

# SUNDARAM & SRINIVASAN

CHARTERED ACCOUNTANTS  
23, C.P. RAMASWAMY ROAD,  
ALWARPET, CHENNAI - 600 018.

## AUDITORS REPORT

The Board of Trustees  
Sundaram BNP Paribas Mutual Fund  
Chennai

We have audited the attached Balance Sheet of Sundaram BNP Paribas Mutual Fund - **SUNDARAM BNP PARIBAS FIXED TERM PLAN E** as at March 31, 2010 and the Revenue Account for the **period** ended on April 27, 2009. These financial statements are the responsibility of the management. Our responsibility is to express our opinion on these financial statements based on our audit.


We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

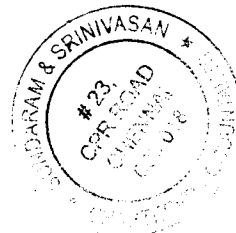
On the basis of the audit as indicated above, we report as follows:-

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. The Balance Sheet and Revenue Account are in agreement with the books of accounts of Sundaram BNP Paribas Mutual Fund.
3. a) The accounts have been prepared in accordance with accounting policies and standards as specified in the Ninth Schedule of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.  
b) In our opinion, the valuation methods adopted by the fund for valuation of non-traded securities, "in good faith" are fair and reasonable.
4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes forming part of Accounts give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) in case of Balance Sheet, of the state of affairs of the aforesaid Schemes of Sundaram BNP Paribas Mutual Fund, **SUNDARAM BNP PARIBAS FIXED TERM PLAN E** as at March 31, 2009 and
  - b) In the case of Revenue Account of the **Deficit** of Sundaram BNP Paribas Mutual Fund - **SUNDARAM BNP PARIBAS FIXED TERM PLAN E** for the period ended on April 27, 2009.

For and on behalf of **SUNDARAM & SRINIVASAN**  
**CHARTERED ACCOUNTANTS**  
(FRN No.: 004207S)

Place: Chennai  
Date: 25<sup>th</sup> June, 2010

  
**K. SRINIVASAN**  
**PARTNER (M.No : 5809)**



**BALANCE SHEET AS AT 31st MARCH, 2010**

Amount in Rs.

	SCHEDULE NO.	31-Mar-10	31-Mar-09
<b>LIABILITIES</b>			
Unit Capital	1	-	1,325,584,141
Reserves & Surplus	2	-	133,380,093
Current Liabilities & Provisions	3	5,516	2,505,007
		<b>5,516</b>	<b>1,461,469,241</b>
<b>ASSETS</b>			
Investments	4	-	1,428,375,060
Other Current Assets	5	5,516	33,094,181
		<b>5,516</b>	<b>1,461,469,241</b>

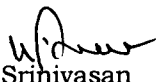
Notes on Accounts

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As per our Report of even date


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

**For**  
**Sundaram BNP Paribas Asset Management Company Ltd**

  
K Srinivasan  
Partner  
(M.NO : 5809)




  
K. Ramkumar  
Fund Manager

  
T.S. Sritharan  
Chief Financial Officer


  
T P Raman  
Managing Director

**For and on Behalf of**  
**Sundaram BNP Paribas Trustee Company Ltd**

  
K V Ramanathan  
Chairman

  
S Viji  
Director

  
R. Rajamani  
Director

  
Francois Mouzay  
Director

Place : Chennai  
Date : 25th June 2010

## REVENUE ACCOUNT FOR THE PERIOD FROM 01-04-2009 TO 27-04-2009

		Amount, Rs			
	Schedule No.	01-04-2009 to 27-04-2009		01-04-2008 to 31-03-2009	
<b>REVENUE</b>					
Interest	6	6,738,249		135,998,640	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		717,868		6,281,187	
Net profit on inter scheme transfer / sale of investments		-		2,129,052	
Other Income		-		300,000	
		<b>7,456,117</b>		<b>144,708,879</b>	
<b>TOTAL (A)</b>			<b>7,456,117</b>		<b>144,708,879</b>
<b>EXPENSES</b>					
Management fee		140,664		1,915,132	
Trusteeship fee		10,820		147,317	
Commission to Agents		87,842		1,899,552	
Publicity expenses		2,014,414		965,767	
Audit fee		6,986		12,200	
Other operating expenses [Including Marketing Expenses NIL (Previous Year Rs.324444 )]		16,907		568,302	
Custodian charges		4,522		54,152	
Registrar expenses		25,616		330,284	
		<b>2,307,771</b>		<b>5,892,706</b>	
Less : Amount transferred from Load on account of Marketing Expenses		1,978,448		-	
<b>TOTAL (B)</b>			<b>329,323</b>		<b>5,892,706</b>
<b>SURPLUS / (DEFICIT) (A-B)</b>			<b>7,126,794</b>		<b>138,816,173</b>
Add/(Less) : Balance in Equalisation Account			(140,492,987)		(7,012,838)
			<b>(133,366,193)</b>		<b>131,803,335</b>
Less: Income Distributed		12,180		93,965	
Distribution Tax		1,720	<b>13,900</b>	13,310	<b>107,275</b>
<b>Surplus /(Deficit) transferred to Balance Sheet</b>			<b>(133,380,093)</b>		<b>131,696,060</b>

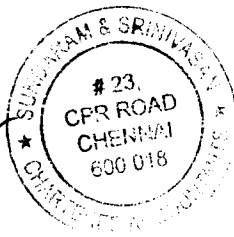
Notes on Accounts

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As per our Report of even date  
For  
**Sundaram & Srinivasan**  
Chartered Accountants  
(FRN.: 004207S)

For  
**Sundaram BNP Paribas Asset Management Company Ltd**

K Srinivasan  
Partner  
(M.NO : 5809)



K. Ramkumar  
Fund Manager

T.S.Sritharan  
Chief Financial Officer

T P Raman  
Managing Director

For and on Behalf of  
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K V Ramanathan  
Chairman

S.Viji  
Director

R. Rajamoni  
Director

Francois Moutzay  
Director

Place : Chennai  
Date : 25th June 2010

**SCHEDULE : 1****Unit Capital**

	31/03/2010		31/03/2009	
	Rs.		Rs.	
<b>Initial capital</b>	150,486,307	<b>1,504,863,069</b>	150,486,307	<b>1,504,863,069</b>
<b>Unit Capital</b>				
Opening Capital	132,558,414	1,325,584,141	150,486,306	1,504,863,069
Add: Units sold during the Period	771	7,706		
Less : Units repurchased during the Period	132,559,185	1,325,591,847	150,486,306	1,504,863,069
Units at the end of the Period	132,559,185	1,325,591,847	17,927,892	179,278,928
	-	-	132,558,414	1,325,584,141
				<b>1,325,584,141</b>

**SCHEDULE : 2****Reserves & Surplus**

	31/03/2010		31/03/2009	
	Rs.		Rs.	
<b>General Reserve</b>				
Opening Balance	133,380,093		1,684,033	
Add /(Less): Transfer from Revenue Account	(133,380,093)	-	131,696,060	
		-		<b>133,380,093</b>
		-		<b>133,380,093</b>

**SCHEDULE : 3****Current Liabilities & Provisions**

	31/03/2010	31/03/2009
	Rs.	Rs.
<b>Current Liabilities</b>		
Sundry Creditors	4,964	2,454,250
Distributed Income Payable	-	27,725
Others	552	23,032
	<b>5,516</b>	<b>2,505,007</b>

**SCHEDULE : 4****Investments**

	31/03/2010	31/03/2009
	Rs.	Rs.
Certificate of Deposits	-	905,917,054
Investment in Reverse Repo / CBLO	-	522,458,006
	-	<b>1,428,375,060</b>

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

	31/03/2010	31/03/2009
	Rs.	Rs.
Balance with banks in Current Accounts	-	2,080,928
Outstanding and accrued Income	-	31,013,253
Others	5,516	-
	<b>5,516</b>	<b>33,094,181</b>

**SCHEDULE : 6****Interest**

	01-04-2009 to 27-04-2009	01-04-2008 to 31-03-2009
	Rs.	Rs.
Interest from banks and others	559,376	2,031,743
Interest on Debentures and Bonds	-	30,668,211
Discounting Charges	6,178,873	103,298,686
	<b>6,738,249</b>	<b>135,998,640</b>

# SUNDARAM BNP PARIBAS MUTUAL FUND

## SUNDARAM BNP PARIBAS FIXED TERM PLAN E

Schedules forming part of the Balance Sheet as at 31-Mar-2010  
and the Revenue Account for the Period from 01-Apr-2009 to 27-Apr-2009

### SCHEDULE 7

*All amounts mentioned rupees in lakhs*

### NOTES ON ACCOUNTS

#### 1 SIGNIFICANT ACCOUNTING POLICIES

##### 1.1. INVESTMENTS

Investment transactions are accounted on trade dates at cost including brokerage, stamp duty and other levies. Investments are marked to market. In valuing the Scheme's investments:

##### a) Government Securities

· Government Securities are valued at the prices obtained from CRISIL in accordance with the guidelines for valuation of securities for mutual funds issued by SEBI.

· Instruments bought on 'repo' basis have been valued at the resale price after deduction of applicable interest up to date of resale.

##### b) Other Securities

· Traded Securities are valued at the last quoted closing price on the stock exchange. Non-traded / thinly traded securities are valued in good faith on the basis of guidelines issued by SEBI in this regard.

In accordance with the guidance note on accounting for investments in the financial statement of mutual funds issued by The Institute of Chartered Accountants of India, the investments are valued separately category-wise and the net unrealised appreciation is directly transferred to unrealised appreciation reserve and the net diminution is debited to revenue account.

##### 1.2. INCOME RECOGNITION

(i) Profit/Loss on sale of investments is recognised on the trade dates based on weighted average cost method.

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

(iii) Other income is accounted on cash basis.

##### 1.3. EXPENSES

Expenses are accounted for on accrual basis.

##### 1.4. UNIT PREMIUM RESERVE

The premium on sale /repurchase of units (Load) is credited to unit premium account and has been utilised for meeting the ongoing management expenses of the scheme. Any surplus in this account may be credited to the scheme whenever felt appropriate by the AMC.

##### 1.5. EQUALISATION ACCOUNT

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

**2. INVESTMENT MANAGER FEES**

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

Description	01.04.09 to 27.04.09	01.04.08 to 31.03.09
Average daily net asset value	14,627.32	14,731.69
Management fee @ 0.13% of average daily net asset value.(Previous year 0.13%)	1.41	19.15

**3. INVESTMENTS MADE IN COMPANIES WHO HAVE INVESTED MORE THAN FIVE PERCENT OF THE NET ASSET VALUE OF THE SCHEMES OF SUNDARAM BNP PARIBAS MUTUAL FUND.**

As Per Annexure - I

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

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

Description	01.04.09 to 27.04.09	01.04.08 to 31.03.09
<b>PURCHASE VALUE(AMOUNT)</b>	<b>6,734.06</b>	<b>61,332.71</b>
%	46.04%	416.33%
<b>SALES VALUE (AMOUNT)</b>	<b>15,793.23</b>	<b>67,234.28</b>
%	107.97%	456.39%

**5. AGGREGATE FAIR VALUE OF NON-TRADED/THINLY TRADED INVESTMENTS-**

Aggregate Fair Value of non traded / thinly traded investments valued in "good faith" exceeding 5% of the Net Asset Value as at the end of the Period :

Description	01.04.09 to 27.04.09	01.04.08 to 31.03.09
Aggregate Fair Value of non traded / thinly traded investments valued in "good faith" exceeding 5% of the Net Asset Value as at the end of the Period	NIL	NIL
% to the asset under management	NIL	NIL

**6. INCOME / EXPENDITURE**

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

DESCRIPTION	01.04.09 to 27.04.09	01.04.08 to 31.03.09
<b>INCOME</b>	<b>6.89%</b>	<b>9.82%</b>
<b>EXPENDITURE</b>	<b>0.30%</b>	<b>0.40%</b>

**7. CONTINGENT LIABILITY**

Contingent liability as at 31st March 2010 is Rs. Nil. Previous Year Rs. Nil

**8. AMOUNT PAID TO SPONSORS / ASSOCIATES**

	01.04.09 to 27.04.09	01.04.08 to 31.03.09
Sundaram Finance Ltd (Sponsor)	NIL	NIL
Indus Ind Bank Ltd (Associate)	NIL	NIL

**9. TOTAL VALUE OF INVESTMENTS (EXCLUDING MONEY MARKET INVESTMENT) FALLING UNDER EACH MAJOR INDUSTRY GROUP WHICH CONSTITUTES NOT LESS THAN 5% OF THE TOTAL INVESTMENTS IS AS BELOW:**

(% of total investment within the classification)

NIL



**9.a Accounting Standard 17 on Segment Reporting**

As the Financial Statements are prepared separately on each scheme, no further disclosure under Accounting Standard 17 on segment reporting issued by the Institute of Chartered Accountants of India is considered necessary. There is no secondary reporting segment.

**9.b. Accounting Standard 18 on Related Party Disclosures**

Related party disclosures as required by the Accounting Standard 18 – “ Related Party Disclosures” issued by the Institute of Chartered Accountants of India are given as Annexure – ✓

**10. LOAD COLLECTED AND UTILISED**

Description	01.04.09 to 27.04.09	01.04.08 to 31.03.09
Opening Balance		
Add.: Amount received on Sale / Repurchase of units (net)	19.78	-
Less: Amount Adjusted towards Brokerage & Marketing Exp	-	22.78
Less: Transferred to Income	19.78	-
Closing Balance	-	3.00
	-	19.78

**11. PORTFOLIO DISCLOSURE**

NIL

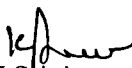
**12. MOVEMENT IN UNIT CAPITAL**

As Per Schedule-I

Signatures to the schedules 1 to 7 are forming part of the Balance Sheet and the Revenue Account.

**For Sundaram & Srinivasan  
Chartered Accountants**  
(FRN No.: 004207S)


**For Sundaram BNP Paribas Asset Management Company Ltd**

  
K Shrinivasan  
Partner  
(M.No : 5809)




  
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Chief Financial Officer

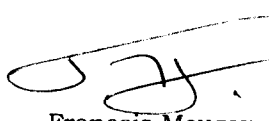
  
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Francois Mouzay  
Director

**Place : Chennai  
Date : 25th June, 2010**