

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 HYBRID FUND SERIES - D 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

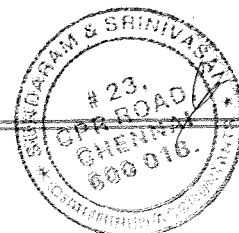
The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Sundaram Mutual Fund SUNDARAM HYBRID FUND SERIES - D in accordance with the Eleventh Schedule of Securities and Exchange Board of India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

b. In the case of Revenue Account of the Surplus of Sundaram Mutual fund SUNDARAM HYBRID FUND SERIES - D 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:004207S)


K.SRINIVASAN

Place : Chennai

Date : 29th June 2015

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	529,595,800	529,595,800
Reserves & Surplus	2	96,852,468	16,609,898
Current Liabilities & Provisions	3	513,627	1,052,383
		626,961,895	547,258,081
ASSETS			
Investments	4	611,173,328	531,481,453
Other Current Assets	5	15,788,567	15,776,628
		626,961,895	547,258,081

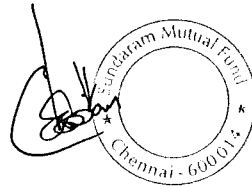
Notes on Accounts

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As per our Report of even date

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

For
Sundaram Mutual Fund



Authorised Signatory

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



Place : Chennai

Date : 29th June 2015

REVENUE ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2015

	Schedule No.	01.04.2014 TO 31.03.2015		23.12.2013 TO 31.03.2014	
		Rs.	Rs.	Rs.	Rs.
REVENUE					
Dividend		2,836,455		32,155	
Interest	6	36,303,000		12,429,386	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		1,073,041		-	
Net profit on inter scheme transfer / sale of investments		657,049		-	
Other Income		-		2,188	
TOTAL (A)		40,869,545	40,869,545	12,463,729	12,463,729
EXPENSES					
Management fee		3,156,214		769,350	
Service Tax on AMC Fees		390,108		95,092	
Trusteeship fee		29,759		7,262	
Custodian charges		108,081		30,214	
Commission to Agents		10,677,157		2,548,656	
Audit fee		10,442		11,236	
Other Operating expenses		7,203		44,974	
Investors Education Fees		119,029		29,033	
SEBI Fees		2,538		-	
TOTAL (B)		14,500,531	14,500,531	3,535,817	3,535,817
SURPLUS / (DEFICIT) (A-B)			26,369,014		8,927,912
Surplus /(Deficit) transferred to Balance Sheet			26,369,014		8,927,912

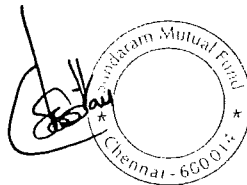
Notes on Accounts

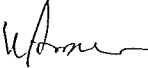
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As per our Report of even date

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

SCHEDULE : 1**Unit Capital**

	31-03-2015		31-03-2014	
	Units	Rs.	Units	Rs.
Initial capital	52,959,580	529,595,800	52,959,580	529,595,800
Unit Capital				
Opening Capital	52,959,580	529,595,800	-	-
Add: Units sold during the year	-	-	52,959,580	529,595,800
Less : Units repurchased during the year	52,959,580	529,595,800	52,959,580	529,595,800
	-	-	-	-
Units at the end of the year	52,959,580	529,595,800	52,959,580	529,595,800
		529,595,800		529,595,800

SCHEDULE : 2**Reserves & Surplus**

	31-03-2015		31-03-2014	
	Rs.	Rs.	Rs.	Rs.
General Reserve				
Opening Balance	8,927,912		-	
Add /(Less): Transfer from Revenue Account	26,369,014		8,927,912	
		35,296,926		8,927,912
Unrealised appreciation reserve				
Opening Balance	7,681,986		-	
Add/(Less) Net unrealized appreciation for the year	53,873,556		7,681,986	
Unrealised Appreciation Reserve (Schedule 7)		61,555,542		7,681,986
		96,852,468		16,609,898

SCHEDULE : 3**Current Liabilities & Provisions**

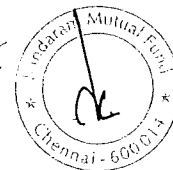
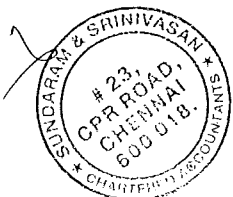
	31-03-2015	31-03-2014
	Rs.	Rs.
Sundry Creditors	484,518	1,032,918
Others	29,109	19,465
	513,627	1,052,383

SCHEDULE : 4**Investments**

	31-03-2015	31-03-2014
	Rs.	Rs.
Equity Shares - Listed	226,086,894	153,362,282
Rights Entitlement	-	56,914
Debentures / Bonds listed / awaiting listing on the recognised stock exchange	358,709,704	348,219,490
Others - Reverse Repo / CBLO	6,389,602	29,842,767
Zero Coupon Bond	19,987,128	-
	611,173,328	531,481,453

SCHEDULE : 5**Other Current Assets**

	31-03-2015	31-03-2014
	Rs.	Rs.
Balance with banks in Current Accounts	287,633	291,146
CBLO Margin Account	320,642	-
Repo Margin Account	116,491	-
Outstanding and accrued Income	15,063,801	15,485,482
	15,788,567	15,776,628



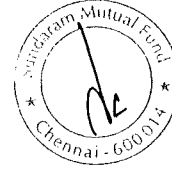
SCHEDULE : 6**Interest**

	01.04.2014 TO 31.03.2015	23.12.2013 TO 31.03.2014
	Rs.	Rs.
Interest from banks and others	685,686	4,039,160
Interest on Debentures and Bonds	34,739,368	8,390,226
Discounting Charges	877,946	-
	36,303,000	12,429,386

SCHEDULE : 7**Net unrealised appreciation/ (diminution) in value of Investments**

	31/03/2015	31/03/2014
	Rs.	Rs.
Appreciation in Value of Investments		
Equity Shares	57,517,485	6,508,556
Debentures / Bonds listed / awaiting listing on the recognised stock exchange	3,970,877	1,173,430
Zero Coupon Bond	67,180	-
Appreciation in Value of Investments (Schedule 2)	61,555,542	7,681,986

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**SUNDARAM MUTUAL FUND
SUNDARAM HYBRID FUND - D**

Schedules forming part of the Balance Sheet as at 31-Mar-2015 ✓
and the Revenue Account for the year ended 31.03.2015 ✓

**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 & 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.

Bonus/Rights entitlements are recognised on ex-bonus /ex- rights dates.

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.

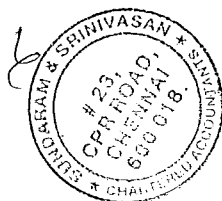
2. INVESTMENT MANAGER FEES

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

Description	01.04.2014 to 31.03.2015	23.12.2013 to 31.03.2014
Average daily net asset value	5,951.06	5,352.39
Management fee @ 0.53% (previous year 0.53%) of average daily net asset value.	31.56	7.69

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



4. AGGREGATE VALUE OF PURCHASES & SALES MADE DURING THE PERIOD.

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

Description	01.04.2014 to 31.03.2015	23.12.2013 to 31.03.2014
PURCHASE VALUE (AMOUNT)	1,728.78	5,011.10
%	29.05%	93.62%
SALES VALUE (AMOUNT)	1,268.37	-
%	21.31%	0.00%

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 Period. :

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 Period.	3,587.09	3,482.19
% to the asset under management	57.26%	63.75%

6. INCOME / EXPENDITURE

The total income and expenditure as a percentage of the daily average net assets, on an annualised basis, are given below.

DESCRIPTION	01.04.2014 to 31.03.2015	23.12.2013 to 31.03.2014
INCOME	6.87%	8.59%
EXPENDITURE	2.44%	2.44%

7. CONTINGENT LIABILITY

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

8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	01.04.2014 to 31.03.2015	23.12.2013 to 31.03.2014
Sundaram Finance Ltd (Sponsor)	-	45.35
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	NIL	NIL
Indusind Bank (Associate)	0.2900	0.0437

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

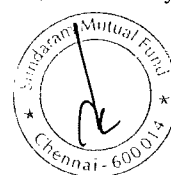
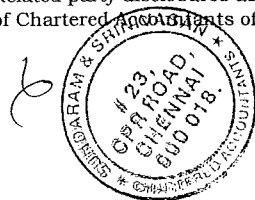
As Per Schedule-I

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



14 HISTORICAL PER UNIT STATISTICS

	01.04.2014 - 31.03.2015					
	Rs.					
(A) Gross income						
(i) income other than profit on sale of investment						0.7390
(ii) income from profit on inter scheme sales/transfer of investments						0.0124
(iii) income from profit on sale of investment to third parties						0.0203
(iv) transfer to revenue account from past year's reserves						
(B) Aggregate of expenses, write off, amortisation and charges						0.2738
(C) Net income						0.4979
(D) Net unrealised appreciation/(diminution) in value of investments						1.1623
(E) Net Assets Value	11.8266	12.1182	11.8267	12.1015	11.8267	12.103
(F) Highest repurchase price	NA	NA	NA	NA	NA	NA
Lowest repurchase price	NA	NA	NA	NA	NA	NA
Highest ongoing sale price *	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Lowest ongoing sale price *	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage						2.44%
(H) Ratio of gross income to average daily net assets by percentage						6.87%

* includes entry load as applicable

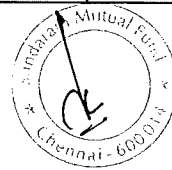
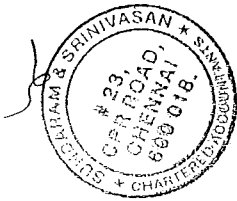
15 Computation of Distributable Income

	31.03.2015	31.03.2014
	Rs.	Rs.
Net Income as per revenue account	26,369,014	8,927,912
Add : Balance of Undistributed income as at 1st April brought forward	8,927,912	-
	35,296,926	8,927,912
Less : Income Distributed during the year	-	-
Distributable Income	35,296,926	8,927,912

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



ANNEXURE-II			
SUNDARAMHYBRID FUND SERIES -D			
% of total Investments within the classification			
		2014-2015	2013 - 2014
EQUITY INSTRUMENTS			
AUTO		6.37%	6.09%
CEMENT		2.40%	0
CONSTRUCTION		6.95%	6.59%
CONSUMER GOODS		7.00%	10.78%
ENERGY		10.00%	12.08%
FINANCE		34.24%	27.47%
INDUSTRIAL		0.89%	0
IT		20.27%	22.28%
MEDIA		0.54%	0
METALS		1.50%	0
PHARMA		6.92%	6.06%
TELECOM		2.92%	
DEBT INSTRUMENTS			
a) Listed/awaiting listing on stock exchange			
FINANCE		71.00%	100.00%
POWER		29.00%	0%
Money Market Instruments			
FINANCE		0%	0%



ANNEXURE-III

SUNDARAM MUTUAL FUND						
SUNDARAM HYBRID FUND-SERIES - D						
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	8508	188.74	3.09%
2	INE001A01036	Housing Development Finance Corporation Ltd	FINANCIAL SERVICES	13577	178.63	2.92%
3	INE090A01021	iCICI Bank Ltd	FINANCIAL SERVICES	53555	168.97	2.76%
4	INE040A01026	HDFC Bank Ltd	FINANCIAL SERVICES	16464	168.38	2.76%
5	INE018A01030	Larsen & Toubro Ltd	CONSTRUCTION	9144	157.24	2.57%
6	INE467B01029	Tata Consultancy Service Ltd	IT	4516	115.34	1.89%
7	INE002A01018	Reliance Industries Ltd	ENERGY	13387	110.58	1.81%
8	INE154A01025	ITC Ltd	CONSUMER GOODS	25387	82.72	1.35%
9	INE155A01022	TATA Motors Ltd	AUTOMOBILE	14575	80.19	1.31%
10	INE044A01036	Sun Pharmaceuticals Industries Ltd	PHARMA	7058	72.27	1.18%
11	INE238A01034	Axis Bank Ltd	FINANCIAL SERVICES	12515	70.11	1.15%
12	INE062A01020	State Bank of India Ltd	FINANCIAL SERVICES	24180	64.57	1.06%
13	INE669C01036	Tech Mahindra Ltd	IT	10232	64.43	1.05%
14	INE237A01028	Kotak Mahindra Bank Ltd	FINANCIAL SERVICES	4842	63.59	1.04%
15	INE030A01027	Hindustan Unilever Ltd	CONSUMER GOODS	6988	61.04	1.00%
16	INE326A01037	Lupin Ltd	PHARMA	2675	53.72	0.88%
17	INE860A01027	HCL Technologies Ltd	IT	5088	49.88	0.82%
18	INE397D01024	Bharti Airtel Ltd	TELECOM	10583	41.62	0.68%
19	INE075A01022	Wipro Ltd	IT	6331	39.81	0.65%
20	INE029A01011	Bharat Petroleum Corporation Ltd	ENERGY	4649	37.69	0.62%
21	INE213A01029	Oil & Natural Gas Corp. Ltd	ENERGY	11000	33.70	0.55%
22	INE089A01023	Dr.Reddy's Laboratories	PHARMA	873	30.46	0.50%
23	INE101A01026	Mahindra & Mahindra Ltd	AUTOMOBILE	2547	30.25	0.49%
24	INE043D01016	IDFC Ltd	FINANCIAL SERVICES	18072	30.17	0.49%
25	INE481G01011	Ultratech Cement Ltd	CEMENT & CEMENT PRODU	1027	29.56	0.48%
26	INE669E01016	Idea Cellular Ltd	TELECOM	13238	24.36	0.40%
27	INE003A01024	Siemens Ltd	INDUSTRIAL MANUFACTURIN	1443	20.16	0.33%
28	INE160A01022	Punjab National Bank	FINANCIAL SERVICES	13695	19.78	0.32%
29	INE585B01010	Maruti Suzuki India Ltd	AUTOMOBILE	525	19.41	0.32%
30	INE129A01019	Gas Authority of India Ltd	ENERGY	4425	17.16	0.28%
31	INE245A01021	Tata Power Company Ltd	ENERGY	19217	14.82	0.24%
32	INE021A01026	Asian Paints Ltd	CONSUMER GOODS	1801	14.61	0.24%
33	INE158A01026	Hero Motocorp Ltd	AUTOMOBILE	533	14.07	0.23%
34	INE205A01025	Sesa Sterlite Ltd	METALS	7279	13.79	0.23%
35	INE079A01024	Ambuja Cements Ltd	CEMENT & CEMENT PRODU	5146	13.14	0.21%
36	INE256A01028	Zee Entertainment Enterprises Ltd	MEDIA & ENTERTAINMENT	3541	12.10	0.20%
37	INE910H01017	Cairn India Ltd	ENERGY	5642	12.07	0.20%
38	INE012A01025	ACC Ltd	CEMENT & CEMENT PRODU	745	11.64	0.19%
39	INE081A01012	Tata Steel Ltd	METALS	3622	11.47	0.19%
40	INE028A01039	Bank Of Baroda	FINANCIAL SERVICES	6100	9.97	0.16%
41	INE038A01020	Hindalco Industries Ltd.	METALS	6709	8.65	0.14%
Sub Total					2,260.86	36.99%
Total for Equity & Equity Related					2,260.86	36.99%
B) Debt Instruments						
a) Listed / awaiting listing on Stock Exchange						
1	INE694L07032	Talwandi Sabo Power Ltd**	CRISIL AA+	110	1,104.25	18.07%
2	INE296A07948	Bajaj Finance Ltd**	[ICRA]AA+	105	1,067.99	17.47%
3	INE134E07398	Power Finance Corporation Ltd**	CRISIL AAA	99	1,009.14	16.51%
4	INE261F09G00	National Bank for Agricultural & Rural Developmen**	CRISIL AAA	40	405.71	6.64%
5	INE202B07AL6	Dewan Housing Finance Corp Ltd**	CARE AAA	18	199.87	3.27%
Sub Total					3,786.96	61.96%
Total for Debt Instruments					3,786.96	61.96%
C) Money Market Instruments						
a) Reverse Repo / CBLO						
1		CBLO			63.90	1.05%
Sub Total					63.90	1.05%
Total for Money Market Instruments					63.90	1.05%
GRAND TOTAL					6,111.72	100.00%

** Highly traded / liquid securities

