,414,952	1,510,477	15,104,770
Less : Units repurchased during the year	231,666,234	2,316,662,340	390,090,103	3,900,901,028
	85,184,351	851,843,510	159,365,364	1,593,653,640
Units at the end of the Year	146,481,883	1,464,818,830	230,724,739	2,307,247,388
		1,464,818,830		2,307,247,388

SCHEDULE : 2**Reserves & Surplus**

	31/03/2012		31/03/2011	
	Rs.	Rs.	Rs.	Rs.
Unit Premium Reserve				
Opening Balance	(233,956,028)		(22,362,385)	
Amount Received on Sale / Repurchase of Units (net)	(10,632,448)	(244,588,476)	(211,593,643)	(233,956,028)
General Reserve				
Opening Balance	573,160,979		315,219,870	
Add /(Less): Transfer from Revenue Account	(181,968,529)	391,192,450	257,941,109	573,160,979
Unrealised appreciation reserve				
Opening Balance	219,094,902		474,001,606	
Add/(Less) Net unrealized appreciation for the year	(66,032,715)		(254,906,704)	
Unrealised Appreciation Reserve (Schedule 7)		153,062,187		219,094,902
		299,666,161		558,299,854

SCHEDULE : 3**Current Liabilities & Provisions**

	31/03/2012	31/03/2011
	Rs.	Rs.
Current Liabilities		
Sundry Creditors	9,741,701	29,519,899
Unclaimed Distributed Income (No. of warrants- 22)	4,935	6,435
Others	129,661	333,558
	9,876,297	29,859,892

SCHEDULE : 4**Investments**

	31/03/2012	31/03/2011
	Rs.	Rs.
Equity Shares	1,736,351,253	2,644,582,738
Others - Reverse Repo / CBLO	33,936,000	241,825,048
	1,770,287,253	2,886,407,786

SCHEDULE : 5**Other Current Assets**

	31/03/2012	31/03/2011
	Rs.	Rs.
Balance with banks in Current Accounts	3,753,608	6,444,365
Deposits with Clearing Corpn of India	100,000	2,500,000
Other Receivable	92,589	
Equity Derivatives Instrument Account Margin Money	106,287	-
Outstanding and accrued Income	21,551	54,983
	4,074,035	8,999,348

SCHEDULE : 6**Interest**

	2011-12	2010-11
	Rs.	Rs.
Interest from banks and others	20,483,086	10,267,923
Interest on Debentures and Bonds	-	3,582
Discounting Charges	498,279	1,729,523
	20,981,365	12,001,028

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

	2011-12	2010-11
	Rs.	Rs.
Appreciation in Value of Investments		
Equity Shares	153,062,187	219,094,902
Net -Unrealised appreciation reserve (schedule 2)	153,062,187	219,094,902

SUNDARAM MUTUAL FUND

SUNDARAM EQUITY MULTIPLIER FUND

Schedules forming part of the Balance Sheet as at 31-Mar-2012
and the Revenue Account for the Year ended 31-Mar-2012

SCHEDULE 8

All amounts mentioned rupees in lakhs

NOTES ON ACCOUNTS

1 SIGNIFICANT ACCOUNTING POLICIES

1.1. INVESTMENTS

Investment transactions are accounted on trade dates at cost including brokerage, stamp duty and other levies. Investments are marked to market. In valuing the Scheme's investments:

a) Government Securities

• Government Securities are valued at the prices obtained from CRISIL 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 on the basis of guidelines issued by SEBI in this regard.

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.

c) Equity Derivative Instruments

• Open positions of traded equity Index / stock futures are valued at the last quoted closing price on the stock exchange.

• Equity derivative instruments 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) 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) Income on investments is accounted on accrual basis.
- (iv) Other income is accounted on cash basis.

When the future contracts of equity derivative instruments are squared off on or before the expiry of contract, the difference between the settlement price and contractual price is recognized in Revenue Account.

1.3. EXPENSES

Expenses are accounted for on accrual basis.

1.4. LOAD

In terms of SEBI circular dated 30th June 2009, out of the exit load charged to the investor, 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 unutilised portion in the load account shall be credited to the scheme whenever felt appropriate by the AMC.

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 15th March 2010, on Unit Premium Reserve, when units are sold / repurchased on or after 15th March 2010 a part of the sale price / re-purchase price representing unrealized gains is credited/debited to Unit Premium Reserve. The balance in Unit Premium Reserve will not be utilised for determination of distributable surplus.

2. INVESTMENT MANAGER FEES

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

Description	01.04.11 to 31.03.12	01.04.10 to 31.03.11
Average daily net asset value	22,544.91	36,339.16
Management fee @ 1.11% of average daily net asset value. (Previous year 1.07%)	250.45	388.39

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

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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	01.04.11 to 31.03.12	01.04.10 to 31.03.11
PURCHASE VALUE (AMOUNT)	11,217.94	33,284.01
%	49.76%	91.59%
SALES VALUE (AMOUNT)	19,212.90	56,523.52
%	85.22%	155.54%

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	31.03.2012	31.03.2011
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.	NIL	NIL
% to the asset under management	NIL	NIL

6. INCOME / EXPENDITURE

The total income and expenditure (excluding deferred revenue expenditure un-amortised) as a percentage of the daily average net assets, during the Year. are given below.

DESCRIPTION	01.04.11 to 31.03.12	01.04.10 to 31.03.11
INCOME	2.37%	15.76%
EXPENDITURE	2.36%	2.31%

7. CONTINGENT LIABILITY

Contingent liability as at 31st March 2012 is Rs. Nil. Previous Year Rs. Nil

8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	01.04.11 to 31.03.12	01.04.10 to 31.03.11
Sundaram Finance Ltd (Sponsor)	2.30	2.03
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	0.01	0.00
Indus Ind Bank Ltd (Associate)	0.06	0.05
Sundaram BNP Paribas Funds Services Ltd (R & T)	20.75	44.82

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. DETAILS OF DERIVATIVE CONTRACTS OUTSTANDING AT THE YEAR END AND EXECUTED DURING THE PERIOD

Margin account on futures amounting to Rs.1.06 Lakhs (Previous Year Rs.Nil lakhs) represent the margin towards future contracts and is disclosed under other current assets.Refer Annexure VI for details of derivative contracts executed during the Year.

11. PORTFOLIO DISCLOSURE

Full portfolio of the scheme is given in Annexure - III

12. MOVEMENT IN UNIT CAPITAL

As Per Schedule-I

13. 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.

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. HISTORICAL PER UNIT STATISTICS

		2011-12 Rs.		2010-11 Rs.		2009-10 Rs.	
(A)	Gross income						
	(i) income other than profit on sale of investment	0.3652		0.1836		0.1899	
	(ii) income from profit on inter scheme sales/transfer of investments	0.0000		0.0000		0.0097	
	(iii) income from profit on sale of investment to third parties	-0.3182		2.2982		5.0498	
	(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	0.3633		0.3645		0.4585	
(C)	Net income	-0.3163		2.1173		4.7909	
(D)	Net unrealised appreciation/(diminution) in value of investments	1.0449		0.9496		1.2198	
		Dividend Option	Growth Option	Dividend Option	Growth Option	Dividend Option	Growth Option
(E)	Net Assets Value	10.6080	13.0105	11.2193	13.7536	10.7992	13.2383
(F)	Highest repurchase price*	12.1443	14.8945	13.056	16.0048	10.8218	13.2653
	Lowest repurchase price*	9.2007	11.2844	10.3277	12.6603	9.5918	11.7486
	Highest ongoing sale price *	12.1443	14.8945	13.056	16.0048	10.8218	13.2653
	Lowest ongoing sale price *	9.2007	11.2165	10.3277	12.6603	10.1764	12.4742
(G)	Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage	2.36%		2.31%		2.24%	
(H)	Ratio of gross income to average daily net assets by percentage	2.37%		15.76%		46.53%	

* includes load as applicable

15. Computation of Distributable Income

	31.03.12	31.03.11	31.03.10
Net Income as per revenue account	(181,968,529)	257,941,109	2,079,347,413
Add : Balance of Undistributed income as at 1st April brought forward	573,160,979	315,219,870	(1,764,098,758)
	391,192,450	573,160,979	315,248,655
Less : Income Distributed during the year			28,785
	391,192,450	573,160,979	315,219,870
Add Unit Premium Reserve	(244,588,476)	(233,956,028)	(22,362,385)
Distributable Income	146,603,974	339,204,951	292,857,485

16. Previous year figures have been regrouped/reclassified to conform with current year classification.

SUNDARAM EQUITY MULTIPLIER FUND

Annexure - II

Equity	2011-12	2010-11
Energy	22.70%	23.39%
Financial Services	27.35%	17.66%
IT		11.15%
METALS		9.85%
AUTOMOBILE	7.58%	
CONSUMER GOODS	10.67%	6.35%
PHARMA	17.50%	23.08%


Portfolio Statement for the Month of March-2012
SUNDARAM EQUITY MULTIPLIER FUND

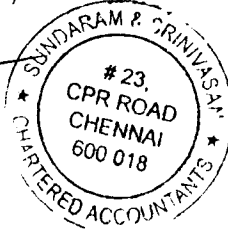
SI No	Investment	Industry / Ratings	Quantity	Market Value Rs.in Lakhs	% of Portfolio Assets
1	CESC Ltd.	ENERGY	492397	1,337.84	7.56%
2	Indraprastha Gas Ltd.	ENERGY	350000	1,327.90	7.50%
3	Bajaj Finserv Ltd.	FINANCIAL SERVICES	212051	1,296.69	7.32%
4	Development Credit Bank Ltd.	FINANCIAL SERVICES	2858685	1,286.41	7.27%
5	Torrent Pharmaceuticals Ltd.	PHARMA	196000	1,235.98	6.98%
6	Hindustan Petroleum Corporation Ltd.	ENERGY	265537	806.17	4.55%
7	Cadila Healthcare Ltd.	PHARMA	84077	637.72	3.60%
8	Glenmark Pharmaceuticals Ltd.	PHARMA	200000	618.80	3.50%
9	Akzo Nobel India Ltd.	CONSUMER GOODS	72952	595.36	3.36%
10	Wyeth Ltd.	PHARMA	62967	546.93	3.09%
11	Tata Global Beverages Ltd.	CONSUMER GOODS	463225	520.43	2.94%
12	Karur Vysya Bank Ltd.	FINANCIAL SERVICES	138999	517.70	2.92%
13	Power Finance Corporation Ltd.	FINANCIAL SERVICES	261957	483.44	2.73%
14	Petronet LNG Ltd.	ENERGY	279129	469.08	2.65%
15	Axis Bank Ltd.	FINANCIAL SERVICES	40865	468.39	2.65%
16	Thermax Ltd.	INDUSTRIAL MANUFACTURING	100000	464.50	2.62%
17	United Spirits Ltd.	CONSUMER GOODS	74513	451.59	2.55%
18	Eicher Motors Ltd.	AUTOMOBILE	20876	416.13	2.35%
19	Sterlite Industries (India) Ltd.	METALS	361045	400.94	2.26%
20	CEAT Ltd.	AUTOMOBILE	441216	392.90	2.22%
21	Tata Steel Ltd.	METALS	79440	374.76	2.12%
22	Housing Development Finance Corporation Ltd.	FINANCIAL SERVICES	52913	356.26	2.01%
23	Tata Motors Ltd - CLASS A	AUTOMOBILE	200000	316.00	1.79%
24	Titan Industries Ltd.	CONSUMER GOODS	124588	284.75	1.61%
25	Multi Commodity Exchange of India Limited	FINANCIAL SERVICES	21204	269.34	1.52%
26	OnMobile Global Ltd.	TELECOM	427543	256.95	1.45%
27	Career Point Ltd.	IT	114808	223.42	1.26%
28	Vascon Engineers Ltd.	CONSTRUCTION	499922	207.72	1.17%
29	Den Networks Ltd.	MEDIA & ENTERTAINMENT	194257	205.62	1.16%
30	Ashok Leyland Ltd.	AUTOMOBILE	631978	191.81	1.08%
31	PVR Ltd.	MEDIA & ENTERTAINMENT	127959	188.68	1.07%
32	Voltas Ltd.	CONSTRUCTION	127214	142.80	0.81%
33	Stanchart IDR	FINANCIAL SERVICES	75000	70.50	0.40%
	EQUITY TOTAL			17,363.51	98.08%
	B) Money Market Instruments				
	Reverse Repo / CBLO			339.36	1.92%
	Grand Total			17,702.87	100.00%

Signatures to the schedules 1 to 8 are forming part of the Balance Sheet and the Revenue Account.

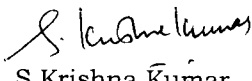
**For Sundaram & Srinivasan
Chartered Accountants**

(FRN No.: 004207S)


K Srinivasan
Partner
(M.No : 5809)

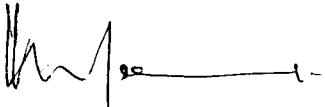


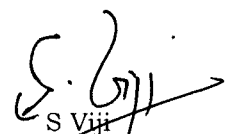
For Sundaram Asset Management Company Ltd


S Krishna Kumar
Fund Manager


V. Raman
Managing Director

**For and on Behalf of
Sundaram Trustee Company Ltd**


K V Ramanathan
Chairman


S Viji
Director


R Rajamani
Director

M S Sundara Rajan
Director

Place : Chennai

Date : 26th June, 2012