

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 CAPEX OPPORTUNITIES FUND - DIVIDEND as at 31/03/2015, which comprise the Balance Sheet, the Revenue Account for the period ended 04/04/2014 and a summary of significant accounting policies and other explanatory information

2. Management's Responsibility for the Financial Statements

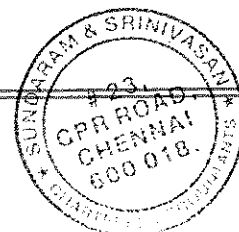
The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Sundaram Mutual Fund SUNDARAM CAPEX OPPORTUNITIES FUND - DIVIDEND in accordance with the Eleventh Schedule of Securities and Exchange 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 CAPEX OPPORTUNITIES FUND - DIVIDEND as at 31/03/2015

b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund SUNDARAM CAPEX OPPORTUNITIES FUND - DIVIDEND for the period ended on 04/04/2014.

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 2015


K.SRINIVASAN
Partner

Membership No. 5809



BALANCE SHEET AS AT 31st MARCH, 2015

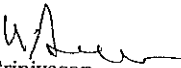
	SCHEDULE NO.	31-Mar-15	31-Mar-14
		Rs.	Rs.
LIABILITIES			
Unit Capital	1	-	1,222,893,592
Reserves & Surplus	2	-	(134,630,710)
Current Liabilities & Provisions	3	-	11,873,847
		-	1,100,136,729
ASSETS			
Investments	4	-	1,055,946,192
Deposits	5	-	5,205,732
Other Current Assets	6	-	38,984,805
		-	1,100,136,729

Notes on Accounts

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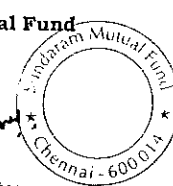
As per our Report of even date

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


K Srinivasan
Partner
(M.NO : 5809)



For
Sundaram Mutual Fund

Authorised Signatory

Place : Chennai

Date : 29th June 2015

REVENUE ACCOUNT FOR THE PERIOD FROM 01 APRIL 2014 TO 04 APRIL 2014

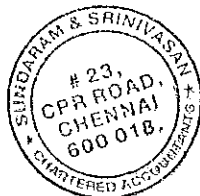
Particulars	Schedule No.	01.04.2014 - 04.04.2014		01.04.2013 - 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
REVENUE					
Dividend				19,475,760	
Interest	7	26,400		2,800,979	
Realised Gain on Derivative Transactions				494,986	
Net profit on inter scheme transfer / sale of investments				6,275,798	
Net diminution in value of investments written back		14,261,589		535,880,990	
Other Income				67,692	
TOTAL (A)		14,287,989	14,287,989	564,996,205	564,996,205
EXPENSES					
Net Loss on sale / redemption of investments (Other than inter-scheme transfer/sale)		4,227,482		410,603,596	
Loss on inter scheme transfer / sale of investments		19,981,514			
Management fee		244,333		22,930,224	
Service Tax on AMC Fee		30,200		2,834,176	
Custodian charges		4,688		350,976	
Trusteeship fee		590		94,463	
Commission to Agents		358,781		5,671,267	
Audit fee				122,183	
Other operating expenses		4,968		80,445	
Investor Education Fees		2,361		222,904	
SEBI Fees		5,283		8,162	
		24,860,200		442,918,396	
Less : Amount adjusted from load towards commission, marketing and selling expenses.		307,850		60,484	
TOTAL (B)			24,552,350		442,857,912
SURPLUS / (DEFICIT) (A-B)			(10,264,361)		122,138,293
Add/(Less) : Balance in Equalisation Account			10,231,633		149,101,747
Surplus /(Deficit) transferred to Balance Sheet			(32,728)		271,240,040

Notes on Accounts
As per our Report of even date

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

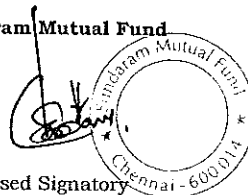
K Srinivasan
Partner
(M.NO : 5809)



Place : Chennai
Date : 29th June 2015

For
Sundaram Mutual Fund

Authorised Signatory

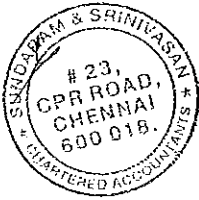


SCHEDULE : 1
Unit Capital

	31/03/2015		31/03/2014	
	UNITS	Rs.	UNITS	Rs.
Initial capital	418,583,371	4,185,833,713	418,583,371	4,185,833,713
Unit Capital Opening Capital	122,289,359	1,222,893,592	180,578,967	1,805,789,674
Add: Units sold during the period	7,202	72,022	2,027,844	20,278,435
	122,296,561	1,222,965,614	182,606,811	1,826,068,109
Less : Units repurchased during the period	122,296,561	1,222,965,614	60,317,452	603,174,517
Units at the end of the period	-	-	122,289,359	1,222,893,592
				1,222,893,592

SCHEDULE : 2
Reserves & Surplus

	31/03/2015		31/03/2014	
	Rs.		Rs.	
Unit Premium Reserve Opening Balance	(134,663,438)		(134,663,438)	
Add / (Less): Net Premium on sale / (redemption) of units	134,663,438	-	-	(134,663,438)
General Reserve Opening Balance	32,728		(271,207,312)	
Add / (Less): Transfer from Revenue Account	(32,728)	-	271,240,040	32,728
Unrealised appreciation reserve Opening Balance	-		33,534	
Add/(Less) Net unrealized appreciation for the period	-		(33,534)	
Unrealised Appreciation Reserve (Schedule 8)		-		-
				(134,630,710)



SCHEDULE : 3**Current Liabilities & Provisions**

	31-03-2015	31-03-2014
	Rs.	Rs.
Current Liabilities		
Sundry Creditors	-	3,408,630
Unclaimed Redemption Payable*	-	565,698
Unclaimed Distributed Income *	-	4,379,501
Others	-	3,520,018
	-	11,873,847

* Refer schedule 9-note15

SCHEDULE : 4**Investments**

	31-03-2015	31-03-2014
	Rs.	Rs.
Equity Shares	-	1,045,067,056
Units of Domestic Mutual Funds	-	-
Others - Reverse Repo / CBLO	-	10,879,136
	-	1,055,946,192

SCHEDULE : 5**Deposits**

	31-03-2015	31-03-2014
	Rs.	Rs.
Deposits with Scheduled Bank	-	5,205,732
	-	5,205,732

SCHEDULE : 6**Other Current Assets**

	31-03-2015	31-03-2014
	Rs.	Rs.
Balance with banks in Current Accounts	-	2,624,337
Contract for Sale of Investments	-	32,443,777
CBLO Margin Account	-	1,800,000
Repo Margin Account	-	2,100,000
Outstanding and accrued Income	-	16,691
	-	38,984,805

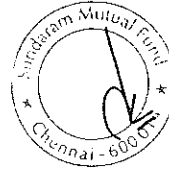
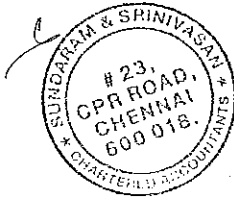


SCHEDULE : 7**Interest**

	01.04.2014 - 04.04.2014	01.04.2013 - 31.03.2014
	Rs.	Rs.
Interest from banks and others	26,400	2,548,429
Discounting charges	-	252,550
	26,400	2,800,979

SCHEDULE : 8**Net unrealised appreciation / (diminution) in value of Investments**

	31-03-2015	31-03-2014
	Rs.	Rs.
Appreciation in Value of Investments		
Appreciation in value of Investments (Schedule 2)	-	-
Diminution in value of investments		
Equity Shares	-	14,261,589
Net Diminution in value of investments transferred to revenue account	-	14,261,589



SUNDARAM MUTUAL FUND
SUNDARAM CAPEX OPPORTUNITIES FUND - DIVIDEND
Schedules forming part of the Balance Sheet as at 31-Mar-2015
and the Revenue Account for the Period from 01.04.2014 - 04.04.2014

SCHEDULE 9
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 & 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.

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.

In case of Options, premium received / paid is marked to market and the difference amount is treated as an asset / liability till the expiry of the position

• 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.

d) Foreign Exchange Transactions

Transaction expressed in currencies other than Indian Rupee are translated into Indian Rupees at the exchange rate applicable on the transaction dates.

Exchange difference arising on settlement of transaction are recognised as income or expense.

Assets and Liabilities designated in currencies other than Indian Rupees are translated into Indian Rupee at the exchange rates at the end of each year.

Exchange gain or loss on account of change in the foreign exchange rate is considered as income or expenses in the revenue account. The unrealised appreciation arising on account of changes in foreign exchange rate is reduced for calculating the distributable income.

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.

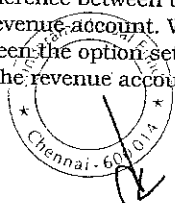
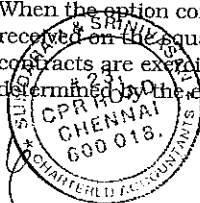
(iii) Income on investments is accounted on accrual basis.

(iv) Other income is accounted on cash basis.

Futures contract of equity derivative instruments are marked to market and resultant gain/loss is transferred to revenue account

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.

When the option contracts are squared off before expiry, the difference between the premium paid and received on the squared off transactions is recognized in the revenue account. When the option contracts are exercised on or before expiry, the difference between the option settlement price as determined by the exchange and the premium is recognized in the revenue account



Premium asset / liability in respect of option not exercised / squared off as on expiry date is transferred to revenue account.

1.3. EXPENSES

Expenses are accounted for on accrual basis.

1.4. LOAD

a) Entry load collected during the year from systematic investment plan registered prior to Aug 2009 is maintained in a separate account, which can be used by AMC towards distribution, commission etc of the scheme. The unutilised portion shall be carried forward to the next year.

b) The exit Load charged to the investor net of service tax is fully credited to the Scheme as other income

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	01.04.2014 - 04.04.2014	01.04.2013 - 31.03.2014
Average daily net asset value	10,769.81	11,144.35
Management fee @ 2.07 % of average daily net asset value. (Previous year 2.06 %)	2.44	229.30

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.

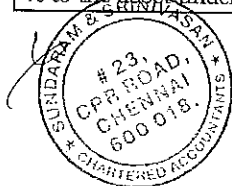
The aggregate value of investments purchased and sold (including matured) during the Year. as a percentage of average daily net asset value is as under :

Description	01.04.2014 - 04.04.2014	01.04.2013 - 31.03.2014
PURCHASE VALUE (AMOUNT)	16.12	4,593.71
%	0.15%	41.22%
SALES VALUE (AMOUNT)	10,367.31	9,170.18
%	96.26%	82.29%

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	31.03.2015	31.03.2014
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, on an annualised basis, are given below.

DESCRIPTION	01.04.2014 - 04.04.2014	01.04.2013 - 31.03.2014
INCOME	121.06%	50.65%
EXPENDITURE *	2.91%	2.89%

* With effect from 01st Oct, 2012 Service Tax on AMC fees is charged over and above the total expense ratio as per SEBI guidelines and is included in the above expense ratio.

7. CONTINGENT LIABILITY

Contingent liability as at 31st March 2015 is Rs. Nil. Previous Year Rs. Nil

8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	01.04.2014 - 04.04.2014	01.04.2013 - 31.03.2014
Sundaram Finance Ltd (Sponsor)	0.000	5.20
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	NIL	0.09
IndusInd Bank (Associate)	NIL	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)

Nil

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

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

11. PORTFOLIO DISCLOSURE

Nil

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.

14. 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

15. UNCLAIMED REDEMPTION / DIVIDEND

The details of unclaimed dividends and redemption accounts are disclosed in Annexure VI.

During the year ,the unclaimed redemption and dividend payable more than 90 days were transferred to a separate pool account.

As on 31st March 15, these sums were deployed in money market instruments in terms of SEBI circular no .SEBI/Cir/9/120/2000 dated November 24,2000

16. ACCOUNTING FOR MERGER

a. The merger of Sundaram Capex Opportunities Fund – Dividend (transferor scheme) with Sundaram Capex Opportunities Fund – Growth (transferee scheme) was accounted such that the new units in Transferee Scheme’s with introduction of the Dividend option under both Regular Plan and Direct Plan, having face value Rs.10/- each have been issued to the unit holders of the Transferor scheme based on exchange ratio calculated with reference to the prevailing per unit NAVs of the Transferee scheme and the Transferor Schemes respectively. Accordingly, all the assets and liabilities of the transferor scheme were transferred to the transferee scheme in terms of the scheme of arrangement on 4th April 2014. Post-merger, the name of the resultant scheme was changed to “Sundaram Infrastructure Advantage Fund”.

