

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 CAP. PR. ORIENTED FUND 5 YEARS - SERIES 4 as at 31/03/2015, which comprise the Balance Sheet, the Revenue Account for the year then ended 31/03/2015 and a summary of significant accounting policies and other explanatory information

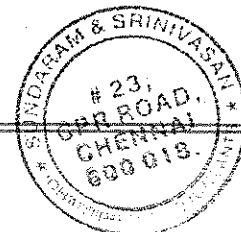
2. Management's Responsibility for the Financial Statements

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 CAP. PR. ORIENTED FUND 5 YEARS - SERIES 4 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.



SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS
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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.

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 CAP. PR. ORIENTED FUND 5 YEARS - SERIES 4 as at 31/03/2015
- b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund SUNDARAM CAP. PR. ORIENTED FUND 5 YEARS - SERIES 4 for the year ended on 31/03/2015.

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)

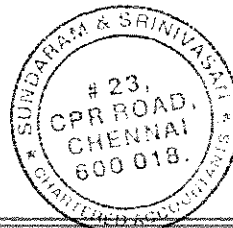

K.SRINIVASAN

Partner

Membership No. 5809

Place : Chennai

Date : 29th June 2015



BALANCE SHEET AS AT 31st MARCH, 2015

	SCHEDULE NO.	31-Mar-15	31-Mar-14
		Rs.	Rs.
LIABILITIES			
Unit Capital	1	816,164,600	816,164,600
Reserves & Surplus	2	294,424,901	162,434,330
Current Liabilities & Provisions	3	939,612	2,140,989
		1,111,529,113	980,739,919
ASSETS			
Investments	4	1,077,469,281	948,725,657
Other Current Assets	5	34,059,832	32,014,262
		1,111,529,113	980,739,919

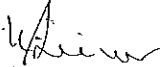
Notes on Accounts

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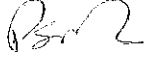
As per our Report of even date

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

For
Sundaram Mutual Fund


K Srinivasan
Partner
(M.NO : 5809)




Authorised Signatory

Place : Chennai
Date : 29th June 2015

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2015

	Schedule No.	2014 - 2015		2013 - 2014		
		Rs.	Rs.	Rs.	Rs.	
REVENUE						
Dividend	6	4,078,024		3,090,168		
Interest		69,148,890		67,907,979		
Other Income		-		19,153		
Net diminution in value of investments written back		257,342		40,195		
TOTAL (A)		73,484,256	73,484,256	71,057,495	71,057,495	
EXPENSES						
Net diminution in value of investment	7	-		256,363		
Net Loss on sale / redemption of investments (Other than inter-scheme transfer/sale)		49,845		670,404		
Loss on inter scheme transfer / sale of investments		-		87,988		
Management fee		5,924,960		5,216,693		
Service Tax on AMC Fees		732,325		644,783		
Custodian charges		178,755		158,412		
Trusteeship fee		52,916		77,341		
Commission to Agents		15,081,413		13,231,528		
Audit fee		25,446		24,989		
Other operating expenses		12,795		17,510		
Investor Education Fees		211,665		186,314		
SEBI Fees		4,416		5,250		
TOTAL (B)			22,274,536	22,274,536	20,577,575	20,577,575
SURPLUS / (DEFICIT) (A-B)				51,209,720		50,479,920
Surplus /(Deficit) transferred to Balance Sheet			51,209,720		50,479,920	

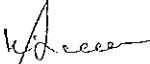
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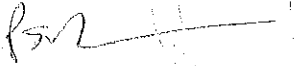
As per our Report of even date

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

For
Sundaram Mutual Fund


K Srinivasan
Partner
(M.NO : 5809)




Authorised Signatory

Place : Chennai
Date : 29th June 2015

SCHEDULE : 1

Unit Capital

	31/03/2015		31/03/2014	
	UNITS	Rs.	UNITS	Rs.
	Initial capital	81,616,460	816,164,600	81,616,460
Unit Capital Opening Capital	81,616,460	816,164,600	81,616,460	816,164,600
Add: Units sold during the Year	-	-	-	-
Less : Units repurchased during the Year	81,616,460	816,164,600	81,616,460	816,164,600
Units at the end of the Year	81,616,460	816,164,600	81,616,460	816,164,600
		<u>816,164,600</u>		<u>816,164,600</u>

SCHEDULE : 2

Reserves & Surplus

	31/03/2015		31/03/2014	
	Rs.	Rs.	Rs.	Rs.
General Reserve Opening Balance	124,191,684		73,711,764	
Add /(Less): Transfer from Revenue Account	51,209,720		50,479,920	
		175,401,404		124,191,684
Unrealised appreciation reserve Opening Balance	38,242,646		11,539,256	
Add/(Less) Net unrealized appreciation for the year	80,780,851		26,703,390	
Unrealised Appreciation Reserve (Schedule 7)		119,023,497		38,242,646
		<u>294,424,901</u>		<u>162,434,330</u>

SCHEDULE : 3

Current Liabilities & Provisions

	31/03/2015	31/03/2014
	Rs.	Rs.
Sundry Creditors	884,761	2,104,593
Others	54,851	36,396
	<u>939,612</u>	<u>2,140,989</u>

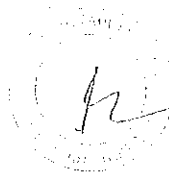
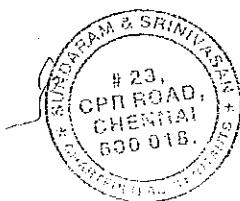


SCHEDULE : 4**Investments**

	31/03/2015	31/03/2014
	Rs.	Rs.
Equity Shares - Listed	315,273,784	245,727,852
Rights Entitlement - Unlisted	-	138,174
Debentures & Bonds listed / awaiting listing on the recognised stock exchange	732,125,842	688,583,317
Certificate of Deposits	21,383,790	9,984,545
Others - Reverse Repo / CBLO	8,685,865	4,291,769
	1,077,469,281	948,725,657

SCHEDULE : 5**Other Current Assets**

	31/03/2015	31/03/2014
	Rs.	Rs.
Balance with banks in Current Accounts	425,082	341,073
CBLO Margin Account	436,848	-
Repo Margin Account	158,709	-
Outstanding and accrued Income	33,039,193	31,673,189
	34,059,832	32,014,262



SCHEDULE : 6**Interest**

	2014 - 2015	2013 - 2014
	Rs.	Rs.
Interest from banks and others	1,476,262	3,410,999
Interest on Debentures and Bonds	67,584,339	60,530,114
Discounting Charges	88,289	3,966,866
	69,148,890	67,907,979

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

	31/03/2015	31/03/2014
	Rs.	Rs.
Appreciation in Value of Investments		
Certificate of Deposit	32,264	-
Debentures & Bonds listed / awaiting listing on the recognised stock exchange	8,809,745	-
Equity Shares	110,181,488	38,242,646
Appreciation in value of investments (Schedule 2)	119,023,497	38,242,646
Diminution in value of investments		
Debentures & Bonds listed / awaiting listing on the Recognised stock exchange	-	256,363
Certificate of Deposits	-	979
Net Diminution in value of investments transferred to Revenue account	-	257,342



SUNDARAM MUTUAL FUND
SUNDARAM CAPITAL PROTECTION ORIENTED FUND SERIES 4 - 5 YRS
Schedules forming part of the Balance Sheet as at 31-Mar-2015
and the Revenue Account for the Year ended 31-Mar-2015.

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 & 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) 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.

1.3. EXPENSES

Expenses are accounted for on accrual basis.

2 INVESTMENT MANAGER FEES

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

Description	2014 - 2015	2013 - 2014
Average daily net asset value	10,582.63	9,315.13
Management fee @ 0.56% of average daily net asset value.(Previous year 0.56%)	59.25	52.17

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	2014 - 2015	2013 - 2014
PURCHASE VALUE (AMOUNT)	599.91	3,530.27
%	5.67%	37.90%
SALES VALUE (AMOUNT)	161.40	2,920.50
%	1.53%	31.35%

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.	7,321.26	6,655.52
% to the asset under management	65.92%	68.01%

6 INCOME / EXPENDITURE

The total income and expenditure as a percentage of the daily average net assets, during the Year, are given below.

DESCRIPTION	2014 - 2015	2013 - 2014
INCOME	6.94%	7.63%
EXPENDITURE *	2.10%	2.10%

* 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

	2014 - 2015	2013 - 2014
Sundaram Finance Ltd (Sponsor)	NIL	NIL
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	NIL	NIL
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)

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

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14. HISTORICAL PER UNIT STATISTICS

CP5SR4

	2014-2015		2013-2014		2012-2013	
	Rs.		Rs.		Rs.	
(A) Gross income						
(i) income other than profit on sale of investment	0.9004		0.8706		0.8866	
(ii) income from profit on inter scheme sales/transfer of investments	0.0000		-0.0011		0.0022	
(iii) income from profit on sale of investment to third parties	-0.0006		-0.0082		0.0381	
(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	0.2723		0.2397		0.2177	
(C) Net income	0.6274		0.6216		0.7091	
(D) Net unrealised appreciation/(diminution) in value of investments	1.4583		0.4654		0.1409	
	REGULAR		REGULAR		REGULAR	
	Dividend Option	Growth Option	Dividend Option	Growth Option	Dividend Option	Growth Option
(E) Net Assets Value	13.6074	13.6074	11.9902	11.9902	11.0445	11.0445
(F) Highest repurchase price	NA	NA	NA	NA	NA	NA
Lowest repurchase price	NA	NA	NA	NA	NA	NA
Highest ongoing sale price *	NA	NA	NA	NA	NA	NA
Lowest ongoing sale price *	NA	NA	NA	NA	NA	NA
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage	2.10%		2.10%		2.03%	
(H) Ratio of gross income to average daily net assets by percentage	6.94%		7.63%		8.65%	

15. Computation of Distributable Income

	31/03/2015	31/03/2014	31/03/2013
Net Income as per revenue account	51,209,720	50,479,920	57,834,763
Add : Balance of Undistributed income as at 1st April brought forward	124,191,684	73,711,764	15,877,001
Less : Income Distributed during the year	-	-	-
Distributable Income	175,401,404	124,191,684	73,711,764

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



SUNDARAM MUTUAL FUND

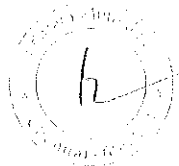
SUNDARAM CAPITAL PROTECTION ORIENTED FUND SERIES 4 - 5 YRS

Portfolio Statement as at 31 March 2015

S.NO	ISIN CODE	Name of the instrument	Rating / Industry	Quantity	Mkt Value Rs. in Lacs	% of Investment
A) Equity & Equity Related						
a) Listed / awaiting listing on Stock Exchange						
1	INE009A01021	Infosys Ltd	IT	10658	236.43	2.19%
2	INE040A01026	HDFC Bank Ltd	FINANCIAL SERVICES	21271	217.54	2.02%
3	INE001A01036	Housing Development Finance Corporation Ltd	FINANCIAL SERVICES	16054	211.22	1.96%
4	INE090A01021	ICICI Bank Ltd	FINANCIAL SERVICES	66500	209.81	1.95%
5	INE018A01030	Larsen & Toubro Ltd	CONSTRUCTION	11058	190.16	1.76%
6	INE002A01018	Reliance Industries Ltd	ENERGY	18679	154.29	1.43%
7	INE154A01025	ITC Ltd	CONSUMER GOODS	44794	145.96	1.35%
8	INE467B01029	Tata Consultancy Service Ltd	IT	5308	135.56	1.26%
9	INE326A01037	Lupin Laboratories Ltd	PHARMA	6624	133.04	1.23%
10	INE062A01020	State Bank of India Ltd	FINANCIAL SERVICES	45340	121.08	1.12%
11	INE155A01022	TATA Motors Ltd	AUTOMOBILE	20334	111.88	1.04%
12	INE669C01036	Tech Mahindra Ltd	IT	15616	98.33	0.91%
13	INE044A01036	Sun Pharmaceuticals Industries Ltd	PHARMA	8842	90.53	0.84%
14	INE397D01024	Bharti Airtel Ltd	TELECOM	19727	77.59	0.72%
15	INE213A01029	Oil & Natural Gas Corpn. Ltd	ENERGY	24857	76.15	0.71%
16	INE030A01027	Hindustan Unilever Ltd	CONSUMER GOODS	8682	75.84	0.70%
17	INE860A01027	HCL Technologies Ltd	IT	7058	69.20	0.64%
18	INE089A01023	Dr.Reddy's Laboratories	PHARMA	1979	69.04	0.64%
19	INE585B01010	Maruti Suzuki India Ltd	AUTOMOBILE	1792	66.26	0.61%
20	INE101A01026	Mahindra & Mahindra Ltd	AUTOMOBILE	5280	62.72	0.58%
21	INE121J01017	Bharti Infratel Ltd	TELECOM	14452	55.64	0.52%
22	INE075A01022	Wipro Ltd	IT	8308	52.24	0.48%
23	INE029A01011	Bharat Petroleum Corporation Ltd	ENERGY	5908	47.90	0.44%
24	INE237A01028	Kotak Mahindra Bank Ltd	FINANCIAL SERVICES	3573	46.92	0.44%
25	INE059A01026	Cipla Ltd	PHARMA	5456	38.87	0.36%
26	INE481G01011	Ultratech Cement Ltd	CEMENT & CEMENT PR	1289	37.10	0.34%
27	INE043D01016	IDFC Ltd	FINANCIAL SERVICES	21151	35.31	0.33%
28	INE245A01021	Tata Power Company Ltd	ENERGY	44740	34.49	0.32%
29	INE910H01017	Cairn India Ltd	ENERGY	13663	29.22	0.27%
30	INE522F01014	Coal India Ltd	METALS	7583	27.52	0.26%
31	INE669E01016	Idea Cellular Ltd	TELECOM	14861	27.34	0.25%
32	INE158A01026	Hero Motocorp Ltd	AUTOMOBILE	1008	26.61	0.25%
33	INE129A01019	Gas Authority of India Ltd	ENERGY	6260	24.28	0.23%
34	INE081A01012	Tata Steel Ltd	METALS	7243	22.94	0.21%
35	INE021A01026	Asian Paints Ltd	CONSUMER GOODS	2537	20.58	0.19%
36	INE003A01024	Siemens Ltd	INDUSTRIAL MANUFACT	1450	20.25	0.19%
37	INE205A01025	Sesa Sterlite Ltd	METALS	10548	19.99	0.19%
38	INE160A01022	Punjab National Bank	FINANCIAL SERVICES	12275	17.73	0.16%
39	INE256A01028	Zee Entertainment Enterprises Ltd	MEDIA & ENTERTAINME	4440	15.17	0.14%
		Sub Total			3,152.73	29.26%
		Total for Equity & Equity Related			3,152.73	29.26%
B) Debt Instruments						
a) Listed / awaiting listing on Stock Exchange						
1	INE001A07HN5	Housing Development Finance Corporation Ltd**	CRISIL AAA	150	1,523.55	14.14%
2	INE134E07398	Power Finance Corporation Ltd**	CRISIL AAA	122	1,243.59	11.54%
3	INE115A07B04	LIC Housing Finance Ltd**	CRISIL AAA	100	1,015.33	9.42%
4	INE020B08583	Rural Electrification Corporation Ltd**	CRISIL AAA	100	1,014.06	9.41%
5	INE895D08378	TATA Sons Ltd**	CRISIL AAA	100	1,009.42	9.37%
6	INE752E07HQ8	Power Grid Corporation of India Ltd**	CRISIL AAA	80	1,008.26	9.36%
7	INE001A07LU2	Housing Development Finance Corporation Ltd**	CRISIL AAA	50	507.05	4.71%
		Sub Total			7,321.26	67.95%
		Total for Debt Instruments			7,321.26	67.95%
C) Money Market Instruments						
a) Certificate of Deposits						
1	INE476A16PX2	Canara Bank**	CRISIL A1+	230	213.84	1.98%
		Sub Total			213.84	1.98%
b) Reverse Repo / CBLO						
1		CBLO			86.86	0.81%
		Sub Total			86.86	0.81%

TOTAL

10774.69 100.00%



ANNEXURE-II		
SUNDARAM CAPITAL PROTECTION ORIENTED FUND SERIES 4 - 5 YRS	% of total Investments within the classification	
	2014-2015	2013 -2014
EQUITY INSTRUMENTS		
AUTO	8.48%	7.78%
CONSTRUCTION	6.03%	5.72%
CONSUMER GOODS	7.69%	0.00%
CONSUMER NON DURABLE		9.14%
ENERGY	11.62%	16.45%
FINANCE	27.27%	25.46%
IT	18.77%	18.41%
PHARMA	10.51%	7.50%
TELECOM	5.09%	0.00%
DEBT INSTRUMENTS		
a) Listed/awaiting listing on stock exchange		
FINANCE	58.59%	56.56%
ENERGY	27.62%	25.90%
DIVERSIFIED	13.79%	14.51%
Money Market Instruments		
FINANCE	100%	100%

W. Sivan

