



*Sundaram
Asset Management
Company Limited*

*19th Annual Report
2014-2015*

Board of Directors

D N Ghosh	Chairman
S Krishnamurthy	
T T Srinivasaraghavan	
T Anantha Narayanan	
Rishiksha T Krishnan	
T P Raman	
Pratip Chaudhuri	
Harsha Viji	Managing Director

Deputy CEO

Sunil Subramaniam

Subsidiary

Sundaram Asset Management Singapore Pte. Ltd.
(Incorporated in Singapore)

Bankers

AXIS Bank Ltd.
HDFC Bank Ltd.
ICICI Bank Ltd.
IndusInd Bank Ltd
Kotak Mahindra Bank Ltd.
State Bank of India

Auditors

M/s. Brahmayya & Co., Chennai Chartered Accountants

Information Security Assurance Auditors

M/s. Tejas Brainware Systems (P) Ltd., Chennai

Registered Office

No. 21, Patullos Road,
Chennai - 600 002

Corporate Office

Sundaram Towers
II Floor, 46, Whites Road, Chennai - 600 014.
Tel: 28583362, Fax: 28583156

Website : www.sundarammutual.com

Committees

Audit Committee

S Krishnamurthy	Chairman
T Anantha Narayanan	
Harsha Viji	

Executive Committee*

Pratip Chaudhuri
Harsha Viji
T T Srinivasaraghavan
T Anantha Narayanan

Nomination and Remuneration Committee*

T Anantha Narayanan
Harsha Viji
Rishikesh T Krishnan
T T Srinivasaraghavan

Corporate Social Responsibility Committee

T P Raman	Chairman
Rishikesh T Krishnan	
Harsha Viji	

*The meetings of Committee are chaired by non-executive directors on a rotational basis.

Senior Management

Sales and Marketing

Venkatesh P	National Head - Sales
Priya A Kumar	National Head - Distribution
Surendra Singh Yadav	Head - Sales (Institutional Channel)
Amit Kumar Ray	Head -Sales (Delhi & East Region)

Risk Management, Operations, Customer Service & Compliance

Lakshminarayanan Duraiswamy	Chief Operating Officer
T S Sritharan	Chief Financial Officer
Rahul Mayor	Head - Customer Service
P Sundararajan	Company Secretary & Head-Compliance
S Ravi	Vice President - Program Management Office

Investment Management

Krishnakumar S	CIO - Equity
Bharath S	Fund Manager - Equity
Shiv Chanani	Fund Manager - Equity
Madanagopal Ramu	Head - Research & Asst. Fund Manager - Equity
Avinash Agarwal	Asst. Fund Manager - Equity
Dwijendra Srivastava	CIO - Debt
Siddharth Chaudhary	Fund Manager - Fixed Income
Sandeep Agarwal	Fund Manager - Fixed Income
Balaji Vaidyanath N	Vice President & Fund Manager - PMS

Sponsor



SUNDARAM FINANCE

Sundaram Finance Limited

Registered Office: 21, Patullos Road, Chennai 600 002. India

Sundaram Asset Management Company Limited

A subsidiary of



SUNDARAM FINANCE
Enduring values. New age thinking.

Contents

Financial Highlights	4
Directors' Report	5
Auditors' Report	21
Balance Sheet	23
Profit and Loss Statement	24
Notes to the accounts	25
Cash Flow Statement	40
Financial Statements of Sundaram Asset Management Singapore Pte. Ltd for the period ending 31-Mar-2015	i - xii

Financial Highlights

Amount Rs. in crores

Year	Own Funds		Average AUM	PBT	PAT	Dividend %
	Paid-up capital	Free Reserves				
2010-11	15.33	43.94	13,945.54	20.81	13.36	25
2011-12	15.33	51.38	14,226.33	15.52	11.00	20
2012-13	15.33	62.86	13,573.76	24.85	16.86	30
2013-14	15.33	72.75	15,248.25	22.63	15.27	30
2014-15	20.00	114.05	19,511.40	31.93	21.69	30

Report of the Directors

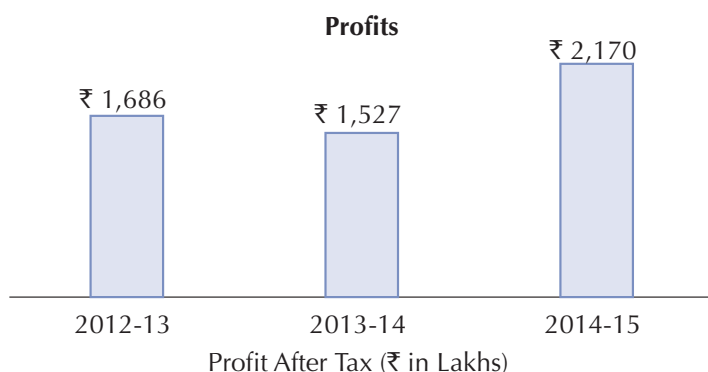
To the Members

Your Directors have pleasure in presenting the Nineteenth Annual Report along with the audited financial statements for the year ended March 31, 2015. The summarised financial results of the Company are given below:

	(Rs in lakhs)	
	For the year ended	
	March	March
	31, 2015	31, 2014
Gross Income	14,983.37	12,406.17
Less: Total Expenses	11,790.37	10,143.27
Profit before Tax	3,193.00	2,262.90
Provision for Taxation	1,023.69	735.80
Profit After Tax	2,169.31	1,527.10
Surplus Brought Forward	5,815.59	4,979.38
Less: Transition provision for depreciation	25.65	-
Amount Available for appropriation	7,959.25	6,506.48
Less : Appropriations		
- Dividend Proposed (Final)	600.00	460.00
- Dividend Distribution Tax	119.97	78.18
- Transfer to General Reserves	217.00	152.71
Surplus carried to Balance Sheet	7,022.28	5,815.59

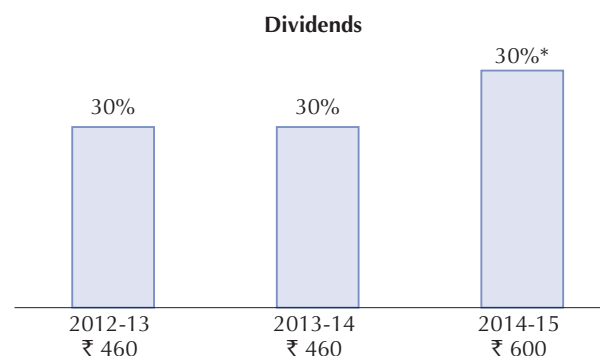
Financial Performance

Your Company earned a total income of Rs. 149.83 Cr. for the year 2014-15 by way of investment management and advisory fees and other income. Current year's income represents an increase of 20.77% over the previous year total income of Rs.124.06 Cr. Your Company reported a profit after tax of Rs.21.69 Cr. for the year compared to Rs.15.27 Cr. in the



previous year and registered a significant growth of 42.05% over the previous year.

Your Directors are pleased to recommend a dividend of Rs. 3.00 per share (30% on the face value of Rs. 10/- per share) for the Financial Year ended 31st March 2015 on the increased paid-up capital of Rs.20 Cr.



*on the increased paid-up capital

Amount ₹ In lakhs

The dividend of Rs. 6.00 Cr. together with dividend distribution tax absorbs a sum of Rs 7.20 Cr. Your company's net worth, after capitalisation of Rs. 31.73 Cr has surpassed Rs.100 Cr. and stood at Rs. 134.05 Cr. as at 31st March 2015.

Share Capital

Your Company had offered 46,66,771 Equity Shares of Rs.10/- each at a premium of Rs.58/- per share (equivalent to book value of the company as on December 31, 2014) to the shareholders of the company to meet the expansion and working capital requirement. Sundaram Finance Ltd has subscribed to its full entitlement of rights shares of Rs. 31.73 Cr. After the rights issue, the paid up capital of your company is increased to Rs. 20 Cr.

Global

2014-15 has been a very eventful year across the globe for politics, economy and the financial markets. On the political front, the year saw a resounding victory for the National Democratic Alliance (NDA) in India. The year witnessed significant geo-political uncertainty on account of Russia's annexation of Crimea and Russian rebel takeovers in eastern Ukraine, to which the western world reacted by two levels of sanctions against the country. Islamic State of Iraq and the Levant (ISIS) advances into Iraq and Saudi attacks in Yemen against the Shiite rebels were also important milestones. The

possibility of Greek Debt default and fluctuations in oil price added to market volatility.

The global economy saw shifts in its underlying macro variables. The globe saw a sharp downward revision in growth by the IMF to 3.5% and an over-supply in oil led to a sharp drop in Brent crude that fell to as low as \$45/barrel from highs of \$115/barrel. This led to a significant impact on the revenues of all oil-exporting countries that saw a large depreciation in their currencies and their credit ratings. The oil drop along with commodity softness trickled down into falling inflation headlines across the globe. Most central banks responded by cutting their policy rates. The year saw the US Dollar at a multi-year high, the Euro and the Japanese Yen at a multi-year low and their respective markets at all-time highs. While all year through the US reflected broad strength in its macro, the European economy started showing signs of a recovery, after its Quantitative Easing (QE) announcement. The year witnessed large central banks entering divergent monetary policies, causing volatility in the bond market. While the Federal Reserve officially ended its QE program, the Bank of Japan (BoJ) and the ECB conducted QE programs. The year ended on expectations around U.S and European growth revivals.

India

The Indian economy started the year with a decisive mandate given to the BJP by the Indian voters. The NDA coalition was able to secure 330 seats, 20% more than the opinion poll projections at that time. This was followed by a number of reform announcements that kept the political and financial market expectations high. The Government hit political roadblocks, some of which still exist. While the Government was widely regarded to possess the required motivation and intent to focus on India's growth, there was also recognition of a certain skill deficit in the centre. The scorecard of the Government has so far been mixed.

The formation of a new Government also coincided with a gradual recovery of India's business cycle. India's GDP grew to 7.3% in FY15 from a 6.9% print in FY14. This growth was led mainly by a pickup in investment and consumption growth, despite the negative impact of a poor and unseasonal monsoon during the year. The Government over-achieved its fiscal goals and commitment to significant consolidation, taking the fiscal deficit for FY15 down to 4%, from 4.4% in FY14. While this consolidation acted as a drag on GDP growth to an extent, it

greatly helped the RBI in its effort to keep inflation low. The sharp drop in crude prices came as a blessing for India and helped bring down inflation.

The Consumer Price Index (CPI) declined to 5.9% for FY15 from 10% in FY14 and the Wholesale Price Index (WPI) dropped by two thirds to 2% in FY15 from 6% in FY14. As a result, the RBI achieved its January 2016 inflation target of 6%, a year in advance. This helped them to ease policy rates by 50 bps in FY15 and exert pressure on the commercial banks to follow suit. While the fall in oil prices helped the Government to de-regulate petrol and diesel, they also helped in bringing down India's Current Account Deficit (CAD) to 1.4% of GDP in Q3 FY15 from 2.6% in Q3 FY14. This comfort reflected in a muted depreciation in the Rupee against the Dollar at 1%, averaging 61.15 for the year. The growth recovery was also reflected in industrial production that saw a growth of 2.8% in FY15 over a contraction of (0.1)% in FY14.

Mutual Fund Industry-Broad Trends

The Gross mobilization by the industry, excluding liquid schemes, for the year was Rs.6,80,995 Cr. as against Rs. 6,69,554 Cr., in the previous year, registering a marginal growth of 1.71%. The industry witnessed a gross redemption of Rs. 5,87,488 Cr. (excluding liquid schemes), leading to a net new cash (excluding liquid schemes) of Rs. 93,507 Cr. when compared to Rs. 29,684 Cr in 2013-14.

The total assets managed by the industry comprising 46 mutual fund houses (including fund houses setup for launching infrastructure debt funds) as at March 31, 2015 was Rs. 10,82,757 Cr., an increase of 31.21% from the previous year's figure of Rs. 8,25,240 Cr.

Sundaram Mutual Fund-Performance

In 2014-15, Sundaram Mutual Fund schemes mobilized a sum of Rs. 13,336 Cr., excluding liquid schemes, compared to Rs. 13,579 Cr. in 2013-14. This represents a marginal decline of 1.79%, when compared with the previous year's collections. The gross redemption from Sundaram Mutual schemes was Rs. 14,383 cr. (excluding liquid schemes) in 2014-15, as against the previous year's redemption amount of Rs. 12,472 Cr., (excluding liquid schemes) representing an increase of 15.32%. The Net outflow (without liquid schemes) during the year 2014-15 was Rs.1,047.00 Cr. When compared to Net Inflow (without liquid schemes) of Rs. 1,108.00 Cr. in 2013-14.

The average Assets under Management of Sundaram Mutual

Fund for the year under review was Rs. 19,511.40 Cr., when compared to Rs. 15,248.25 Cr. recorded in the previous year ended March 31, 2014, an increase of 27.96% over the previous year. The AUM of Sundaram Mutual Fund schemes as at March 31, 2015 was Rs. 19,116.18 Cr. when compared to Rs. 15,193.17 Cr. as at March 31, 2014, representing a growth of 25.83% over the previous year. On year end figure the closing AUM of Sundaram Mutual Fund Schemes represents a share of 1.77 % of the Industry AUM of Rs 10,82,757 Cr.

During the year under review, Sundaram Mutual Fund had launched 27 schemes (comprising 7 fixed term plans, 2 hybrid funds, 17 close-ended equity schemes and 1 open-ended debt scheme) thereby mobilizing Rs. 1,381.10 Cr. The successful launch of 17 close-ended equity schemes in series (Sundaram Select Small cap, Sundaram Microcap, Sundaram Top 100, Sundaram Value Fund, Sundaram World Brand Funds and Sundaram Long Term Advantage), has resulted in mobilizing a sum of Rs. 1,017 Cr. of stable long term money and clocked an impressive market share of more than 6% in equity NFOs during the year.

Portfolio Management and Advisory

The Sundaram Portfolio Management division recorded a new milestone in discretionary and advisory services with an AUM of Rs.1,135 Cr. for the year 2014-15, when compared to Rs. 381 Cr. recorded in the previous year, an increase of nearly 300%. The strategies of PMS under discretionary segment have shown consistent performance during the year. Your Company has secured the renewal of the PMS license from Securities and Exchange Board of India for a further period of three years.

Sundaram Asset Management Singapore Pte. Ltd. (SAMS)

SAMS, your company's subsidiary launched its first scheme "Sundaram India Midcap Fund" in July 2014 and garnered a sum of Rs.62.27 Cr. and therefore started generating revenues. The current AUM managed by SAMS is Rs.174.44 cr (SGD 371.15 lakhs). SAMS reported a loss of SGD 16.02 lakhs (Rs.7.55 Cr.) for the year ended 31st March 2015. Your Company made further investment of SGD 15,55,000 (Rs.7.57 Cr.) in the share capital of SAMS, to meet their business expansion plans and working capital requirements. With this investment the paid up share capital of the subsidiary was increased to SGD 47,30,001 (Rs.22.29 Cr.).

Fund Performance

The schemes of Sundaram Mutual Fund achieved significant performance during the year. Some of the highlights are given

hereunder:

- Sundaram SMILE fund was ranked as #1 equity fund in the country recording 105.60% on a one year basis for the financial year 2014-15. The fund has also secured the following recognitions from leading financial newspapers:
 - o The fund was ranked as #1 equity fund by Financial Express in the mid and small cap category posting 104.82% on one year return basis for the period ended December 30, 2014.
 - o The fund was also ranked #1 in the best five equity funds of the year 2014 by Economic Times.
 - o Sundaram SMILE fund was also ranked among top 5 funds in terms of SIP returns on a ten-year period by ET Wealth.
- Sundaram Select Midcap was ranked as #1 equity scheme in the country recording 21.90% of annualized return on a 10 year basis. The fund also secured the following recognitions from leading financial newspapers and independent agencies:
 - o The scheme was also ranked as #1 equity scheme ET Wealth based on its ten year SIP annualized returns of 19.42%.
 - o Value Research had assigned "Silver" rating to the fund on completion of twelve years of operations on July 2014.
- The following schemes of Sundaram Mutual Fund have secured the Best Fund awards for 2014 from LIPPER, an independent rating agency.
 - o Sundaram Select Midcap
 - o Sundaram Global Advantage
 - o Sundaram Select Debt Short Term Asset Plan
 - o Sundaram Gilt Fund
- Sundaram Money Fund and Sundaram Gilt Fund enjoys Five Star rating by Value Research and Sundaram Select Debt Short Term Asset Plan secured No.1 rank in Debt short term category by CRISIL.

Equity oriented schemes of Sundaram Mutual distributed 37 dividends aggregating to Rs. 342 Cr. thereby benefiting 3,37,570 investors.

Sundaram Mutual schemes have been distributed through 32,036 dedicated distributors' network. During the year under review 2,209 new distributors were empanelled.

Sundaram Mutual schemes enrolled 57,362 fresh Systematic Investment Plans (SIP) during the year.

Your Company has carried out customer satisfaction survey periodically with a view to improve the investor service standards. The survey results indicate significant improvement in the customer satisfaction about Sundaram Mutual Fund schemes.

Investor Education Initiative

During the year, your Company continued its investor awareness initiatives in the adopted ten districts namely Cuddalore, Dindigal, Karur, Nagapattinam, Namakkal, Sivagangai, Theni, Vellore, The Nilgiris and Thoothukudi in Tamilnadu out of the total number of 186 districts adopted by the industry. Your Company has been taking active steps including conducting financial literacy campaign in the adopted districts for reaching out to potential investors.

As a part of supporting financial literacy programme, Your Company has entered into an MOU with GRG School of Management Studies, Coimbatore for imparting advanced management studies in financial services.

The company has also conducted 65 Investor Awareness Programs (IAP) in 40 centers of which 33 centres are located in B15 cities. A sum of Rs.4.87 crores has been spent towards activities on investor education campaign.

Your Company has a total of 42 branches and opened 19 Customer Outreach Centres during the year. Total number of Branches and the Customer Outreach centres at the year-end was 61 of which 47 are located outside the Top 15 cities as defined by SEBI.

SEBI has been taking various initiatives to improve the investor services and to create awareness among investors by bringing out suitable regulations. Your Directors welcome all the measures taken by SEBI in this direction and reiterate their commitment to ensure that investors' interests are adequately safeguarded.

Regulation

Your company continues to satisfy the minimum networth criteria of Rs.50 cr prescribed SEBI. The networth as on 31st March 2015 is Rs.134.05 Cr.

The Sponsor, M/s.Sundaram Finance Limited has invested a sum of Rs.10.70 Cr. towards the seed capital in the open ended schemes of Sundaram Mutual Fund during the year, as per SEBI requirement.

SEBI appointed auditors have conducted detailed inspection of the accounts and records of the mutual funds for the period from 1st February 2013 to 31st March 2014 and submitted their report. Your Directors wish to state that there are no significant observations made by the inspection team.

As always, your company complied with SEBI (Mutual Funds) Regulations, 1996.

Risk management

The Company has a well-established Enterprise Risk Management (ERM) framework and the risk management department monitors the risks, with main emphasis on investment risks and due focus on operational risks. The core of the ERM framework consists of internal risk control guidelines and policies, risk monitoring and control tools, risk reporting and exception handling mechanisms. The investment and operational risk parameters are tracked regularly to ensure adherence to the risk norms, limits and policies. The company has framed equity and fixed income risk guidelines, Derivatives Policy, Inter Fund Transfer Policy, Trade Execution and Allocation Policy, Outsourcing Policy, IT Security policy etc.

Risk Control and Mitigation mechanisms are constantly reviewed for their effectiveness and practicality and suitable changes are introduced to dynamically adapt them to changing business environment. The Risk Management Team currently consists of a Senior Manager, a credit analyst and a risk analyst and reports to Chief Operating Officer and the Investment Committee. The overall functioning of Risk Management team is governed by the mandate provided by the Audit Committee and the Board. As part of Risk management process your Company engaged an independent chartered accountant for a detailed review of Compliance and Risk based rules embedded in the Bloomberg Trade Order System. The Auditor after review expressed his satisfaction about the overall effectiveness in monitoring the compliance of various regulatory and risk based rules in the system.

The reports of the internal auditor and independent auditor of the schemes relating to the financials and operations of the Company and schemes were reviewed by the Audit Committee which oversees Risk Controls in the system.

Internal Control System and Adequacy

The Company has adequate internal control systems commensurate with nature and size of the business activity with regard to efficiency of its operations, financial reporting,

compliance with applicable laws and regulations, etc., The internal control systems have been designed to ensure that all assets are safeguarded and protected against any loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported correctly. The Company carries out extensive and regular internal control programs, policy reviews, guidelines and procedures to ensure that the internal control systems are adequate enough to protect the Company against any loss or misuse of the Company's assets.

The internal control system is supplemented by audits conducted by the Internal Auditors. The Audit Committee of the Board of Directors reviews the reports of the Auditors at their periodical meetings.

Economic Outlook

The Government is pushing ahead with its growth agenda and making efforts to deepen Centre-State relations. The adoption of the 14th finance commission recommendations is a move in that direction. The Government is in the process of reforming the system of subsidies and is committed to fiscal consolidation. A slow domestic recovery would test the Government's resolve on reform and fiscal consolidation, but we expect the Government to hold their ground and not turn populist. While the Government's passing of The Insurance Laws Amendment Bill 2015, The Coal Mines (Special Provisions) Bill 2015 and the Mines & Minerals (Development and Regulation) Amendment Bill 2015 are structurally positive steps, the passing of the Goods and Services Tax (GST) Bill 2015 and the Land Acquisition Bill 2015 would bring further impetus to the economy.

India may see Government capex investments this year, with nearly 30% of its central plan focused around Roadways and Railways. Capital goods production is beginning to see healthy growth. The RBI's rate cuts are also gradually getting transmitted into lower lending rates. Along with lower rates, lower input costs would help corporate margins going forward.

Risks exist to the domestic growth story. While a number of indicators indicate a gradual uptick in growth, leading indicators continue to remain subdued. Credit growth in India is yet to see a turn around. The pace of growth and investment appear slow. A poor monsoon during the year could exert pressure on inflation and reduce the RBI's room to cut rates. This would then have a circular impact on the country's growth, pushing back the recovery by a few quarters.

The proposal in the Finance Act to bring the mutual fund

distributors and financial advisors under the service tax net prove negative for the distributors who work at a thin margin. This will also impact the earnings of the distributors and AMC's share of retention.

Sundaram Mutual Funds created significant values for investors. The fund house is known for its distinctive customer service. Apart from delivering hard numbers like fund returns, the company continues to build stronger relationships with investors.

Your Company continues to make investment in enhancing its research, fund management capability and customer service. By adopting suitable marketing and distribution strategies. Your Company is confident of posting a reasonable growth in AUM in the coming years.

Board of Directors

The Board of Directors of the company is vested with general power of superintendence, direction and management of the affairs of the Mutual Fund. Sundaram Asset Management Company acts as the Investment Manager of the Schemes of the Mutual Fund. The Board of Directors monitor and review the functions of the Asset Management Company in order to ensure that it fulfils the tasks assigned to it under the investment management agreement and complies with SEBI Regulations and other laws in force. During the year under review, six Board Meetings were held.

At the EGM held on 30th March 15, the members appointed Mr. T.Ananthanarayanan and Mr. Rishiksha T. Krishnan as independent directors of the Company for a period of five years. Mr. Pratip Chaudhuri, MBA., CAIIB has been appointed as an independent director on the Board of the Company with effect from 3rd February 15, for a period of five years. Mr. Pratip Chaudhuri, a former Chairman of State Bank of India (SBI), has held senior positions in SBI and its associates. He also functioned as Chief Investment Officer in SBI Mutual Fund for a brief period.

Mr D N Ghosh stepped down as the Chairman and Director of the Company on 6th May 2015. Mr Ghosh was closely associated with SF Group and your company since its inception. His bold vision and strategic leadership and commitment to the Company helped guide your company's growth. He was a member of the Remuneration Committees. Your Directors place on record the debt the Company owes to Mr. Ghosh for his visionary leadership, strategic direction and stewardship.

Mr. T P Raman stepped down as a director of the Board on 6th May 2015. Mr. Raman has also been closely associated with your Company since inception and was a Managing Director of the Company till June 2012. Your directors place on record the noteworthy contribution made by Mr. Raman to the growth of your company during his tenure. He will continue to be a Non-Executive Director of your Company's subsidiary Sundaram Asset Management Singapore Pte. Ltd.

Mr Prartip Chaudhuri has been appointed as the Chairman of the Board with effect from 6th May 2015. Your Directors welcome him on the Board.

Mr. T.T. Srinivasaraghavan, retires at the ensuing General Meeting and being eligible, offers himself for re-appointment. A resolution is submitted for your approval.

Tribute - Mr. Ashoke Bijapurkar



The Board of Directors noted with grief the passing away of Mr. Ashoke Bijapurkar on 11th February 2015. Mr. Ashoke was on the Board of the AMC since March 2003 and a member of its Products and Strategy committee, Executive Committee and Nomination & Remuneration Committee.

Your Directors remembered his long association with the Company and the mutual fund and recorded their appreciation of his immense contribution and valuable services to the growth of the Company and the mutual fund.

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director as required to be given under Section 149(7) of the Companies Act, 2013 of having satisfied the independence criteria as set out in Section 149(6) of the Act.

Meeting of Independent Directors

The Independent Directors of the Company met during the year and reviewed the performance of the Board as a whole.

Board Committees

1. Audit Committee

The Audit Committee considered the internal audit plans, financial statements, adequacy of internal control systems. The Committee reviewed the reports, the observations of the internal / external auditors and the responses of the management on the reports. The Committee also reviewed the reports presented by the risk management team.

2. Executive Committee

This committee looks into investment strategy, fund performance and fund management guidelines for new products. Its scope includes review of the business plan of the company, performance of funds and the company, human resource policy and strategy and making recommendation to the Board for taking appropriate decisions.

3. Nomination and Remuneration Committee

The Committee has been constituted pursuant to Section 178 of the Companies Act, 2013. In accordance with the mandate, the Committee had formulated the criteria for determining qualifications, positive attributes and independence of a director and recommended to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees, which is specified vide Annexure I.

The Committee recommended to the Board the appointment and re-appointment of independent directors and defined the criteria to carry out evaluation of director's performance.

The Committee evaluated the performance of Key Management Personnel and approved their remuneration.

4. Corporate Social Responsibility Committee (CSR)

In terms of Section 135 of the Companies Act, 2013, the particulars such as composition, CSR Policy and report on the CSR activities are set out in the prescribed format vide Annexure II.

The members of Board committees and number of meetings held during the year 2014-15 are set out vide Annexure III.

Public Deposits

Your company has not accepted any deposits from the public.

Extract of Annual Returns

The extract of the annual return pursuant to Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached vide Annexure IV.

Personnel

Your Company had 267 employees on its rolls as on 31st March 2015. During the year, your Company had carried out various employee engagement activities and welfare measures.

Particulars of Employee Remuneration

Particulars of employee remuneration pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in the Annexure V to the Directors' Report. Any shareholder interested in obtaining a

copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

Disclosure under the Prevention of Sexual Harassment of Women at Workplace Act, 2013.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Act. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. There was no complaint received during the year 2014-15.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014

(a) Conservation of Energy and Technology Absorption:

Your Company has achieved substantial savings in energy consumption and heat reduction by consolidation of servers, network and server virtualisation.

(b) Foreign Exchange Earnings and Outgo:

During the year 2014-15, foreign exchange earnings was Rs. 1.84 Cr. (2013-14: Rs.0.42 Cr.) and foreign exchange outgo during the year was Rs. 4.27 Cr. (2013-14: Rs. 2.54 Cr.)

Particulars of loans, guarantee and investments pursuant to Section 186 of the Companies Act, 2013

Your Company has not given any loan or guarantee to any person or body corporate. The investment in the shares of Sundaram Asset Management Singapore Pte. Ltd. is disclosed in the report separately. Your company had also subscribed to the 50,000 shares of Rs.10/- each of MF Utility Services Ltd, a company formed for establishing a common platform to facilitate investments across all fund houses.

Particulars of Related Party Transactions pursuant to Section 134(3)(h) of the Companies Act, 2013

There have been no materially significant related party transactions except those at arm's length in the ordinary course of business. All such transactions were reviewed and taken on record by the Audit Committee.

The disclosure as required by the Accounting Standard 18 (AS 18) issued by the Institute of Chartered Accountants of India has been made in the Annual Report.

The Directors' responsibility statement pursuant to Section 134 3 (c) of Companies Act, 2013

Your directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
3. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The directors had prepared the annual accounts on a going concern basis;
5. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors

M/s. Brahmayya & Co. Chartered Accountants, Chennai, Statutory Auditors of your Company will hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. The Company has received a certificate from them pursuant to Section 139 confirming their eligibility under section 141 of the Companies Act, 2013 and rules issued thereunder.

Acknowledgement

Your Directors wish to place on record their deep appreciation for the professional support and guidance received from the Trustees of Sundaram Mutual Fund and the Sponsors – Sundaram Finance Limited.

Your Board of Directors also thanks the Securities and Exchange Board of India, Monetary Authority of Singapore, Association of Mutual Funds of India, the Company's bankers and other intermediaries for their unstinting support.

Your Directors place on record their deep appreciation for the dedication and commitment displayed by the employees of your Company.

For and On behalf of the Board of Directors

Date: May 6, 2015

Place: Chennai

Pratip Chaudhuri

Chairman

Disclosure pursuant to Section 134 (3) (e) read with Section 178 (3) of the Companies Act, 2013

I. Policy on directors' appointment including criteria for determining qualifications, positive attributes and independence of a director

a. Directors: Section 164 of the Companies Act, 2013 states disqualifications for appointment of any person to become Director of any Company. Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

b. Independent Directors: For appointing any person as an Independent Director he/she should also possess qualifications as mentioned in Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014 which states the following:

An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

In addition, the director should satisfy the independence criteria as laid down in section 149(6) of the Act and SEBI (Mutual Funds) Regulations, which states the following :

The independent directors on the Board of the AMC shall not be associate of, or associated in any manner with, the sponsor or any of its subsidiaries or the trustees

c. Positive Attribute: A Director of the Company shall be a person of integrity and shall possess the ability, relevant expertise, experience and qualifications required to effectively discharge his/her duties as a Director.

II. Remuneration Policy

A. Executive and Non-Executive Directors

The Managing Director is appointed by the shareholders at a general meeting. The terms and conditions of appointed have been approved by the members at a general meeting. In terms of the appointment, his remuneration has been borne by the holding company as such he is not drawing any remuneration from the company.

A sitting fee of Rs.10,000/- for attendance at each meeting of the Board, Audit Committee, Executive Committee, Nomination and Remuneration Committee

and Corporate Social Responsibility Committee are being paid to each member of the Board / Committee (excluding to Directors of the holding Company). The Company also reimburses expenses to Directors attending meetings held at the Registered office other than the one in which the Directors reside.

The remuneration by way of Commission to the non-executive directors (other than Directors of the holding Company) shall be decided by the Board of Directors and distributed to them every year.

In terms of the resolution passed by the Members at the Annual General Meeting held on 30th June 2014, the Board may decide the payment of remuneration by way of commission to the Non whole-time directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company for a period of 5 years.

B. Key Managerial Personnel

The remuneration of the Key Managerial Personnel of the Company, (other than Managing Director) is reviewed and recommended by the Nomination and Remuneration Committee, based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organizations. The Company pays remuneration by way of salary, perquisites and allowances (fixed component), performance bonus (variable components) to its KMP. Annual increase in remuneration of the key personnel is decided by the Nomination and Remuneration Committee within the salary scale approved by the Members and is effective from April 1, every year.

C. Other employees

The remuneration of other employees mainly consists of basic remuneration, perquisites, allowances and performance Bonus. The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by them, their individual performances, etc. The annual variable pay of Key personnel is linked to the Company's performance in general and their individual performance for the relevant year which is measured against a review of specific performance areas that are closely aligned to the Company's objectives.

Sl.no	CSR Requirements	Particulars
1	A Brief outline of Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	The Company's CSR policy envisages a number of community focused activities in the areas of education, healthcare and preservation of country's rich culture and heritage. The CSR activities would be carried out through: a. Collaboration with group or other companies undertaking projects/programs in CSR activities; b. Contribution / donation made to such other Organisation/Institutions as may be permitted under the applicable laws from time to time; The company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the website at the following link http://www.sundarammutual.com/pdf2/2015/AMC_CSR_Policy.pdf
2	The Composition of CSR Committee	Mr. T. P. Raman - Chairman* Mr. Rishiksha T. Krishnan - Member Mr. Harsha Viji - Member
3	Average net profit of the company for the last three financial years	Rs. 2097.67 lakhs
4	Prescribed CSR expenditure (two percent of the amount as in item 3 above)	Rs.41.95 lakhs
5	Details of CSR spent during the financial year (a) Total amount to be spent for the financial year: (b) Amount unspent, if any: (c) Manner in which amount spent during the financial year:	Rs. 42 lakhs Rs. 13 lakhs Rs. 29 lakhs - Refer Annexure IIA for details
6	In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report	As per the policy, the Company intends to spend the eligible amount amongst various projects under CSR policy. During the year, the company spent 70% of the eligible amount towards health care and social welfare. The Company is under the process of identifying other suitable projects.

* Mr. T P Raman, Chairman-CSR Committee, resigned from the Board w.e.f. May 05, 2015

Responsibility Statement: The implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

Chennai
06 May 2015

Harsha Viji
Managing Director
Member-CSR Committee

Rishiksha T Krishnan
Member-CSR Committee

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. no	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs: (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads; (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Prime Ministers National Relief Fund - Flood Relief Fund	Relief and welfare	J&K	Rs. 5 Lakhs	Rs. 5 Lakhs	Rs. 5 Lakhs	Direct
2	Livelihood enhancement projects, promoting education, employment and enhancing vocation skills among children, women and differently abled.	Education, Healthcare and employment	Tamil Nadu	Rs. 1 Lakh	Rs. 1 Lakh	Rs. 1 Lakh	United Way of India
3	Improving patient care and expansion of hospital space and infrastructure	Healthcare	Tamil Nadu	Rs. 23 Lakhs	Rs. 23 Lakhs	Rs. 23 Lakhs	Sundaram Medical Foundation
	Total			Rs. 29 Lakhs	Rs. 29 Lakhs	Rs. 29 Lakhs	

Board Committees

Annexure III

Name of the Committee	Members of the Committee	No. of Meetings held during 2014-15
Audit Committee	Mr. S. Krishnamurthy Mr. T. Anantha Narayanan Mr. Harsha Viji	Five
Executive Committee	Mr. T. T. Srinivasaraghavan Mr. Ashoke Bijapurkar (up to 11.2.15) Mr. T. Anantha Narayanan Mr. T.P. Raman (up to 25.3.15) Mr. Harsha Viji Mr. Pratip Chaudhuri (w.e.f 25.03.15)	Nil
Nomination and Remuneration Committee	Mr. T. Anantha Naryanan Mr. T. T. Srinivasaraghavan Mr. Ashoke Bijapurkar (up to 11.2.15) Mr. Harsha Viji Mr. Rishikesha T Krishnan (w.e.f. 25.03.15)	Two
Corporate Social Responsibility Committee	Mr. T.P. Raman Mr. Rishkesha T. Krishnan Mr. Harsha Viji	One

Form No. MGT 9
Extract of Annual Return

as on the financial year ended on 31st March 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i) C I N	:	U93090TN1996PLC034615
ii) Registration Date	:	26-Feb-96
iii) Name of the Company	:	M/s. Sundaram Asset Management Company Limited
iv) Category / Sub-category of the company	:	Public Company / Company having share capital
v) Address of the Registered office and contact details	:	21 Patullos Road, Chennai 600 002. Contact Details: 044-28583362; Email ID: sundararajan@sundarammutual.com
vi) Whether listed company	:	No
vii) Name, address and contact details of Registrar and Transfer agent, if any	:	Cameo Corporate Services Ltd., Club House Road, Chennai 600002.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No	Name & description of main products / services	NIC Code of the product/ services	% to total turnover of the company
1	Investment Management and Advisory Services	93090	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and address of the company	CIN/GLN	Holding/Subsidiary/Associate	% of shares Held	Applicable Section
1	Sundaram Finance Limited, 21, Patullos Road, Chennai 600002.	L6519TN1954P LC002429	Holding Company	100%	Sec. 2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

Category of Shareholders	No of Shares held at the beginning of the year				No of shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A) Promoter									
1) Indian									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	78,18,229	75,15,000	1,53,33,229	100%	1,24,85,000	75,15,000	2,00,00,000	100%	Nil
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total A(1)	78,18,229	75,15,000	1,53,33,229	100%	1,24,85,000	75,15,000	2,00,00,000	100%	Nil
2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub Total A(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of promoter (A) = A(1) + A(2)	78,18,229	75,15,000	1,53,33,229	100%	1,24,85,000	75,15,000	2,00,00,000	100%	-

B) Public Shareholding									
1. Institutions		-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i) Others(Specify)	-	-	-	-	-	-	-	-	-
Sub Total B(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual share- holders holding nominal share cap upto Rs. 1 Lakh	-	-	-	-	-	-	-	-	-
ii) Individual share- holders holding nominal share cap in excess of Rs. 1 Lakh	-	-	-	-	-	-	-	-	-
c) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub Total B(2)	-	-	-	-	-	-	-	-	-
Total Public Share Holding (B) = B(1) + B(2)	-	-	-	-	-	-	-	-	-
C) Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A) + (B) + (C)	78,18,229	75,15,000	1,53,33,229	100%	1,24,85,000	75,15,000	2,00,00,000	100%	-

ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1	Sundaram Finance Limited	1,53,33,229	100%	Nil	2,00,00,000	100%	Nil	Nil

iii) Change in Promoter's Shareholding(Please specify, if there is no change)

Sr.No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	Sundaram Finance Limited				
	At the beginning of the year:	1,53,33,229	77%	1,53,33,229	77%
	Allotment of shares on rights basis to the promoter made on March 30, 2015:	46,66,771	23%	2,00,00,000	100%
	At the end of the year	-	-	2,00,00,000	100%

iv) Shareholding pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr.No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
	For Each of the Top 10 Share Holders				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise / increase Decrease in Promoter Share holding during the year specifying the reasons for increase / decrease (e.g Allotment / Transfer/Bonus/ sweat equity)	Nil			
	At the End of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil

v) Shareholding pattern of Directors and Key Managerial Personnel

Sr.No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
	For each of the directors and KMP				
	At the beginning of the year				
	Date wise increase / Decrease in Promoter Share holding during the year specifying the reasons for increase / decrease (e.g Allotment / Transfer/Bonus/ sweat equity)	Nil			
	At the End of the year	Nil	Nil	Nil	Nil

V) Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Rs. In lakhs)

Sr.No.		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year	-	-	-	-
	i) Principal Amount	-	-	-	-
	ii) Interest due but not paid	-	-	-	-
	III) Interest accrued but not due	-	-	-	-
	Total (i)+(ii)+(iii)	-	-	-	-
	Change in Indebtedness during the financial year				
	- Addition	4,000.00	-	-	4,000.00
	- Reduction	603.03	-	-	603.03
	- Net Change	3,396.97	-	-	3,396.97
	Indebtedness at the end of the financial year				
	i) Principal Amount	3,396.97	-	-	3,396.97
	ii) Interest due but not paid	-	-	-	-
	III) Interest accrued but not due	-	-	-	-
	Total (i)+(ii)+(iii)	3,396.97	-	-	3,396.97

VI) Remuneration of Directors and Key Managerial Personnel.

a) Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1	Gross Salary a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	Nil	
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961		
	c) Profits in Lieu of salary under section 17(3) Income tax Act, 1961.		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of Profits		
5	Others, Please specify		
	Total (A)		
	Ceiling as per the Act		

b) Remuneration to Other Directors

Sl. No	Particulars of Remuneration	Name of Directors								Total Amount
		Mr.D.N. Ghosh	Mr. S. Krishnamurthy	Mr. T. Ananathanayanan	Mr. Ashoke Bijapurkar	Mr.T.P. Raman	Mr.Rishiksha T. Krishnan	Mr. Pratip Chaudhuri	Mr.T.T. Srinivasaraghavan	
1	Independent Directors - Fee for attending board / Committee meetings - Commission - Others, Please Specify Total (1)	- - - -	1,00,000 3,00,000 - 4,00,000	1,50,000 3,00,000 - 4,50,000	50,000 3,00,000 - 3,50,000	- - - -	70,000 3,00,000 - 3,70,000	30,000 3,00,000 - 3,30,000	- - - -	4,00,000 15,00,000 - 19,00,000
2	Other Non-Executive Directors - Fee for attending board / Committee meetings - Commission - Others, Please Specify Total (2) Total (3) = 1 + 2	50,000 3,00,000 - 3,50,000 3,50,000	- - - - 4,00,000	- - - - 4,50,000	- - - - 3,50,000	10,000 3,00,000 - 3,10,000 3,10,000	- - - - 3,70,000	- - - - 3,30,000	- - - - -	60,000 6,00,000 - 6,60,000 25,60,000
3	Total Managerial Remuneration Overall Ceiling as per the Act	3,00,000	3,00,000	3,00,000	3,00,000	3,00,000	3,00,000	3,00,000	-	21,00,000 32,12,50,782

c) Remuneration to Key Managerial Personnel other than MD/Manager / WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel				
		CEO	Dy.CEO	Company Secretary	CFO	Total
1	Gross Salary					
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	1,27,47,000	32,38,620	30,07,903	1,89,93,523
	b) Value of Perquisites u/s Section 17(2) of the Income Tax Act, 1961	-	99,000	28,800	37,077	1,64,877
	c) Profits in Lieu of salary under section 17(3) Income tax Act, 1961	-	65,00,000	4,41,000	7,30,000	76,71,000
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of Profits	-	-	-	-	-
5	Others, Please specify	-	-	-	-	-
	Total (A)	-	1,93,46,000	37,08,420	37,74,980	2,68,29,400

VII. Penalties/ Punishment/Compounding of Offences

Type	U/s of the Companies Act	Brief Description	Details of Penalty / Punishment/Compounding Fees Imposed	Authority [RD/NCLT/Court]	Appeal Made, if any
A. Company Penalty Punishment Compounding					
B. Directors Penalty Punishment Compounding			Nil		
c. Other Officers at Default Penalty Punishment Compounding					

INDEPENDENT AUDITOR'S REPORT

To the Members of Sundaram Asset Management Company Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Sundaram Asset Management Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 Company'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 Company 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 Company's Directors, 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.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 of the Order.
- As required by Section 143 (3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - the company has disclosed the effect of the pending litigations in its financial statements as mentioned in Note 22.9 of the Notes to the Accounts;
 - the company did not have any long term contracts including derivative contracts;
 - there was no amount to be transferred to the Investor Education and Protection Fund by the Company during the year.

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Regn. No.000511S

Place: Chennai
Date : 06th May, 2015

P. BABU
Partner
Membership No.203358

ANNEXURE TO THE AUDITORS' REPORT REFERRED TO IN PARAGRAPH 5 OF OUR REPORT OF EVEN DATE

1. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) Fixed assets have been physically verified by the Management during the year, in accordance with an annual plan of verification, which in our opinion is reasonable having regard to the size of the company and the nature of the fixed assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
2. In our opinion and according to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, clauses (iii)(a) and (b) of paragraph 3 of the Order are not applicable to the Company for the year.
3. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and for services rendered. During the course of our audit, no major weaknesses were noticed in the internal controls and therefore the reporting of the same does not arise.
4. The company has not accepted deposits from public.
5. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.
6. i) According to the records of the Company and the information and explanations given to us, undisputed statutory dues, including Provident Fund, Employees State Insurance, Income tax, Wealth tax and Service tax and other material statutory dues have been regularly deposited during the year with the appropriate authorities. According to the information and explanations given to us, there are no arrears of statutory dues which are outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.
- ii) According to the records of the Company and the information and explanations given to us, there are no dues of Income tax and Wealth tax which have not been deposited on account of any dispute.

Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Service Tax	Rs.6,22,00,904	2007-08 & 2008-09	Appellate Tribunal

- iii) Based on our examination of the records and the information and explanations given to us, there was no amount to be transferred to Investor Education and Protection Fund by the Company during the year in accordance with the relevant provision of the Companies Act, 1956 and the rules made thereunder.
7. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the current and immediately preceding financial years.
8. Based on our audit procedures and the information and explanations given by the Management, we are of the opinion that the Company has not defaulted in the repayment of dues to the bank. The company does not have any borrowings from financial institutions or by issue of debentures.
9. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
10. Based on our examination of the records and the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.
11. To the best of our knowledge and belief and according to the information and explanations given to us, during the year no fraud by the Company and no fraud on the Company were noticed or reported during the course of our audit.
12. In our opinion and according to the information and explanations given to us, the nature of the Company's business/ activities during the year has been such that clause ii of paragraph 3 of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company for the year.

For BRAHMAYYA & CO.,
Chartered
Accountants
Firm Regn. No.000511S

Place: Chennai
Date : 06th May, 2015

P. BABU
Partner
Membership No.203358

Balance Sheet

As at 31st March, 2015

(Amount in Rs)

Particulars	Note	31.03.15	31.03.14
I. Equity and Liabilities			
1. Shareholders' Funds			
(a) Share Capital	2	20,00,00,000	15,33,32,290
(b) Reserves and Surplus	3	114,05,25,991	72,74,85,114
(c) Money received against share warrants		-	-
		134,05,25,991	88,08,17,404
2. Share Application Money Pending Allotment		-	-
3. Non-Current Liabilities			
(a) Long Term Borrowings	4	13,60,60,611	-
(b) Deferred Tax Liabilities	5	4,50,68,012	2,21,20,374
(c) Other Long Term Liabilities	6	92,26,000	1,07,02,000
(d) Long Term Provisions		-	-
		19,03,54,623	3,28,22,374
4. Current Liabilities			
(a) Short Term Borrowings		-	-
(b) Trade Payables	7	6,01,03,145	8,83,81,369
(c) Other Current Liabilities	8	28,98,32,322	6,11,57,769
(d) Short Term Provisions	9	7,47,88,051	5,68,18,789
		42,47,23,518	20,63,57,927
Total		195,56,04,132	111,99,97,705
II. Assets			
1. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	2,96,10,649	3,47,39,493
(ii) Intangible Assets	10	1,84,342	13,64,996
(iii) Capital work-in-progress		-	-
(iv) Intangible Asset Under Development		-	-
(b) Non-Current Investments	11	26,14,57,170	22,41,86,020
(c) Deferred Tax Assets		-	-
(d) Long Term Loans and Advances	12	81,76,73,319	40,43,41,201
(e) Other Non-Current Assets		-	-
		110,89,25,480	66,46,31,710
2. Current Assets			
(a) Current Investments	13	32,26,80,000	16,51,80,241
(b) Inventories		-	-
(c) Trade receivables	14	5,78,99,586	9,87,03,093
(d) Cash and Bank Balances	15	3,16,94,139	1,60,09,746
(e) Short Term Loans and Advances	16	43,44,04,927	17,54,72,915
(f) Other Current Assets		-	-
		84,66,78,652	45,53,65,995
Total		195,56,04,132	111,99,97,705

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No: 000511S

P.Babu
Partner
Membership No.203358

Chennai
06th May, 2015

D.N.Ghosh
Chairman

T T Srinivasaraghavan
Director

Rishiksha T Krishnan
Director

S Krishnamurthy
Director

T.Anantha Narayanan
Director

Pratip Chaudhuri
Director

Harsha Viji
Managing Director

T.S.Sritharan
Chief Financial Officer

P. Sundararajan
Company Secretary

Profit and Loss Statement

For the year ended 31st March 2015

(Amount in Rs)

Particulars	Note	2014-15	2013-14
Income			
Revenue from operations	17	146,81,58,816	119,66,08,594
Other Income	18	3,01,79,046	4,40,08,080
Total	(A)	<u>149,83,37,862</u>	<u>124,06,16,674</u>
Expenditure			
Employee Benefit expenses	19	38,71,88,349	34,45,06,585
Administrative and other expenses	20	31,94,39,995	30,03,62,863
Scheme expenses borne by the company	21	43,52,08,073	35,07,43,451
Finance Cost - Interest		1,08,41,881	-
Depreciation	10	2,63,59,055	1,87,14,185
Total	(B)	<u>117,90,37,353</u>	<u>101,43,27,084</u>
Profit before tax	(A-B)	31,93,00,509	22,62,89,590
Less : Tax			
Current Tax		7,81,00,000	7,98,00,000
Deferred Tax		2,42,69,063	10,23,69,063
			(62,20,274)
			7,35,79,726
Profit after Tax		21,69,31,446	15,27,09,864
Earnings per Equity Share			
Number of Equity Shares (Face Value Rs.10/- Per Share)		2,00,00,000	1,53,33,229
Weighted Average Number of Shares (Face Value Rs.10/- Per Share)		1,53,58,800	1,53,58,800
Basic & Diluted Earnings per Equity Share		14.12	9.94

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No: 000511S

P.Babu
Partner
Membership No.203358

Chennai
06th May, 2015

D.N.Ghosh
Chairman

T T Srinivasaraghavan
Director

Rishiksha T Krishnan
Director

S Krishnamurthy
Director

T.Anantha Narayanan
Director

Pratip Chaudhuri
Director

Harsha Viji
Managing Director

T.S.Sritharan
Chief Financial Officer

P. Sundararajan
Company Secretary

NOTES TO THE ACCOUNTS**1. SIGNIFICANT ACCOUNTING POLICIES**

1.1 The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the relevant provisions of the Companies Act, 2013.

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the year and disclosure of contingent liabilities as at that date. The estimate and assumptions use in the financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements. The assets and liabilities have been classified as current and non-current based on a twelve month operating cycle.

1.2 Income Recognition:

Investment Management Fees, Advisory Fees and Portfolio Management Service Fees are accounted on accrual basis.

1.3 Fixed Assets and Depreciation:

Fixed Assets are stated at historical cost less accumulated depreciation.

Depreciation on assets is provided on the Written down Value Method at rates prescribed in Schedule III to the Companies Act, 2013. Assets costing Rs.5000 or less acquired during the year are written down to Re.1.

Expenditure incurred towards renovation, interior decoration etc. in respect of leased office premises is

capitalised under "Improvement to rented premises" and amortised over the primary lease period.

Vehicles taken on lease:

Operating Lease payments are recognised as expenditure in the Profit and Loss Account on a straight line basis over the lease term.

1.4 Valuation of Investments:

Long Term investments are carried at cost and provision for decline in value, other than temporary is considered wherever necessary.

Current Investments are valued at lower of cost and market value/ net asset value.

1.5 Transactions in Foreign Currency:

Transactions in foreign currency are accounted for at the rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies are restated at the Prevailing rates of exchange at the Balance Sheet date. Gain or loss arising out of fluctuations in exchange rates is accounted for in the Profit and Loss Statement.

1.6 Employee Benefits :**A) Short Term Employee Benefits:**

Short Term Employee Benefits to be paid for the services rendered by employees are recognized during the period when the services are rendered.

B) Post employment benefits:Defined Contribution Plan*i) Provident Fund*

The Company contributes to a Government-administered Provident Fund and Pension Fund.

Defined Benefit Plan*i) Gratuity*

The Company contributes annually to a Gratuity Fund administered by trustees and managed by Life Insurance Corporation of India. The company accounts its liability for future gratuity benefits based on actuarial valuation, as at Balance Sheet date, determined every year by Life Insurance Corporation of India using the Projected Unit Credit method.

ii) Leave Encashment

The Company contributes to a staff leave encashment scheme managed by Life Insurance Corporation of India. The Company accounts its liability based on an actuarial valuation, as at the Balance Sheet date, determined every year, using the Projected Unit Credit method.

The expenses and actuarial gain / loss on account are recognised in the Profit and Loss on the basis of actuarial valuation.

1.7 Taxation:

Current tax is provided on the taxable income for the year. Deferred tax liabilities on the timing differences are fully provided for. Deferred tax assets are recognised on the consideration of prudence.

1.8 Intangible Assets:

Computer Software acquired is recorded as an intangible asset and the cost is amortised over the expected useful life.

1.9 Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The amount recoverable is higher of the net selling price of assets and their value in use.

1.10 Provisions:

Provisions are recognised when the company has present legal or constructive obligations, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

1.11 Scheme Expenses

New Fund Offer Expenses – Equity Schemes

- a. – Open Ended - Expenses incurred in relation to new fund offer are amortized over a period of 24 Months.
- b. – Close Ended - Expenses incurred in relation to new fund offer are amortized over the tenor of the Scheme.
- c. New Fund Offer Expenses – Debt Schemes
Expenses incurred in relation to new fund offer are amortized over the tenor of the scheme.
- d. Amortization Policy on Brokerage Expenses:

Incurred Towards	Amortized over a period of
Equity Linked Savings Scheme	36 Months
Open Ended Equity Schemes	12 Months

Notes to the Accounts

forming part of the Balance Sheet as at March 31, 2015

(Amount in Rs.)

Note 2

Share Capital :

Particulars	31.03.15	31.03.14
Share Capital		
Authorised		
2,00,00,000 Equity Shares of Rs 10/- each	20,00,00,000	20,00,00,000
5,00,000 Redeemable Preference Shares of Rs.100/- each	5,00,00,000	5,00,00,000
	<u>25,00,00,000</u>	<u>25,00,00,000</u>
Issued, Subscribed and fully paid up		
2,00,00,000 Equity Shares of Rs 10/- each	20,00,00,000	15,33,32,290
	<u>20,00,00,000</u>	<u>15,33,32,290</u>

Details of number of Shares held by shareholders holding more than 5% shares are set out below

Name of the Shareholder	Status	No. of Shares #	% held as at 31.03.2015
Sundaram Finance Limited	- Holding Company	2,00,00,000	100%

Includes six equity shares held by nominees of Sundaram Finance Limited.

Reconciliation of the number of equity shares outstanding at the beginning and at the end of financial year are as follows:

Particulars	31.03.15
Opening number of Shares outstanding	1,53,33,229
Add : Shares issued	46,66,771
Less: Shares bought back	-
Closing number of shares outstanding	2,00,00,000

During the year, the Company issued 46,66,771 equity shares of face value Rs.10/- each to Sundaram Finance Limited - Holding Company at a premium of Rs. 58/- per share as Rights Share.

Note 3

Reserves And Surplus

Particulars	31.03.15	31.03.14
a) Securities Premium Account		
Opening balance	4,13,57,051	4,13,57,051
Add: Received during the year	27,06,72,718	-
	<u>31,20,29,769</u>	<u>4,13,57,051</u>
b) General Reserve		
Opening balance	10,45,68,158	8,92,97,172
Add: Transfer from Surplus in the Profit and Loss Statement	2,17,00,000	1,52,70,986
	<u>12,62,68,158</u>	<u>10,45,68,158</u>
c) Surplus in the Profit and Loss Statement		
Opening balance	58,15,59,905	49,79,38,364
Less: Transition provision for Depreciation	25,66,288	-
Add: Profit for the year	21,69,31,446	15,27,09,864
	<u>79,59,25,064</u>	<u>65,06,48,228</u>
Less: Appropriations:		
Dividend		
Final (Proposed)	6,00,00,000	4,59,99,687
Dividend Distribution Tax	1,19,97,000	78,17,650
General Reserve	<u>2,17,00,000</u>	<u>1,52,70,986</u>
	70,22,28,064	58,15,59,905
	<u>114,05,25,991</u>	<u>72,74,85,114</u>

Notes to the Accounts

forming part of the Balance Sheet as at March 31, 2015

(Amount in Rs.)

Note 4**Long Term Borrowings:**

Particulars	31.03.15	31.03.14
Deferred Tax Liability		
Secured		
Term loan from Bank	13,60,60,611	-
	13,60,60,611	-

Term Loan is secured by charge on book receivables. The term loan is repayable in 24 equal instalments. The interest is 10.5% p.a.

Note 5**Deferred Tax Liabilities**

Particulars	31.03.15	31.03.14
Deferred Tax Liability:		
Depreciation	-	22,25,241
Amortisation of Brokerage	4,62,79,727	1,98,95,133
Deferred Tax Asset:		
Depreciation	12,11,715	-
	4,50,68,012	2,21,20,374

Note 6**Other Long Term Liabilities**

Particulars	31.03.15	31.03.14
Long term employee benefits	92,26,000	1,07,02,000
	92,26,000	1,07,02,000

Note 7**Trade Payables**

Particulars	31.03.15	31.03.14
Trade Payables		
For Expenses	5,75,67,537	8,63,85,085
For Others	25,35,608	19,96,284
	6,01,03,145	8,83,81,369

No amounts due and outstanding to be credited to Investor Education & Protection Fund

Note 8**Other Current Liabilities**

Particulars	31.03.15	31.03.14
Current Maturities of Long Term Loan from Bank	20,36,36,360	-
Statutory dues Payable	1,09,80,962	1,00,62,209
Others	7,52,15,000	5,10,95,560
	28,98,32,322	6,11,57,769

Term Loan is secured by charge on book receivables. The term loan is repayable in 24 equal instalments. The interest is 10.5% p.a.

Note 9**Short Term Provisions**

Particulars	31.03.15	31.03.14
Provision for Employee Benefits	27,91,051	30,01,452
Others		
Dividend	6,00,00,000	4,59,99,687
Dividend Distribution Tax	1,19,97,000	78,17,650
	7,47,88,051	5,68,18,789

Note: 10
Fixed Assets

(Amount in Rupees)

Description	Gross Block At Cost					Depreciation					Netblock	
	As at 01.04.2014	Additions	Deductions	As at 31.03.2015	Upto 31.03.2014	Impact of transition reserve	Additions	Deductions	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014	
Tangible Assets												
Office Equipment	1,78,42,772 (1,75,55,384)	15,52,774 (2,95,256)	- (7,868)	1,93,95,546 (1,78,42,772)	1,10,81,579 (99,64,479)	26,86,977 -	31,55,980 (11,22,402)	- (5,302)	1,69,24,536 (1,10,81,579)	24,71,010 (67,61,193)	67,61,193 (75,90,907)	
Electrical Equipment	1,96,30,451 (1,74,28,741)	14,60,882 (23,74,539)	24,03,498 (1,72,829)	1,86,87,835 (1,96,30,451)	1,08,92,916 (93,28,308)	74,640 -	34,63,942 (16,76,654)	15,67,782 (1,12,046)	1,28,63,716 (1,08,92,916)	58,24,119 (87,37,535)	87,37,535 (81,00,433)	
Computers	5,91,32,571 (5,17,94,632)	1,38,41,295 (96,61,824)	3,33,405 (23,23,885)	7,26,40,461 (5,91,32,571)	4,74,51,514 (4,43,79,827)	7,74,361 -	1,18,66,680 (52,88,337)	3,13,309 (22,16,650)	5,97,79,246 (4,74,51,514)	1,28,61,215 (1,16,81,057)	1,16,81,057 (74,14,805)	
Furniture and fixtures	1,52,64,491 (1,52,60,292)	3,25,421 (3,52,316)	3,36,839 (3,48,117)	1,52,53,073 (1,52,64,491)	1,31,55,888 (1,28,28,364)	3,51,529 -	7,76,959 (6,28,160)	3,21,812 (3,00,636)	1,39,62,564 (1,31,55,888)	12,90,509 (21,08,603)	21,08,603 (24,31,928)	
Vehicles	13,22,438 (12,52,026)	15,92,344 (3,25,630)	50,603 (2,55,218)	28,64,179 (13,22,438)	9,50,718 (10,23,803)	178 -	4,92,573 (1,20,361)	44,486 (1,93,446)	13,98,983 (9,50,718)	14,65,196 (3,71,720)	3,71,720 (2,28,223)	
Improvement to rented premises	4,00,66,412 (3,87,60,547)	60,41,482 (13,05,865)	1,51,08,390 -	3,09,99,504 (4,00,66,412)	3,49,87,027 (2,98,17,623)	- -	54,22,267 (51,69,404)	1,51,08,390 -	2,53,00,904 (3,49,87,027)	56,98,600 (50,79,385)	50,79,385 (89,42,921)	
Total Tangible Assets	15,32,59,135	2,48,14,198	1,82,32,735	15,98,40,598	11,85,19,642	38,87,685	2,51,78,401	1,73,55,780	13,02,29,949	2,96,10,649	3,47,39,493	
Intangible Assets												
Computer Software	3,02,53,829 (3,00,85,791)	- (1,68,038)	- -	3,02,53,829 (3,02,53,829)	2,88,88,833 (2,41,79,966)	- -	11,80,654 (47,08,867)	- -	3,00,69,487 (2,88,88,833)	1,84,342 (13,64,996)	13,64,996 (59,05,824)	
Total Intangible Assets	3,02,53,829	-	-	3,02,53,829	2,88,88,833	-	11,80,654	-	3,00,69,487	1,84,342	13,64,996	
Grand Total	18,35,12,964	2,48,14,198	1,82,32,735	19,00,94,427	14,74,08,475	38,87,685	2,63,59,055	1,73,55,780	16,02,99,436	2,97,94,991	3,61,04,489	
Previous Year	(17,21,37,413)	(1,44,83,468)	(31,07,917)	(18,35,12,964)	(13,15,22,370)		(1,87,14,185)	(28,28,080)	(14,74,08,475)	(3,61,04,489)		

Figures in brackets pertain to 31st March 2014.

Intangible Assets : In accordance with Accounting Standard AS 26 – Intangible Assets, Software purchase amounting to "Nil" . -(31.03.2014 – Rs.1,68,038/-) is amortised over a period of three years based on a technical valuation.

Notes to the Accounts

forming part of the Balance Sheet as at March 31, 2015

(Amount in Rs.)

Note 11

Non - Current Investments

Particulars	31.03.15	31.03.14
Un-Quoted		
Non Trade:		
Investments in Mutual Funds	3,80,24,900	7,70,00,000
(Net Asset Value as at 31.03.15 - Rs. 4,62,59,366/-)		
Investment in Equity Instruments : Fully paid		
- Subsidiary Company		
Sundaram Asset Management Singapore Pte. Ltd	22,29,32,270	14,71,86,020
Number of Shares Holding : 47,30,001		
Face Value : 1 SGD		
- Others		
MF Utilities India Private Limited		
Number of Shares Holding : 5,00,000	5,00,000	-
Face Value : Rs.1		
Total	26,14,57,170	22,41,86,020

Particulars	Face Value	As at 31.03.15		As at 31.03.14	
		Holding (Number)	Cost (Rs.)	Holding (Number)	Cost (Rs.)
Investments in Mutual Funds					
Sundaram FTP DD - Growth Option	10			22,00,000	2,20,00,000
Sundaram FTP EU - Growth Option	10			20,00,000	2,00,00,000
Sundaram Hybrid C - Growth Option	10	35,00,000	3,50,00,000	35,00,000	3,50,00,000
Sundaram FTP GJ - Growth Option	10	3,00,000	30,00,000	-	-
Sundaram World Brand Fund Series I-Growth Option	10	2,490	24,900	-	-
Total			3,80,24,900		7,70,00,000

Note 12

Long Term Loans and Advances

Particulars	31.03.15	31.03.14
Unsecured, Considered Good :		
Advance Income tax and Tax Deducted at Source(Net)	22,67,03,026	18,25,79,918
Brokerage Recoverable from Mutual Fund Schemes	48,35,51,533	16,50,55,412
Prepaid Expenses	8,59,42,510	3,89,25,718
Security Deposit	1,13,52,646	1,38,15,747
Others	1,01,23,604	39,64,406
Total	81,76,73,319	40,43,41,201

Advance Income tax and Tax deducted at source is net of provision for taxation Rs.59,97,33,918/- (31.03.14 Rs. 52,14,33,918 /-).

Others includes Rs.55,59,756/- being Service Tax paid under dispute.

Notes to the Accounts

forming part of the Balance Sheet as at March 31, 2015

(Amount in Rs.)

Note 13

Current Investments

Particulars	31.03.15	31.03.14
Un-Quoted		
Non Trade:		
Investments in Mutual Funds	32,26,80,000	16,51,80,241
Total	32,26,80,000	16,51,80,241

Particulars	Face Value	As at 31.03.15		As at 31.03.14	
		Holding (Number)	Cost (Rs.)	Holding (Number)	Cost (Rs.)
Investments in Mutual Funds					
Sundaram FTP DC - Growth Option	10		-	30,00,000	3,00,00,000
Sundaram FTP DD - Growth Option	10	-	-		
Sundaram FTP DF - Growth Option	10		-	10,00,000	1,00,00,000
Sundaram FTP ES - Growth Option	10	-	-	2,50,000	25,00,000
Sundaram FTP EU - Growth Option	10	20,00,000	2,00,00,000	-	-
Sundaram FTP GG - Growth Option	10	12,50,000	1,25,00,000	-	-
Sundaram Select Debt - Short Term	10	-	-	8,60,347	1,07,32,155
Sundaram Ultra Short Term - Daily Dividend Reinv-Direct	10	1,50,49,347	29,00,00,000	69,66,778	6,99,73,613
Sundaram Ultra Short Term - Fortnightly Dividend Reinv-Direct	10	-	-	98.65	1,048
Sundaram Ultra Short Term - Bonus - Direct	10		-	123.60	2,000
Sundaram Money Fund - Daily Dividend Reinv - Direct	10	-	-	41,36,439.00	4,17,88,375
Sundaram Money Fund - Fortnightly Dividend Reinv - Direct	10	-	-	43.27	1,050
Sundaram Money Fund - Bonus - Direct	10	-	-	130.80	2,000
HDFC Liquid Fund - Growth - Direct	10	430.37	10,000	430.37	10,000
Religare Liquid Fund - Growth - Direct	1000	6.17	10,000	6.17	10,000
ICICI Liquid Fund - Growth - Direct	100	57.38	10,000	57.38	10,000
DWS Insta Cash Plus Fund - Growth - Direct	100	65.25	10,000	65.25	10,000
Canara Rebecco Liquid Fund - Growth - Direct	1000	6.97	10,000	6.97	10,000

Notes to the Accounts

forming part of the Balance Sheet as at March 31, 2015

(Amount in Rs.)

DSP Blackrock Liquidity Fund - Growth - Direct	1000	5.93	10,000	5.93	10,000
Birlasunlife Cash Plus - Growth - Direct	100	52.99	10,000	52.99	10,000
IDFC Cash Fund - Growth - Direct	1000	6.98	10,000	6.98	10,000
L&T Liquid Fund - Growth - Direct	1000	6.19	10,000	6.19	10,000
Axis Liquid Fund - Growth - Direct	1000	7.65	10,000	7.65	10,000
JM High Liquidity Fund - Growth - Direct	10	311.02	10,000	311.02	10,000
SBI Magnum Insta Cash Fund - Growth - Direct	1000	3.84	10,000	3.84	10,000
Tata Liquidity Management Fund - Growth - Direct	1000	6.27	10,000	6.27	10,000
JP Morgan India Liquid Fund - Growth - Direct	10	654.62	10,000	654.62	10,000
Reliance Liquid Fund - Growth - Direct	1000	5.64	10,000	5.64	10,000
Kotak Liquid Scheme - Growth - Direct	1000	4.18	10,000	4.18	10,000
LIC Nomura Liquid Scheme - Growth - Direct	1000	4.68	10,000	4.68	10,000
IDBI Liquid Fund - Growth - Direct	1000	7.91	10,000	7.91	10,000
Total			32,26,80,000		16,51,80,241

Particulars

31.03.15

Cost Net Asset Value

Aggregate of Quoted Investments	-	-
Aggregate of Unquoted Investments	32,26,80,000	32,64,91,756

Note 14

Trade Receivables

Particulars

31.03.15

31.03.14

Unsecured, Considered Good :

Trade Receivables

Investment Management Fee	4,18,28,928	8,26,89,601
Advisory Fee	1,60,70,658	22,46,974
Portfolio Management Fee & Reimbursements	-	1,37,66,518
Total	5,78,99,586	9,87,03,093

Notes to the Accounts

forming part of the Balance Sheet as at March 31, 2015

(Amount in Rs.)

Note 15

Cash and Bank Balances

Particulars	31.03.15	31.03.14
Cash and Bank Balances		
Cash on Hand	95,374	89,973
Balances with Scheduled Banks in		
Current Accounts	1,54,65,571	50,37,663
Deposit Accounts - Less than 3 months	1,50,00,000	1,00,00,000
Balances with Bank held in abroad		
Current Accounts	1,96,995	68,855
Deposit Accounts - More than 12 months	9,36,199	8,13,255
(A lien has been created on the deposit in favour of a Bank for Guarantee issued)		
Total	3,16,94,139	1,60,09,746

Note 16

Short Term Loans and Advances

Particulars	31.03.15	31.03.14
Unsecured, Considered Good :		
Brokerage Recoverable from Mutual Fund Schemes	23,01,39,999	11,55,34,680
Prepaid Expenses	19,01,30,078	4,80,00,747
Security Deposit	62,60,633	73,54,791
Others	77,92,728	45,13,464
Amount receivable from Subsidiary Company	81,489	69,233
Total	43,44,04,927	17,54,72,915

Notes to the Accounts

forming part of the Profit and Loss Statement

(Amount in Rs.)

Note 17

Revenue from Operations

Particulars	2014-2015	2013-2014
Services Rendered:		
Investment Management Fees (Net)	137,66,67,667	117,80,27,980
Advisory Fees	3,43,93,378	58,37,013
Portfolio Management Service Fees (Net)	5,70,97,771	1,27,43,601
Total	146,81,58,816	119,66,08,594

Investment Management fees is net of advisory fees paid Rs. 5,81,519/- (31.03.14- Rs. 9,95,066/-).

Portfolio Management Services fees is Net of brokerage paid Rs. 7,91,05,864/- (31.03.14- Rs.2,30,67,732/-).

Notes to the Accounts

forming part of the Profit and Loss Statement

(Amount in Rs.)

Note: 18

Other Income

Particulars	2014-2015	2013-2014
Interest receipts	3,53,888	3,82,946
Interest receipts on account of Income tax refunds	1,58,88,247	-
Dividend Income	30,23,577	1,21,79,527
Profit on Sale of Tangible Assets	6,09,727	16,284
Profit on Sale of Current Investment	93,26,947	13,36,938
Profit on Sale of Non Current Investment	-	1,17,858
Gain on Exchange Fluctuation	1,47,240	88,074
Miscellaneous income	8,29,420	2,98,86,453
Total	3,01,79,046	4,40,08,080

Note: 19

Employee Benefit Expenses

Particulars	2014-2015	2013-2014
Salaries, allowances and bonus	36,20,06,892	32,09,46,303
Company's contribution to Provident Fund, ESI Scheme	1,45,17,141	1,36,53,515
Contribution to Gratuity Fund	27,91,051	23,14,080
Staff welfare expenses	78,73,265	75,92,687
Total	38,71,88,349	34,45,06,585

1. Defined Contribution Plan:

(In Rs.)

Company Contribution to	2014-15	2013-14	2012-13	2011-12	2010-11
1. Provident Fund	1,04,77,868	1,07,90,984	1,29,75,694	1,26,00,971	1,08,79,969
2. Pension Fund	26,85,280	16,83,992	18,09,040	18,25,634	16,53,122
3. Employees State Insurance	9,824	27,672	65,856	1,04,784	1,65,253

2. Defined Benefit Plan:

Gratuity

A. Reconciliation of opening and closing balances of present value of the defined benefit obligation

	2014-2015	2013-2014
Present Value of obligations at the beginning of the Year	2,85,71,910	3,03,16,459
Interest Cost	22,85,753	24,25,317
Current Service Cost	32,88,461	47,14,962
Benefit Paid	(27,38,077)	(58,21,557)
Actuarial (Gain) / Loss on obligation	(78,055)	(30,63,271)
Present value of obligation at the end of the Year	3,13,29,992	2,85,71,910

B. Reconciliation of opening and closing balances of fair value of the Plan Assets Fund Maintained by LIC

	2014-2015	2013-2014
Fair Value of Plan asset at the beginning of the Year	2,67,57,282	2,43,15,678
Expected return on plan assets	24,51,372.45	22,62,380
Contribution	20,68,363.12	60,00,781
Benefit Paid	(27,38,077)	(58,21,557)
Actuarial Gain on obligation	Nil	Nil
Fair Value of plan asset at the end of the Year	2,85,38,940.57	2,67,57,282

Notes to the Accounts

forming part of the Profit and Loss Statement

(Amount in Rs.)

C. Reconciliation of present value of defined benefit obligation and fair value of plan assets of the assets and liabilities

	2014-2015	2013-2014
Present Value of obligations at end of the Year	3,13,29,992	2,84,67,546
Fair Value of Plan asset at the end of the Year.	2,85,38,940.57	2,67,57,282
Net Liability recognised in the balance sheet	27,91,051.43	17,10,264

D. Expenses recognised in the profit and loss account

	2014-2015	2013-2014
Current Service Cost	32,88,461	46,10,598
Interest Cost	22,85,753	24,25,317
Expected return on plan assets	(24,51,372.45)	(22,62,380)
Net Actuarial loss recognised in the year	(78,055)	(30,63,271)
Expenses to be recognised in the Profit and Loss Account	30,44,787	17,10,264

E. Actuarial Gain / Loss recognised

	2014-2015	2013-2014
Actuarial (gain) / loss on obligation	(78,055)	(30,63,271)
Actuarial gain on plan assets		Nil
Actuarial (gain) / Loss for the year	(78,055)	(30,63,271)

F. Actuarial Assumption Per Annum

	2014-2015	2013-2014
Discount Rate	8.00%	8.00%
Salary Increment	7.00%	7.00%
Expected Rate of Return	9.00%	8.75%
Attrition Rate	1-3%	1-3%

* The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors like supply and demand in the employment market.

Particulars	31-03-2015	31-03-2014	31-03-2013	31-03-2012	31-03-2011
Defined Benefit Obligation	3,13,29,992	2,84,67,546	3,03,16,459	2,58,67,922	1,99,02,183
Plan Asset	2,85,38,940.57	2,67,57,282	2,43,15,678	2,08,88,682	1,86,66,325
Surplus / Deficit	27,91,051.43	17,10,264	(60,00,781)	(49,79,240)	(12,35,858)
Expenses Adjustment on Plan Liabilities	(78,055)	(30,63,271)	38,00,707	24,45,626	2,54,574
Expenses Adjustment on Plan Asset	Nil	Nil	Nil	Nil	Nil

3. The Present value of obligation towards compensated absences, as per actuarial certificate as on 31.03.15 was Rs. 2,83,35,363/- (31.03.14-Rs. 2,21,16,391/-) and is recognised in the books of accounts.

Notes to the Accounts

forming part of the Profit and Loss Statement

(Amount in Rs.)

Note: 20**Administrative and other expenses**

Particulars	2014-2015	2013-2014
Rent	4,89,67,094	4,10,46,888
Outsourcing Cost	3,73,74,114	3,44,34,309
Subscription	3,19,24,216	2,55,80,315
Fund Accounting Charges	3,61,85,567	2,90,85,528
Electricity Charges	75,87,717	78,41,537
Communication Expenses	1,88,54,266	1,90,09,047
Professional and Consultancy Fees	1,15,06,925	3,73,26,882
Travelling and Conveyance	2,92,13,166	2,67,31,124
Database and Networking Expenses	1,67,43,075	1,52,06,177
Business Development Expenses	2,68,16,824	1,41,60,275
Repairs and Maintenance		
- Building	81,58,915	95,10,266
- Others	71,81,566	78,28,728
Printing & Stationery	55,66,328	45,34,371
Insurance	24,90,006	37,09,151
Rates and Taxes	4,28,086	3,13,710
Lease Rental	18,54,957	15,74,944
Director's Sitting Fees and Commission	25,60,000	16,80,000
CSR Expenditure	29,00,000	7,00,000
Loss on exchange fluctuation	4,19,954	90,317
Loss on sale of Current Investment	-	3,56,506
Loss on sale of tangible assets	-	77,053
Investment Advisory Fees	77,35,200	13,16,017
Miscellaneous expenses	1,49,72,019	1,82,49,718
Total	31,94,39,995	30,03,62,863

Note: 21**Scheme expenses borne by the company**

Particulars	2014-2015	2013-2014
Registrar & Transfer Agent Fees	13,39,52,810	11,13,10,511
Upfront Brokerage	12,09,23,375	9,06,17,771
Other Marketing Expenses	18,03,31,888	14,88,15,169
Total	43,52,08,073	35,07,43,451

Note: 22**GENERAL:**

22.1 The Company has identified Asset Management, Investment Advisory Service and Portfolio Management Service as the only business segment.

22.2 Disclosures in respect of operating lease contracts as per AS 19 – “Leases”

The future minimum lease payments payable under non-cancellable operating lease are as follows:

Particulars	(In Rs)	
	31.03.2015	31.03.2014
Not later than one year	20,14,560	9,14,238
Later than one year and not later than five years	37,17,877	9,29,418
Later than five years	Nil	Nil

The leases can be renewed on expiry of the primary lease period, after mutually discussing the renewal terms with the lessor.

22.3 Depreciation computed as per Schedule III of the Companies Act 2013 gives rise to an amount of Rs.38,87,686 /- on assets whose useful life has completed on 01-04-2014, which has been shown under “ Impact of transition reserve “ in Note 10.

22.4 Miscellaneous Income includes an amount of Rs. 3,00,000/- pertaining to provision created in an earlier year, no longer required and written back (Previous Year – Rs.2,51,79,867/-)

22.5 Miscellaneous expenses in Note 20 includes Remuneration to Auditors

(In Rs.)

Particulars	2014-15	2013-14
Statutory Audit	6,50,000	6,50,000
Tax Audit	2,60,000	2,60,000
Certification Fees	3,85,000	3,17,500
Total	12,95,000	12,27,500

22.6 Related Parties**Holding Company:**

Sundaram Finance Limited

Subsidiary Company:

Sundaram Asset Management Singapore Pte Limited

Fellow Subsidiaries:

Sundaram BNP Paribas Home Finance Limited.

Sundaram Trustee Company Limited.

LGF Services Limited.

Sundaram Finance Distribution Limited.

Sundaram Infotech Solutions Limited.

Sundaram Business Services Limited.

Infreight Logistics Solutions Limited.

Sundaram BNP Paribas Fund Services Limited.

Sundaram Insurance Broking Services Limited.

Sundaram Parekh Warehousing Services Limited [Merged with Infreight Logistics solutions limited with effect from 01.04.2014]

Sundaram BPO India Limited

Associate: Sundaram Mutual Fund**Key Management Personnel:**

Mr Harsha Viji – Managing Director

Mr. Sunil Subramaniam - Deputy CEO

Mr. P.Sundararajan - Company Secretary and Compliance Officer

Mr.T.S.Sritharan - Chief Financial Officer

Details of Related Parties Transactions for the year ended 31.03.2015

(Amount in Rs.)

Particulars	Holding Company		Fellow Subsidiaries / Associates		Key Management Personnel	
	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
Income						
Investment Management and Advisory Fees						
Sundaram Mutual Fund	—	—	1,37,72,49,186	1,17,90,23,046	—	—
Sundaram Asset Management Singapore Pte. Ltd	—	—	6,82,478	—	—	—
(Grouped under Note 17 – Revenue from Operations)						
Service Income	—	—	18,00,000	18,00,000	—	—
Sundaram Trustee Company Limited						
(Grouped under Note 19 – Employee Benefits)						
Total	—	—	137,97,31,664	118,08,23,046	—	—
Expenses						
Rent and Office Maintenance						
Sundaram Finance Ltd	1,99,21,206	95,72,400	—	—	—	—
Sundaram BNP Paribas Home Finance Ltd	—	—	24,000	—	—	—
(Grouped under Note 20 - Administrative Expenses-Rent)						
Vehicle Lease Rental						

Particulars	Holding Company		Fellow Subsidiaries / Associates		Key Management Personnel	
	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
Sundaram Finance Ltd (Grouped under Note 20 - Administrative Expenses – Lease Rent)	18,54,957	15,74,944	—	—	—	—
Remuneration Key Personnel of the Company (Grouped under Note 19 – Employee Benefits)	—	—	—	—	2,70,70,000	—
Payroll processing and AMC Accounting Charges Sundaram BPO India Ltd (Grouped under Note 20 - Administrative Expenses – Miscellaneous Expenses)	—	—	17,43,732	16,45,169	—	—
Fund Accounting, Registrar and Transfer fees and Call Centre Charges Sundaram BNP Paribas Fund Services Ltd (Grouped under Note 20 - Administrative Expenses)	—	—	17,80,54,419	17,26,33,928	—	—
Collection Centre Charges & Training Centre Charges Sundaram Finance Ltd (Grouped under Note 20 - Administrative Expenses – Repairs and Maintenance Cost)	66,740	2,87,075	—	—	—	—
System Services Cost Sundaram Finance Ltd (Sundaram Infotech Solutions) (Grouped under Note 20 - Administrative Expenses – Repairs and Maintenance Cost)	18,03,652	5,31,000	—	—	—	—
Maintenance of Website Sundaram Finance Ltd (Grouped under Note 20 - Administrative Expenses – Repairs and Maintenance Cost)	—	4,38,000	—	—	—	—
Internal , Concurrent and Audit Fees Sundaram Finance Ltd (Grouped under Note 20 - Administrative Expenses – Miscellaneous Expenses)	9,00,000	7,50,000	—	—	—	—
Investment Advisory Fees Sundaram Asset Management Singapore Pte. Ltd (Grouped under Note 20 - Administrative Expenses)	—	—	77,35,200	13,16,017	—	—
Total	2,45,46,555	1,31,53,419	18,75,33,351	17,56,19,114	2,70,70,000	—
Assets						
Receivable from Sundaram Trustee Co. Ltd	—	—	1,87,611	76,710	—	—
Receivable from Sundaram Asset Management Singapore Pte. Ltd (Grouped under Note 16 – Short Term Loans and Advances- Others)	—	—	7,63,967	69,233	—	—
Investment in Trust Securities at the end of the year Sundaram Mutual Fund	—	—	36,05,24,900	24,20,00,241	—	—
Investment in Subsidiary Company Sundaram Asset Management Singapore Pte. Ltd (Grouped under Note 13 – Current Investment)	—	—	22,29,32,270	14,71,86,020	—	—
Total	—	—	58,44,08,748	38,93,32,204	—	—

Particulars	Holding Company		Fellow Subsidiaries / Associates		Key Management Personnel	
	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
Liabilities						
Other Liabilities						
Sundaram Finance Ltd (Grouped under Note 7 – Trade Payables)	2,25,000	4,07,689	—	—	—	—
Issue of Capital through Rights Issues Sundaram Finance Ltd (Grouped under Note 2 – Share Capital & Note 3 : Reserves & Surplus)	31,73,40,428	—	—	—	—	—
Sundaram BPO India Ltd	—	—	1,64,000	1,53,372	—	—
Sundaram BNP Paribas Fund Services Ltd (Grouped under Note 7 – Trade Payables)	—	—	2,58,95,473	1,94,14,999	—	—
Final Dividend	6,00,00,000	4,59,99,687				
Total	37,75,65,428	4,64,07,376	2,60,59,473	1,95,68,371	—	—

- 22.7 a. The Managing Director Mr. Harsha Viji has been nominated by M/s. Sundaram Finance Limited the Holding company and no remuneration is borne by this company.
- b. A sum of Rs.21,00,000/- has been provided in the books of accounts towards payment of commission to the Non-Whole Time Directors of the Company.

22.8 Earnings per Share (Basic and diluted)

Sl. No	Particulars	2014-2015	2013-2014
1.	Profit after tax Rs. (A)	21,69,31,446	15,27,09,864
2.	Number of shares (nominal value of Rs.10/- each) (B)	1,53,58,800	1,53,58,800
3.	Earnings per share (Basic and diluted) – Rs. (A)/(B)	14.12	9.94
4.	Dividend proposed to be distributed – Rs.	6,00,00,000	4,59,99,687
5.	Dividend per Share – Rs.	3.00	3.00

- 22.9 The Pending Litigation as of 31.03.2015 have been compiled by the company and reviewed by the Statutory Auditors. The effect of the current position of the litigation have been evaluated and appropriately considered and disclosed in the financial statement.

- 22.10 Sundaram Mutual Fund (SMF) had, during the year 2011-12, received Income Tax Recovery notices to the extent of Rs.10,59,22,630/-pertaining to the Pass Through Certificates (PTCs) subscribed by the schemes of SMF during the financial year 2008-09 wherein IL & FS Trustee Company Ltd was the Trustee to the Securitisation Transaction. IL&FS's appeal before

CIT(A) has been partially allowed. IL&FS has preferred an appeal and obtained stay from ITAT against order of CIT (A). During the year 2012-13, similar notices were received for the Assessment Year 2010-11 to the extent of Rs.43,91,908/-. SMF has obtained a stay order from the Hon'ble High Court of Mumbai against the recovery proceedings till the disposal of the appeals by the CIT (Appeals).

Based on the opinion obtained and considering the fact that the Mutual Fund schemes are exempt from Income Tax, no provision has been made in the books of accounts of the Company.

22.11 Contingent Liabilities:

(In Rs.)

Claims against the Company

not acknowledged as debts	2014-2015	2013-2014
-Service Tax matters	Rs.6,22,00,904/-	Rs.6,30,66,652/-

- 22.12 There are no amounts due to Small Scale Industries in terms of "The Micro, Small and Medium Enterprises Development Act, 2006".

- 22.13 Expenditure in foreign Currency on payments towards Salary, Rent, Travelling etc., – Rs. 4,27,08,968/- (31.03.14 – Rs. 2,54,51,310/-)

- 22.14 Earnings in Foreign Currency – Advisory fees earned Rs. 1,83,76,466/- (31.03.14 – Rs. 42,74,963/-)

- 22.15 Previous year figures have been regrouped / reclassified wherever necessary to confirm to the current years presentation.

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No: 0005115

P.Babu
Partner
Membership No.203358

Chennai
06th May, 2015

D.N.Ghosh
Chairman
T T Srinivasaraghavan
Director

Rishikesh T Krishnan
Director

S Krishnamurthy
Director
T.Anantha Narayanan
Director

Pratip Chaudhuri
Director

Harsha Viji
Managing Director
T.S.Sritharan
Chief Financial Officer

P. Sundararajan
Company Secretary

Cash Flow Statement

For the Year ended 31.03.2015

(Amount in Rs.)

Particulars	2014-2015	2013-2014
A Cash Flow from Operating Activities :		
Profit/(Loss) after tax	21,69,31,446	15,27,09,864
Add: Profit on sale of tangible assets	(6,09,727)	(16,284)
Financial Cost	-	-
Profit on sale of Current Investments	-	(13,36,938)
Profit on sale of Non Current Investments	(93,26,947)	(1,17,858)
Loss on Sale of tangible Assets	-	77,053
Loss on sale of Current Investments	-	3,56,506
Depreciation	2,63,59,055	1,87,14,185
Income Tax	7,81,00,000	7,98,00,000
Deferred Tax	2,42,69,063	(62,20,274)
Interest Income	(3,53,888)	(3,82,946)
Dividend Income	(30,23,577)	(1,21,79,527)
Effect of foregin exchange rates on cash and cash equivalents	2,72,714	(73,530)
Operating Profit Before Working Capital Changes	33,26,18,139	23,13,30,251
(Increase) / Decrease in Current Assets	-	-
(Increase) / Decrease in Long Term Loan and Advances	(41,33,32,118)	(22,38,26,816)
(Increase) / Decrease in Short Term Loan and Advances	(33,70,32,012)	14,97,79,466
(Increase) / Decrease in Trade Receivables	4,05,30,793	(2,57,52,458)
Increase / (Decrease) in Current Liabilities (Trade Payables)	(2,82,78,224)	(43,83,740)
Increase / (Decrease) in Other Long Term Liabilities	(14,76,000)	2,02,000
Increase / (Decrease) in Long Term Liabilities Borrowings	13,60,60,611	-
Increase / (Decrease) in Current Liabilities (Other current liabilities)	22,86,74,553	(4,00,754)
Increase / (Decrease) in Current Liabilities (Short Term Provisions)	(2,10,401)	(69,32,772)
Cash generated from Operations	(4,24,44,659)	12,00,15,177
Financial Cost	-	-
Direct Taxes Paid	-	-
Net Cash From Operating Activities	(4,24,44,659)	12,00,15,177

Cash Flow Statement

For the Year ended 31.03.2015

(Amount in Rs.)

Particulars	2014-2015	2013-2014
B Cash flow from investing activities		
Purchase / Sale of Current Investments	(3,73,94,094)	2,69,48,910
Purchase / Sale of Non Current Investments	(15,74,99,759)	(8,23,17,770)
Purchase of Fixed Assets - Tangible	(2,48,14,198)	(1,43,15,430)
Purchase of Fixed Assets - Intangible	-	(1,68,038)
Sale of Fixed Assets - Tangible	14,86,656	2,19,069
Profit on Sale of Non-Current Investments	93,26,947	14,54,796
Loss on Sale of Current Investments	-	(3,56,506)
Dividend Income	30,23,577	1,21,79,527
Interest Income	3,53,888	3,82,946
Net Cash From Investing Activities	<u>(20,55,16,983)</u>	<u>(5,59,72,496)</u>
C Cash flow from financing activities		
Dividend paid (including corporate dividend tax)	(5,38,17,337)	(5,38,17,337)
Increase in Share Capital	4,66,67,710	-
Increase in Share Premium	27,06,72,718	-
Net Cash From Financing Activities	<u>26,35,23,091</u>	<u>(5,38,17,337)</u>
Net Increase / (Decrease) In Cash & Cash Equivalents - (A) + (B) + (C)	1,55,61,449	1,02,25,344
Cash And Cash Equivalents at the beginning of the period	1,51,96,491	49,71,147
Cash And Cash Equivalents at the end of the period	<u>3,07,57,940</u>	<u>1,51,96,491</u>
Note : Cash & Cash Equivalents comprise the following :		
a. Cash on hand	95,374	89,973
b. Balances with Banks in Current accounts	1,56,62,566	51,06,518
c. Fixed Deposits	1,50,00,000	1,00,00,000
Total	<u>3,07,57,940</u>	<u>1,51,96,491</u>

For **Brahmayya & Co.**
Chartered Accountants
Firm Registration No: 000511S

P.Babu
Partner
Membership No.203358

Chennai
06th May, 2015

D.N.Ghosh
Chairman

T T Srinivasaraghavan
Director

Rishiksha T Krishnan
Director

S Krishnamurthy
Director

T.Anantha Narayanan
Director

Pratip Chaudhuri
Director

Harsha Viji
Managing Director

T.S.Sritharan
Chief Financial Officer

P. Sundararajan
Company Secretary

FORM AOC - 1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

PART "A" : Subsidiaries

1	Sl. No	1
2	Name of the Subsidiary	M/s Sundaram Asset Management Singapore Pte. Ltd.
3	Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company
4	Reporting Currency and Exchange Rate as of the last date of the relevant Financial Year in the case of foreign subsidiaries	SGD (1SGD = INR 45.4985)
5	Share Capital	47,30,001
6	Reserves & Surplus	(39,89,468)
7	Total Assets	11,44,438
8	Total Liabilities	11,44,438
9	Investments	2,52,307
10	Turnover	3,81,878
11	Profit before Taxation	(16,02,401)
12	Provision for Taxation	-
13	Profit after Taxation	(16,02,401)
14	Proposed Dividend	-
15	% of Shareholding	100%

1. Names of associates or joint ventures which are yet to commence operations - Nil

2. Names of associates or joint ventures which have been liquidated or sold during the year - Nil

PART "B" : Associates & Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of Associates / Joint Ventures		
1.	Latest Audited Balance Sheet Date	Not Applicable
2.	Share of Associate / Joint Ventures held by the company on the year end. No. Amount of Investment in Associates / Joint Ventures Extent of Holding %	
3.	Description of how there is significant influence	
4.	Reason why the associate/joint venture is not consolidated	
5.	Networth attributable to share holding as per latest audited balance sheet.	
6.	Profit / Loss for the year i. Considered in Consolidation. ii. Not Considered in Consolidation.	

D.N.Ghosh
Chairman

T T Srinivasaraghavan
Director

Rishiksha T Krishnan
Director

S Krishnamurthy
Director

T.Anantha Narayanan
Director

Pratip Chaudhuri
Director

Harsha Viji
Managing Director

T.S.Sritharan
Chief Financial Officer

P. Sundararajan
Company Secretary

Chennai
06th May, 2015

Branches

Ahmedabad	Jamshedpur
Bangalore	Jodhpur
Baroda (Vadodara)	Kanpur
Bhilai	Kolkatta
Bhopal	Lucknow
Bhubaneshwar	Ludhiana
Calicut (Kozhikode)	Madurai
Chandigarh	Mangalore
Chennai	Mumbai (4)
Cochin	Nagpur
Coimbatore	Nashik
Dehradun	Patna
Delhi (2)	Pune
Durgapur (Kolkatta)	Raipur
Goa	Rajkot
Guwahati	Salem
Hyderabad	Surat
Indore	Trichy
Jaipur	Vijayawada



Sundaram Asset Management Singapore Pte. Ltd.
Registration Number 201111900M

Annual Report
Year ended 31 March 2015

The symbol "\$", wherever appearing, denotes Singapore Dollars unless otherwise specified

Directors Report

Directors' report

We are pleased to submit this annual report to the member of the Company together with the audited financial statements for the financial year ended 31 March 2015.

Directors

The directors in office at the date of this report are as follows:

Ng Teck Sim Colin

Tallam Puranam Raman

Sunil Subramaniam

Vijayendiran Ranganatha Rao

Benoy Philip

Directors' Interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the Act), particulars of interests of director who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants or share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Ordinary shares		
Tallam Puranam Raman		
Sundaram Finance Ltd		
- interests held	9,128	9,128
Sundaram Asset Management Company Ltd		
- interests held	1	1
Sunil Subramaniam		
Sundaram Finance Ltd		
- interests held	-	500
Ranganatha Rao Vijayendiran		
Sundaram Finance Ltd		
- interests held	1,400	1,400
Options to subscribe to ordinary shares		
Sunil Subramaniam		
Sundaram Finance Ltd		
- INR 10 per share between	500	500

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the year or date of appointment, if later, or at the end of the financial year.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Except for the remuneration, fees and those benefits that are disclosed in this report and in note 13 to the financial statements, since the end of the last financial period, no director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Share options

During the financial year, there were:

- no options granted by the Company to any person to take up unissued shares in the Company; and
- no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under option.

Auditors

The auditors, KPMG LLP, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors

Vijayendiran Ranganatha Rao

Chief Executive Officer

Sunil Subramaniam

Director

30 April 2015

Statement by Directors

In our opinion:

- (a) the financial statements set out on pages FS1 to FS17 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On Behalf of the Board of Directors

Vijayendiran Ranganatha Rao
Chief Executive Officer

Sunil Subramaniam
Director

30 April 2015



KPMG LLP
 16 Raffles Quay #22-00
 Hong Leong Building
 Singapore 048581

Telephone +65 6213 3388
 Fax +65 6225 0984
 Internet www.kpmg.com.sg

Independent auditors' report

To the member of Sundaram Asset Management Singapore Pte. Ltd.

Report on the financial statements

We have audited the accompanying financial statements of Sundaram Asset Management Singapore Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages FS1 to FS17.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 control relevant to the entity's preparation of 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 the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Company for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

KPMG LLP

Public Accountants and
 Chartered Accountants

Singapore

30 April 2015

KPMG LLP (Registration No. T08LL1267L), an accounting limited liability partnership registered in Singapore under the Limited Liability Partnership Act (Chapter 163A) and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statement of financial position

As at 31 March 2015

	Note	2015 \$	2014 \$
Non-current assets			
Plant and equipment	4	3,232	24,687
		<u>3,232</u>	<u>24,687</u>
Current assets			
Trade and other receivables	5	156,087	131,847
Cash and cash equivalents	6	985,119	738,250
		<u>1,141,206</u>	<u>870,097</u>
Total assets		<u>1,144,438</u>	<u>894,784</u>
Equity			
Share capital	7	4,730,001	3,175,001
Accumulated losses		(3,989,468)	(2,387,067)
Total equity		<u>740,533</u>	<u>787,934</u>
Current liability			
Other payables	8	403,905	106,850
Total liability		<u>403,905</u>	<u>106,850</u>
Total equity and liabilities		<u>1,144,438</u>	<u>894,784</u>

Statement of comprehensive income

Year ended 31 March 2015

	Note	2015 \$	2014 \$
Revenue	9	380,715	26,667
Other income		1,163	1,502
		<u>381,878</u>	<u>28,169</u>
Staff costs		(1,198,037)	(954,144)
Depreciation expense	4	(23,891)	(23,206)
Operating lease expense		(78,990)	(85,588)
Investor introduction and marketing fee		(408,540)	-
Other operating expenses		(274,821)	(127,109)
Loss before tax	10	<u>(1,602,401)</u>	<u>(1,161,878)</u>
Tax expense	11	-	-
Loss for the year		<u>(1,602,401)</u>	<u>(1,161,878)</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>(1,602,401)</u>	<u>(1,161,878)</u>

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity

Year ended 31 March 2015

	Note	Share Capital \$	Accumulated Losses \$	Total \$
At 1 April 2013		1,775,001	(1,225,189)	549,812
Loss for the year		–	(1,161,878)	(1,161,878)
Total comprehensive income for the year		–	(1,161,878)	(1,161,878)
Transactions with owner, recognised directly in equity				
Issue of ordinary shares	7	1,400,000	–	1,400,000
Total transactions with owner		1,400,000	–	1,400,000
At 31 March 2014		3,175,001	(2,387,067)	787,934
At 1 April 2014		3,175,001	(2,387,067)	787,934
Loss for the year		–	(1,602,401)	(1,602,401)
Total comprehensive income for the year		–	(1,602,401)	(1,602,401)
Transactions with owners, recognised directly in equity				
Issue of ordinary shares	7	1,555,000	–	1,555,000
Total transactions with owners		1,555,000	–	1,555,000
At 31 March 2015		4,730,001	(3,989,468)	740,533

Statement of cash flows

Year ended 31 March 2015

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Loss before tax		(1,602,401)	(1,161,878)
Adjustments for:			
Depreciation	4	23,891	23,206
Interest income		(1,163)	(1,502)
		(1,579,673)	(1,140,174)
Changes in working capital:			
Trade and other receivables		(24,240)	(61,378)
Other payables		297,055	(45,200)
Net cash used in operating activities		(1,306,858)	(1,246,752)
Cash flows from investing activities			
Interest received		1,163	1,502
Purchase of plant and equipment	4	(2,436)	–
Net cash used in investing activities		(1,273)	1,502
Cash flow from financing activity			
Proceeds from issue of ordinary shares	7	1,555,000	1,400,000
Net cash from financing activity		1,555,000	1,400,000
Net increase in cash and cash equivalents		246,869	154,750
Cash and cash equivalents at beginning of year		738,250	583,500
Cash and cash equivalents at end of year	6	985,119	738,250

Notes to the Financial Statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 30 April 2015.

1 Domicile and activities

Sundaram Asset Management Singapore Pte. Ltd. (the "Company") is a company incorporated in Singapore. The address of the Company's registered office is 47 Hill Street, #03-01, Singapore Chinese Chamber of Commerce & Industry Building, Singapore 179365.

The immediate and ultimate holding companies are Sundaram Asset Management Company Limited and Sundaram Finance Limited respectively, both of which incorporated in the Republic of India.

The principal activities of the Company are those relating to the provision of fund management and related services, for which the Company holds a Capital Markets Services Licence granted by the Monetary Authority of Singapore ("MAS") was reissued with effect from 2 May 2013.

During the year, the Company launched Sundaram India Midcap Fund from its Singapore platform. Sundaram India Midcap Fund is a USD denominated, daily dealing fund domiciled in Singapore and its investment objective is to invest in India listed midcap equity stocks.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars, which is the Company's functional currency.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these

estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 Significant Accounting Policies

3.1 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.2 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognized in profit or loss.

3.3 Financial instruments

Non-derivative financial assets

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and

rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the loans and receivables category.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and fixed deposits with bank.

Non-derivative financial liabilities

All other financial liabilities are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at

fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise other payables.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.4 Impairment

Non-derivative financial asset

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Company, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Company considers evidence of impairment for loans and receivables at both a specific and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping

together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

Impairment losses are recognised in profit or loss. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the

recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

3.5 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.6 Plant and equipment

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Depreciation is based on the cost of an asset. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

Furniture and fittings 3 years

Office equipment 3 years

Computer equipment 3 years

Depreciation methods and useful lives are reviewed, at the end of each reporting period and adjusted if appropriate.

3.7 Revenue recognition

Revenue, which comprises of investment advisory fee and investment management fee, is recognised in profit or loss on an accrual basis when services are rendered.

Investment management fee rates are applied to the value of assets under management to compute the related revenue.

3.8 Investor introduction and marketing expense

The investor introduction and marketing expense is recognized on an accrual basis when services are received.

3.9 Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

3.10 Finance Income

Finance income comprises interest income on funds invested (including available-for-sale financial assets). Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3.11 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable

on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects either accounting nor taxable profit or loss.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior

experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.12 Key management personnel

Key management personnel of the Company are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. The board of directors and senior management are considered as key management personnel of the Company.

3.13 New accounting standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2014, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

4 Plant and equipment

	Furniture and fittings \$	Office equipment \$	Computer equipment \$	Total \$
Cost				
At 1 April 2013	57,220	5,689	6,710	69,619
Additions	-	-	-	-
At 31 March 2014	57,220	5,689	6,710	69,619
Additions	-	-	2,436	2,436
At 31 March 2015	57,220	5,689	9,146	72,055
Accumulated depreciation				
At 1 April 2013	18,435	1,598	1,693	21,726
Depreciation for the period	19,073	1,896	2,237	23,206
At 31 March 2014	37,508	3,494	3,930	44,932
Depreciation for the year	19,073	1,896	2,922	23,891
At 31 March 2015	56,581	5,390	6,852	68,823
Carrying amount				
At 1 April 2013	38,785	4,091	5,017	47,893
At 31 March 2014	19,712	2,195	2,780	24,687
At 31 March 2015	639	299	2,294	3,232

5 Trade and other receivable

	2015 \$	2014 \$
Trade receivables	41,681	-
Amount due from immediate holding company (trade)	40,000	26,667
Deposits	34,388	34,338
Other receivables	15,854	-
Loans and receivables	131,923	61,005
Prepayments	24,164	70,842
	156,087	131,847

Trade and other receivables are neither past due nor impaired.

6 Cash and cash equivalents

	2015 \$	2014 \$
Cash at bank	732,812	486,748
Fixed deposits with bank	252,307	251,502
	985,119	738,250

7 Share capital

	2015 Number of shares	2014 Number of shares
Issued and fully paid shares with no par value:		
At 1 April	3,175,001	1,775,001
Issued for cash during the year	1,555,000	1,400,000
At 31 March	4,730,001	3,175,001

Issue of ordinary shares

During the year, the Company issued 1,555,000 ordinary shares for a cash consideration of \$1,555,000.

The holder of ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Capital management

The Company defines "capital" to be share capital and accumulated profits. The immediate holding company ensures that the Company has adequate capital in order to meet its obligations and to sustain the operations of the Company. The Company is subject to externally imposed minimum base capital requirements under Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licenses) Regulations.

The Company has complied with the base capital and financial resources requirement throughout the year

8 Other payables

	2015	2014
	\$	\$
Amount due to a director	–	3,948
Amount due to immediate holding company	16,791	1,443
Accrued expenses	260,577	94,375
Others	126,537	7,084
	<u>403,905</u>	<u>106,850</u>

Amounts due to immediate holding company and a director are unsecured, interest-free and repayable on demand.

9 Revenue

	2015	2014
	\$	\$
Investment management fees	220,715	–
Investment advisory fees from immediate holding company	160,000	26,667
	<u>380,715</u>	<u>26,667</u>

10 Loss before tax

The following items have been included in arriving at loss before tax:

	2015	2014
	\$	\$
Contribution to a defined contribution plans included in staff costs	41,737	36,101
Depreciation expense	23,891	23,206
Legal and professional fee	106,584	29,477
Subscription and licence fee	42,215	11,536
Travelling expenses	25,034	16,091
Foreign exchange (gain)/loss	(10,027)	–

11 Tax expense

	2015	2014
	\$	\$
Tax recognised in profit or loss		
Current tax expense		
Current year/period	–	–
Reconciliation of effective tax rate		
Loss before tax	(1,602,401)	(1,161,878)
Income tax using the Singapore		

tax rate of 17% (2013: 17%)	(272,408)	(197,519)
-----------------------------	-----------	-----------

Current year losses for which no deferred tax asset was recognised	<u>272,408</u>	<u>197,519</u>
	–	–

Unutilised tax losses amounting to \$3,072,400 (2014: \$1,469,999) are available for set off against taxable profits of future periods subject to compliance with the provisions of Section 37 read with Section 14U of the Singapore Income Tax Act, Chapter 134 and agreement with the Inland Revenue Authority of Singapore.

Deferred tax assets have not been recognised in respect of these tax losses because it is not probable that future taxable profits will be available against which the Company can utilise the benefits.

12 Commitments**Operating lease commitment**

At reporting date, the Company has commitments for future minimum lease payments under non-cancellable operating leases as follows:

	2015	2014
	\$	\$
Within 1 year	108,396	136,590
After 1 year but within 5 years	53,400	63,489
	<u>161,796</u>	<u>200,079</u>

13 Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. The compensation details of key management personnel are as follows:

	2015	2014
	\$	\$
Director's fees	35,000	35,000
Remuneration and short-term employee benefits	721,940	578,795
Contribution to a defined contribution plan	15,809	11,725

14 Financial risk management

Overview of risk management

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks.

The Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Credit risk

Exposure to credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company has no significant exposures to credit risk at the balance sheet date.

Concentration of credit risk exist when a number of counterparties are engaged in similar activities, or operate in the same geographical areas or industry sectors and have similar economic characteristics so that their ability to meet contractual obligations is similarly affected by changes in economic, political or other conditions.

As at reporting date, there were no significant concentrations of credit risks. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. Cash is placed with a bank which has reputable credit standing.

The ageing of loans and receivables at the reporting date was:

	2015		2014	
	Gross	Impairment losses	Gross	Impairment losses
	\$	\$	\$	\$
Not past due	131,923	–	61,005	–

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages the liquidity structure of its assets, liabilities and commitments so that cash flows are appropriately balanced and all funding obligations are met when due. The carrying amounts of the financial liabilities as at 31 March 2015 approximates their contractual cash flows and are repayable on demand or due within 6 months from the end of the reporting period.

Currency risk

The Company is not exposed to significant foreign currency risk as most of its transactions and balances are denominated in Singapore dollar.

Interest rate risk

The Company is not exposed to significant interest rate risk, since it has no variable interest rate instruments or such borrowings as at the end of the year. Accordingly, in the assessment of the Management, there is no significant interest rate risk for the Company.

Estimation of fair values

The carrying amounts of financial assets and financial liabilities as disclosed in the statement of financial position approximate their fair values because of their short period of maturity.

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	Note	Loan and receivables	Other financial liabilities	Total carrying amount	Fair value
		\$	\$	\$	\$
31 March 2015					
Trade and other receivables	5	131,923	–	131,923	131,923
Cash and cash equivalents	6	985,119	–	985,119	985,119
Other payables	8	–	(403,905)	(403,905)	(403,905)
		1,117,042	(403,905)	713,137	713,157
31 March 2014					
Trade and other receivables	5	61,005	–	61,005	61,005
Cash and cash equivalents	6	738,250	–	738,250	738,250
Other payables	8	–	(106,850)	(106,850)	(106,850)
		799,255	(106,850)	692,405	692,405

The carrying amount of the Company's financial assets and financial liabilities as at 31 March 2015 and 31 March 2014 is a reasonable approximation of their fair values. A fair value hierarchy for financial assets and financial liabilities not carried at fair value but for which fair values are disclosed is not presented as the financial assets' and financial liabilities' carrying amounts measured on the amortised cost basis approximates their fair value.

