

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 SELECT THEMATIC FUNDS ENERGY OPPORTUNITIES as at 31/03/2015, which comprise the Balance Sheet, the Revenue Account for the period ended 11/04/2014 and a summary of significant accounting policies and other explanatory information

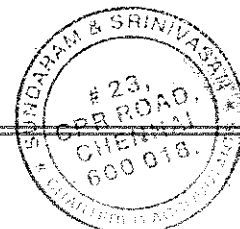
2. Management's Responsibility for the Financial Statements

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 SELECT THEMATIC FUNDS ENERGY OPPORTUNITIES 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
23, C.P. RAMASWAMY ROAD,
ALWARPET, CHENNAI - 600 018.

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 SELECT THEMATIC FUNDS ENERGY OPPORTUNITIES as at 31/03/2015

b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund SUNDARAM SELECT THEMATIC FUNDS ENERGY OPPORTUNITIES for the period ended on 11/04/2014.

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)



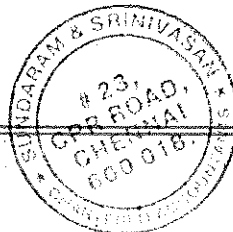
K.SRINIVASAN

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	-	6,101,662,120
Reserves & Surplus	2	-	(1,665,275,007)
Current Liabilities & Provisions	3	-	81,275,244
		-	4,517,662,357
ASSETS			
Investments	4	-	4,260,925,439
Other Current Assets	5	-	251,659,753
Deposits	6	-	5,077,165
		-	4,517,662,357

Notes on Accounts

9

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 01.04.2014 TO 11.04.2014


	Schedule No.	01.04.2014 - 11.04.2014		01.04.2013 - 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
REVENUE					
Dividend	7	160,250		114,456,491	
Interest		505,889		8,038,133	
Net profit on inter scheme transfer / sale of investments		595,528,188			
Net diminution in value of investments written back					
Realised Gain /(Losses) on Derivative Transactions				341,732,328	
Other Income				583,030	72,312
TOTAL (A)		596,194,327	596,194,327	464,882,294	464,882,294
EXPENSES					
Net Loss on sale / redemption of investments (Other than inter-scheme transfer/sale)		86,729,286		434,982,451	
Management fee		2,407,547		78,120,051	
Service Tax on AMC Fee		297,573		9,655,638	
Custodian charges		10,004		997,388	
Trusteeship fee		6,614		382,713	
Commission to Agents		785,496		28,991,786	
Audit fee		-		265,037	
Other operating expenses		29,443		393,823	
Investor Education Fees		26,457		905,155	
SEBI Fees		21,455		30,545	
TOTAL (B)		90,313,875	90,313,875	554,724,587	554,724,587
SURPLUS / (DEFICIT) (A-B)			505,880,452		(89,842,293)
Add/(Less) : Balance in Equalisation Account			1,637,372,101		629,492,032
Surplus /(Deficit) transferred to Balance Sheet			2,143,252,553		539,649,739
			2,143,252,553		539,649,739

Notes on Accounts

As per our Report of even date


9

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


K Srinivasan
Partner
(M.NO : 5809)



For
Sundaram Mutual Fund


Authorised Signatory



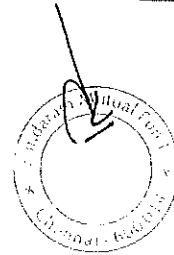
Place : Chennai
Date : 29th June 2015

SCHEDULE : 1**Unit Capital**

	31-03-2015		31-03-2014	
	UNITS	Rs.	UNITS	Rs.
	2,786,285,046	27,862,850,458	2,786,285,046	27,862,850,458
Initial capital				
Unit Capital				
Opening Capital	610,166,212	6,101,662,120	792,454,226	7,924,542,258
Add: Units sold during the period	12,325	123,254	1,590,589	15,905,892
Less : Units repurchased during the period	610,178,537	6,101,785,374	794,044,815	7,940,448,150
	610,178,537	6,101,785,374	183,878,603	1,838,786,030
Units at the end of the period	-	-	610,166,212	6,101,662,120
				6,101,662,120

SCHEDULE : 2**Reserves & Surplus**

	31-03-2015		31-03-2014	
	Rs.		Rs.	
General Reserve				
Opening Balance	(2,143,252,553)	-	(2,682,902,292)	-
Add / (Less): Transfer from Revenue Account	2,143,252,553	-	539,649,739	(2,143,252,553)
Unrealised appreciation reserve				
Opening Balance	477,977,546	-	67,764	-
Add/(Less) Net unrealized appreciation for the year	(477,977,546)	-	477,909,782	-
Unrealised Appreciation Reserve (Schedule 8)		-		477,977,546
				(1,665,275,007)



SCHEDULE : 3**Current Liabilities & Provisions**

	31-03-2015	31-03-2014
	Rs.	Rs.
Sundry Creditors	-	7,385,805
Contract for Purchase of Investments	-	43,921,200
Unclaimed Redemption payable *	-	7,805,050
Others	-	22,163,189
	-	81,275,244

Refer Sch 9 Note no. 15

SCHEDULE : 4**Investments**

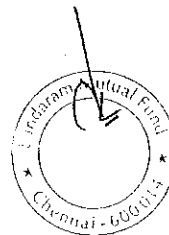
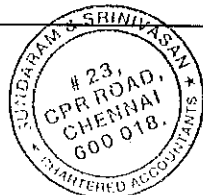
	31-03-2015	31-03-2014
	Rs.	Rs.
Equity Shares	-	4,189,961,534
Others - Reverse Repo / CBLO	-	70,963,905
	-	4,260,925,439

SCHEDULE : 5**Other Current Assets**

	31-03-2015	31-03-2014
	Rs.	Rs.
Balance with banks in Current Accounts	-	16,438,322
Contract for Sale of Investments	-	206,861,305
CBLO Margin Account	-	11,500,000
Repo Margin Account	-	13,500,000
Outstanding and accrued Income	-	3,360,126
	-	251,659,753

SCHEDULE: 6**Deposits**

	31-03-2015	31-03-2014
	Rs.	Rs.
Deposits with Scheduled Bank	-	5,077,165
	-	5,077,165



SCHEDULE : 7**Interest**

	01.04.2014 - 11.04.2014	01.04.2013 - 31.03.2014
	Rs.	Rs.
Interest from banks and others	505,889	7,342,933
Discounting Charges	-	695,200
	505,889	8,038,133

SCHEDULE : 8**Net Appreciation/(Diminution) in value of Investments**

	31.03.2014	31.03.2014
	Rs.	Rs.
Appreciation in Value of Investments		
Equity Shares	-	477,977,546
Appreciation in Value of Investments (Schedule 2)	-	477,977,546
Diminution in value of investments		
Net Appreciation/(Diminution) in value of Investments	-	477,977,546



SUNDARAM MUTUAL FUND
SUNDARAM SELECT THEMATIC FUNDS ENERGY OPPORTUNITIES
Schedules forming part of the Balance Sheet as at 31-Mar-2014
and the Revenue Account for the period 01.04.2014 to 11.04.2014 ✓

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.

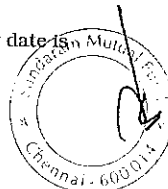
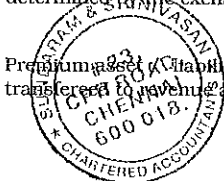
(iii) Income on investments is accounted on accrual basis.

(iv) Other income is accounted on cash basis.

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

In terms of SEBI (Mutual Funds) regulations, 1996:

a) Out of exit load charged to investor, during the period from 01st April, 2012 to 30th September, 2012 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.

b) W.e.f. 01.10.2012, the entire Load charged to the investor net of service tax is fully credited to the Scheme.

1.5. EQUALISATION ACCOUNT

When the units are sold / re-purchased, the difference between the sale price / re-purchase price and the face value of the units is credited / debited to equalisation account. The net balance in this account is transferred to revenue account for the Year.

2. INVESTMENT MANAGER FEES

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

Description	01.04.2014 to 11.04.2014	2013-2014
Average daily net asset value	43,892.00	45,253.72
Management fee @ 1.82% of average daily net asset value. (Previous year 1.73%)	24.08	781.20

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 to 11.04.2014	2013-2014
PURCHASE VALUE (AMOUNT)	1,152.42	20,194.62
%	2.63%	44.63%
SALES VALUE (AMOUNT)	43,360.25	34,166.24
%	98.79%	75.50%

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	01.04.2014 to 11.04.2014	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
% to the asset under management	0.00%	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 to 11.04.2014	2013-2014
INCOME	450.72%	10.26%
EXPENDITURE *	2.71%	2.65%

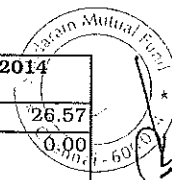
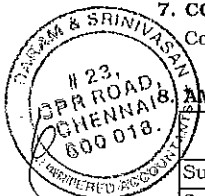
* With effect from 01st Oct, 2012 Service Tax on AMC fees is charged over and above the total expense ratio as per SEBI guidelines and is included in the above expense ratio.

7. CONTINGENT LIABILITY

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

AMOUNT PAID TO SPONSORS / ASSOCIATES

	01.04.2014 to 11.04.2014	2013-2014
Sundaram Finance Ltd (Sponsor)	0.01	26.57
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	NIL	0.00
IndusInd Bank (Associate)	NIL	0.04



9. **CONSTITUTES NOT LESS THAN 5% OF THE TOTAL INVESTMENTS IS AS BELOW:**

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
As on 31st March 15, these sums were deployed in money market instruments in terms of SEBI

16 **ACCOUNTING FOR MERGER**

The merger of Sundaram Energy Opportunities Fund – Dividend (transferor scheme) with Sundaram Infrastructure Advantage Fund (transferee scheme) was accounted such that the new units in Transferee Scheme's respective plans 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 Scheme 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 11th April 2014.

