

**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 PLUS** as at March 31, 2012 and the Revenue Account for the **Period** 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.

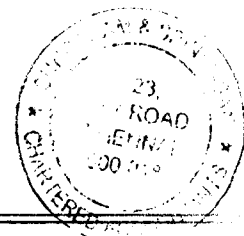
On the basis of the audit as indicated above, we report as follows:-

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 PLUS** as at March 31, 2012 and
  - b) In the case of Revenue Account of the **Surplus** of Sundaram Mutual Fund - **SUNDARAM EQUITY PLUS** for the **Period** 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
<b>LIABILITIES</b>		
Unit Capital	1	1,416,508,407
Reserves & Surplus	2	75,466,924
Current Liabilities & Provisions	3	3,591,319
		<b>1,495,566,650</b>
<b>ASSETS</b>		
Investments	4	1,478,714,931
Other Current Assets	5	16,851,719
		<b>1,495,566,650</b>

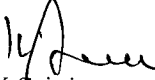
Notes on Accounts

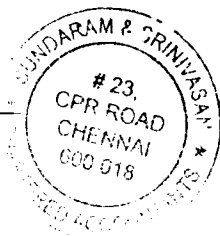
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As per our Report of even date

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

**For**  
**Sundaram Asset Management Company Ltd**

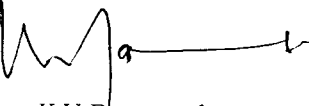
  
K Srinivasan  
Partner  
(M.NO : 5809)



  
Srividhya Ramesh  
Fund Manager

  
T P 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

## REVENUE ACCOUNT FOR THE PERIOD 24.05.2011 - 31.03.2012

Amount, Rs

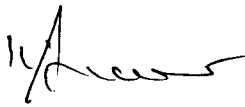
	Schedule No.	24.05.2011 - 31.03.2012	
<b>REVENUE</b>			
Dividend		6,911,010	
Interest	6	24,403,174	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		9,595,099	
Other Income		52,395	
<b>TOTAL (A)</b>		<b>40,961,678</b>	<b>40,961,678</b>
<b>EXPENSES</b>	7		
Management fee		10,768,741	
Trusteeship fee		124,680	
Commission to Agents		18,375,713	
Publicity expenses		29,331	
Marketing Expenses		44,694	
Audit fee		118,033	
Other operating expenses		1,630,314	
Custodian charges		333,489	
Registrar expenses		1,570,536	
		<b>32,995,531</b>	
Less : Amount transferred from load on account of Marketing Expenses		2,818,264	
<b>TOTAL (B)</b>			<b>30,177,267</b>
<b>SURPLUS / (DEFICIT) (A-B)</b>			<b>10,784,411</b>
Add/(Less) : Balance in Equalisation Account			371,195
			<b>11,155,606</b>
<b>Less: Income Distributed</b>		-	
Distribution Tax		-	
<b>Surplus /(Deficit) transferred to Balance Sheet</b>			<b>11,155,606</b>

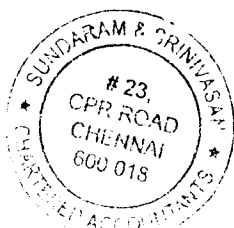
Notes on Accounts


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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)




  
 Srividhya Rajesh  
 Fund Manager

  
 T P Raman  
 Managing Director

For and on Behalf of  
 SundaramTrustee Company Ltd

  
 K V Ramanathan  
 Chairman

  
 S Viji  
 Director

  
 R. Rajamani  
 Director

M. S. Sundara Rajan  
 Director

Place : Chennai  
 Date : 26th June 2012

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

	31/03/2012	
	UNITS	AMOUNT
<b>Initial capital</b>	<b>141,371,330.68</b>	<b>1,413,713,307</b>
<b>Unit Capital</b>		
Opening Capital	-	-
Add: Units sold during the period	179,218,218	1,792,182,181
Less : Units repurchased during the period	179,218,218	1,792,182,181
	37,567,377	375,673,774
Units at the end of the period	141,650,841	1,416,508,407
		<b>1,416,508,407</b>

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

	31/03/2012	
	Rs.	
<b>Unit Premium Reserve</b>		
Opening Balance	-	
Amount Received on Sale / Repurchase of Units (net)	(2,850,161)	<b>(2,850,161)</b>
<b>General Reserve</b>		
Opening Balance	-	
Add /(Less): Transfer from Revenue Account	11,155,606	<b>11,155,606</b>
<b>Unrealised appreciation reserve</b>		
Opening Balance	-	
Add/(Less) Net unrealized appreciation	67,161,480	
Unrealised Appreciation Reserve (Schedule 7)		<b>67,161,480</b>
		<b>75,466,924</b>

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

	<b>31/03/2012</b>
	<b>Rs.</b>
<b>Current Liabilities</b>	
Sundry Creditors	3,484,980
Others	106,339
	<b>3,591,319</b>

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

	<b>31/03/2012</b>
	<b>Rs.</b>
Equity Shares	1,044,391,985
Warrants	10,672,188
Gold ETFs	312,348,758
Investment in Reverse Repo / CBLO	111,302,000
	<b>1,478,714,931</b>

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

	<b>31/03/2012</b>
	<b>Rs.</b>
Balance with banks in Current Accounts	4,745,853
Deposits with Clearing Corpn of India	3,600,000
Outstanding and accrued Income	209,228
Others	8,296,638
	<b>16,851,719</b>

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

	24.05.2011 - 31.03.2012
	Rs.
Interest from banks and others	24,403,174
	<b>24,403,174</b>

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

	31/03/2012
	Rs.
<b>Appreciation in Value of Investments</b>	
Equity Shares	14,434,135
Gold ETFs	52,727,345
Appreciation in value of investments (Schedule 2)	<b>67,161,480</b>
	<b>67,161,480</b>

# SUNDARAM MUTUAL FUND

## SUNDARAM EQUITY PLUS

Schedules forming part of the Balance Sheet as at 31-Mar-2012  
and the Revenue Account for the Period from 24.05.2011 to 31.03.2012

### 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	24.05.11 to 31.03.12
Average daily net asset value	14,579.13
Management fee @ 0.86% of average daily net asset value.	107.69

#### 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	24.05.11 to 31.03.12
<b>PURCHASE VALUE (AMOUNT)</b>	<b>23,037.80</b>
<b>%</b>	<b>158.02%</b>
<b>SALES VALUE (AMOUNT)</b>	<b>10,131.24</b>
<b>%</b>	<b>69.49%</b>

#### 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
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.	<b>NIL</b>
% to the asset under management	<b>NIL</b>

#### 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	24.05.11 to 31.03.12
<b>INCOME</b>	<b>3.30%</b>
<b>EXPENDITURE</b>	<b>2.42%</b>

#### 7. CONTINGENT LIABILITY

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

#### 8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	24.05.11 to 31.03.12
Sundaram Finance Ltd (Sponsor)	<b>28.71</b>
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	<b>0.01</b>
Indus Ind Bank Ltd (Associate)	<b>4.33</b>
Sundaram BNP Paribas Funds Services Ltd (R & T)	<b>15.71</b>

#### 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.Nil Lakhs represent the margin towards future contracts and is disclosed under other current assets.

#### 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 3 ON CASH FLOW STATEMENT

The Cash flow statement as required by the Accounting Standard 3 issued by the Institute of Chartered Accountants of India is enclosed as Annexure - V

#### 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

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14. HISTORICAL PER UNIT STATISTICS		2011-12 Rs.	
(A)	Gross income		
	(i) income other than profit on sale of investment	0.2214	
	(ii) income from profit on inter scheme sales/transfer of investments	0.0000	
	(iii) income from profit on sale of investment to third parties	0.0677	
	(iv) transfer to revenue account from past year's reserves	0.0000	
(B)	Aggregate of expenses, write off, amortisation and charges	0.2130	
(C)	Net income	0.0761	
(D)	Net unrealised appreciation/(diminution) in value of investments	0.4741	
		Dividend Option	Growth Option
(E)	Net Assets Value	10.5343	10.5341
(F)	Highest repurchase price	11.1679	11.1672
	Lowest repurchase price	9.6502	9.6493
	Highest ongoing sale price *	11.1679	11.1672
	Lowest ongoing sale price *	9.6502	9.6161
(G)	Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage	2.42%	
(H)	Ratio of gross income to average daily net assets by percentage	3.30%	

\* includes entry load as applicable

#### 15. Computation of Distributable Income

	31.03.12
Net Income as per revenue account	11,155,606
Add : Balance of Undistributed income as at 1st April brought forward	-
	11,155,606
Less : Income Distributed during the year	-
	11,155,606
Add Unit Premium Reserve	(2,850,161)
Distributable Income	8,305,445

16. Since the scheme was launched during the year, previous years figures are not provided.

SUNDARAM EQUITY PLUS FUND

Annexure - II

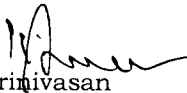
Equity	2011-12
AUTOMOBILE	6.51%
CONSTRUCTION	5.83%
CONSUMER GOODS	10.13%
ENERGY	23.12%
FINANCIAL SERVICES	29.97%
TELECOM	6.78%
IT	11.76%

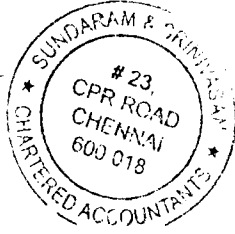
Portfolio Statement for the Month of March-2012  
SUNDARAM Equity Plus FUND


SI No	Investment	Industry / Ratings	Quantity	Market Value Rs.in Lakhs	% of Portfolio Assets
1	Bharti Airtel Ltd.	TELECOM	209650	708.41	4.79%
2	Hindalco Industries Ltd.	METALS	104948	135.80	0.92%
3	Sterlite Industries ( India ) Ltd.	METALS	81808	90.85	0.61%
4	Infosys Ltd.	IT	22033	631.53	4.27%
5	Wipro Ltd.	IT	70849	311.81	2.11%
6	Tata Consultancy Services Ltd.	IT	24351	284.61	1.92%
7	Bharat Heavy Electricals Ltd.	INDUSTRIAL MANUFACTURING	129011	331.75	2.24%
8	ICICI Bank Ltd.	FINANCIAL SERVICES	105625	940.27	6.36%
9	Punjab National Bank	FINANCIAL SERVICES	55050	509.21	3.44%
10	State Bank of India	FINANCIAL SERVICES	23984	502.79	3.40%
11	HDFC Bank Ltd.	FINANCIAL SERVICES	91685	476.62	3.22%
12	Axis Bank Ltd.	FINANCIAL SERVICES	32585	373.49	2.53%
13	Housing Development Finance Corporation Ltd.	FINANCIAL SERVICES	48605	327.26	2.21%
14	Reliance Industries Ltd.	ENERGY	82749	621.11	4.20%
15	Oil & Natural Gas Corporation Ltd.	ENERGY	182315	489.24	3.31%
16	Cairn India Ltd.	ENERGY	115645	386.14	2.61%
17	Power Grid Corporation of India Ltd.	ENERGY	266847	288.60	1.95%
18	Oil India Ltd.	ENERGY	53853	274.49	1.86%
19	Bharat Petroleum Corporation Ltd.	ENERGY	34090	238.72	1.61%
20	GAIL (India) Ltd.	ENERGY	30921	116.34	0.79%
21	Hindustan Unilever Ltd.	CONSUMER GOODS	107297	439.97	2.98%
22	ITC Ltd.	CONSUMER GOODS	144160	327.10	2.21%
23	Nestle India Ltd - Equity	CONSUMER GOODS	6272	290.43	1.96%
24	Larsen & Toubro Ltd.	CONSTRUCTION	46525	609.01	4.12%
25	ACC Ltd.	CEMENT & CEMENT PRODUCTS	4272	58.08	0.39%
26	Tata Motors Ltd - CLASS A	AUTOMOBILE	288549	455.91	3.08%
27	Mahindra & Mahindra Ltd.	AUTOMOBILE	24976	174.88	1.18%
28	Tata Motors Ltd.	AUTOMOBILE	17983	49.50	0.33%
	<b>EQUITY TOTAL</b>			10,443.92	70.63%
	<b>WARRANT SHARES</b>				
	HDFC Warrants	FINANCIAL SERVICES	131350	106.72	0.72%
	<b>WARRANT TOTAL</b>			106.72	0.72%
B)	<b>Exchange Traded Gold Fund</b>				
	BENCHMARK GOLD ETF	GOLD TRADED FUNDS	29532	797.59	5.36%
	UTI MUTUAL GOLD ETF	GOLD TRADED FUNDS	29778	794.06	5.33%
	KOTAK GOLD EXCHANGE TRADED FUND	GOLD TRADED FUNDS	29528	791.69	5.32%
	RELIANCE GOLD ETF	GOLD TRADED FUNDS	28214	740.15	4.97%
	<b>GOLD TRADED EXCHANGE FUNDS</b>			3,123.49	21.12%
C)	<b>Money Market Instruments</b>				
	Reverse Repo / CBLO			1113.02	7.53%
	<b>Grand Total</b>			14,787.15	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)

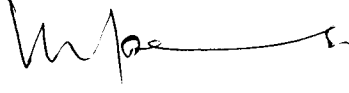


  
Srividhya Rajesh  
Fund Manager

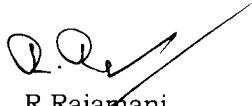
T S Sritharan  
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**For and on Behalf of**  
**Sundaram Trustee Company Ltd**

  
K V Ramanathan  
Chairman

  
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Director

  
R Rajamani  
Director

M S Sundara Rajan  
Director

**Place : Chennai**

**Date : 26th June, 2012**