

*SUNDARAM BNP PARIBAS
TRUSTEE COMPANY LIMITED*

5

*ANNUAL REPORT
2008-2009*

Board of Directors

K V Ramanathan

Chairman

S Viji

R Rajamani

K V Krishnamurthy

Francois Mouzay

Martial Godet (Alternate Director to Francois Mouzay)

Audit Committee

R Rajamani

Chairman

K V Krishnamurthy

Francois Mouzay

Secretary

T S Sritharan

Bankers

IDBI Bank Ltd

Auditors

M/s. Sundaram & Srinivasan, Chennai

Chartered Accountants

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

Home Page

Website : www.sundarambnpparibas.in

SUNDARAM BNP PARIBAS TRUSTEE COMPANY LIMITED

A subsidiary of



SUNDARAM FINANCE
Enduring values. New age thinking.

Contents

Directors' Report	3
Auditors' Report	8
Balance Sheet	10
Profit and Loss Account	11
Schedules	12
Cash Flow Statement	20
Balance Sheet Abstract and Company General Business Profile	21



Sundaram Finance Limited
Registered Office,
21, Pattulos Road
Chennai 600 002.

Sponsors



BNP PARIBAS Asset Management
5, Avenue Kleber,
75116, Paris, France

Directors' Report

To the Members

Your Directors have pleasure in presenting the Fifth Annual Report with the audited financial statement of accounts for the year ended 31st March 2009. The summarized financial results of the Company are given hereunder:

Financial Results:

(Rs. In lakhs)

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Total Income	105.39	102.21
Total Expenditure	54.15	51.58
Profit Before Taxation	51.24	50.63
Provision for Taxation	14.80	17.12
Profit After Tax	36.44	33.51
Surplus Brought Forward	25.71	13.11
Amount available for appropriation	62.15	46.62
Less : Appropriations:		
Dividend Proposed (Final)	25.00	15.00
Dividend Distribution Tax	4.25	2.55
Transfer to General Reserves	3.65	3.36
Surplus carried to Balance sheet	29.25	25.71

Financial Performance

During the year under review, your Company earned a gross income of Rs.105.39 lakhs by way of trusteeship fees and other income as against Rs. 102.21 lakhs in the previous year 2007-08, recording a growth of 3%. Your company reported a Profit after tax of Rs.36.44 lakhs for the year ended March 31, 2009 as against Rs. 33.51 lakhs in the previous year, registering a growth of 8.74%. After taking into account a sum of Rs. 25.71 lakhs brought forward from the previous year as surplus, a sum of Rs. 62.15 lakhs is available as surplus for the financial year 2008-09. Your Directors are happy to recommend a dividend

of 500% on the paid up capital of the company. The dividend together with dividend tax absorbs a sum of Rs. 29.25 lakhs. Your Directors also propose to transfer a sum of Rs. 3.65 lakhs to the General Reserves. The balance of Rs. 29.25 lakhs will be retained as surplus in the profit and loss account.

Snapshot of the Mutual Fund Industry

2008-09 was a difficult year for the mutual fund industry which saw a reversal of trend from October 2008 due to steep correction in equity market and pull back from short term debt funds in the wake of tightening liquidity.

The Assets Under Management (AUM), started declining from October 2008 and at the end of the year, the Average Assets under Management had declined by 8.4% from Rs. 5,38,508 crores (as on March 31, 2008) to Rs. 4,93,285 crores (as on March 31, 2009).

Gross mobilization by the mutual fund industry during the year amounted to Rs.54,26,353 crores as against Rs.44,64,376 crores in the previous year, registering a growth of 22%. The industry also, however, witnessed a gross redemption of Rs. 54,54,650 crores representing 27% increase over the previous year's figure of Rs. 43,10,575 crores. On a net basis, there was an outflow of Rs. 28,297 crores in 2008-09; this was a significant change as the mutual fund industry closed 2007-08 with net inflows of Rs. 1,53,801 crores. This is a reflection of the decline in stock prices as well as a pullback from short-term debt funds in the wake of tightening liquidity.

Sundaram BNP Paribas Mutual Fund - Performance

Trend in flows: Your Directors report that during 2008 09, the gross mobilisation for Sundaram BNP Paribas Mutual Fund amounted to Rs. 41,012 crores (Rs. 61,971 crores in 2007-08). This represented a decline of 34%.

Redemption was Rs. 39,871 crores (Rs. 57,693 crores), a decline of 31%. Net inflow into our funds was Rs.1,141 crores. As compared to the industry trend of outflows and negative average growth, this can be considered as a satisfactory performance in a challenging year.

State of AUM: The Average Assets Under Management of Sundaram BNP Paribas Mutual Fund as on March 31, 2009 were Rs. 9,267 crores, lower by 28% as compared to Rs. 12,827 crores as at March 31, 2008. The decline despite net inflows from deployment of money by investors - is attributable to the decline in Equity AUM, courtesy the close to 40% decline in stock prices. The average AUM of the Sundaram BNP Paribas Mutual Fund as at March 31, 2009 represented a share of 1.88% of the average AUM of the industry.

Two new equity funds were launched under the Sundaram BNP Paribas Select Thematic Funds' umbrella to track financial services and entertainment themes. With these two funds, the fund house now has a complement of products that will track the key themes of the India growth story over the next decade. The two new funds mobilized Rs. 234 crores during the New Fund Offer period. Your company also launched multiple Fixed-Term Plans with the tenure varying from 90 days to 18 months raising Rs 2415 crores in aggregate.

The investor base of the fund house based on folios with the registrars has risen from 2 million to 2.25 million during the year indicating rising retail participation and continued confidence reposed by investors in the fund management expertise of Sundaram BNP Paribas Asset Management.

Awards and Recognition

For the fifth year in a row, the performance of Sundaram BNP Paribas Mutual Fund products received critical acclaim from independent fund intelligence outfits. We present a snapshot of key awards/ranking:

- ▶ Sundaram BNP Paribas Tax Saver was selected as the Winner of the first Morningstar Award in India for three-year performance in the ELSS (tax-saving funds) category as of December 2008.
- ▶ Sundaram BNP Paribas Tax Saver was also awarded ICRA Seven Stars for three-year track record as of December 2008 in the ELSS (tax-saving funds) category as of December 2008.
- ▶ Sundaram BNP Paribas Tax Saver was also awarded ICRA Five Stars for one-year performance as of December 2008 in the ELSS (tax-saving funds) category as of December 2008.
- ▶ Sundaram BNP Paribas Select Focus was also awarded ICRA Five Stars for one-year performance as of December 2008 in the large-cap funds category as of December 2008.
- ▶ Sundaram BNP Paribas Money Fund was one of three nominees for best Liquid Fund Award (CNBC-TV18 CRISIL) for 2009.
- ▶ Sundaram BNP Paribas Tax Saver was one of three nominees for best Tax-Saving Fund Award (CNBC-TV18 CRISIL) for 2009.
- ▶ Sundaram BNP Paribas Select Mid Cap maintained Value Research Four Stars rating through the year and continues to be the highest-rated pure mid-cap fund in the Value Research ratings.
- ▶ Sundaram BNP Paribas Liquid Plus closed the year with Five Stars rating from Value Research and Sundaram BNP Paribas Money Fund with CRISIL CPR 2 ranking (both for Super Institutional Plan) and indicating significant moves in improving performance relative to top-end of the competition in the short-term funds space.

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 BNP Paribas Asset Management Company acts as the Investment Manager of the Schemes of the Mutual Fund. The Board of Directors monitor and review the work of the Asset Management Company in order to ensure that it fulfills the functions 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.

Mr K V Krishnamurthy and Mr R Rajamani, retire at the ensuing Annual General Meeting and offer themselves for re-appointment.

Audit Committee

The Audit committee of the Board consists of Mr R Rajamani, Mr K V Krishnamurthy and Mr. Francois Mouzay. Mr R Rajamani chaired the meetings of the Committee. Besides Mr T P Raman, Managing Director of Sundaram BNP Paribas Asset Management Company Ltd. (AMC), the Statutory Auditor, Internal Auditor, Concurrent Auditor, Compliance Officer & Secretary of the AMC and Chief Financial Officer of the AMC are invited to the meetings of the Committee. During the year under review, the Committee met Four times. The Committee reviewed the financial accounts/policies and adequacy of internal control systems and

interacted with the Statutory Auditors, Internal Auditors. Besides, the Committee reviewed audit plans, unaudited /audited financial results, the observations of the Auditors and responses and follow-up reports of the management.

Tribute to Dr Raja J Chelliah

Dr. Raja Jesudoss Chelliah, a renowned economist, doyen among Indian public finance scholars and the architect of tax reforms in the country passed away on April 7, 2009 in Chennai, after a brief period of illness. Dr Chelliah served as Chairman of the Sundaram Mutual fund and the Trustee Company since its inception in 1996 till June 30, 2004. His erudition in the field of Economics in general and Public Finance in particular was available to the management at all times and his perceptions and advice were invaluable in charting the progress of the fund. He guided the affairs of the fund with practical wisdom. The fund would like to place on record its indebtedness to his leadership and to his valuable contribution to the growth of the Fund and Trustee Company. In his long and illustrious career, he served the Government and many other institutions with great distinction and the numerous awards that he received are a testimony to his high achievements.

With his passing away, we have lost a scholar of eminence, a passionate reformer, an institutional builder and, above all, a genial human being. Your Directors place on record the immense contributions of Dr. Raja J Chelliah to the growth of your company.

Public Deposits

Your company has not accepted any deposits from the public.

Particulars of Employee Remuneration

The Company has no employee on its payroll. Accordingly, the provisions of Section 217(2A) of the Companies Act, 1956 are not applicable.

Information under Section 217(1)(e) of the Companies Act, 1956

Your Company has no activity relating to conservation of energy or technology absorption. The Company has no foreign exchange earnings.

A sum of Rs. 7,48,500/- was paid as dividend for the year 2007-08, as against Rs. 2,49,500/- paid as dividend for the previous year 2006-07, to a Non Resident Shareholder, BNP Paribas Asset Management.

The Directors' responsibility statement pursuant to Section 217(2AA) of Companies Act, 1956

The Directors confirm:

1. That, in the preparation of the annual accounts, the applicable accounting standards have been followed;
2. That they selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, as would give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit or loss for that period;
3. That they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. That they have prepared the annual accounts on a going concern basis.

Auditors

Messers Sundaram & Srinivasan, Chartered Accountants, Chennai, Statutory Auditors of your Company hold office until the conclusion of the fifth Annual General Meeting and are recommended for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

Acknowledgement

Your Directors wish to place on record their deep appreciation of the professional support and guidance received from Sundaram Finance Limited,

BNP Paribas Asset Management, Paris, SEBI and Sundaram BNP Paribas Asset Management Company Ltd (AMC). Your Directors also acknowledge the support and co-operation extended by investors, bankers, Registrars, the Custodian and other service providers and look forward to their continued support. Your Directors place on record their appreciation of the dedication and commitment displayed by the employees of the AMC.

For and on behalf of the Board of Directors

Place: Chennai

Date: April 29, 2009

K V Ramanathan

Chairman

Auditors' Report

TO THE MEMBERS OF M/S. SUNDARAM BNP PARIBAS TRUSTEE COMPANY LIMITED

1. We have audited the attached Balance Sheet of M/s. Sundaram BNP Paribas Trustee Company Limited as at March 31, 2009, the Profit & Loss Account for the year ended March 31, 2009 and cash flow statements of the company for the said year annexed hereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of these books;
 - (c) The Balance Sheet and Profit and loss Account dealt with by this report are in agreement with the books of account;
 - (d) In our opinion the Balance Sheet and Profit and Loss account dealt with by this report comply with the Accounting Standards referred to in sub-section 3(c) of Section 211 of the Companies Act, 1956;
 - (e) As per information furnished to us, no director is disqualified as on March 31, 2009 from being appointed as a director of the company under clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view in conformity with the accounting principle generally accepted in India:
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
 - (ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) In the case of cash flow statement, of the cash flows for the year ended on that date.
2. 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 also 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 and on the basis of such checks of the books and records of the Company as we considered appropriate and the information and explanations given to us during the course of our audit, we enclose in the Annexure a statement on the matters specified in the said Order.
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
4. Further to our comments in the Annexure referred to above we report
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;

For Sundaram & Srinivasan
Chartered Accountants

Place: Chennai
Dated: 29.04.2009

S Usha
Partner
Membership No. 211785

Annexure to the Auditors' Report

- i. (a) The company is maintaining proper records showing full particulars including quantitative details and the situation of fixed assets.
(b) These fixed assets were physically verified by the management at reasonable intervals. We are informed that no material discrepancies were noticed on such verification.
(c) The company has not disposed off substantial part of fixed assets during the year.
- ii. The company does not hold any inventory. Hence clauses (a), (b), (c) of paragraph (ii) of the Order are not applicable.
- iii. The company has neither granted nor taken any loans, secured or unsecured to/and from companies, firms or other parties covered in the register maintained under section 301 of the Act. Hence the clauses (iii) (b) to (g) of the Order are not applicable.
- iv. There is adequate internal control system commensurate with the size of the company and nature of its business for purchase of Fixed Assets. There are no major weaknesses in internal control system.
- v. (a) The Transactions that are needed to be entered into the register maintained under section 301 of the Act have been so entered.
(b) Each of these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. The company has not accepted any deposits from the public.
- vii. As the company is not a listed company or the company's paid up capital and free reserves do not exceed Rs. 50 lakhs or its average annual turnover does not exceed Rs. 5 crores, the requirement of separate internal audit system is not applicable to the company.
- viii. The Central Government has not prescribed maintenance of cost records under clause (d) of sub section (1) of section 209 of the Act.
- ix. (a) The company is regular in depositing Income-tax and Service Tax with the appropriate authorities. The other statutory dues are not applicable to the company.
(b) There are no disputed statutory dues by the company.
- x. The company has no accumulated losses and has not incurred cash losses during this financial year and in the immediately preceding financial year.
- xi. The company has not availed any loans from any financial institutions or bank or debenture holders and hence the clause (xi) of the Order is not applicable to the company.
- xii. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The company is not a Chit Fund or Nidhi/ Mutual Benefit Fund/ Society. Therefore clause (xiii) of the Order is not applicable to the company.
- xiv. The company is not dealing or trading in Shares, Securities, Debentures and other investments.
- xv. The company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. The company had not availed any Term Loans during the year.
- xvii. The company had not raised any funds during the year.
- xviii. The company has not made any preferential allotment of shares during the year.
- xix. The company has not issued any debentures during the year.
- xx. The company has not raised any money by way of public issues during the year.
- xxi. No fraud on or by the company has been noticed or reported during the year.

For Sundaram & Srinivasan
Chartered Accountants

Place: Chennai
Dated: 29.04.2009

S Usha
Partner
Membership No. 211785

Balance Sheet

as at 31st March 2009

	Schedule	31.03.09	31.03.08
		Rs.	Rs.
<u>SOURCES OF FUNDS</u>			
Shareholder's funds			
Share Capital	1	500,000	500,000
Reserves and Surplus	2	3,770,555	3,051,441
Deferred Tax Liability (Depreciation)		14,375	14,632
TOTAL		4,284,930	3,566,073
<u>APPLICATION OF FUNDS</u>			
Shareholder's funds			
Fixed Assets			
Gross Block	3	428,118	287,406
Less: Accumulated Depreciation		225,843	172,122
		202,275	115,284
Investments	4	5,852,119	2,400,000
Current Assets, Loans and Advances			
(a) Sundry Debtors	5	704,336	1,093,327
(b) Cash and Bank Balances	6	167,847	1,489,323
(c) Other Current Assets	7	4,362	17,628
(d) Loans and Advances	8	534,860	383,387
	(A)	1,411,405	2,983,665
Less:			
Current Liabilities and Provisions			
- Current Liabilities	9	255,994	205,903
- Provisions	10	2,924,875	1,754,925
	(B)	3,180,869	1,960,828
Net Current Assets	(A)-(B)	(1,769,464)	1,022,837
Miscellaneous Expenditure to the extent not written off or adjusted	11	-	27,952
TOTAL		4,284,930	3,566,073
Significant Accounting Policies and Notes forming part of accounts	15		

As per our report of even date attached

For **Sundaram & Srinivasan**
Chartered Accountants

S Usha
Partner
Membership No. 211785

Chennai
April 29, 2009

For Sundaram BNP Paribas Trustee Company Limited

K V Ramanathan
Chairman

R Rajamani
Director

Francois Mouzay
Director

S Viji
Director

K V Krishnamurthy
Director

T S Sritharan
Secretary

Profit and Loss Account

for the year ended 31st March 2009

Schedule	2008-09 Rs.	2007-08 Rs.
<u>INCOME</u>		
Trusteeship Fee	10,111,926	10,042,156
[Tax Deducted at source - Rs.1285442/- (Previous year Rs.1199741/-)]		
Other Income 12	427,303	178,825
	<u>10,539,229</u>	<u>10,220,981</u>
<u>EXPENDITURE</u>		
Administrative and Other Expenses 13	2,333,391	2,068,736
Loss on Sale of investments	433	-
Depreciation 3	53,721	47,348
Preliminary Expenses written off 11	27,952	41,928
Scheme Expenses Absorbed 14	3,000,000	3,000,000
	<u>5,415,497</u>	<u>5,158,012</u>
Profit before Taxation	5,123,732	5,062,969
Provision for Taxation	1,480,000	1,716,000
Deferred Tax Liability/(Asset)	(257)	(4,201)
	<u>1,479,743</u>	<u>1,711,799</u>
Profit after tax	3,643,989	3,351,170
Balance in Profit and Loss Account brought forward from the previous year	<u>2,571,441</u>	<u>1,311,196</u>
Amount available for appropriation	<u>6,215,430</u>	<u>4,662,366</u>
<u>APPROPRIATIONS</u>		
- Dividend (Proposed)	2,500,000	1,500,000
- Dividend Distribution tax	424,875	254,925
	<u>2,924,875</u>	<u>1,754,925</u>
- General Reserve	365,000	336,000
Balance Carried to Balance Sheet	<u>2,925,555</u>	<u>2,571,441</u>
Basic and diluted Earnings per Share (Refer Note no.2.5 on Schedule 15)	72.88	67.02
Significant Accounting Policies and Notes forming part of accounts 15		

As per our report of even date attached

For **Sundaram & Srinivasan**
Chartered Accountants

S Usha
Partner
Membership No. 211785

Chennai
April 29, 2009

For Sundaram BNP Paribas Trustee Company Limited

K V Ramanathan
Chairman

R Rajamani
Director

Francois Mouzay
Director

S Viji
Director

K V Krishnamurthy
Director

T S Sritharan
Secretary

Schedules forming part of the Balance Sheet as at March 31, 2009

SCHEDULE 4

Investments (At Cost)

Current Investments

Trust Securities

Investments in Sundaram BNP Paribas Mutual Fund

Scheme:- Sundaram BNP Paribas Fixed Term Plan Series XXI - 16 months - Dividend Option at cost:

Invested during the year Nil (Previous year Rs.100000/- (10000 units of Rs.10/ each)) and redeemed during the year Rs.100000/- (10000 units of Rs.10/ each) (Previous year Nil).

-

100,000

Scheme:- Fixed Term Plan Series XVIII - 13 months - Dividend Option at cost:

Invested during the year Nil (Previous year Rs.500000/- (50000 units of Rs.10/ each)) and redeemed during the year Rs. 500000/- (50000 units of Rs.10/ each)(Previous year Nil)

-

500,000

Scheme:- Sundaram BNP Paribas Fixed Term Plan Series XXX -Dividend Option at cost:

Invested during the year Nil (Previous year Rs.300000/- (30000 units of Rs.10/ each))and redemed during the year Rs.300000/- (30000 units of Rs.10/ each) (Previous year Nil)

-

300,000

Scheme:- Sundaram BNP Paribas Fixed Term Plan 367 days Series I -Dividend Reinvestment Option at cost:

Invested during the year Rs.36943/- (3650.889 units of Rs.10/- each (Previous year Rs.500000/- (50000 units of Rs.10/- each and redeemed Rs.536508.89 (53650.889 units of Rs.10/- each) (Previous year Nil)

-

500,000

Sundaram BNP Paribas Ultra Short Term Fund- Daily Dividend Reinvestment Option:

Invested during the year Rs.9156881/- (913404.550 units of Rs.10/- each) (Previous year Rs.3547571/- (353914.825 units of Rs.10/- each) and redeemed during the year Rs.7604761/- (7585879.683 units of Rs.10/- each) (Previous year Rs. 3547571/- (353914.825 units of Rs.10/- each)) - 154824.867 units of Rs.10/- each as on 31st March 2009 (Previous year nil)

1,552,119

-

Scheme:- Sundaram BNP Paribas Fixed Term Plan Series J - Institutional Growth Option at cost:

Invested during the year Rs.10,00,000 (100000 units of Rs.10/- each (Previous year Nil)

1,000,000

-

Schedules forming part of the Balance Sheet as at March 31, 2009

SCHEDULE 1**Share Capital****Authorised**

2,50,000 Equity Shares of Rs.10/- each

Issued, Subscribed and Paid up50,000 Equity Shares of Rs.10/-
each fully paid up[25050 shares (previous year 25050 shares)
are held by Sundaram Finance Ltd, the
holding company and its nominees.]

	31.03.09	31.03.08
	Rs.	Rs.
	<u>25,00,000</u>	<u>25,00,000</u>
	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

SCHEDULE 2**Reserves and Surplus**

1. General Reserve

As per the last Balance Sheet

Add: Addition during the year

2. Surplus

Balance in Profit and
Loss Account

	31.03.09		31.03.08	
	Rs.	Rs.	Rs.	Rs.
	480,000		144,000	
	<u>365,000</u>	845,000	<u>336,000</u>	480,000
		2,925,555		2,571,441
		<u>3,770,555</u>		<u>3,051,441</u>

SCHEDULE 3**Fixed Assets**

(in Rupees)

Description	Gross Block at Cost				Depreciation				Net Block	
	As at 01.04.08	Addition	Deductions	As at 31.03.09	As at 1.04.08	Addition	Deductions	As at 31.03.09	As at 31.03.09	As at 31.03.08
Computers	221,500	119,900	-	341,400	161,585	43,413	-	204,998	136,402	59,915
Furniture and Fixtures	13,906	-	-	13,906	5,083	1,597	-	6,680	7,226	8,823
Office Equipments	52,000	20,812	-	72,812	5,454	8,711	-	14,165	58,647	46,546
Total	287,406	140,712	-	428,118	172,122	53,721	-	225,843	202,275	115,284
Previous year figures (31.03.08)	235,406	52,000	-	287,406	124,774	47,348	-	172,122	115,284	

Schedules forming part

of the Balance Sheet as at March 31, 2009

	31.03.09	31.03.08
	Rs.	Rs.
Scheme:- Sundaram BNP Paribas Fixed Term Plan Quarterly Interval Fund Plan C -Dividend Option at cost: Invested during the year Rs.10,00,000 (100000 units of Rs.10/- each (Previous year Nil)	1,000,000	-
Scheme:- Sundaram BNP Paribas Fixed Term Plan Quarterly Interval Fund Plan A -Dividend Option at cost: Invested during the year Rs.10,00,000 (100000 units of Rs.10/- each (Previous year Nil)	1,000,000	-
Scheme:- Sundaram BNP Paribas Fixed Term Plan Quarterly Interval Fund Plan D -Dividend Option at cost: Invested during the year Rs.10,00,000 (100000 units of Rs.10/- each (Previous year Nil)	1,000,000	1,000,000
Scheme:- Sundaram BNP Paribas Bond Saver - Quarterly Dividend Option at cost: Invested during the year Rs.3,00,000/- (26875.700 units of Rs.10/- each) (Previous year Nil) and Redeemed during the year Nil (Previous year Nil)	300,000	-
Total	5,852,119	2,400,000

Summary of Investments

	31.03.09	31.03.08
	Rs.	Rs.
Aggregate of unquoted Investments - Current		
Trust Securities - Investments in units of Sundaram BNP Paribas Mutual Fund	5,852,119	2,400,000
Net Asset Value Rs.5957802/- (Previous year Rs.2516561/-)	5,852,119	2,400,000

Schedules forming part of the Balance Sheet as at March 31, 2009

SCHEDULE 5**Sundry Debtors**

Sundry Debtors (unsecured, considered good and due for less than six months)

31.03.09	31.03.08
Rs.	Rs.
7,04,336	1,093,327
7,04,336	1,093,327

SCHEDULE 6**Cash and Bank Balances**

Balance with Scheduled Banks

- In Current Accounts

- In Term Deposits

31.03.09	31.03.08
Rs.	Rs.
167,847	200,728
-	1,288,595
167,847	1,489,323

SCHEDULE 7**Current Assets**

Accrued Interest on Term Deposits with Scheduled Banks

Dividend Receivable

31.03.09	31.03.08
Rs.	Rs.
-	17,628
4,362	-
4,362	17,628

SCHEDULE 8**Loan and Advances (Unsecured Considered Good)**

Advance Income Tax and Tax Deducted at Source less Provision for taxation

Advances recoverable in cash or in kind or for value to be received

31.03.09	31.03.08
Rs.	Rs.
530,820	379,347
4,040	4,040
534,860	383,387

Schedules forming part of the Balance Sheet as at March 31, 2009

SCHEDULE 9

	31.03.09	31.03.08
	Rs.	Rs.
Current Liabilities		
Sundry Creditors		
Sundaram BNP Paribas AMC Ltd	134,358	33,587
Others	121,636	172,316
	255,994	205,903

SCHEDULE 10

	31.03.09	31.03.08
	Rs.	Rs.
Provisions		
Dividend (Proposed)	2,500,000	1,500,000
Add: Dividend Distribution Tax	424,875	254,925
	2,924,875	1,754,925

SCHEDULE 11

	31.03.09	31.03.08
	Rs.	Rs.
Miscellaneous Expenditure (To the extent not written off or adjusted)		
Preliminary Expenses	27,952	69,880
Less: Written off during the year	27,952	41,928
	-	27,952

SCHEDULE 12

	2008-2009	2007-2008
	Rs.	Rs.
Other Income		
Interest on Short term Deposit with a Scheduled Bank [Tax Deducted at Source Rs.11281/- (Previous year Rs. 18893/-)]	56,841	90,218
Profit on Sale of units of Mutual Fund	-	24,263
Dividend from units of Mutual Fund	370,462	64,344
	427,303	178,825

Schedules forming part

of the Balance Sheet as at March 31, 2009

SCHEDULE 13

Administrative and Other Expenses

	2008-2009	2007-2008
	Rs.	Rs.
Directors Remuneration	306,396	291,816
Directors Sitting Fees	360,000	400,000
Audit Fees		
- Statutory Audit	40,000	25,000
- Tax Audit fees	5,000	10,000
Travel Expenses - Directors	475,585	663,817
Rates and Taxes	-	24,049
Administrative expenses	900,000	480,000
Insurance	150,000	150,000
Advertisement & Publicity	72,306	-
Donations	5,000	-
Legal & Professional Fees	-	19,500
Printing & Stationary	10,920	-
	-	-
Professional Fees	1,500	-
ROC Filing charges	4,060	3,000
Other expenses	-	30
Bank charges	2,624	1,524
	2,333,391	2,068,736

SCHEDULE 14

Scheme Expenses Absorbed

	2008-2009	2007-2008
	Rs.	Rs.
Sundaram BNP Paribas Select Focus	3,000,000	-
Sundaram BNP Paribas Select Midcap	-	3,000,000
	3,000,000	3,000,000

SCHEDULE 15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2009.

1.1. Accounting Policies

These accounts have been prepared in accordance with historical cost convention and in accordance with the generally accepted accounting principles.

1.2 Income Recognition

Trusteeship Fee and income from investments are accounted for on accrual basis.

1.3 Investments

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

1.4 Valuation of Fixed Assets

Fixed assets are carried at historical cost less accumulated depreciation.

1.5 Depreciation Policy

Depreciation on assets is provided on the Written Down Value Method at rates prescribed in Schedule XIV to the Companies Act, 1956.

1.6 Preliminary Expenditure

Preliminary expenses incurred in connection with the incorporation of the Company are being written off over a period of five years.

1.7 Scheme Expenses Absorbed

As permitted by Regulation 52 (7) of SEBI (Mutual Funds) Regulations 1996, the expenses relating to Sundaram BNP Paribs Select Focus (Previous year Sundaram BNP Paribs Select Midcap), scheme of the mutual fund, amounting to Rs.30,00,000/- (Previous year Rs.30,00,000) representing expenses incurred by the said scheme in excess of the limits specified in the said Regulations has been borne by the Company.

2. NOTES ON ACCOUNTS

2.1 Sundry Creditors do not include any amount payable to Micro, Small and Medium Enterprises.

2.2 **Cashflow Statement in accordance with the Accounting Standard 3 issued by the Institute of Chartered Accountants of India:**

Enclosed as Annexure A

2.3 **Segment Reporting in accordance with the Accounting Standard 17 issued by the Institute Chartered Accountants of India:**

The company has identified Trusteeship Services as the only business Segment.

2.4 Related Party Disclosures

Related Party Disclosures, as required by Accounting Standard 18, 'Related Party Disclosures', issued by the Institute of Chartered Accountants of India are given below

Slno.	Name	Relationship	Nature of Transaction	Amount (Rs.)
1	Sundaram Finance Ltd	Holding Company	Dividend Paid	751,500
2	BNP Paribas Asset Management, Paris	Associate	Dividend Paid	748,500
3	Sundaram BNP Paribas Asset Management Company Ltd	Fellow Subsidiary	Expenses	900,000
4	Sundaram BNP Paribas Mutual Fund	Associate	Investments in Units	12,493,824
			Sale of Units	9,041,270
			Income	10,111,926
			Scheme Expenses	3,000,000
5	Sundaram BNP Paribas Home Finance Ltd.	Fellow Subsidiary	-	Nil
6	Sundaram Finance Distribution Ltd.	Fellow Subsidiary	-	Nil
7	Sundaram Infotech Solutions Ltd	Fellow Subsidiary	-	Nil
8	LGF Services Limited	Fellow Subsidiary	-	Nil
9	Sundaram Business Services Limited	Fellow Subsidiary	-	Nil
10	Royal Sundaram Alliance Insurance Company Limited	Associate	Insurance	150,000
11	Infreight Logistics Solutions Limited	Fellow Subsidiary	-	Nil
12	Sundaram Securities Services Limited	Fellow Subsidiary	-	Nil
13	Professional Management Consultants Private Limited	Fellow Subsidiary	-	Nil

Outstanding Net Receivables as on 31st March, 2009 569,978

2.5 Earnings per Share (EPS) in accordance with the Accounting Standard 20 issued by the Institute of Chartered Accountants of India:

	31.03.09 (Rs.)	31.03.08 (Rs.)
Profit as per Profit and Loss Account	3,643,989	3,351,170
Weighted average number of equity shares	50,000	50,000
Basic and diluted earnings per share	72.88	67.02
Nominal Value of Shares	10	10

2.6 Remittances during the year in foreign currency on account of dividend to non-resident shareholders were as follows:

	31.03.09 (Rs.)	31.03.08 (Rs.)
No. of shareholders	1	1
Number of equity shares (Shares of Rs.10/- each)	24,950	24,950
Amount Remitted (in Rs.): For the year ended 31st March 2008	748,500	249,500

2.7 Earnings in foreign exchange - Nil (Previous year Nil)

2.8 Directors Remuneration:- An application for the increase in remuneration with effect from 1st January 2009 to three independent directors has been made to the Central Government. No provision has been made for the said increase in remuneration amounting to Rs.103,401/- pending approval from Central Government.

Previous year figures have been regrouped/reclassified wherever necessary to conform to current year's classification.

Signature to Schedules 1 to 15

As per our report of even date attached

For **Sundaram & Srinivasan**
Chartered Accountants

S Usha
Partner
Membership No. 211785

Chennai
April 29, 2009

K V Ramanathan
Chairman

R Rajamani
Director

Francois Mouzay
Director

For **Sundaram BNP Paribas Trustee Company Limited**

S Viji
Director

K V Krishnamurthy
Director

T S Sritharan
Secretary

Cash Flow Statement

Annexure A

Cash Flow Statement in accordance with the Accounting Standard 3 issued by the Institute of Chartered Accountants of India

	2008-2009	2007-2008
1 Cash flow from Operating activities		
Net Profit as per P&L account	3,643,989	3,351,170
Add/(less):		
Profit/(Loss) on sale of Investments	(433)	(24,263)
Provision for tax during the year	1,480,000	1,716,000
Deferred Tax Liability	(257)	(4,201)
Depreciation	53,721	47,348
Preliminary expenses written off	27,952	41,928
Preliminary expenses		
Interest Income	(56,841)	(90,218)
Dividend Income	(370,462)	(64,344)
Operating Profit/(Loss) before working capital changes	4,777,669	4,973,420
-(increase)/Decrease in Current Assets	(250,784)	(2,390,450)
-increase/(Decrease) in Current Liabilities	259,960	244,122
Net Cash generation from Operations (A)	4,768,493	2,827,092
2 Cash flow from Investing activities		
Purchase of investments	(12,493,823)	(5,353,228)
Sale of investments	9,041,705	4,827,470
Profit on sale of investments	0	24,263
Loss on sale of investments	433	0
Interest income	56,841	90,218
Dividend Income	370,462	64,344
Cost of fixed Assets	(140,712)	(52,000)
Net cash flow from investing activities (B)	(3,165,094)	(398,933)
3 Cash flow from Financing activities		
Proposed Dividend including distribution tax	(2,924,875)	(1,754,925)
Net cash flow from financing activities (C)	(2,924,875)	(1,754,925)
Net change in cash and cash equivalents (A+B+C)	(1,321,476)	673,234
Cash and Cash Equivalent at the beginning of the year	1,489,323	816,089
Cash and Cash Equivalent at the end of the year	167,847	1,489,323

For Sundaram BNP Paribas Trustee Company Limited

For **Sundaram & Srinivasan**
Chartered Accountants**K V Ramanathan**
Chairman**S Viji**
Director**S Usha**
Partner
Membership No. 211785**R Rajamani**
Director**K V Krishnamurthy**
DirectorChennai
April 29, 2009**Francois Mouzay**
Director**T S Sritharan**
Secretary

Balance Sheet Abstract and Company's General Business Profile

Information as required under Part IV of the Sch. VI of the Companies Act, 1956

I. Registration Details

Registration No.

State Code

Balance Sheet Date

Date Month Year

II. Capital Raised during the Year (Amount in Rs. Thousands)

Public Issue	Right Issue
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>
Bonus Issue	Private Placement
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/> <input type="text" value=""/>

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Sources of Funds	Total Liabilities	Total Assets
	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="5"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="4"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="5"/>
	Paid up Capital	Reserves & Surplus
	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="0"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="1"/>
Application of Funds	Secured Loans	Unsecured Loans / Deferred Tax Liability
	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="4"/>
	Net Fixed Assets	Investments
	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="2"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="8"/> <input type="text" value="5"/> <input type="text" value="2"/>
	Net Current Assets	Misc Expenditure
	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="-"/> <input type="text" value="1"/> <input type="text" value="7"/> <input type="text" value="6"/> <input type="text" value="9"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
	Accumulated Losses	
	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	

IV. Performance of Company (Amount in Rs. Thousands)

Turnover	Total Expenditure
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="5"/> <input type="text" value="3"/> <input type="text" value="9"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="5"/>
+ - Profit / (Loss) Before Tax	+ - Profit / (Loss) After Tax
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="4"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="3"/> <input type="text" value="6"/> <input type="text" value="4"/> <input type="text" value="4"/>

(Please tick appropriate box + for profit, - for loss)

Earnings Per Share in Rs.	Dividend Rate (%)
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="7"/> <input type="text" value="2"/> <input type="text" value="."/> <input type="text" value="8"/> <input type="text" value="8"/>	<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value="5"/> <input type="text" value="0"/> <input type="text" value="0"/>

V. Generic Names of Three Principal Products / Services of Company (As per monetary terms)

Item Code No. (ITC Code) Not Applicable

Product / Service Description

