

AUDITORS REPORT

The Board of Trustees
Sundaram Mutual Fund
Chennai

We have audited the attached Balance Sheet of Sundaram Mutual Fund - **SUNDARAM MONEY 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.

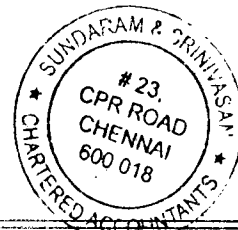
On the basis of the audit as indicated above, we report as follows:-

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 MONEY FUND** as at March 31, 2012 and
 - b) In the case of Revenue Account of the **Surplus** of Sundaram Mutual Fund - **SUNDARAM MONEY 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	4,080,671,372	3,207,670,019
Reserves & Surplus	2	1,691,404,319	805,997,476
Current Liabilities & Provisions	3	202,742,703	502,733,343
		5,974,818,394	4,516,400,838
ASSETS			
Investments	4	5,704,458,569	4,493,956,200
Deposits	5	1,632,042	1,534,254
Other Current Assets	6	268,727,783	20,910,384
		5,974,818,394	4,516,400,838

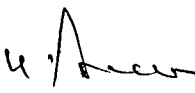
Notes on Accounts

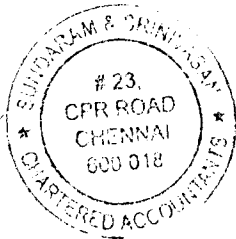
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As per our Report of even date


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

For
Sundaram Asset Management Company Ltd

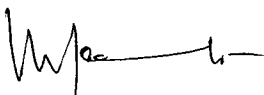

K Srinivasan
Partner
(M.NO : 5809)




Dwijendra Srivatsava
Fund Manager


T P Ramani
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 YEAR ENDED 31st MARCH, 2012

		Amount, Rs			
	Schedule No.	2011-12		2010-11	
REVENUE					
Interest	7	1,485,542,620		503,674,947	
Other Income		27,065			
TOTAL (A)		1,485,569,685	1,485,569,685	503,674,947	503,674,947
EXPENSES					
Net Loss on sale / redemption of investments (Other than inter-scheme transfer/sale)		329,829		4,262,228	
Loss on inter scheme transfer / sale of investments		122,040		-	
Management fee		31,443,799		11,865,135	
Trusteeship fee		1,292,858		672,000	
Commission to Agents		10,803,941		8,059,746	
Audit fee		330,374		195,833	
Operating Expenses		5,605,270		2,195,018	
Custodian charges		2,606,897		1,470,541	
Registrar expenses		6,214,107		2,992,729	
SEBI Audit Fees		27,020		-	
TOTAL (B)		58,776,135	58,776,135	34,816,462	34,816,462
SURPLUS / (DEFICIT) (A-B)			1,426,793,550		468,858,485
Add/(Less) : Balance in Equalisation Account			(57,114,534)		(207,502,597)
			1,369,679,016		261,355,888
Less: Income Distributed		368,075,843		155,362,726	
Distribution Tax		116,196,330	484,272,173	43,051,670	198,414,396
Surplus /(Deficit) transferred to Balance Sheet			885,406,843		62,941,492

Notes on Accounts
As per our Report of even date

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



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

For
Sundaram Asset Management Company Ltd

Dwijendra Srivatsava
Dwijendra Srivatsava
Fund Manager

T P Raman
T P Raman
Managing Director

For and on Behalf of
Sundaram Trustee Company Ltd

K V Ramanathan
K V Ramanathan
Chairman

S Viji
S Viji
Director

R. Rajamini
R. Rajamini
Director

M. S. Sundara Rajan
M. S. Sundara Rajan
Director

Place : Chennai
Date : 26th June 2012

Unit Capital

	31/03/2012		31/03/2011	
	UNITS	AMOUNT	UNITS	AMOUNT
Initial capital	18,999,000.00	189,990,000	18,999,000.00	189,990,000
Unit Capital				
Opening Capital	320,767,001	3,207,670,019	200,475,572	2,004,755,715
Add: Units sold during the year	29,752,779,807	297,527,798,072	21,558,916,772	215,589,167,726
	30,073,546,808	300,735,468,091	21,759,392,344	217,593,923,441
Less : Units repurchased during the year	29,665,479,672	296,654,796,719	21,438,625,343	214,386,253,422
Units at the end of the Year	408,067,136	4,080,671,372	320,767,001	3,207,670,019
		4,080,671,372		3,207,670,019

SCHEDULE : 2

Reserves & Surplus

	31/03/2012		31/03/2011	
	Rs.		Rs.	
General Reserve				
Opening Balance	805,997,476		743,055,984	
Add /(Less): Transfer from Revenue Account	885,406,843		62,941,492	
		1,691,404,319		805,997,476
		1,691,404,319		805,997,476

SCHEDULE : 3

Current Liabilities & Provisions

	31/03/2012	31/03/2011
	Rs.	Rs.
Current Liabilities		
Sundry Creditors	201,107,018	9,707,647
Contract for Purchase of Investments	-	492,008,500
Distributed Income Payable	579,826	524,871
Others	1,055,859	492,325
	202,742,703	502,733,343

Investments

	31/03/2012	31/03/2011
	Rs.	Rs.
Certificate of Deposits	4,891,441,882	4,395,227,363
Commercial Papers	734,532,800	97,530,200
Others - Reverse Repo	78,483,887	1,198,637
	5,704,458,569	4,493,956,200

SCHEDULE : 5**Deposits**

	31/03/2012	31/03/2011
	Rs.	Rs.
Deposits with Scheduled Bank	1,632,042	1,534,254
	1,632,042	1,534,254

SCHEDULE : 6**Other Current Assets**

	31/03/2012	31/03/2011
	Rs.	Rs.
Balance with banks in Current Accounts	3,040,534	7,316,451
Outstanding and accrued Income	18,140,790	10,368,519
Others	232,246,459	3,225,414
	268,727,783	20,910,384

SCHEDULE : 7

Interest

	31/03/2012	31/03/2011
	Rs.	Rs.
Interest from banks and others	111,189,616	74,068,093
Interest on Debentures and Bonds	31,155,021	10,396,221
Discounting Charges	1,343,197,983	419,210,633
	1,485,542,620	503,674,947

SUNDARAM MUTUAL FUND

SUNDARAM MONEY 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

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.

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.

1.2. INCOME RECOGNITION

(i) Profit/Loss on sale of investments is recognised on the trade dates based on weighted average cost method.

(ii) Income on investments is accounted on accrual basis.

(iii) Other income is accounted on cash basis.

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	160,083.49	67,200.09
Management fee @ 0.20% of average daily net asset value. (Previous year 0.18%)	314.44	118.65

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	01.04.11 to 31.03.12	01.04.10 to 31.03.11
PURCHASE VALUE (AMOUNT)	3,099,389.57	1,405,406.03
%	1936.11%	2091.38%
SALES VALUE (AMOUNT)	3,101,381.79	1,391,864.70
%	1937.35%	2071.22%

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.	56,259.75	44,927.58
% to the asset under management	97.47%	111.94%

6. INCOME / EXPENDITURE

The total income and expenditure 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	9.28%	7.50%
EXPENDITURE	0.36%	0.45%

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)	0.29	0.69
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	0.10	Nil
Indus Ind Bank Ltd (Associate)	0.03	Nil
Sundaram BNP Paribas Funds Services Ltd (R & T)	51.78	Nil

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 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.

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. HISTORICAL PER UNIT STATISTICS

	2011-12 Rs.			2010-11 Rs.			2009-10 Rs.		
	Regular	Institutional	Super Institutional	Regular	Institutional	Super Institutional	Regular	Institutional	Super Institutional
(A) Gross income									
(i) income other than profit on sale of investment		3.6404			1.5702			1.5208	
(ii) income from profit on inter scheme sale/transfer of investments		(0.0003)			0.0000			0.0009	
(iii) income from profit on sale of investment to third parties		(0.0008)			(0.0133)			0.0291	
(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		0.1429			0.0953			0.1383	
(C) Net income		3.4964			1.4616			1.4125	
(D) Net unrealised appreciation/(diminution) in value of investments		0.0000			0.0000			0.0000	
(E) Net Assets Value									
Growth	21,4157	22,1431	22,6176	19,8887	20,3291	20,6655	19,9065	19,1499	19,3898
Daily Dividend	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953
Weekly Dividend	10,834	10,834	10,834	10,7144	10,7144	10,7144	10,6519	10,7489	10,7489
Fortnightly Dividend	10,5098	10,5098	10,5098	10,4223	10,4223	10,4223	10,4314	10,4314	10,4314
Monthly Dividend	10,3285	10,3285	10,3285	10,3531	10,3531	10,3531	10,3063	10,3063	10,3063
Quarterly Dividend	11,9844	11,9844	11,9844	11,1401	11,1401	11,1401	10,7634	10,7634	10,7634
(F) Highest repurchase price									
Growth	21,4046	22,1304	22,6039	19,8941	20,3238	20,6599	19,9046	19,1454	19,3873
Daily Dividend	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953
Weekly Dividend	10,8322	10,8321	10,8481	10,7966	10,8518	10,7468	10,6559	10,6606	10,6606
Fortnightly Dividend	10,5239	10,5239	10,4695	10,4695	10,4695	10,4695	10,4169	10,4169	10,4169
Monthly Dividend	10,3723	10,4094	10,3508	10,3508	10,3846	10,3209	10,3209	10,3463	10,3463
Quarterly Dividend	11,9502	11,9502	11,1057	11,1057	11,2148	10,7764	10,7764	11,0337	11,0661
(G) Lowest repurchase price									
Growth	19,916	20,354	20,6874	18,9145	19,1611	19,3996	18,2802	18,4338	18,6028
Daily Dividend	10,095	10,095	10,095	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953
Weekly Dividend	10,7126	10,7331	10,8048	10,6575	10,7334	10,7317	10,6055	10,6381	10,6426
Fortnightly Dividend	10,4526	10,4526	10,4278	10,4278	10,4278	10,4278	10,4016	10,4016	10,4016
Monthly Dividend	10,2979	10,346	10,2825	10,2825	10,3414	10,2711	10,2711	10,3177	10,3177
Quarterly Dividend	11,175	11,175	10,7192	10,7192	10,7901	10,6066	10,6066	10,8157	11,0661
(H) Highest ongoing sale price									
Growth	21,4046	22,1236	22,6039	19,8941	20,3238	20,6599	19,9046	19,1477	19,3873
Daily Dividend	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953
Weekly Dividend	10,8408	10,8593	10,8481	10,7328	10,7926	10,7421	10,6552	10,743	10,743
Fortnightly Dividend	10,515	10,515	10,4498	10,4498	10,4498	10,4236	10,4236	10,4236	10,4236
Monthly Dividend	10,382	10,4379	10,3474	10,3474	10,3517	10,3209	10,3209	10,353	10,353
Quarterly Dividend	11,9659	11,9659	11,1178	11,1178	11,2148	10,7391	10,7391	11,0463	11,0525
(I) Lowest ongoing sale price									
Growth	19,916	20,3569	20,6923	18,9145	19,1631	19,3996	18,2602	18,4338	18,6028
Daily Dividend	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953	10,0953
Weekly Dividend	10,7166	10,8593	10,8481	10,6590	10,7143	10,7197	10,6055	10,6298	10,6414
Fortnightly Dividend	10,4536	10,4536	10,4387	10,4387	10,4387	10,4387	10,4102	10,4102	10,4102
Monthly Dividend	10,2979	10,3549	10,2803	10,2803	10,3436	10,2721	10,2721	10,3295	10,3295
Quarterly Dividend	11,1541	11,1541	10,7376	10,7376	10,7482	10,6163	10,6163	10,8058	11,0499
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage		0.36%			0.45%			0.41%	
(H) Ratio of gross income to average daily net assets by percentage		9.28%			7.50%			4.62%	

15. Computation of Distributable Income

	31/03/2012	31/03/2011	31/03/2010
Net income as per revenue account	1,369,679,016	261,355,888	(2,016,031,914)
Add: Balance of Undistributed income as at 1st April brought forward	805,997,476	743,055,984	2,839,884,682
	2,175,676,492	1,004,411,872	823,852,768
Less: Income Distributed during the year	484,272,173	198,414,396	80,796,784
Distributable Income	1,691,404,319	805,997,476	743,055,984

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

ANNEXURE - II

SUNDARAM MONEY FUND		% of total investments within the classification	
		2011-2012	2010-2011
	Money Market Instruments		
	FINANCE	100.00%	97.83%

ANNEXURE - III

SUNDARAM MONEY FUND					
Portfolio Statement for the Year ended 31 March, 2012					
S.NO	Particulars	Rating	Quantity	Mkt Value Rs. in Lacs	% of Holding
	A) Debt Instruments				
	a) Listed / awaiting listing on Stock Exchange				
	NIL				
	B) Money Market Instruments				
1	UCO Bank **	A1+	7500	7308.17	12.81%
2	Canara Bank **	A1+	2500	2464.30	4.32%
3	Axis Bank **	A1+	2500	2440.14	4.28%
4	Canara Bank **	A1+	2500	2443.05	4.28%
5	State Bank of Bikaner & Jaipur **	A1+	2500	2447.94	4.29%
6	Bank of India **	A1+	2500	2435.34	4.27%
7	State Bank of Bikaner & Jaipur **	A1+	2500	2446.90	4.29%
8	Corporation Bank **	A1+	2500	2438.02	4.27%
9	IDBI Bank **	A1+	2500	2433.86	4.27%
10	BANK OF MAHARASHTRA **	A1+	2500	2444.05	4.28%
11	Punjab National Bank **	A1+	2500	2434.55	4.27%
12	Oriental Bank of Commerce **	A1+	2500	2441.86	4.28%
13	Canara Bank **	A1+	2500	2433.57	4.27%
14	Punjab National Bank **	A1+	2500	2431.23	4.26%
15	SECURITIES TRADING CORPORATION OF INDIA **	A1+	500	2428.74	4.26%
16	EDELWIESS CAPITAL LTD. **	A1+	500	2430.95	4.26%
17	SECURITIES TRADING CORPORATION OF INDIA **	A1+	300	1491.72	2.62%
18	Central Bank Of India **	A1+	1500	1461.24	2.56%
19	Jammu & Kashmir Bank **	A1+	1500	1458.57	2.56%
20	JM Financial Products Ltd **	A1+	200	993.92	1.74%
21	State Bank of Hyderabad **	A1+	1000	981.20	1.72%
22	Canara Bank **	A1+	1000	984.99	1.73%
23	Punjab National Bank **	A1+	1000	974.05	1.71%
24	UCO Bank **	A1+	1000	974.02	1.71%
25	State Bank of Bikaner & Jaipur **	A1+	830	823.94	1.44%
26	Canara Bank **	A1+	838	815.60	1.43%
27	Vijaya Bank **	A1+	500	496.71	0.87%
28	Allahabad Bank **	A1+	500	487.03	0.85%
29	ING Vyasya Bank **	A1+	224	218.72	0.38%
30	Central Bank Of India **	A1+	200	195.36	0.34%
	Sub Total			56259.75	98.62%
	C) Others				
1	REVERSE REPO / CBLO			784.84	1.38%
	GRAND TOTAL			57,044.59	100.00%

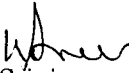
** Thinly traded / Non Traded securities

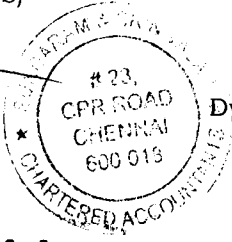
Signatures to the schedules 1 to 8 are forming part of the Balance Sheet and the Revenue Account.


For Sundaram & Srinivasan

Chartered Accountants

(FRN No.: 004207S)


K Srinivasan
Partner
(M.No : 5809)

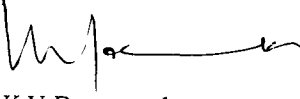



Dwijendra Srivatsava
Fund Manager


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