

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 VALUE FUND SR.1 as at 31/03/2015, which comprise the Balance Sheet, the Revenue Account for the period then ended 31/03/2015 and a summary of significant accounting policies and other explanatory information

2. Management's Responsibility for the Financial Statements

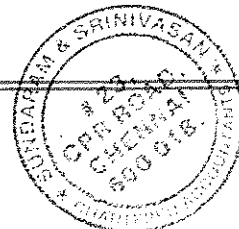
The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Sundaram Mutual Fund SUNDARAM VALUE FUND SR.1 in accordance with the Eleventh Schedule of Securities and Exchange Board of India (Mutual 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 VALUE FUND SR.1 as at 31/03/2015

b. In the case of Revenue Account of the Deficit of Sundaram Mutual fund SUNDARAM VALUE FUND SR.1 for the period 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.

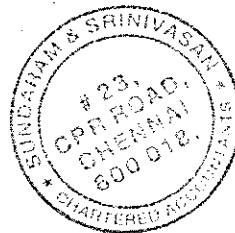
3.a. The accounts have been prepared in accordance with accounting policies and standards as specified in the Ninth Schedule of "The Regulations".

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)

Place : Chennai
Date : 29th June 2015


K.SRINIVASAN
Partner Membership No. 5809



BALANCE SHEET AS AT 31st MARCH, 2015

	SCHEDULE NO.	31-Mar-15
		Rs.
LIABILITIES		
Unit Capital	1	985,470,930
Reserves & Surplus	2	76,080,596
Current Liabilities & Provisions	3	1,783,548
		1,063,335,074
ASSETS		
Investments	4	889,704,902
Other Current Assets	5	173,630,172
		1,063,335,074

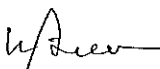
Notes on Accounts

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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 PERIOD FROM 31.12.2014 TO 31.03.2015

	Schedule No.	31.12.2014 TO 31.03.2015	
		Rs.	Rs.
REVENUE			
Dividend		768,637	
Interest	6	6,161,824	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		1,362,016	
TOTAL (A)		8,292,477	8,292,477
EXPENSES			
Realised Loss on Derivative Transactions		2,820,564	
Management fee		2,015,611	
Service Tax on AMC Fees		249,130	
Trusteeship fee		12,974	
Custodian charges		99,804	
Commission to Agents		3,979,803	
Audit fee		22,472	
Other Operating expenses		52,779	
Investor Education Fees		51,897	
TOTAL (B)		9,305,034	9,305,034
SURPLUS / (DEFICIT) (A-B)			(1,012,557)
Surplus /(Deficit) transferred to Balance Sheet			(1,012,557)

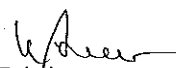
Notes on Accounts

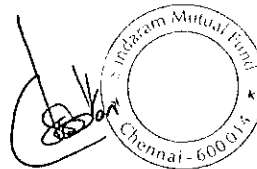
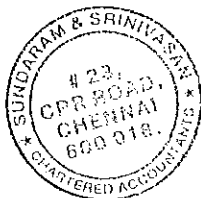
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As per our Report of even date

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	
	Units	Rs.
Initial capital	98,547,093	985,470,930
Unit Capital		
Opening Capital	-	-
Add: Units sold during the Period	98,547,093	985,470,930
Less : Units repurchased during the Period	98,547,093	985,470,930
	-	-
Units at the end of the Period	98,547,093	985,470,930
		985,470,930

SCHEDULE : 2**Reserves & Surplus**

	31/03/2015	
	Rs.	Rs.
General Reserve		
Opening Balance	-	
Add /(Less): Transfer from Revenue Account	(1,012,557)	(1,012,557)
Unrealised appreciation reserve		
Opening Balance	-	
Add/(Less) Net unrealized appreciation for the period	77,093,153	
Unrealised Appreciation Reserve (Schedule 7)		77,093,153
		76,080,596

SCHEDULE : 3**Current Liabilities & Provisions**

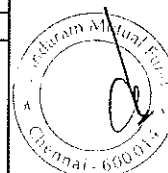
	31/03/2015
	Rs.
Sundry Creditors	1,711,075
Others	72,473
	1,783,548

SCHEDULE : 4**Investments**

	31/03/2015
	Rs.
Equity Shares - Listed	872,201,693
Units of Domestic Mutual Fund	15,007,271
Others - Reverse Repo / CBLO	2,495,938
	889,704,902

**SCHEDULE : 5****Other Current Assets**

	31/03/2015
	Rs.
Balance with banks in Current Accounts	335,677
CBLO Margin Account	111,727
Repo Margin Account	40,591
Derivative option - Premium	173,141,500
Outstanding and accrued Income	677
	173,630,172

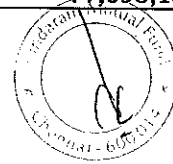


SCHEDULE : 6**Interest**

	31.12.2014 TO 31.03.2015
Description	Rs.
Interest from banks and others	6,161,824
	6,161,824

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

	31/03/2015
Description	Rs.
Appreciation in Value of Investments	
Equity Shares	65,092,913
Units of Domestic Mutual Fund	7,271
MTM Gain on derivative option contracts	11,992,969
Appreciation in value of Investments (Schedule 2)	77,093,153



SUNDARAM MUTUAL FUND
SUNDARAM VALUE FUND SERIES - I
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.

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.

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.

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.

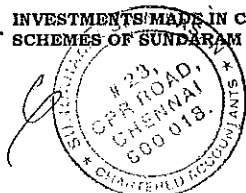
2. INVESTMENT MANAGER FEES

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

Description	31.12.2014 TO 31.03.2015
Average daily net asset value	10,408.25
Management fee @ 0.78% of average daily net asset value.	20.16

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	31.12.2014 TO 31.03.2015
PURCHASE VALUE (AMOUNT)	10,703.41
%	102.84%
SALES VALUE (AMOUNT)	2,492.82
%	23.95%

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	31.12.2014 TO 31.03.2015
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.	-
% to the asset under management	0.00%

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	31.12.2014 TO 31.03.2015
INCOME	3.20%
EXPENDITURE	2.50%

7. CONTINGENT LIABILITY

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

8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	31.12.2014 TO 31.03.2015
Sundaram Finance Ltd (Sponsor)	NIL
Sundaram Finance Distribution Ltd (subsidiary of Sponsor)	NIL
Amount paid to INDUSIND BANK (ASSOCIATE)	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 DETAILS OF DERIVATIVE CONTRACTS OUTSTANDING AT THE YEAR END AND EXECUTED DURING THE PERIOD

Margin account on futures amounting to 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

Full portfolio of the scheme is given in Annexure - III

12 MOVEMENT IN UNIT CAPITAL

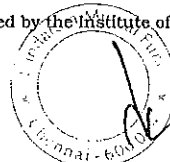
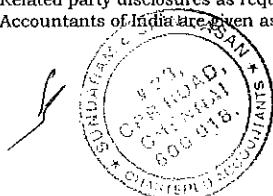
As Per Schedule-I

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 HISTORICAL PER UNIT STATISTICS

		31.12.2014 - 31.03.2015			
		Rs.			
(A)	Gross income				
	(i) income other than profit on sale of investment	0.0703			
	(ii) income from profit on inter scheme sales/transfer of investments	0.0000			
	(iii) income from profit on sale of investment to third parties	-0.0148			
	(iv) transfer to revenue account from past year's reserves				
(B)	Aggregate of expenses, write off, amortisation and charges	0.0658			
(C)	Net income	-0.0103			
(D)	Net unrealised appreciation/(diminution) in value of investments	0.7823			
		Regular Growth	Direct Growth	Regular Dividend	Direct Dividend
(E)	Net Assets Value	10.77200	10.81420	10.77200	10.81420
(F)	Highest repurchase price	NA	NA	NA	NA
	Lowest repurchase price	NA	NA	NA	NA
	Highest ongoing sale price *	10.0000	10.0000	10.0000	10.0000
	Lowest ongoing sale price *	10.0000	10.0000	10.0000	10.0000
(G)	Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage	2.50%			
(H)	Ratio of gross income to average daily net assets by percentage	3.20%			

* includes entry load as applicable

16 Computation of Distributable Income

	31.03.15
	Rs.
Net Income as per revenue account	(1,012,557)
Add : Balance of Undistributed income as at 1st April brought forward	-
	(1,012,557)
Less : Income Distributed during the year	-
Distributable Income	(1,012,557)

17. Since the scheme was launched during the year, previous year figures are not provided.



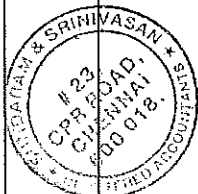
ANNEXURE - II

SUNDARAM VALUE FUND SERIES 1

EQUITY INSTRUMENTS	2014-15
Consumer Durables	10.78%
Pharma	5.55%
Industrial Manufacturing	25.25%
Auto	6.96%
ENERGY	6.05%
Finance	19.47%
Textile	5.34%
Telecom	5.04%
Derivative	
NIFTY OPTION	100.00%
MUTUAL FUND	
FUND OF FUND	100%

ANNEXURE - III

SUNDARAM MUTUAL FUND						
SUNDARAM VALUE FUND - SERIES 1						
Portfolio Statement as at March 31, 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	INE348B01021	Century Plyboards (India) Ltd	CONSUMER GOODS	250000	584.13	5.50%
2	INE040HD1021	Suzlon Energy Ltd	INDUSTRIAL MANUFACTURING	2070000	566.15	5.33%
3	INE317A01028	Shasun Pharmaceuticals Ltd	PHARMA	130000	484.12	4.55%
4	INE707A01012	Vindhya Teletelinks Ltd	TELECOM	86671	439.34	4.13%
5	INE891D01026	Redington India Ltd	SERVICES	319149	418.88	3.94%
6	INE105A01035	Sundaram Clayton Ltd	AUTOMOBILE	21641	402.06	3.78%
7	INE205B01023	Etecon Engineering Company Ltd	INDUSTRIAL MANUFACTURING	600656	400.34	3.77%
8	INE694C01018	Lakshmi Vilas Bank Ltd	FINANCIAL SERVICES	387164	393.36	3.70%
9	INE378D01032	Maducon Projects Ltd	CONSTRUCTION	655622	360.59	3.39%
10	INE121A01016	Chotamandalam Investment and Finance Company Ltd	FINANCIAL SERVICES	60000	353.46	3.33%
11	INE415A01038	HISIL Ltd	CONSUMER GOODS	75100	338.40	3.18%
12	INE774D01024	Mahindra and Mahindra Financial Services Ltd	FINANCIAL SERVICES	132950	337.56	3.18%
13	INE858B01011	ISGEC Heavy Engineering Ltd	ENERGY	6000	337.50	3.18%
14	INE036D01010	Karur Vysya Bank Ltd	FINANCIAL SERVICES	58622	318.85	3.00%
15	INE825A01012	Yardhman Textiles Ltd	TEXTILES	52019	281.66	2.65%
16	INE349A01021	NRB Bearings Ltd	INDUSTRIAL MANUFACTURING	206019	271.02	2.55%
17	INE048G01018	Navin Fluorine International Ltd	CHEMICALS	32074	267.99	2.52%
18	INE177A01018	Ingersoll Rand India Ltd	INDUSTRIAL MANUFACTURING	26000	263.94	2.48%
19	INE457F01013	Satzer Electronics Ltd	INDUSTRIAL MANUFACTURING	100000	233.80	2.20%
20	INE067A01029	Crompton Greaves Ltd	INDUSTRIAL MANUFACTURING	136738	226.99	2.14%
21	INE383A01012	The India Cements Ltd	CEMENT & CEMENT PRODUCTS	208406	179.54	1.69%
22	INE337A01034	LG Balakrishnan and Brothers Ltd	AUTOMOBILE	25813	142.86	1.34%
23	INE647A01010	SRF Ltd	TEXTILES	14332	142.17	1.34%
24	INE628A01036	IPL Ltd	FERTILISERS & PESTICIDES	29299	129.55	1.22%
25	INE621L01012	Texmaco Rail and Engineering Ltd	INDUSTRIAL MANUFACTURING	85838	128.24	1.21%
26	INE878A01011	ALSTOM India Ltd	INDUSTRIAL MANUFACTURING	15347	111.96	1.05%
27	INE498L01015	L&T Finance Holdings Ltd	FINANCIAL SERVICES	169306	106.32	1.00%
28	INE203G01019	Indraprastha Gas Ltd	ENERGY	24397	102.33	0.96%
29	INE565A01014	Indian Overseas Bank	FINANCIAL SERVICES	228915	96.95	0.91%
30	INE503A01015	DCB Bank Ltd	FINANCIAL SERVICES	82750	91.81	0.86%
31	INE220B01022	Kalpataru Power Transmission Ltd	ENERGY	40000	87.78	0.83%
32	INE287B01021	Subros Ltd	AUTOMOBILE	110000	62.48	0.59%
33	INE034A01011	Arvind Ltd	TEXTILES	16024	41.93	0.39%
34	INE716A01013	Whirlpool of India Ltd	CONSUMER GOODS	2444	17.97	0.17%
Sub Total					8,722.02	82.06%
b) Preference / Right Shares						
Sub Total					-	0.00%
c) Warrants						
Sub Total					-	0.00%
d) Derivative						
1		NIFTYOPTION 28-DEC-17-CALL-8300	NIFTY OPTION	95500	1,731.42	16.29%
Sub Total					1,731.42	16.29%
Total for Equity & Equity Related					10,453.43	98.35%
B) Debt Instruments						
a) Listed / awaiting listing on Stock Exchange						
Sub Total					-	0.00%
b) Securitized Debt Instruments						
Sub Total					-	0.00%
c) Govt Security						
Sub Total					-	0.00%



	d) Privately Placed / Unlisted Sub Total		-	0.00%
	Total for Debt Instruments		-	0.00%
	C) Money Market Instruments			
	a) Certificate of Deposits Sub Total		-	0.00%
	b) Commercial Papers Sub Total		-	0.00%
	c) Treasury Bills Sub Total		-	0.00%
	d) Reverse Repo / CBLO CBLO		24.96	0.23%
	Sub Total		24.96	0.23%
	Total for Money Market Instruments		24.96	0.23%
	D) Mutual Fund Units			
	a) Investment in Mutual Fund Units Sundaram Money Fund - Direct Growth Sub Total	508431.489	150.07	1.41%
	E) Others		150.07	1.41%
	a) FDs with Commercial Banks Sub Total		-	0.00%
	b) Primary Market Application Sub Total		-	0.00%
	GRAND TOTAL		10,628.46	100.00%

