

# 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 U** as at March 31, 2010 and the Revenue Account for the **period** ended on that date. 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.

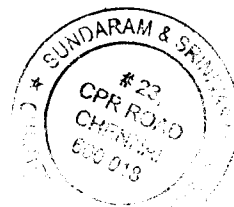
On the basis of the audit as indicated above, we report as follows:-

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.
4. b) In our opinion, the valuation methods adopted by the fund for valuation of non-traded securities, "in good faith" are fair and reasonable.
5. 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 U** as at March 31, 2010 and
  - b) In the case of Revenue Account of the **Surplus** of Sundaram BNP Paribas Mutual Fund - **SUNDARAM BNP PARIBAS FIXED TERM PLAN U** for the period ended on March 31, 2010.

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**

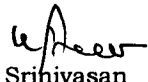
		Amount in Rs.
	SCHEDULE NO.	31-Mar-10
<b>LIABILITIES</b>		
Unit Capital	1	379,519,680
Reserves & Surplus	2	160,742
Current Liabilities & Provisions	3	1,712,077
		<b>381,392,499</b>
<b>ASSETS</b>		
Investments	4	381,144,275
Other Current Assets	5	248,224
		<b>381,392,499</b>

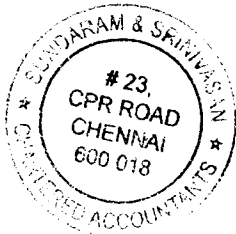
Notes on Accounts 7

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)

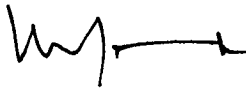


  
K. Ramkumar  
Fund Manager

  
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 30.03.2010 to 31.03.2010**

		Amount, Rs	
		Schedule No.	30-03-2010 to 31-03-2010
<b>REVENUE</b>			
Interest		6	167,395
<b>TOTAL (A)</b>			<b>167,395</b>
<b>EXPENSES</b>			
Management fee			2,079
Trusteeship fee			208
Audit fee			2,515
Other operating expenses (Including Marketing Expenses Rs.NIL )			323
Registrar expenses			1,528
<b>TOTAL (B)</b>			<b>6,653</b>
<b>SURPLUS / (DEFICIT) (A-B)</b>			<b>160,742</b>
Add/(Less) : Balance in Equalisation Account			-
<b>Less: Income Distributed</b>			<b>160,742</b>
Distribution Tax			-
<b>Surplus / (Deficit) transferred to Balance Sheet</b>			<b>160,742</b>

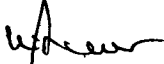
Notes on Accounts

7

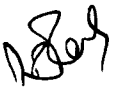
As per our Report of even date


**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

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

	31/03/2010	
	Units	Rs.
	<b>Initial capital</b>	<b>37,951,968.00</b>
<b>Unit Capital</b>		
Opening Capital	-	-
Add: Units Sold during the Period	37,951,968.00	379,519,680
	37,951,968.00	379,519,680
Less : Units repurchased during the Period	-	-
Units at the end of the Period	37,951,968.00	379,519,680

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

	31/03/2010	
	Rs.	
<b>General Reserve</b>		
Opening Balance	-	
Add /(Less): Transfer from Revenue Account	160,742	
		160,742
		<b>160,742</b>

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

	<b>31/03/2010</b>
	<b>Rs.</b>
<b>Current Liabilities</b>	
Sundry Creditors	1,711,131
Others	946
	<b>1,712,077</b>

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

	<b>31/03/2010</b>
	<b>Rs.</b>
Certificate of Deposits	375,747,971
Others - Reverse Repo / CBLO	5,396,304
	<b>381,144,275</b>

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

	<b>31/03/2010</b>
	<b>Rs.</b>
Balance with banks in Current Accounts	98,196
Outstanding and accrued Income	150,028
	<b>248,224</b>

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

	30-03-2010 to 31-03-2010
	Rs.
Interest from banks and others	18,106
Discounting Charges	149,289

**167,395**

# SUNDARAM BNP PARIBAS MUTUAL FUND

## SUNDARAM BNP PARIBAS FIXED TERM PLAN U

Schedules forming part of the Balance Sheet as at 31-Mar-2010  
and the Revenue Account for the Period from 30-Mar-2010 to 31-Mar-2010

### 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. LOAD

In terms of SEBI circular dated 30th June 2009, out of the exit load charged to the investor, a maximum of 1% of the redemption proceeds is maintained in a separate account which can be used by the AMC to pay commission to the distributor and for marketing and selling expenses of the scheme. Any balance in excess of 1% is credited to the scheme immediately and unutilised portion in the load account shall be credited to the scheme whenever felt appropriate by the AMC.

##### 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	30.03.10 to 31.03.10
Average daily net asset value	3,796.87
Management fee @ 0.10% of average daily net asset value.	0.02

**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	30.03.10 to 31.03.10
<b>PURCHASE VALUE(AMOUNT)</b>	<b>3,757.48</b>
%	98.96%
<b>SALES VALUE (AMOUNT)</b>	-
%	0.00%

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

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

Description	30.03.10 to 31.03.10
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
% to the asset under management	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	30.03.10 to 31.03.10
<b>INCOME</b>	<b>8.02%</b>
<b>EXPENDITURE</b>	<b>0.28%</b>

**7. CONTINGENT LIABILITY**

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

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

	30.03.10 to 31.03.10
Sundaram Finance Ltd (Sponsor)	0.02
Indus Ind Bank Ltd (Associate)	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)

Refer Annexure - II



**q.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.

**q.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. PORTFOLIO DISCLOSURE**

Full portfolio of the scheme is given in Annexure - III

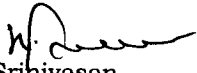
**11. MOVEMENT IN UNIT CAPITAL**

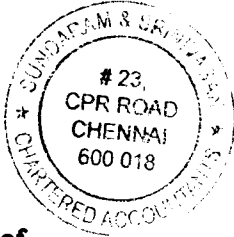
As Per Schedule-I

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

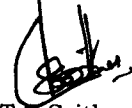
**For Sundaram & Srinivasan  
Chartered Accountants**  
(FRN No.: 004207S)

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

  
K Srinivasan  
Partner  
(M.No : 5809)

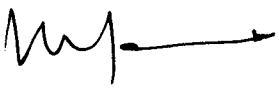


  
K Ramkumar  
Fund Manager

  
T S Sritharan  
Chief Financial Officer

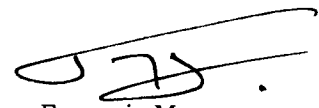
  
T P Raman  
Managing Director

**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**

**12. HISTORICAL PER UNIT STATISTICS**

		2009-2010	
		Rs.	
(A)	Gross income		
	(i) income other than profit on sale of investment	0.0044	
	(ii) income from profit on inter scheme sales/transfer of investments	0.0000	
	(iii) income from profit on sale of investment to third parties	0.0000	
	(iv) transfer to revenue account from past year's reserves	0.0000	
(B)	Aggregate of expenses, write off, amortisation and charges	0.0002	
(C)	Net income	0.0042	
(D)	Net unrealised appreciation/(diminution) in value of investments	0.0000	
REGULAR			
		Dividend Option	Growth Option
(E)	Net Assets Value	10.0044	10.0000
(F)	Highest repurchase price		10.0000
	Lowest repurchase price		10.0000
	Highest ongoing sale price *	10.0000	10.0000
	Lowest ongoing sale price *	10.0000	10.0000
(G)	Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage	0.28%	
(H)	Ratio of gross income to average daily net assets by percentage	8.02%	

\* includes entry load as applicable

**13. Computation of Distributable Income**

	31/03/2010
Net Income as per revenue account	160,742
Add : Balance of Undistributed income as at 1st April brought forward	-
	160,742
Less : Income Distributed during the year	-
Distributable Income	160,742

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

Annexure - II

Sundaram BNP Paribas Fixed Term Plan - U	
	% of total investments within the classification
	2009-2010
<b>A) Debt Instruments</b>	
a) Listed / awaiting listing on Stock Exchange	NIL
b) Privately Placed	NIL

Sundaram BNP Paribas Fixed Term Plan - U				
Portfolio Statement for the period ended 31st March, 2010				
Particulars	Rating	Quantity	Mkt Value Rs. in Lacs	% of Net Asset
<b>A) Debt Instruments</b>				
a) Listed / awaiting listing on Stock Exchange	NIL			
b) Privately Placed	NIL			
<b>B) Money Market Instruments</b>				
CENTRAL BANK OF INDIA	PR1+	700	699.33	18.35%
ICICI BANK	A1+	650	617.78	16.21%
SOUTH INDIAN BANK	PR1+	200	187.60	4.92%
AXIS BANK	P1+	500	470.32	12.34%
JAMMU & KASHMIR BANK	P1+	700	656.64	17.23%
YES BANK	A1+	500	469.04	12.31%
KOTAK MAHINDRA BANK	P1+	700	656.77	17.23%
			<b>3757.48</b>	<b>98.58%</b>
<b>C) Others</b>				
Reverse Repo / CBLO			53.96	1.42%
<b>GRAND TOTAL</b>			<b>3811.44</b>	<b>100.00%</b>

\*\* Thinly Traded / Non Traded Securities