

# 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 MONTHLY INCOME PLAN- AGGRESSIVE PLAN** 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.

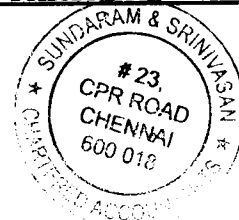
On the basis of the audit as indicated above, we report as follows:-

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 MONTHLY INCOME PLAN- AGGRESSIVE PLAN** 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 MONTHLY INCOME PLAN- AGGRESSIVE PLAN** 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	61,044,873
Reserves & Surplus	2	205,602
Current Liabilities & Provisions	3	160,432
		<b>61,410,907</b>
<b>ASSETS</b>		
Investments	4	58,085,322
Other Current Assets	5	3,325,585
		<b>61,410,907</b>

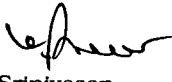
Notes on Accounts

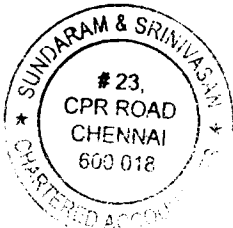
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
As per our Report of even date


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


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

  
K Srinivasan  
Partner  
(M.NO : 5809)




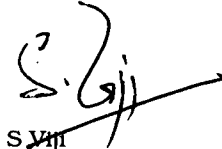
  
K. Ramkumar  
Fund Manager

  
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 08-03-2010 TO 31-03-2010**

	Schedule No.	Amount, Rs	
		08-03-2010 to 31-03-2010	
<b>REVENUE</b>			
Interest	6	207,219	
<b>TOTAL (A)</b>		207,219	207,219
<b>EXPENSES</b>			
Management fee		30,918	
Trusteeship fee		364	
Audit fee		5,515	
Other operating expenses (Including Marketing Expenses Rs.2907.18 )		18,217	
Custodian charges		5,607	
Registrar expenses		16,093	
		76,714	
Less : Amount transferred from Load on account of Marketing Expenses		-	
<b>TOTAL (B)</b>			76,714
<b>SURPLUS / (DEFICIT) (A-B)</b>			130,505
Add/(Less) : Balance in Equalisation Account			16,853
			147,358
<b>Surplus /(Deficit) transferred to Balance Sheet</b>			147,358


Notes on Accounts

8


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

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**Sundaram BNP Paribas Trustee Company Ltd**

  
K V Ramanathan  
Chairman

  
S Viji  
Director

  
R. Rajarani  
Director

  
Francois Moudzay  
Director

Place : Chennai  
Date : 25th June 2010

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

	<b>31/03/2010</b>	
	<b>Rs.</b>	
	<b>Units</b>	<b>Amount</b>
<b>Initial capital</b>	6,129,023.28	61,290,233
<b>Unit Capital</b>		
Opening Capital	-	-
Add: Units sold during the Period	6,129,023.28	61,290,233
Less : Units repurchased during the Period	6,129,023.28	61,290,233
Units at the end of the Period	24,535.96	245,360
	6,104,487.32	61,044,873
		<b>61,044,873</b>

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

	<b>31/03/2010</b>	
	<b>Rs.</b>	
<b>Unit Premium Reserve</b>		
Amount Received on Sale / Repurchase of Units (net)	5,617	5,617
<b>General Reserve</b>		
Opening Balance	-	-
Add /(Less): Transfer from Revenue Account	147,358	147,358
<b>Unrealised appreciation reserve</b>		
Opening Balance	-	-
Add/(Less) Net unrealized appreciation for the year	52,627	52,627
Unrealised Appreciation Reserve (Schedule 7)		52,627
		<b>205,602</b>

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

	<b>31/03/2010</b>
	<b>Rs.</b>
<b>Current Liabilities</b>	
Sundry Creditors	155,388
Others	5,044
	<b>160,432</b>

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

	<b>31/03/2010</b>
	Rs.
Non - Convertible Debentures	
- Listed / awaiting listing on Stock Exchanges	20,465,276
- Private Placed	5,020,624
Certificate of Deposits	9,415,302
Others - Reverse Repo / CBLO	23,184,120
	<b>58,085,322</b>

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

	<b>31/03/2010</b>
	Rs.
Balance with banks in Current Accounts	1,031,590
Outstanding and accrued Income	943,368
Others	1,350,627
	<b>3,325,585</b>

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

	<b>08-03-2010 to 31-03-2010</b>
	Rs.
Interest from banks and others	94,971
Interest on Debentures and Bonds	80,151
Discounting Charges	32,097
	<b>207,219</b>

**SCHEDULE :7****Net unrealised appreciation in value of Investments**

	<b>08-03-2010 to 31-03-2010</b>
	Rs.
<b>Appreciation in Value of Investments</b>	
Debentures / Bonds listed / awaiting listing on the recognised stock exchange	52,627
Appreciation in value of investments	<b>52,627</b>
	-
Net -Unrealised appreciation reserve (schedule 2)	<b>52,627</b>

# SUNDARAM BNP PARIBAS MUTUAL FUND

## SUNDARAM BNP PARIBAS MONTHLY INCOME PLAN - AGGRESSIVE PLAN

Schedules forming part of the Balance Sheet as at 31-Mar-2010  
and the Revenue Account for the Period from 08-Mar-2010 to 31-Mar-2010

### SCHEDULE 8 NOTES ON ACCOUNTS

*All amounts mentioned rupees in lakhs*

#### 1 SIGNIFICANT ACCOUNTING POLICIES

##### 1.1. INVESTMENTS

Investment transactions are accounted on trade dates at cost including brokerage, stamp duty and other levies.

Investments are marked to market. In valuing the Scheme's investments:

##### a) Government Securities

· Government Securities are valued at the prices obtained from CRISIL 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) Dividend is accounted on accrual basis and recognized on ex-dividend dates.
- (ii) Profit/Loss on sale of investments is recognised on the trade dates based on weighted average cost method.
- (iii) Income on investments is accounted on accrual basis.
- (iv) Other income is accounted on cash basis.

##### 1.3. EXPENSES

Expenses are accounted for on accrual basis.

##### 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

In terms of SEBI circular dated 15th March 2010, on Unit Premium Reserve, the equalisation account has been credited/debited with an appropriate portion (excluding the Unit Premium Reserve and Unrealised Appreciation) of the sale proceeds/repurchase price in respect of units sold / repurchased on or after 15th March 2010. The net balance in this account is transferred to revenue account for the Period

##### 1.6. UNIT PREMIUM RESERVE

In terms of SEBI Circular dated 15th March 2010, on Unit Premium Reserve, when units are sold / repurchased on or after 15th March 2010 a part of the sale price / re-purchase price representing unrealized gains is credited/debited to Unit Premium Reserve. The balance in Unit Premium Reserve will not be utilised for determination of distributable surplus.

## 2. INVESTMENT MANAGER FEES

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

Description	08.03.10 to 31.03.10
Average daily net asset value	553.23
Management fee @ 0.85% of average daily net asset value.	0.31

## 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	08.03.10 to 31.03.10
<b>PURCHASE VALUE(AMOUNT)</b>	<b>348.49</b>
%	62.99%
<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	08.03.10 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	254.86
% to the asset under management	42.00%

## 6. INCOME / EXPENDITURE

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

DESCRIPTION	08.03.10 to 31.03.10
<b>INCOME</b>	<b>5.70%</b>
<b>EXPENDITURE</b>	<b>2.09%</b>

## 7. CONTINGENT LIABILITY

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

## 8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	08.03.10 to 31.03.10
Sundaram Finance Ltd (Sponsor)	0.10
Sundaram Finance Distribution Ltd (Subsidiary of Sponsor)	0.05
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)



**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	08.03.10 to 31.03.10
Opening Balance	-
Add.: Amount received on Sale / Repurchase of units (net)	0.02
Less: Amount Adjusted towards Brokerage & Marketing Exp	-
Less: Transferred to Income	-
Closing Balance	0.02

In terms of SEBI guidelines dated 30th June 2009, from 1st Aug 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 marketing & selling expenses of the scheme and any balance is credited to the scheme, as against the previous practice of crediting the entire amount to load upto 31st July 2009 under other liabilities (other than the amount utilised for meeting commission to distributor and marketing and selling expenses which was included under unit premium reserve)

As a result, the other income is higher by Rs.Nil with consequential impact on the surplus, Reserves and Surplus, Current Liabilities and Provisions, Net Asset Value and Distributable income.

## 11. EQUALISATION ACCOUNT / UNIT PREMIUM RESERVE

In terms of SEBI Circular dated 15th March 2010, when units are sold / repurchased an appropriate portion (excluding Unit premium Reserves and un realized appreciation) of the sale proceeds / re-purchase price is credited / debited to equalisation account as against the policy of crediting/ debiting the entire difference between the sale price/repurchase price and face value of the units to equalisation account followed in the earlier years.

As a result of above change, the surplus transferred to Balance Sheet is lower by Rs.0.06 lakhs with consequential impact on Unit Premium Reserve and Distributable Income. However this does not have any impact on total Reserve and Surplus and Net Asset Value.

## 12. PORTFOLIO DISCLOSURE

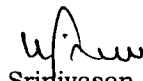
Full portfolio of the scheme is given in Annexure - III

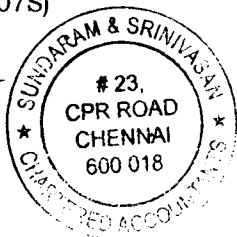
## 13. MOVEMENT IN UNIT CAPITAL

As Per Schedule-I

Signatures to the schedules 1 to 8 are forming part of the Balance Sheet and the Revenue Account.


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


  
K Srinivasan  
Partner  
(M.No : 5809)



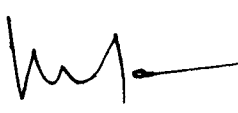
**For Sundaram BNP Paribas Asset Management Company Ltd**

  
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Fund Manager

  
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**For and on Behalf of**  
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K V Ramanathan  
Chairman

  
S Viji  
Director

  
R Rajamani  
Director

  
Francois Mouzay  
Director

**Place : Chennai**

**Date : 25th June, 2010**

14 Sundaram BNP Paribas Monthly Income Aggressive Plan				
1 14. Historical Per Unit Statistics		2009-2010		
A.	Gross Income	Rs.		
	Income other than profit on sale of investments	0.0339		
	Income from profit on inter scheme sales/transfer of investments	0.0000		
	Income from profit on sale of investments to third parties	0.0000		
	Transfer from revenue account from past years reserves	0.0000		
B	Aggregate of expenses, writeoff and charges	0.0126		
C	Net Income	0.0213		
D	Net unrealised appreciation/(Diminution) in value of investments	0.0086		
		Monthly	Qrtly	Half-yearly
E	Net Assets Value	10.0333	10.0333	10.0333
				Growth
F	Highest Repurchase Price	9.9228		9.9248
	Lowest Repurchase Price	9.9228		9.9248
	Highest Ongoing Sale Price	10.0292	10.0292	10.0292
	Lowest ongoing Sale Price	10.0000	10.0000	10.0000
G	Ratio of expenses to average daily net assets by percentage	2.09%		
	Ratio of gross income to average daily net assets by percentage	5.70%		

**15. Computation of Distributable Income**

	31/03/2010
Net Income as per revenue account	147,358
Add : Balance of Undistributed income as at 1st April brought forward	-
	147,358
Less : Income Distributed during the year	-
Distributable Income	147,358

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

## Annexure - II

## SUNDARAM BNP PARIBAS MONTHLY INCOME PLAN - AGGRESSIVE PLAN

	% of total investments within the classification
	2009-2010
<b>A) Debt Instruments</b>	
<b>a) Listed / awaiting listing on Stock Exchange</b>	
FINANCE	49.59%
IT	24.57%
DIVERSIFIED	25.84%
<b>TOTAL</b>	<b>100.00%</b>
<b>b) Privately Placed</b>	
FINANCE	100.00%

## Annexure - III

## SUNDARAM BNP PARIBAS MONTHLY INCOME PLAN - AGGRESSIVE PLAN

## Portfolio Statement for the period ended 31st March, 2010

Investment	Industry	Quantity	Market Value in Lakhs	% of NAV
<b>Equity &amp; Equity Linked Instruments</b>				
<b>a) Listed / awaiting listing on Stock Exchanges</b>				
	NIL			
<b>Debt Instruments</b>				
<b>a) Listed / awaiting listing on Stock Exchanges</b>				
RELIANCE CAPITAL LTD **	AAA	5	51.10	8.80%
TATA CAPITAL LTD **	LAA+	5	50.38	8.67%
HCL TECHNOLOGIES LIMITED **	LAA+	5	50.29	8.66%
ADITYA BIRLA NUVO LTD **	AA+	5	52.88	9.10%
			<b>204.65</b>	<b>35.23%</b>
<b>b) Privately placed / Unlisted</b>				
IL & FS FINANCIAL SERVICES LIMITED **	A1 +	5000	50.21	8.64%
			<b>50.21</b>	<b>8.64%</b>
<b>c) Government Securities</b>				
	NIL			
<b>d) Money Market Instruments</b>				
ICICI BANK	A1 +	50	47.44	8.17%
SOUTH INDIAN BANK	PR1 +	50	46.71	8.04%
			<b>94.15</b>	<b>16.21%</b>
<b>Call Money</b>				
Reverse Repo			231.84	39.91%
<b>TOTAL NET ASSETS</b>			<b>580.85</b>	<b>100.00%</b>
<b>** Thinly traded/ Non Traded Securities</b>				

# **SUNDARAM BNP PARIBAS MUTUAL FUND**

**FINANCIAL STATEMENTS FOR THE YEAR 2009-10**

**VOLUME II**

**SUNDARAM TOWERS – II FLOOR  
NO. 46 WHITES ROAD  
ROYAPETTAH  
CHENNAI**

**SUNDARAM BNP PARIBAS MUTUAL FUND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2010**

**Volume II**

<b>SCHEMES</b>		<b>PAGE NO</b>
<b>DEBT - FIXED TERM PLANS &amp; INTERVAL PLANS</b>		
<b>34</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN 367 DAYS SR 4	382
<b>35</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN 367 DAYS SR 5	393
<b>36</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN 367 DAYS SR 6	404
<b>37</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN 367 DAYS SR 7	415
<b>38</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN 367 DAYS SR 8	426
<b>39</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN SERIES 13	438
<b>40</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN 16 MONTHS SUNDARAM BNP PARIBAS FIXED INCOME INTERVAL FUND	448
<b>41</b>	QUARERLY SERIES PLAN - A SUNDARAM BNP PARIBAS FIXED INCOME INTERVAL FUND	458
<b>42</b>	QUARERLY SERIES PLAN - B SUNDARAM BNP PARIBAS FIXED INCOME INTERVAL FUND	470
<b>43</b>	QUARERLY SERIES PLAN - C SUNDARAM BNP PARIBAS FIXED INCOME INTERVAL FUND	482
<b>44</b>	QUARERLY SERIES PLAN - D SUNDARAM BNP PARIBAS FIXED INCOME INTERVAL FUND	494
<b>45</b>	QUARERLY SERIES PLAN - E	506
<b>46</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN	518
<b>47</b>	SUNDARAM BNP PARIBAS	529
<b>48</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN D	540
<b>49</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN E	550
<b>50</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN E	561
<b>51</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN E	572
<b>52</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN E	582
<b>53</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN E	592
<b>54</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN E	602
<b>55</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN E	613
<b>56</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN L - 18 MONTHS	624
<b>57</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN E	636
<b>58</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN P	648
<b>59</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN R	660
<b>60</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN S	672
<b>61</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN U	684
<b>62</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN Y	696
<b>63</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN Z	708
<b>64</b>	SUNDARAM BNP PARIBAS FIXED TERM PLAN AA	719
<b>65</b>	SUNDARAM BNP PARIBAS VALUE PLUS	731
<b>66</b>	<b>SUNDARAM BNP PARIBAS MUTUAL FUND TRUST ACCOUNT</b>	734

**ANNEXURES**

1	Annexure I - List of Companies who had invested more than 5% and the investments made by the schemes in those companies	738
2	Annexure IV - Cash Flow Statements	748
3	Annexure V - AS 18 - Related Party Transactions	751