



# Sundaram BNP Paribas Fixed Term Plan-16 Months

A Close-End Income Scheme

## Offer Document

Offer for Units of Rs. 10 Per Unit for cash during the New Fund Offer Period

### Issue Details

New Fund Offer Opens on: DD/MM/YYYY

New Fund Offer Closes on: DD/MM/YYYY



**SPONSORS**  
**Sundaram Finance Limited**  
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Phone : (044) 28521181  
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&  
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5, Avenue Kleber,  
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Fax : +33 1 58 97 25 85  
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www.bnpparibas-ip.com



**TRUSTEE**  
**Sundaram BNP Paribas Trustee  
Company Limited**  
46, Whites Road,  
Second Floor,  
Royapettah,  
Chennai 600014.  
Phone : (044) 28578700  
Fax : (044) 28583156

**INVESTMENT MANAGER**  
**Sundaram BNP Paribas Asset  
Management Company Limited**  
46, Whites Road, Second Floor,  
Royapettah,  
Chennai 600014.  
Phone : (044) 044 28578700 and  
Toll Free No.: 1800-425-1000  
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www.sundarambnpparibas.in  
www.wiseinvestoronline.com

The particulars of Sundaram BNP Paribas Fixed Term Plan-16 Months ("Scheme") have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended till date and filed with SEBI. The units being offered for public subscription under the Scheme have neither been approved nor disapproved by the Securities and Exchange Board of India (SEBI) nor has SEBI certified the accuracy or adequacy of the Offer Document. This offer document sets forth concisely the information about the Scheme that a prospective investor ought to know before investing. The Offer Document should be read in its entirety before making an application for the Units and should be retained for future reference. Investors may note that this Offer Document remains effective until a material change occurs (other than a change in fundamental attributes and within the purview of the Offer Document) and thereafter the changes shall be filed with SEBI and circulated to the Unit holders along with the half-yearly reports.

#### Important Notice

Investing in mutual fund schemes involves certain risks and considerations associated generally with making investments in securities. The value of the Scheme's investments may be affected generally by factors affecting capital markets, such as price and volume, volatility in the capital markets, interest rates, currency exchange rates, changes in regulatory and administrative policies of the Government or any other appropriate authority (including tax laws), or other political and economic developments. Consequently, there can be no assurance that the Scheme offered in this document, will achieve the stated objectives. The NAV of the Units issued under the Scheme can go up or go down depending on

the factors and forces affecting the capital market. Past performance of the sponsor/AMC/Mutual Fund does not indicate the future performances of the schemes of the Mutual Fund. Prospective investors are advised to review this document carefully and in its entirety and consult with their legal, tax and financial advisors to determine possible legal, tax and financial or any other consequences of subscribing to, purchasing or holding Units under this Scheme, before making an application to purchase or hold the Units. Sundaram BNP Paribas Mutual Fund (the Mutual Fund) and Sundaram BNP Paribas Asset Management Company (the AMC) have not authorized any person to give any information or make any representations, either oral or written, not stated in this document in connection with issue of Units under this Scheme. Prospective investors are advised not to rely upon any information or representations not incorporated in this document, as the same have not been authorized by the Mutual Fund or the AMC. Any subscription, purchase, or sale made by any person based on the statements or representations that are not contained in this document or which are inconsistent with the information contained herein shall be solely at the risk of the investor. Investors may also like to ascertain about any further changes after the date of this document from the Mutual Fund and the Investor Service Centres/distributors or brokers. The offer document is dated 20/11/2007. Investors may also ascertain about further changes after the date of the offer document from the mutual fund / its service centres / distributors or brokers.

Call our helpline numbers: 044-28578700 Toll Free: 1800-425-1000 • 24 Hour NAV Response System: (044) 28585607

**CAMS - Investor Service Centres & Transaction Points for all transactions subsequent to the New Fund Offer Period.**  
**APPLICATION FORMS ARE NOT ACCEPTED DURING THE NEW FUND OFFER PERIOD AT THESE POINTS**

**Investor Service Centres**

**Ahmedabad:** 402-406, 4th Floor - Devpath Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, Ahmedabad - 380006. Ph- (079) 2642 4940, 2646 4929 **Bangalore:** Trade Centre, 1st Floor, 45, Dikensen Road (Next to Manipal Centre), Bangalore - 560 042. Ph : 080 - 3094 1357, 3094 2468 **Bhubaneswar:** 101/7, Janpath, Unit - III, Bhubaneswar - 751 001. Ph : (0674) 253 4909, 253 5395 **Coimbatore:** 66, Lokamanya Street (West) , Ground Floor, R.S.Puram, Coimbatore - 641 002. Ph: (0422) 5369 575, 5369 576 **Cochin:** 40/9633 D, Veekshanam Road, Near International hotel, Cochin - 682 035 **Chandigarh:** SCO 154-155, 1st Floor, Sector 17-C, Chandigarh - 160017. Ph: (0172) 2706 651, 2711 325 **Chennai:** Ground Floor, A & B. Lakshmi Bhawan, 609, Anna Salai, Chennai 600 006. Ph: (044) 2829 5163, 2829 1549 **New Delhi:** 304-305 III Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001. Ph: (011) 2335 3831, 2335 3832, 2335 3833 **Goa:** No.108, 1st Floor, Gurudutta Bldg, Above Weekender, M G Road, Panaji Goa - 403 001. Ph: (0832) 5645787, 2424527 **Secunderabad:** 102, First Floor, Jade Arcade, Paradise Circle, Secunderabad - 500 003. Ph: 040 - 5532 1531, 5532 1532 **Indore:** Dalal Chambers, 101.Sagarmatha Apartments, 1st Floor, 18/7 MG Road, Indore - 452 003 Ph: (0731) 252 8609, 252 9261 **Jaipur:** G-III, Park Saroj, Behind Ashok Nagar Police Station, R-7, Yudhisthir Marg, C-Scheme, Jaipur - 302 001. Ph 0141 - 222 0948, 222 0951 **Kanpur:** G - 27, 28 - Ground Floor, City Center, 63/ 2, The Mall, Kanpur - 208 001. Ph: (0512) 230 6668, 230 6685 **Kolkata:** "LORDS Building", 7/1, Lord Sinha Road, Ground Floor, Kolkata - 700 071. Ph: (033) 3058 2297, 3058 2285, 3058 2303 **Lucknow:** No.3, First Floor, Saran Chambers 1, 5, Park Road, Lucknow - 226 001. Ph: (0522) - 2237309 **Ludhiana:** Shop no. 20-21 (Ground Floor), Prince Market, near Traffic Lights, Sarabha Nagar Pulli, Pakhowal Road, P.O: Model Town, Ludhiana - 141 002 Ph: (0161) 501 7502, 241 0279 **Mangalore:** 6. First Floor, West Gate Terminus, Falnir Road, Opp. Unity Health Complex, Highlands, Mangalore - 575 002. Ph: (0824) 243 6567, 525 2525 **Mumbai:** Rajabhadur Compound, Ground Floor, Opp Allahabad Bank, Behind ICICI Bank, 30, Mumbai Samachar Marg, Fort, Mumbai - 400 023. Ph: 22702414, 22702415, 22702416, 22622903, 22622904 **Nagpur:** 145 Lendra Park, Behind Shabari, New Ramdaspath, Nagpur - 440 010. Ph: (0712) 253 2447, 253 7321 **Patna:** Kamlalaye Shobha Plaza (1st Floor), Behind RBI Near Ashiana Tower, Exhibition Road, Patna - 800 001. Ph: (0612) 2322 206 **Pune:** Nirmiti Eminence, Off No. 6, I Floor, Opp Abhishek Hotel Mehandale Garage Road, Erandawane, Pune - 411 004. Ph: 020 - 2545 9439/2545 9440 **Surat:** Niva Apartments, Above Sagrapura-Rudarpura Co-op Bank, Bhatia Street, Nanpura, Surat - 395001. Ph: (0261) 246 4887, 246 4679, 246 2531 **Vadodara:** 109 - Silver Line, Besides world Trade Centre, Sayajigunj, Vadodara - 390 005. Ph: (0265) 222 5146, 236 2412 **Visakhapatnam:** 47/9/17, 1st Floor, 3rd Lane , Dwaraka Nagar, Visakhapatnam - 530 016. Ph: (0891) - 2598 875, 2540 175

**Transaction Points**

**Agra:** F-39/203, Sky Tower, Sanjay Place, Agra - 282002. Ph: (0562) 252 1812 **Allahabad:** 1st Floor, Chandra Shekhar Azad Complex, (Near Indira Bhawan), 5, S.P. Marg, Civil Lines, Allahabad - 211001. Ph: (0532) 260 1602 **Amaravati:** 81, Gulsham Tower, Near Panchsheel, Amaravati - 444 601. Ph: (0721) 3099512 **Amritsar:** 378-Majithia Complex, 1st Floor, M. M. Malviya Road, Amritsar - 143001. Ph: (0183) 221 1194 **Asansol:** G.T Road, Beside George Telegraph Office, Asansol - 713301. Ph: (0341) 220 4865 **Aurangabad:** Office No. 1, 1st Floor, Amodi Complex, Juna Bazar, Aurangabad - 431 001. Ph: (0240) 2363 664 **Belgaum:** No. 21, Ground Floor, Arvind Complex, 1552, Maruti Galli, Belgaum - 590 002. Ph: (0831) 2425 305 **Bhilai:** 209 , Khichariya Complex, Opp IDBI Bank, Nehru Nagar Square, Bhilai - 490 020. Ph: (0788) 505 0568 **Bhopal:** C-12, 1st Floor, Above Life Line Hospital, Zone-I, M.P.Nagar, Bhopal - 462011 (M.P.). Ph: (0755) 528 5266 **Calicut:** 17/28, H 1st Floor, Manama Towers, Marvoor Road, Calicut - 673 001. Ph: (0495) 272 3173 **Dhanbad:** Urmila Towers, Room No: 111(1st Floor), Bank More, Dhanbad - 826 001. Ph: (0326) 230 4675 **Dehradun:** 81, Chakrata Road, Dehradun - 248 001. Ph: (0135) 271 3233 **Durgapur:** SN- 10, Ambedkar Sarani, City Centre, Durgapur - 713216. Ph: (0343) 254 8190 **Guntur:** Shyamsunder Golden Towers, Ground Floor, 3rd Lane, Brodipet, Adjacent to Over-bridge, Guntur - 522 002. Ph: (0863) 5580 838 **Guwahati:** A.K. Azad Road, Rehabari, Guwahati -781008. Ph: (0361) 260 7771 **Hubli:** No.208, ' A ' Block, 1st Floor, Kundagol Complex, Opp. Court, Club Road, Hubli - 580029. Ph: (0836) 225 1213 **Jalandhar:** 367/8, Central Town, Opp. Gurudwara Diwan Asthan, Jalandhar - 144001. Ph: (0181) 2456336 **Jamnagar:** 207/209, K.P. Shah House I, K.V. Road, Jamnagar - 361 001. Ph: (0288) 255 8467, 3111909 **Jamshedpur:** Millennium Tower, S-4 Ground Floor, R- Road, Bistupur, Jamshedpur - 831001 **Jodhpur:** 1/5, Nirmal Tower, Ist Chopasani Road, Jodhpur - 342 003. Ph: (0291) 309 2892, 262 8039 **Kota:** B-33 'Kalyan Bhawan', Triangle Part, Vallabh Nagar, Kota - 324 007. Ph: (0744) 2505 452 **Madurai:** 86/71A, Tamilsangam Road, Madurai - 625 001. Ph: (0452) 2622 682 **Manipal:** Academy Annex, First Floor, Opposite Corporation Bank, Upendra Nagar, Manipal - 576104. Ph: (0820) 257 3333, 529 2033 **Merrut:** 108 Ist Floor Shivam Plaza, Opposite Eves Cinema, Hapur Road, Merrut - 250 002. Ph: (0121) 2400 700 **Moradabad:** B-612 'Sudhakar', Lajpat Nagar, Moradabad - 244 001. Ph: (0591) 3092844 **Mysore:** No.3, 1st Floor, CH.26 7th Main, 5th Cross (Above Trishakthi Medicals), Saraswati Puram, Mysore - 570 009. Ph: (0821) 309 1244, 234 2182 **Nasik:** "Varsha Bungalow", 1st Floor, Near Rungtha High School, 493, Ashok Stambh, Nasik - 422001. Ph: (0253) 257 7449 **Nellore:** Shop No.13, First Floor, KAC Plaza, R R Street, Nellore - 524 001. Ph: (0861) 5512 582 **Panipat:** 13, First Floor, Gaushala Mandi Market, G T Road, Panipat - 132 103. Ph : (0180) 264 1904 **Patiala:** 35, New Lal Bagh Colony, Patiala - 147001. Ph: (0175) 222 9633, 309 3724 **Pondicherry:** S-8, 100, Jawaharlal Nehru Street, (New Complex, Opp. Indian Coffee House), Pondicherry - 605 001. Ph: 0413 - 521 0030 / 309 2468 **Raipur:** C-23, Sector 1, Devendra Nagar, Raipur - 492004. Ph:(0771) 309 0830 **Rajahmundry:** D.no 7-27-4, Krishna Complex, Baruvari Street, T Nagar, Rajahmundry - 533101. Ph: (0883) 5565531 **Rajkot:** 111, Pooja Complex, Harihar Chowk, Near GPO, Rajkot - 360001. Ph: (0281) 2241 399 **Ranchi:** 223, Tirath Mansion (Near Over Bridge), 1st Floor, Main Road, Ranchi - 834 001. Ph: (0651) 309 5122 **Rourkela:** 1st Floor, Mangal Bhawan, Phase II, Power House Road, Rourkela - 769001. Ph : (0661) 2513098 **Salem:** 28, I Floor, Advytha Ashram Road, Salem - 636 004. Ph: (0427) 244 6338 **Siliguri:** No 8, Swamiji Sarani, Ground Floor, Hakimpura, Siliguri - 734401. Ph: (0353) 221 6065 **Trichur:** VIII/350/15, O K John Memorial Building, Ekkanda Warriar Road, Trichur - 686 001. Ph: (0487) 2420646 **Trichy:** No. 8, I Floor, 8th Cross West Extn., Thillainagar, Trichy - 620 018. Ph: (0431) 274 1717 **Trivandrum:** Tc 15/2012, Sheelatha Building, Womens' College Lane, Vazuthacadu, Trivandrum - 695 014. Ph: (0471) 3950 414 **Udaipur:** 32, Ahinsapuri, Fatehpura Circle, Udaipur - 313004. Ph: (0294) 3091722 **Varanasi:** C 27/249 - 22A, Vivekanand Nagar Colony, Maldhaiya, Varanasi - 221002. Ph: (0542) 220 8546, 311 3810 **Vijayawada:** 40-1-48/2, Bandar Road, Adj. To HDFC Bank, Vijayawada - 520010. Ph: (0866) 559 5657 **Valsad:** C/o. CAD HOUSE, Siddhivinayak Complex, F-1, First Floor, Avenue Building, Near R.J.J. School, Tithal Road, Valsad - 396001. Ph: (02632) 249 957

## Highlights & Scheme Summary

|   |  |   |               |
|---|--|---|---------------|
| Name of the Scheme                          | Sundaram BNP Paribas Fixed Term Plan-16 Months   |   |               |
| Structure                                   | A Close-End Income scheme with a tenure of 16 months from the date of allotment*.<br><i>*Maturity period from the date of allotment. If the maturity date is not a working day, the subsequent working day shall be considered as the maturity day for the plan.</i>   |   |               |
| Offer Price                                 | Rs.10 per unit   |   |               |
| Scheme Objective                            | The objective of the Scheme would be to generate income with minimum volatility by investing in debt and money market securities largely maturing in line with the duration of the scheme  |   |               |
| Asset Allocation                            | Instruments  | Allocation  | Risk Profile  |
|   | Money market instruments   | Upto 100%   | Low           |
|   | Short term and medium term debt instruments and securitised debt *   | Upto 100%   | Low to Medium |
|   | *Investments in securitised debts can be up to 80 % of the net assets.   |   |               |
| Minimum application amount for subscription | Retail:  | Rs.5,000 and in multiple of Re.1 thereafter per application   |               |
|   | Institutional Plan:  | Rs. 5,00,000 and in multiple of Re.1 thereafter per application   |               |
| Minimum Repurchase Amount                   | Retail:  | Rs. 1,000 or a minimum of 100 Units   |               |
|   | Institutional Plan:  | Rs. 50,000 or a minimum of 5,000 Units  |               |
| Minimum Corpus                              | The Fund seeks to collect a minimum corpus of Rs.25 Crore under the Scheme divided into 250,00,000 units of Rs. 10 each. If the amount of subscription received during the new fund offer period is less than the minimum collection targeted, the amount collected will be refunded to the applicants, in accordance with the SEBI Regulations  |   |               |
| Initial Issue Expenses                      | The initial issue expenses charged to the scheme would not exceed 6% of the corpus collected under the Scheme. Any initial issue expenses more than 6% will be borne by AMC. The initial issue expenses will be amortized on a daily basis over the Tenure of the Scheme, i.e. over a 16-month period  |   |               |
| Liquidity                                   | Switch In:   | Switch-In from any of the open-end schemes of Sundaram BNP Paribas Mutual would be permitted during the NFO period subject to the rules of the switch-out schemes   |               |
|   | Redemption / Switch Out  | Redemption / Switch Out would be allowed on any Working Day subject to deduction of unamortised initial issue expenses and applicable exit load. No exit load is payable on redemption upon maturity .Please refer details under head `Redemption' in Part III. |               |
| Transparency                                | <p>The NAV will be computed on all working days (except in special circumstances as mentioned under the section titled as "NAV information"), published in 2 newspapers and updated on the websites of Sundaram BNP Paribas Asset Management (<a href="http://www.sundarambnpparibas.in">www.sundarambnpparibas.in</a>) and the Association of Mutual Funds of India (<a href="http://www.amfiindia.com">www.amfiindia.com</a>)</p> <p>Sundaram BNP Paribas Asset Management shall normally update the NAVs on the website of Association of Mutual Funds in India before 9.00 p.m. every working day. In case of any delay, the reasons for such delay would be explained to AMFI and SEBI by the next day. If the NAVs are not available before commencement of working hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs.</p> <p>Further transparency will be maintained through half-yearly disclosure of established portfolio through newsletters.</p> |   |               |
| Load Structure                              | Entry  | NIL   |               |
|   | Exit   | 1.5% is payable for redemptions before maturity.  |               |
|   | <p>Redemption will be permitted at NAV-based prices after deduction of unamortized initial issue expenses and exit load. No exit load is payable on redemption upon maturity.</p> <p><b>SEBI Circular IMD/CIR No.1/64057/06 dated April 4, 2006 requires that the close ended schemes shall not charge any entry load. As Sundaram BNP Paribas Fixed Term Plan-16 Months is close – end scheme, no entry load shall be levied.</b></p> <p>In terms of SEBI circular No.1/64057/06 dated April 4, 2006, AMC shall redeem the units after recovering the balance proportionate unamortized initial issue expenses from an investor exiting the scheme. Please refer example in Part IV.</p>  |   |               |

## Options

- Growth
- Dividend: Payout & Reinvestment

## Plans

- Retail Plan (with Growth and Dividend Option) and
- Institutional Plan (with Growth and Dividend Option).

Both Retail Plan and Institutional Plan will have common Portfolios.

## Benchmark

For the purpose of regulation the benchmark will be Crisil Short-Term Bond Fund Index. The Trustees reserve the right to change the benchmark if due to a change in market conditions, a different index appears to be providing a more appropriate basis.

## Scheme-Specific Risks

**Changes in interest rates:** Changes in the prevailing rates of interest are likely to affect the value of the scheme's holdings and consequently the value of the scheme's Units. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the value of the Units. The value of debt securities held by the scheme generally will vary inversely with the changes in prevailing interest rates.

While it is the intent of the fund manager to invest primarily in high rated debt securities, the scheme may from time to time invest in higher yielding, low rated securities. As a result, an investment in the scheme may be accompanied by a higher degree of risk relative to an investment consisting exclusively of high rated, lower yielding securities.

- **Credit Risk:** Credit Risk refers to the risk of interest (coupon) payment and/or principal repayment. All debt instruments carry this risk. Government securities carry sovereign credit risk the assets of the Scheme will be partly or entirely invested in corporate debt. The assets of the Scheme will be partly or entirely invested in fixed income securities issued by a corporate entity, bank, financial institution and/or a public sector undertaking owned by the Government of India or by a government in any state. The credit risk associated with the aforementioned issuers of debt is higher than that of government securities.
- **General Price Risk:** As long as the Scheme will be invested, its Net Asset Value (NAV) is exposed to market fluctuations, and its value can go up as well as down. The portfolio of fixed-income securities that the Scheme invests in would be exposed to price changes on a day-to-day basis.
- These price changes may occur due to instrument-specific factors as well as general macroeconomic conditions. In general, price of fixed-income securities go up when interest rates fall, and vice versa.
- **Market Risk:** The Scheme may also be subject to price volatility due to such factors as interest sensitivity, market perception or the creditworthiness of the issuer and general market liquidity
- Different types of securities in which the Scheme would invest as given in the Offer Document carry different levels and types of risk. Accordingly the Scheme's risk may increase or decrease depending upon its investment pattern. e.g. corporate debts carry credit risk unlike Government securities. Further even among corporate debt, AAA rated debt is less comparatively less risky (in credit risk terms) than those rated lower (say AA or A).
- Fixed Income securities of any issuer that has higher duration could be more risky in terms of price movements relative to those with lower duration. Thus any impact of interest rate changes would be higher on securities with higher duration irrespective of the status of the issuer of the security.

## Risk associated with securitised debt:

- Securitization is a process by which assets are sold to a bankruptcy remote special purpose vehicle (SPV) in return for an immediate cash payment. The cash flow from the underlying pool of assets is used to service the securities issued by the SPV.
- The Scheme may invest in such securities issued by the SPV. The securities may be either Asset backed (ABS) or Mortgage backed (MBS). Asset Backed Securities (ABS) are securitised debts where the underlying assets are receivables arising from automobile loans, personal loans, loans against consumer durables, credit card receivables, loans to SME businesses loans to corporates etc.
- Mortgage backed securities (MBS) are securitised debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties. ABS / MBS instruments reflect the undivided interest in the underlying of assets and do not represent the obligation of the issuer of ABS / MBS or the originator of the underlying receivables.

## General Risk associated with Securitised Debt (ABS/MBS)

### Credit Risk

ABS / MBS instruments reflect the undivided interest in the underlying of assets and do not represent the obligation of the issuer of ABS / MBS or the Originator Of the underlying receivables. The ABS / MBS holders have a limited recourse to the extent of credit enhancement provided, if any. If the delinquencies and credit losses in the

underlying pool exceed the credit enhancement provided, ABS / MBS holders will suffer credit losses.

### Reinvestment/Prepayment risk

- ABS / MBS are also normally exposed to a higher level of reinvestment/prepayment risk as compared to the normal corporate or sovereign debt.
- Liquidity risk  
ABS / MBS are generally thinly traded in the secondary market and thus tend to lower liquidity.
- The specific risks pertaining to a few of the asset classes that are securities above are described below:

### Asset-Backed Securities

#### 1. Auto Loans (cars / commercial vehicles /two vehicles)

The underlying assets (cars etc) are susceptible to depreciation in value whereas the loans are given at high loan to value ratios. Thus, after a few months, the value of asset becomes lower than the loan outstanding. The borrowers, therefore, may sometimes tend to default on loans and allow the vehicle to be repossessed.

These loans are also subject to model risk. i.e. if a particular automobile model does not become popular, loans given for financing that model have a much higher likelihood of turning bad. In such cases, loss on sale of repossession vehicles is higher than usual. Commercial vehicle loans are susceptible to the cyclicity in the economy. In a downturn in economy, freight rates drop leading to higher defaults in commercial vehicle loans. Further, the second hand prices of these vehicles also decline in such economic environment.

#### 2. Consumer Durable Loans

The underlying security for such loans is easily transferable without the bank's knowledge and hence repossession is difficult.

The underlying security for such loans is also susceptible to quick depreciation in value. This gives the borrowers a high incentive to default.

#### 3. Personal Loans and Credit Cards

These are unsecured loans. In case of a default, the bank has no security to fall back on. The lender has no control over how the borrower has used the borrowed money.

#### Mortgage-backed Securities

- Housing Loans
- Housing loans in India have shown very low default rates historically. However, in recent years, loans have been given at high loan to value ratios and to a much younger borrower classes. The loans have not yet gone through the full economic cycle and have not yet seen a period of declining property prices. Thus the performance of these housing loans is yet to be tested and it need not conform to the historical experience of low default rates.
- Further, all the above categories of loans have the following common risks: All the above loans are retail, relatively small value loans. There is a possibility that the borrower takes different loans using the same income proof and thus the income is not sufficient to meet the debt service obligations of all these loans. In India, there is no ready database available regarding past credit record of borrowers. Thus, loans may be given to borrowers with poor credit record.

#### Suitability:

The Scheme may be considered appropriate for investors who seek returns that may be higher than what a short term bank deposit or liquid fund could offer and to reduce the interest-rate risk for a similar tenure.

#### Fund Managers

– K Ramkumar and Rahul Pal will be the Fund Managers for the Scheme. The Trustee reserves the right to change the fund manager at any time of their choice.

#### Sponsors

The Sponsors of the Sundaram BNP Paribas Mutual Fund are Sundaram Finance Limited (SF) and BNP Paribas Asset Management (BNP PAM). Sundaram BNP Paribas Asset Management Company Limited is a Joint Venture of Sundaram Finance Limited and BNP Paribas Asset Management.

#### Read Risk factors

Potential investors should rely solely on the information contained in this Prospectus or the documents mentioned herein and are advised to consult their investment advisors before taking investment decisions.

#### No Guarantee

Investors are not being offered any guaranteed or indicated returns or repayment of capital by the Scheme. There is also no guarantee of capital or return either by the mutual fund or by the sponsors or by the Asset management Company

#### Information Access

Investors may access NAV, performance charts, portfolio details, scheme features, fact sheet, product note/guide, offer document, FAQs and any relevant scheme-specific material on [www.sundarambnpparibas.in](http://www.sundarambnpparibas.in) and [www.wisinvestoronline.com](http://www.wisinvestoronline.com).

## Repatriation Facilities

NRIs and registered FIIs may invest in the Scheme on full repatriation basis, subject to necessary RBI approvals, if any.

## Valuation of Assets

Investments in securities will be valued at the closing price at which they were traded /fair value as applicable, at the end of the Valuation Day and the NAV computed as per SEBI Regulations.

Estimated Fees & Expenses (per annum as a percentage of weekly average assets) 2.25% for the Retail Plan and 1.50% for the Institutional Plan (The fee & expense will also depend on the level of assets of the scheme and this is detailed in PART IV of this document)

## Tax

Based on prevailing Tax laws, the applicable tax rates on Capital Gains/Dividend are:

|  |   |
|--|---|
| Dividends  | Nil (The fund will pay Distribution tax)  |
| Capital Gains<br>Period of Holding more than 12 months | 20%* with indexation benefit but restricted to 10%* without indexation benefit. |
| Period of Holding less than 12 months                  | At the normal rates applicable to investors                                     |

\*(excluding surcharge and cess)

## A Must-Read Checklist For Investors

- 24 Hours NAV response system +9144-28585607
- Investing in mutual fund schemes involves certain risks and considerations associated generally with making investments in securities.
- The value of the Scheme's investments may be affected generally by factors affecting capital markets, such as price and volume, volatility in the capital markets, interest rates, currency exchange rates, changes in regulatory and administrative policies of the Government or any other appropriate authority (including tax laws), or other political and economic developments.
- There can be no assurance that the Scheme offered in this document, will achieve the stated objectives.
- The NAV of the Units issued under the Scheme can go up or go down depending on the factors and forces affecting the capital market.
- Past performance of the sponsor(s) /AMC/Mutual Fund does not indicate the future performances of the schemes of the Mutual Fund.
- Prospective investors are advised to review this document carefully and in its entirety and consult with their legal, tax and financial advisors to determine possible legal, tax and financial or any other consequences of subscribing to, purchasing or holding Units under this Scheme, before making an application to purchase or hold the Units.
- Sundaram BNP Paribas Mutual Fund (the Mutual Fund) and Sundaram BNP Paribas Asset Management Company (the AMC) have not authorized any person to give any information or make any representations, either oral or written, not stated in this document in connection with issue of Units under this Scheme.
- Prospective investors are advised not to rely upon any information or representations not incorporated in this document, as the same have not been authorized by the Mutual Fund or the AMC.
- Any subscription, purchase, or sale made by any person based on the statements or representations that are not contained in this document or which are inconsistent with the information contained herein shall be solely at the risk of the investor.
- Investors may also like to ascertain about any further changes after the date of this document from the Mutual Fund and the Investor Service Centres/distributors or brokers.
- The offer document is dated /2007-. Investors may also ascertain about further changes after the date of the offer document from the mutual fund / its service centres / distributors or brokers.
- Investors are requested to retain this Standard Offer Document for their reference.

## General Risk Factors

- Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Scheme will be achieved. The main types of risks to which the Scheme is exposed could also be market risk, credit, risk of capital loss and liquidity risk, to name a few. As with any investment in securities, the NAV of the Units issued under this Scheme can go up or down depending on the factors and forces affecting the capital markets.
- Past performance of the Sponsors, AMC/Fund does not indicate the future performance of the Schemes of the Fund.
- The Sponsors are not responsible or liable for any loss resulting from the operation of the schemes beyond Rs. 1 lakh contributed by it towards setting up of the Mutual Fund.
- Sundaram BNP Paribas Fixed Term Plan is merely the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns.

- Investors are not being offered any guaranteed or indicated returns or repayment of capital by the Scheme. There is also no guarantee of capital or return either by the mutual fund or by the sponsors or by the Asset management Company. .
- The main types of risks to which the Scheme is exposed are risk of capital loss, market risk, currency risk, liquidity risk, credit risk, counter party default risk, to name a few.
- As with any investment in securities, the NAV of the Units issued under this Scheme can go up or down depending on the factors and forces affecting the capital markets.
- The NAV may be affected by factors such a Market conditions, Level of interest rates, Market-related factors, Trading volumes, Settlement periods, Transfer procedures, Price/interest rate risk, Credit risk, Government policy, Volatility and liquidity in markets, Exchange rate,Geo-Political development, Change in the fund manager, Change in the investment advisor.
- Trading volumes in the securities in which it invests inherently restricts the liquidity of the scheme's investments.
- Change in Government policy in general and changes in tax benefits applicable to mutual funds may impact the returns to Investors in the scheme.
- The tax benefits available under the scheme are as available under the present taxation laws and subject to relevant conditions. The information given is included for general purposes only and is based on advice that the AMC has received regarding the law and the practice that is now in force in India.
- Unit holders should be aware that the relevant fiscal rules and their interpretation might change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor/Unit holder is advised to consult his/her own professional tax advisor.
- If the market conditions turn adverse (such as high levels of volatility or disruption to trading activity to name a few) the mutual fund reserves the right to cancel the Scheme during the New Fund Offer period and also during the five Working Days following the close of the Offer period.
- The AMC has the right to limit repurchases, under certain circumstances. Please read the Section of the Offer Document titled `Right to Limit Repurchases.
- Investors/unit holders are also urged to read the detailed clause(s) titled `Special considerations.'
- Investors are not being offered any guaranteed or indicated returns or repayment of capital by the Scheme. There is also no guarantee of capital or return either by the mutual fund or by the sponsors or by the Asset Management Company.
- The tax benefits available under the scheme are as available under the present taxation laws and subject to relevant conditions. The information given is included for general purposes only and is based on advice that the AMC has received regarding the law and the practice that is now in force in India.

This is only an illustrative list and not an exhaustive list factors that could affect the NAV of the Scheme. They should read the risk factors presented in this document though the list is no way exhaustive. Potential investors should rely solely on the information contained in this Prospectus or the documents mentioned herein and are advised to consult their investment advisors before taking investment decisions.

## Scheme-Specific Risks:

### Risk of Capital Loss

The Net Asset Value (NAV) of the scheme is exposed to market fluctuations, and its value can go up as well as down. The portfolio of securities that the Scheme invests in would be exposed to price changes on a day-to-day basis.

Market Specific Risk Factors

### Interest Rate Risk

Interest rates changes in the prevailing rates of interest are likely to affect the value of the scheme's holdings and consequently the value of the scheme's Units. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the value of the Units. The value of debt securities held by the scheme generally will vary inversely with the changes in prevailing interest rates.

### Credit Risk

Credit risk refers to the risk of interest (coupon) payment and /or principal repayment. All debt instruments carry this risk.

### General Price Risk

As long as the Scheme will be invested, its Net Asset Value (NAV) is exposed to market fluctuations, and its value can go up as well as down. The portfolio of fixed-income securities that the Scheme invests in would be exposed to price changes on a day-to-day basis. These price changes may occur due to instrument-specific factors as well as general macroeconomic conditions. In general, price of fixed-income securities go up when interest rates fall, and vice versa.

## Liquidity Risk

A lower level of liquidity affecting an individual security (ies) or an entire market may have an adverse bearing on the value of the Scheme's assets. This may more importantly affect its ability to sell particular securities with minimal impact cost as and when necessary to meet requirement of liquidity or to sell stocks in response to triggers such as a specific economic/corporate event. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of a few of the investments.

## Special Considerations

Read this document: Prospective investors should study this offer document carefully and in its entirety.

Content is not Advice: The contents shall not be construed as advice relating to legal, taxation, financial or investment matters.

Seek Professional Advice: Investors should consult their own professional advisor(s) on any or all of the following aspects: Legal or any other requirements/restrictions relating to the subscription, gifting, acquisition, and holding, disposal (sale, transfer, switch or redemption or conversion into money) of units, treatment of income (if any), capitalization, capital gains, any distribution and other tax consequences relevant to their investment decision. The applicability of tax and other laws within their jurisdiction / of nationality, residence, domicile the laws of any jurisdiction to which they or any managed funds to be used to purchase/gift units are subject to possible legal, tax, financial or other consequences of subscribing / gifting to, purchasing or holding units before making an application for units. This is only an illustrative list. Neither this offer document nor the units have been registered in any jurisdiction. The distribution of this offer document in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this offer document in certain jurisdictions are required to inform themselves about, and to observe, any such restrictions. No person receiving a copy of this offer document or any accompanying

application form in such jurisdiction may treat this offer document or such application form as constituting an invitation to them to subscribe for units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements.

Neither the delivery of this offer document nor any sale made hereunder shall, under any circumstances, create any implication that the information contained herein is correct as of any time subsequent to the close of the New Fund Offering Period.

The Mutual Fund may disclose details of the investor's account and transactions thereunder to those intermediaries whose stamp appears on the application form. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments.

## Minimum Number Of Investors & Single-Investor Limit

As per SEBI circular SEBI/IMD/Cir No. 10/22701/03 dated 12th December 2003 each scheme and individual plan(s) under the schemes should have a minimum of 20 investors. No single investor should account for more than 25% of the corpus of such scheme/plan(s).

If the scheme fails to get minimum 20 investors in the New Fund Offer, the investor's application money would be refunded. Also the Mutual Fund will be constrained to reject the application by a single investor to the extent of having exposure of more than 25% of the scheme corpus at the time of allotment. Hence such investor shall be allotted limited units to such extent. The scheme shall comply with the condition of having 20 investors on an average basis, in each calendar quarter, failing which the provisions of Regulation 39(2) (c) of SEBI (Mutual Funds) Regulations, 1996 shall become applicable without any reference from SEBI and accordingly the said portfolio under the scheme shall be wound up by following the procedure / guidelines laid down by SEBI.

The guidelines with respect to maximum holding by a single individual would be reckoned and monitored as mentioned in SEBI Circular No. SEBI/IMD/Cir. No. 1/42525/05 dated June 14, 2005. SEBI has provided further clarifications vide circular SEBI/IMD/Cir No. 1/42529/05 dated 14th June 2005 in respect to determining the breach of the 25% limit by an Investor - (i) the earlier circular would be applicable at the portfolio level. (ii) The average net assets of the scheme would be calculated daily and any breach of the 25% holding limit by an investor would be determined. At the end of the quarter, the average of daily holding by each such investor will be computed to determine whether that investor has breached the 25 % limit over the quarter. If there is a breach of limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period.

Prevention of Money Laundering

## Anti-Money Laundering and Know Your Customer Norms

The Prevention of Money Laundering Act, 2002 (PMLA), has been brought into force with effect from July 1, 2005. The primary object of the Act is to prevent money

laundering and to provide for confiscation of property derived from or involved in money laundering. The Act, inter alia, casts certain obligations on banking companies, financial institutions and intermediaries to furnish information to the Financial Intelligence Unit (FIU) maintain records relating to customer identifications and transactions in the form and manner prescribed under the rules framed by the Central Government.

SEBI vide circular no. ISD/CIR/RR/AML/1/06 dated 18th January 2006 has mandated all intermediaries to formulate and implement a policy framework on Anti-money laundering and also to adapt a Know Your Customer (KYC). Accordingly Sundaram BNP Paribas Mutual Fund (MF) being an intermediary registered with SEBI has prescribed a detailed policy in line with the requirements for customer identification, monitoring and reporting of money laundering and suspicious transactions. Sundaram BNP Paribas Mutual Fund is committed to being an exemplary enterprise in the area of ethics and compliance. The mutual fund places considerable importance on the fight against money laundering and corruption and the financing of terrorisms.

Sundaram BNP Paribas Mutual Fund recognizes the value and importance of creating a business environment that strongly discourages money launderers from using the mutual fund. To that end, certain policies have been adopted by the AMC.

As a part of the policy the investor(s) are requested to ensure that the amount invested in the MF schemes is through legitimate means and does not involve and not for the purpose of contravening any applicable law in force. For customer identification, Sundaram BNP Paribas MF under its KYC policy reserves the right to seek information, records or obtain and retain documentation for proof of identity of investor(s), proof of residence of investor(s), source of funds etc. The investor(s) are required to produce the mandatory documents such as photographs, certified copies of ration card, passport, driving license, PAN card etc and produce such other information as may be required from time to time for verification of identity, address and financial information of the investor(s). If the investor refuses to furnish the required information/documents the AMC shall reject the application forthwith. AMC/MF believes that if any transaction is suspicious within the parameters laid down by the Act/Rules, it has absolute discretion and authority to report any suspicious transactions to the FIU or to freeze the account of any investor(s), reject any application and effect mandatory redemption of accounts with applicable exit load, if any. The Directors, employees and agents of Sundaram BNP Paribas Mutual Fund, Sundaram BNP Paribas Asset Management and Sundaram BNP Paribas Trustee Company Limited shall not be responsible or liable for any manner for any claims arising whatsoever on account of freezing the folios/ rejection of any application, allotment of units or mandatory redemption of units due to noncompliance of provisions of PMLA, SEBI Circular and KYC norms or where AMC reports any transaction to FIU believing it to be a suspicious transaction.

## Permanent Account Number (PAN)

In terms of SEBI circular dated 27/04/2007, PAN shall be the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction with effect from July, 2, 2007. Accordingly, in the case of investments of any value, the applicant or incase of applications in joint names, each applicant, is required to mention their PAN (Permanent Account Number) allotted under the Income Tax Act, 1961, and attach a copy of PAN card with the application. For investment of less than Rs 50,000, investors will have to provide PAN or proof of application for PAN. This flexibility will be available till December 31, 2007 based on present SEBI norms. With effect from January 01, 2008 PAN Copy will be mandatory for all applicable transactions.

## Certificate of Due Diligence

It is confirmed that:

1. This Offer Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
2. All legal requirements connected with the launching of the Scheme and also the guidelines and instructions issued by the Government of India and any other competent authority in this behalf, have been duly complied with.
3. The disclosures made in this Offer Document are true, fair and adequate to enable the investors to make an informed decision regarding investment in the Scheme.
4. The intermediaries named in the offer document are registered with SEBI and till date such registration is valid.

Place: Chennai  
Date: 20/11/2007

**T P Raman**  
Managing Director

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## DEFINITIONS

|  |  |
|--|--|
| Asset Management Company<br>or AMC or Investment Manager | Sundaram BNP Paribas Asset Management Company Limited, a Company incorporated under the Companies Act, 1956 and registered with SEBI to act as the Investment Manager for the schemes of Sundaram BNP Paribas Mutual Fund.   |
| Custodian  | Standard Chartered Bank, acting as Custodian to the scheme, or any other Custodian who is approved by the Trustees.  |
| Mutual Fund or Fund                                      | Sundaram BNP Paribas Mutual Fund, a trust set-up under the provisions of the Indian Trusts Act, 1882 and registered with SEBI vide Registration No.MF/034/97/2.  |
| NAV  | The Net Asset Value per unit of this scheme, calculated in the manner provided in this offer document, or as may be prescribed by SEBI regulations from time to time.  |
| Offer document   | This document issued by Sundaram BNP Paribas Mutual Fund offering units of Sundaram BNP Paribas Fixed Term Plan for subscription.  |
| Registrar  | Computer Age Management Services Private Limited, a Registrar and Transfer Agent registered with SEBI, vide Registration No.INR 000002813 has been appointed to act as the Registrar and Transfer Agent to this scheme.  |
| Scheme   | Sundaram BNP Paribas Fixed Term Plan is a close-end Income scheme.   |
| SEBI   | Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.   |
| SEBI Regulations/ Regulation                             | Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time.  |
| Trust Deed   | The Trust Deed dated August 24, 1996 establishing the Mutual Fund, as amended from time to time.   |
| Trustee  | Sundaram BNP Paribas Finance Trustee Company Limited, a Company incorporated under the Companies Act, 1956 and appointed as a Trustee of Sundaram BNP Paribas Mutual Fund vide the Trust Deed dated March 31st 2006  |
| Unit holder  | A participant in the scheme.   |
| Working Day  | A day other than: (1) Saturday and Sunday (2) a day on which the National Stock Exchange or Bombay Stock Exchange is closed (3) a day on which there is no RBI clearing / settlement of securities / cash and (4) a day on which the sale and repurchase of units are suspended by the Trustees. |

## Interpretation

For all purposes of this Offer Document, except as otherwise expressly provided or unless the context otherwise required:

- the terms defined in this Offer Document include the singular as well as the plural.
- pronouns having a masculine or feminine gender shall be deemed to include the other.
- all references to `dollars' or `\$' refers to the United States dollars
- `Rs' refers to Indian Rupees.
- A "crore" means "ten million" and
- a "lakh" means a "hundred thousand".

## PART I

### 1. Constitution Of The Mutual Fund

#### Sponsors

The Sponsors of the Sundaram BNP Paribas Mutual Fund are Sundaram Finance Limited (SF) and BNP Paribas Asset Management (BNP PAM) Sundaram BNP Paribas Asset Management Company Limited is a joint venture of Sundaram Finance Limited and BNP Paribas Asset Management.

#### Sundaram Finance

Sundaram Finance is India's leading non-banking finance company having a track record for more than 52 years with an asset base over Rs. 7,015 crore. A strong player in the commercial vehicle and car finance segments, the Sundaram Finance Group's services range from automobile finance to home loans to mutual funds to insurance. Sundaram Finance has a nation wide network of over 165 branches, an employee strength of over 2000 people and stands as one of the most trusted financial services provider in the country. Sundaram Finance Group remains true to its core values of prudence, fairness, transparency and service excellence. It has a deposit base exceeding Rs. 658 crore covering over 2,70,000 accounts and an uninterrupted dividend record of accomplishment since inception. The public deposit schemes of Sundaram Finance enjoy the prestigious 'FAAA' (F triple A) rating from Credit Rating Information Services of India Ltd (CRISIL) and the prestigious MAAA (M triple A) rating from ICRA Ltd signifying the highest degree of safety of depositors' funds. Sundaram Finance's commercial paper has been rated P1+ by CRISIL.

Sundaram BNP Paribas Asset Management Company Ltd is a subsidiary of Sundaram Finance Ltd. Sundaram Finance is holding 50.10% in the paid up share capital of the company and the balance 49.90% is held by BNP PAM.

#### Other subsidiaries of Sundaram Finance are:

- Sundaram Home Finance Limited, set up in 1999, provides retail home finance.
- Royal Sundaram Alliance Insurance Company Limited: The company is a joint venture between Sundaram finance Limited and Royal & Sun Alliance Plc. The company is engaged in Non Life Insurance Business.
- Sundaram Finance Distribution Limited (formerly Sundaram Insurance Broking Limited) distributes and markets financial, savings, loan, investments and insurance products.
- LGF Services (Private) Limited: The company engaged in the services of distributing Non-Life Insurance products.
- Sundaram BNP Paribas Trustee Company Limited (Formerly Sundaram Finance Trustee Company Ltd) was incorporated on December 2, 2003. The trustee Company has assumed the trusteeship functions fully from the Board of trustees of Sundaram Mutual Fund with effect from March 31, 2004. After the introduction of BNP Paribas Asset Management as Co-Sponsor of the Mutual Fund the company has become a joint venture company.
- Sundaram InfoTech solutions Limited is engaged in the business of IT Services, Customized Software Solutions, and Software products to cater the needs of financial services Industry, data center and Industrial Management, network management, data warehousing and related services.
- Sundaram Business Services Ltd is engaged in Business Process Outsourcing, back office support in areas of automobile financing, insurance and accounting services.
- Infreight Logistics Solutions Limited is engaged in offering logistics contracting and consulting services and provides technology offering such as Transport Management System.

#### Financial performance of Sundaram Finance Ltd for the last 3 financial years (Rs. In Crore)

| Description                       | Half Year ended<br>30/09/2007<br>(Unaudited) | Year ended<br>31/03/2007<br>(Audited) | Year ended<br>31/03/2006<br>(Audited) | Year ended<br>31/03/2005<br>(Audited) |
|-----------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|
| Turnover/Total Income             | 426.98                                       | 671.89                                | 595.85                                | 459.08                                |
| Profit after tax                  | 59.64  | 100.47                                | 170.59                                | 75.99                                 |
| Equity Capital (FV Rs. 10/- each) | 27.78  | 27.78                                 | 27.78                                 | 27.78                                 |
| Free Reserves                     | 909.74                                       | 850.10                                | 783.05                                | 655.22                                |
| Net worth                         | 937.52                                       | 877.88                                | 810.83                                | 683.00                                |
| Earnings Per Share (Rs.)          | 21.47  | 36.17                                 | 61.42                                 | 27.36                                 |
| Book Value per share (Rs.)        | 337.60                                       | 316.01                                | 291.87                                | 283.01                                |
| Percentage of Dividend Paid       | —  | 105%                                  | 135%                                  | 75%                                   |

(Source: Published Financial results of Sundaram Finance Limited)

#### BNP Paribas Asset Management

BNP Paribas Asset Management is a wholly controlled subsidiary of BNP Paribas and is a major player in fund management and distribution, with Euro 298 Billion in assets under management and advisory as on Dec 31,2006, and more than 1600 staff and a presence in 25 countries.

#### Group Companies of BNP PAM Ltd

- BNP PAM GmbH (Germany) is an entity, which markets financial products. It is not regulated and was established in May 1986
- BNP PAM SGR (Italy) is an asset management company. It is regulated by the CONSOB and the Bank of Italy. It was established in December 1998.
- Antin Participation 19 (France) is a company buying equity interests in financial companies; it is not regulated and was established in June 2004
- Shenyin Wanguo BNP PAM (China) is an asset management company. It is regulated by the commission de Surveillance. It was established in May 1989.

#### Associate companies of BNP PAM:

- Fauchier Partners Management Limited (Guernsey) is an asset management company. It is regulated by the Guernsey Financial Services commission. It was established in September 2001.
- BNP Paribas Asset Management Asia Limited (Hong Kong) is an asset management company. It is regulated by the Securities and Futures Commission. It was established in June 1997.
- BNP PAM Monaco (Monaco) is an asset management company. It is regulated by the Commission de Surveillance. It was established May 1989.

#### Financial performance of BNP Paribas Asset Management for three financial years –

(In Million Euros)

| Description                    | Year Ended<br>31/12/06 | Year Ended<br>31/12/05 | Year Ended<br>31/12/04 |
|--------------------------------|------------------------|------------------------|------------------------|
| Turnover / Total income        | 831.46                 | 669.35                 | 605.75                 |
| Profit After Tax               | 147.26                 | 145.19                 | 102.96                 |
| Equity Capital (- each)*       | 62.85                  | 62.85                  | 62.85                  |
| Free Reserves                  | 375.83                 | 379.79                 | 337.51                 |
| Net – Worth                    | 438.68                 | 442.64                 | 400.36                 |
| Earnings per Share (Euro)      | 37.49                  | 36.97                  | 26.21                  |
| Book Value per Share (Euro)    | 111.68                 | 112.69                 | 101.93                 |
| Percentage of Dividend Paid ** | 100%                   | 100%                   | 100%                   |

\* Face value of the stock at Euro 16.

\*\* Dividends paid as a percentage of Profit after Tax.

Relevant websites: [www.bnpparibas-am.com](http://www.bnpparibas-am.com) [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

#### Sundaram BNP Paribas Mutual Fund

Sundaram Mutual Fund has been constituted as a Trust under the Indian Trusts Act, 1882. The Mutual Fund has been registered with SEBI vide Registration No. MF/034/97/2 dated January 3, 1997. The trust deed dated August 24, 1996 and the deed of amendment dated March 22, 2004 have been duly registered with the Sub - Registrar, Chennai under serial no 356 of 1996 and serial number 108 of 2004, respectively. The sponsor has irrevocably settled a sum of Rs. 1 lakhs as corpus of the trust, which shall be held and managed by the trust in accordance with the Trust deed dated August 24, 1996. After the introduction of BNP Paribas Asset Management as the cosponsor of the Mutual Fund, the Trust Deed has been amended. The amended Trust Deed dated March 31st, 2006 has been duly registered with the Sub- registrar, Chennai, under Serial No. 193 of 2006.

#### Sundaram BNP Paribas Trustee Company

The Sponsors, Sundaram Finance Limited and BNP Paribas Asset Management have appointed Sundaram BNP Paribas Trustee Company Ltd as the Trustee vide an amended Trust Deed dated 31st March 2006.

#### The Board of Directors of the Trustee Company

| Name, Address   | Principal Occupation   |
|---|--|
| <b>K.V. Ramanathan,</b><br>IAS (Retired)<br>Chairman<br>(Independent Director)<br>Rohini, # 9 Second Seaward Road,<br>Valmiki Nagar, Thiruvanniyur,<br>Chennai – 600 041. | <b>Former Executive Director</b><br>Asian Development Bank<br>Manila, Philippines<br><b>Chairman</b><br>Bangalore Land and Homes Ltd |

|   |  |
|---|--|
| <p><b>S. Viji</b><br/>New No.71, Old No.33,<br/>Poes Garden,<br/>Chennai – 600 086</p>  | <p><b>Chairman</b><br/>Sundaram Finance Limited<br/>Sundaram Home Finance Limited<br/><b>Managing Director</b><br/>Brakes India Limited<br/><b>Director</b><br/>Sundaram Industries Limited<br/>TV Sundram Iyengar &amp; Sons Limited<br/>Wheels India Limited<br/>Royal Sundaram Alliance Insurance<br/>Company Limited<br/>The Dunes Oman LLC (FZC)<br/><b>Managing Trustee</b><br/>Bharath International Trust, Chennai<br/><b>Trustee</b><br/>Sundaram Educational Trust<br/>Sundaram Medical Foundation<br/><b>Vice Chairman</b><br/>Worth Trust, Katpadi</p> |
| <p><b>R. Rajamani</b><br/>(Independent Director)<br/>8-2-585/A/1, Road No.9<br/>Banjara Hills<br/>Hyderabad - 500 034</p>                           | <p><b>Former Secretary</b><br/>Environment &amp; Forests<br/>Government of India<br/><b>Director</b><br/>ICICI Knowledge Park<br/>Canara Bank Factors Ltd.</p>   |
| <p><b>K.V. Krishnamurthy</b><br/>(Independent Director)<br/>174, Kalpataru Residency, Tower A<br/>107 Road no.8, Sion (East)<br/>Mumbai 400 022</p> | <p><b>Director</b><br/>Assets Reconstruction Company of<br/>India Ltd.<br/>Rap Media Limited, Mumbai<br/>Centrum Finance Limited<br/>Centrum Direct Limited<br/>Essel Propack Limited<br/>JSW Steel Ltd<br/>Rathnakar Bank Limited<br/>Borosil Glass works<br/>Packaging India Pvt. Ltd.<br/><b>Partner (Part Time)</b><br/>KCA &amp; Co., Chartered Accountants</p>   |
| <p><b>Mouzay François</b><br/>79, Bis, Rue des Vallées,<br/>91800, Brunoy.</p>  | <p>No other directorships held currently</p>   |
| <p><b>Al Noor Premji</b><br/>(Alternate Director to Mouzay François)<br/>63A Ulundri Drive, Castle Hill,<br/>NSW 2154, Australia.</p>               | <p>No other directorships held currently</p>   |

#### Functions And Responsibilities Of Trustees

The trustees are vested with the general power of superintendence, direction and management of the affairs of the Trust. The trustees have appointed Sundaram BNP Paribas Asset Management Company Limited as the AMC for Sundaram BNP Paribas Mutual Fund and have to ensure that the AMC fulfils the functions assigned to it, from time to time, subject to the Trust Deed, SEBI Regulations and laws in force.

- The trustees report every half-year to SEBI and annually to the investors on the functioning of the Fund. As per the Trust Deed and SEBI Regulations, the trustees inter alia, have the following functions and responsibilities.
- A trustee in carrying out his responsibilities as a member of the Board of trustees or of trustee Company shall maintain arms' length relationship with other companies, or institutions or financial intermediaries or any body corporate with which he may be associated.
- No trustee shall participate in the meetings of the Board of trustees or Trustee Company when decisions for investments in which he may be interested are taken.
- All the trustees shall furnish to the Board of trustees or trustee company, particulars of interest which he may have in any other company, or institution or financial intermediary or any corporate by virtue of his position as director, partner or with which he may be associated in any other capacity.
- Each trustee shall file the details of his transactions of dealing in securities with the Mutual Fund on a quarterly basis.
- The trustees shall have the right to obtain from the Asset Management Company such information as is considered necessary.

- The trustees shall ensure that the transactions entered into by the Asset Management Company are in accordance with the SEBI Regulations and the scheme. The trustees shall ensure that the Asset Management Company has been managing the schemes independently of other activities and have taken adequate steps to ensure that the interest of the investors of one scheme are not being compromised with those of any other scheme or of other activities of the Asset Management Company.
- The trustees shall ensure that all the activities of the Asset Management Company are in accordance with the provisions of the SEBI Regulations.
- Where the trustees have reason to believe that the conduct of business of the Mutual Fund is not in accordance with SEBI Regulations and the scheme, they shall forthwith take such remedial steps as are necessary by them and shall immediately inform SEBI of the violation and the action taken by them.
- The trustees shall be accountable for and be the custodian of the funds and property of the scheme and shall hold the same in trust for the benefit of the unit holders in accordance with SEBI Regulations and the provisions of the Trust Deed.
- The trustees shall be responsible for the calculation of any income due to be paid to the mutual fund and also of any income received in the mutual fund for the holders of the units of the scheme in accordance with the SEBI Regulations and the provisions of the Trust Deed.
- The trustees shall periodically review all service contracts such as custody arrangements, transfer agency of the securities and satisfy themselves that such contracts are executed in the interest of the unit holders.
- The trustees shall periodically review the investor complaints received and the redressal of the same by the Asset Management Company.
- The trustees shall ensure that the mutual fund buys and sells securities on the basis of deliveries and in all cases of purchases, take delivery of the relative securities and in all cases of sale, deliver the securities and in no case put itself in a position whereby it has to make short sale or carry forward transaction or engage in badla finance.
- The trustees are required to obtain the consent of the unit holders of a scheme
  - o whenever required to do so by SEBI in the interest of the unit holders; or
  - o upon the request made by three-fourths of the unit holders of this scheme; or
  - o if the majority of the trustees decide to wind up the scheme(s) or prematurely redeem the units.
- The trustees shall ensure that no change in the fundamental attributes of the scheme(s) or the Trust or fees and expenses payable or any other change which would modify the scheme(s) or affect the interest of the unit holders, shall be carried out unless,
  - o a written communication about the proposed change is sent to each unit holder and an advertisement is given in one English daily having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the mutual fund is situated; and
  - o the unit holders are given an option to exit at the prevailing NAV without any exit load.
- The trustees are required to call for the details of transactions in securities by the key personnel of the AMC in his own name or on behalf of the AMC and shall report the same to SEBI, as and when required.
- The trustees are required to review on a quarterly basis all transactions carried out between the Fund, AMC and its associates.
- The trustees are required to review quarterly the net worth of the AMC and in case of any shortfall ensure that the AMC make up for the shortfall as per clause (f) of sub regulation (1) of regulation 21 of the SEBI Regulations.
- The trustees are required to ensure that there is no conflict of interest between the manner of deployment of its net worth by the AMC and the interest of the unit holders.
- The trustees are required to abide by the Code of Conduct as specified in the Fifth Schedule of the SEBI Regulations.
- The meetings of the trustees shall be held at least once in every two months and at least six meetings shall be held in every year.
- The trustees shall maintain high standards of integrity and fairness in all their dealings and in the conduct of their business.
- The trustees shall render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgement.

- The trustees have to furnish to SEBI on a half-yearly basis, -
  - o a report on the activities of the Fund;
  - o a certificate stating that the trustees have satisfied themselves
- that there have been no instances of self-dealing or front running by any of the trustees, directors and key personnel of the AMC;
- A certificate to the effect that the AMC has been managing the schemes independently of any other activities and in case any activities of the nature referred to in Regulation 24, sub regulation (2) of the
- SEBI Regulations, have been undertaken by the AMC and has taken adequate steps to ensure that the interests of the unit holders are protected.
- The independent trustees are required to give their comments on the report received from the AMC regarding the investments by the Mutual Fund in the securities of the group companies of the Sponsor.
- No amendment to the Trust Deed shall be carried out without the prior approval of SEBI and the unit holders, where it affects the interest of unit holders.
- In terms of SEBI (Mutual Funds) (Amendment) Regulation 1999, the trustees shall exercise due diligence as under:

#### A. General Due Diligence:

- The trustees shall be discerning in the appointment of the directors on the Board of the asset management company
- The trustees shall review the desirability of continuance of the asset management company if substantial irregularities are observed in any of the schemes and shall not allow the asset management to float new schemes
- The trustees shall ensure that the trust property is properly protected, held and administered by proper persons and by a proper number of such persons
- The trustees shall ensure that all service providers are holding appropriate registrations from SEBI or concerned regulatory authority.
- The trustees shall arrange for test checks of service contracts
- The trustees shall immediately report to SEBI of any special developments in the mutual fund

#### B. Specific Due Diligence:

The trustees shall:

- Obtain internal audit reports at regular intervals from independent auditors appointed by the trustees
- Obtain compliance certificates at regular intervals from the AMC
- Hold meetings of the trustees more frequently
- Consider the reports of the independent auditor and compliance reports of the asset management company at the meetings of trustees for appropriate action
- Maintain records of the decisions of the trustees at their meetings and of the minutes of the meetings
- Prescribe and adhere to a code of ethics by the trustees, the Asset Management Company and its personnel
- Communicate in writing to the Asset Management Company of the deficiencies and checking on the rectification of deficiencies
- Notwithstanding anything contained in sub regulations (1) to (25) of Regulation 25, the trustees shall not be liable for acts done in good faith if they have exercised adequate due diligence honestly. The independent trustees shall pay specific attention to the following, as may be applicable, namely:-
  - o The Investment Management Agreement and the compensation paid under the agreement
  - o Service contracts with affiliates – whether the Asset Management Company has charged higher fees than outside contractors for the same services
  - o Selection of the Asset Management Company's independent directors
  - o Securities transactions involving affiliates to the extent such transactions are permitted
  - o Selecting and appointing individuals to fill independent directors' vacancies
  - o Code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions
  - o The reasonableness of fees paid to sponsors, Asset Management Company and any other services provided for
  - o Principal underwriting contracts and their renewals
  - o Any service contract with the associates of the Asset Management Company

An audit committee of the trustees has been constituted which reviews the internal audit systems and the recommendations of the internal and statutory audit reports.

For the Financial Year (2006-07) five (5) meetings of the Trustees and six (6) meetings of the Audit Committee were held.

The Supervisory role of the Board of Directors of trustee Company is discharged by having continuous feedback from the AMC on the matters of importance and review of the Mutual Funds operations.

#### Trusteeship Fees

Pursuant to the Trust Deed dated March 31st 2006, (which is amended time to time) presently the Trustee Company is entitled to a fee of 0.01% of the daily average net assets of all the schemes of the Mutual Fund.

#### The Asset Management Company(AMC)

Sundaram BNP Paribas Asset Management Company Limited, the investment manager of Sundaram BNP Paribas Mutual Fund, is a public limited company, incorporated under the Companies Act, 1956. The paid-up capital of the AMC is Rs.15.33 Crores. It is a Joint venture company of Sundaram Finance Limited (SF) and BNP Paribas Asset Management (BNP PAM).

#### Shareholding Pattern in the AMC

Sundaram Finance is holding 50.10% in the paid up share capital of the company and the balance 49.90% is held by BNP PAM.

SEBI has permitted the AMC to commence PMS activity and to provide management and advisory services to offshore funds, pension funds, provident funds, venture capitals funds, and management of insurance funds, financial consultancy and exchange of research on commercial basis. The AMC commenced the Investment Advisory Services with effect from December 22, 2005.

The AMC is also registered with SEBI under the SEBI (Portfolio Managers) Regulations, 1993, vide registration code PM/INP0000001355, and undertakes activities as a portfolio manager. The Portfolio Management Services commenced with effect from June 1, 2007

The AMC has systems in place to ensure that there is no conflict of interest between the aforesaid activities and its mandate to be the investment manager for Sundaram BNP Paribas Mutual Fund.

#### Investment Management Agreement

Sundaram Asset Management Company Limited has been appointed as the Investment Manager vide Investment Management Agreement (IMA) dated August 24, 1996, executed between the Trustees and the AMC. Consequent to the change in the name of the AMC and Trustee Company, the agreement stands modified with the name of the Sundaram BNP Paribas Asset Management Company Ltd, as Investment Manager and Sundaram BNP Paribas Trustee Company, as the Trustees.

#### The Board of Directors of Asset Management Company

|   |   |
|---|---|
| <b>D N Ghosh</b><br>Chairman<br>Former Chairman<br>State Bank of India<br>BC-148 Sector I<br>Salt Lake<br>Calcutta 700 064  | <b>Chairman</b><br>ICRA Limited<br>ICRA Management Consulting Services Ltd.<br>L & L Services (P) Ltd<br>SJK Steel Plant Ltd<br><b>Director</b><br>Housing Development Finance Corporation Ltd.<br><b>Managing Trustee</b><br>Sameeksha Trust (Economic and Political Weekly) |
| <b>S Krishnamurthy</b><br>(Independent Director)<br>Former Managing Director<br>General Insurance Corporation of India<br>9 Nandanam Extension<br>Chennai – 600 035.                  | No other directorships held currently   |
| <b>T.N. Anantharam Iyer</b><br>(Independent Director)<br>Former Managing Director<br>Discount and Finance House of India Ltd<br>8 Rajmayer, 19th Road<br>Khar (West) Mumbai – 400 052 | No other directorships held currently   |
| <b>T.T. Srinivasaraghavan</b><br>No 5 Kasturi Estates,<br>Third Street, Gopalapuram,<br>Chennai 600 086   | <b>Chairman</b><br>Infreight India Technologies India (P) Ltd.<br><b>Managing Director</b><br>Sundaram Finance Ltd.   |

|   |   |
|---|---|
|   | <p><b>Director</b><br/>Sundaram Business Services Limited<br/>Sundaram Infotech Solutions Limited<br/>Sundaram Home Finance Ltd.<br/>Royal Sundaram Alliance Insurance Co. Ltd.</p> <p><b>Council Member</b><br/>Federation of Automobile Dealers Association</p> <p><b>Member-General Committee</b><br/>Madras Chamber of Commerce &amp; Industry</p> <p><b>Past President</b><br/>International Finance &amp; Leasing Association</p>   |
| <p><b>T.P. Raman,</b><br/>Managing Director<br/>Flat No. C#3, "Ashreya",<br/>No. 11, Raman Street,<br/>T Nagar, Chennai 600 017</p>   | <p><b>Director</b><br/>Association of Mutual Funds In India</p>   |
| <p><b>Ashoke Bijapurkar</b><br/>(Independent Director)<br/>8CD, 8th Floor, Mona Apartments,<br/>46F, Bhulabhai Desai Road,<br/>Mumbai - 400026.</p>   | <p><b>Managing Director</b><br/>Future Step Advisory Services Private Limited</p> <p><b>Director</b><br/>Dhara Vegetable Oil and Foods Company Private Limited<br/>Mother Dairy Fruit and Vegetable Private Limited</p>   |
| <p><b>T Anantha Narayanan</b><br/>(Independent Director)<br/>Sri Niketan, 1, Raja Street,<br/>Mandaveli, Chennai - 600 028.</p>   | <p><b>Director</b><br/>Indusind Bank Limited<br/>Ashok Leyland Properties Limited<br/>Ashok Leyland Projects Services Limited<br/>Ashley Holdings Limited<br/>Ashley Investments Limited<br/>Allsec Technologies Limited</p>  |
| <p><b>Rishikesh.T.Krishnan</b><br/>(Independent Director)<br/>Professor Corporate Strategy and Policy<br/>Faculty Quarters 117,<br/>Indian Institute of Management Bangalore Campus<br/>Bannerghatta Road, Bangalore-560 076.</p> | <p><b>Director</b><br/>D Link (India) Limited<br/>Knowledge Enabled Networks Private Limited</p>  |
| <p><b>De Froment, Guy</b><br/>33, Marryat Road, London<br/>SW19 5BE, UK</p>   | <p><b>Director</b><br/>BNP Paribas Asset Management<br/>Shinhan BNP Paribas ITMC<br/>BNP PAM SGR (Italy)<br/>BNP Paribas Asset Management UK Ltd<br/>BNP Paribas Asset Management Japan Ltd<br/>BNP Paribas Asset Management Ltd (Nassau)<br/>FPML (Guernsey)<br/>BMCI Gestion (Morocco)<br/>BNP PAM Uruguay (Uruguay)<br/>BNP Paribas Asset Management Argentina SA (Argentina)<br/>BNP Paribas Argentina Asset Management SA (Argentina)<br/>BNP Paribas Asset Management Brasil Ltd (Brasil)<br/>Parvest (Luxembourg)<br/>BNP Paribas Japaquant (French SICAV)<br/>BNP Paribas Quantamerica (French SICAV)</p> |
| <p><b>Max Diulius</b><br/>1 Rue Lallier, 75009 Paris, France</p>  | <p>Shinhan BNP Paribas ITMC<br/>SYWG BNP Paribas Asset Management (People Republic of China)<br/>BMCI Gestion (Morocco)<br/>BNP PAM (Uruguay)<br/>BNP Paribas Asset Management Argentina SA (Argentina)<br/>BNP Paribas Asset Management Brasil Limited (Brasil)<br/>TEB Asset Management (Turkey)</p>  |

### Functions and Responsibilities of the AMC

Important duties of the Investment Manager as per the Investment Management Agreement are:

- AMC will assume the day-to-day management of the Mutual Fund and in that capacity, subject to the supervision of the Trustees, shall be responsible for and have powers of implementing schemes and make investment decisions and manage the assets of the schemes of the Mutual Fund in accordance with the scheme objectives, Trust Deed and SEBI Regulations in the best interest of the unit holders.
- Implement a specific scheme in all respects including the allotment and the issue of unit certificates/account statements to the investors who are successful in getting the units allotted to them as per the terms of the Scheme and collect the subscriptions to and sale proceeds of units.
- Disclose the basis of calculating the repurchase price and Net Asset

Value (NAV) of units of the schemes of the Mutual Fund as stated in the offer documents and to disclose the NAV to the unit holders at such intervals as may be specified by the Board of Trustees or SEBI or as may be mentioned in the offer document.

- Take all steps to protect the investments made out of the schemes and achieve the objectives of each scheme, as a diligent and prudent person would do.
- Maintain or cause to be maintained a register containing the names and other required particulars of unit-holders in print or magnetic/electronic media.
- Distribute the profits of the schemes earned in accordance with the provisions of the schemes and in conformity with SEBI Regulations.
- Within six months from the date of closing of each financial year, forward to SEBI, a copy of the Annual Report containing the audited annual statements of accounts viz., the Balance Sheet and the Profit and Loss account of the Mutual Fund and other information including details of investments and deposits held by the Mutual Fund so that the entire scheme-wise portfolio of the Mutual Fund is disclosed.
- No offer document of a scheme, key information or memorandum is issued or publicized without the Trustees' prior approval in writing.
- Ensure at all times that the assets and funds of the Mutual Fund are segregated from those of the AMC and assets of any other funds for which the AMC is responsible.
- The AMC shall file with the Trustees details of transactions in securities by its key personnel, transactions with any of its associates, details of interests of directors and other reports required to be filed under SEBI Regulations.
- The AMC shall ensure that the dealings in securities through its associates are in accordance with SEBI Regulations and guidelines issued from time to time.
- The AMC shall maintain high standards of integrity and fairness in all its dealings and in the conduct of its business
- The AMC shall render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgement.
- The AMC shall not make any exaggerated statement, whether oral or written, either about its qualifications or capability to render investment management services or its achievements
- As per SEBI Regulations, any change in controlling interest of the AMC shall be made unless,
  - o prior approval of the trustees and SEBI is obtained;
  - o a written communication about the proposed change is sent to each unit holder and an advertisement is given in one English daily newspaper having nationwide circulation and in a newspaper published in the language of the region where the Head Office of the mutual fund is situated; and
  - o the unit holders are given an option to exit on the prevailing Net Asset Value without any exit load.

### Asset Management Fee

Sundaram BNP Paribas Asset Management Company Ltd is entitled to an investment management and advisory fee of 1.25% of the daily average net assets up to Rs 100 crores and 1% of the daily average net assets on the balance amount.

### Key Personnel of the AMC

Total number of Research personnel and fund managers 15

| Name and Designation                              | Qualification   | Age | Past experience   |
|---|---|-----|---|
| <b>T P Raman</b><br>Managing Director             | M.Com., CAIIB   | 65  | 32 years in State Bank of India. Retired as General Manager of SBI Capital Markets Ltd., Chennai.   |
| <b>N Prasad</b><br>Deputy Chief Executive Officer | M.Com   | 47  | 13 years, of which 7 years in Canara Bank, 3 Chief Investment Officer years in Canbank Mutual Fund, and 3 years in ICICI Asset Management Co. Limited   |
| <b>Satish Ramanathan</b><br>Head - Equity         | B-Tech, MBA   | 41  | Overall Experience of 14 Years of which 3 Years in Franklin Templeton, 4 Years in ICICI Securities, 3 Years in Sundaram AMC, 1 Year in Birla Merlin & Dewoo Finance, 2 Years in ICRA Limited and 1 Year in Tata Economic Consultancy Services |
| <b>Srividhya Rajesh</b><br>Fund Manager - Equity  | MMS (BITS), PG Dip. in Equity Research and Chartered Financial Analyst, ICFAI, Hyderabad. | 34  | 12 years of which 2-year in a stock broking firm.   |

|   |   |    |  |
|---|---|----|--|
| <b>J.Venkatesan</b><br>Fund Manager                                     | M.Com., Grad CWA, CAIIB   | 46 | Overall Experience of 23 Years of which 16 years in Canbank Mutual Fund in Various capacities and 7 Years in Canara Bank.  |
| <b>S.Krishnakumar</b><br>Fund Manager &<br>Head – Equity Research       | BE, PGDBA (Financial &<br>Portfolio Management                                    | 41 | 17 years of which 7 years in Anush Shares & Securities P Ltd, as senior research analyst, consultant and vice president. Prior to that worked as Product Development Engineer for a period of six years in Lucas TVS, an auto electricals major. |
| <b>K. Ramkumar</b><br>Head – Fixed Income                               | Bsc, CAIIB(Banking)<br>CAIIB (Mutual Fund), ICWAI,<br>Diploma in Business Finance | 43 | Over 17 Years of which 4 years in SBI Mutual Funds as VP and Head-Fixed income, 13 years in UTI Mutual Fund as fund manager, and other capacities  |
| <b>Rahul Pal</b><br>Fund Manager  | B.Com, A.C.A.   | 31 | 3 Years in IDBI  |
| <b>R. Vijayendiran</b><br>Dealer  | M.Com   | 43 | 17 years, of which 3 years in Stock Broking company, 3 years in Stock Holding Corporation of India, 3 years in Citicorp and 2 years in Kotak Securities.   |
| <b>T.S. Srinathan</b><br>Chief Financial Officer<br>& Head – Operations | B.Com, A.C.A. All   | 46 | 18 years of which 8 years in united India Insurance Company Limited.   |
| <b>P. Sundararajan</b><br>Company Secretary &<br>Compliance Officer     | B.Com. B.L. FCS, CFE, CISM  | 51 | 26 years in Sundaram Finance Ltd in various capacities of which 10 years as Deputy Secretary and Compliance Officer.   |
| <b>Sunil Subramaniam</b><br>Vice president –<br>Sales & Marketing       | M.Sc, MBA   | 47 | 21 years out of which 10 years in State Bank of India, 9 years in American Express Bank and 2 years in Bank of America.  |
| <b>S. Vaidyanathan</b><br>Head – Product<br>Development                 | B.Com, CWA, ACS (Inter),<br>PGDBM (IIM B),<br>PGD MB & FS (ICFAI)                 | 42 | 15 Years, of which 13 years in The Hindu as Head of Research Team for Business Line Newspaper and 2 Years in Chemplast Sanmar as Executive (MIS)   |

The Trustee reserves the right to change the fund manager at any time of their choice.

#### Compliance Officer

P Sundararajan B.Com, BL, FCS, CFE, CISM  
Sundaram BNP Paribas Asset Management Company Ltd  
46 Whites Road, Royapettah  
Chennai - 600 014  
Phone : (044) 28583362, 28583367  
Fax. : (044) 28583156

#### Investor Relations

S Balasubramanian  
Head Customer Service & Transaction Processing  
Sundaram BNP Paribas Asset Management Company Ltd  
46 Whites Road, Royapettah  
Chennai - 600 014  
Tel.: 28583362 / 28583367. 044 28578700 and Toll Free No. 1800 425

#### Auditors

M/s Sundaram & Srinivasan, Chartered Accountants,  
23 C.P.Ramaswamy Road,  
Chennai 600018.

#### Registrar

Computer Age Management Services Private Ltd, (CAMS), (Registered office, Lakshmi Bhavan, 609, Mount Road, Chennai 6000 06) a Registrar and Transfer Agent registered with SEBI, vide Registration No. INR 0000002813 has been appointed to act as the Registrar and Transfer Agent to this scheme. CAMS will accept and process investors' applications and advise the AMC of the details of subscription; handle communications with investors, resolve investor grievances, perform data-entry services and despatch Unit Certificates and/or Accounts Statements. Sundaram BNP Paribas Mutual Fund, the AMC and the Trustees, after taking appropriate due diligence measures, are satisfied that the Registrar can provide the services required and have the adequate facilities to do so. The Letter of Agreement of the Registrar will be available for inspection by the investors. The Registrar will be paid a fee in accordance with the R&T Agreement. The Trustees reserve the right to appoint any other firm approved by SEBI as the Registrar of the scheme/Mutual Fund.

#### Custodian

Standard Chartered Bank (SCB), Mumbai registered with SEBI, vide Registration No IN/CUS/006, has been appointed Custodian of the securities that are bought and sold under this Scheme. The responsibilities of the Custodian include:

- to keep in safe custody all the securities and instruments belonging to the Scheme;
- to ensure smooth inflow/outflow of securities and instruments as and when necessary in the best interests of the investors;
- to ensure that the benefits due on the holdings are received; and
- to be responsible for the loss or damage to the securities due to negligence on its part or on the part of its approved agents.

Custodian agreement has been entered into by Standard Chartered Bank for custody of Indian Securities with the AMC and the Mutual Fund outlining the custodial fees, duties, functions and obligations of the Custodian. The Trustees reserve the right to appoint any other custodians approved by SEBI to act as the Custodians of the Scheme.

#### Legal Advisor

T.K.Bhaskar  
Partner HSB Associates  
New No. 388, Llyods Road, Chennai.  
Chennai

## PART II

### Investment Objectives, Strategy And Procedure

#### 1. Fundamental attributes of the scheme

##### Type Of The Scheme

A close - end Income scheme with a maturity of 16 months from the date of allotment.

##### Investment Objective

The objective of the Scheme would be to generate income with minimum volatility by investing in debt and money market securities.

##### Asset Allocation

| Instruments  | Allocation | Risk Profile  |
|--|------------|---------------|
| Money market instruments   | Upto 100%  | Low           |
| Short term and medium term debt instruments and securitised debt * | Upto 100%  | Low to Medium |

*\*Investments in securitised debts can be up to 80 % of the net assets.*

The scheme may review the above pattern of investments based on views on the debt markets and asset liability management needs and the portfolio shall be reviewed and rebalanced on a regular basis. However, at all times the portfolio will adhere to the overall investment objective of the scheme. Pending deployment of funds in terms of investment objectives of the scheme, the funds may be invested in short term deposits with scheduled Commercial Banks, in accordance with the Circular no. SEBI/IMD/CIR No. 1/91171 /07 dated April 16, 2007 and other Guidelines as may be prescribed by SEBI from time to time.

##### Change In Investment Pattern

Subject to the SEBI Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view the market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentage stated above are indicative and not absolute. These proportions can vary substantially depending upon the perception of the Investment Manager; the intention being at all times to seek to protect the interests of the Unit holders. changes in the investment pattern will be for a short term and for defensive considerations only.

##### Terms Of The Issue

The following will be treated as the fundamental attributes of the scheme;

- Liquidity provisions such, as listing, repurchase and redemption are clearly defined in Part III- units and offer of this document.
  - Aggregate fees and expenses are stated in Part IV of this offer document.
  - The scheme does not offer any guarantee or assured returns to the investors.
- The Scheme is a close-end scheme and duration of the Scheme is 16 months from the date of allotment. If the date stipulated for maturity of the Scheme is a non-working day, the Scheme will mature on the immediate next working day.

##### Changes In The Fundamental Attributes

The Board of directors of Trustee Company may, in accordance with the SEBI

Regulations, after sending a written communication to each unit holder and an advertisement in one English daily newspaper as well as in a newspaper published in the language of the region alter/modify/change the fundamental attributes of this scheme. However, the unit holders who express dissent to such alteration/modification or change shall be allowed to redeem their holdings at the prevailing NAV without exit load .

#### Investment strategy

Though every endeavor will be made to achieve the objectives of the Scheme, the AMC / Sponsors / Trustees do not guarantee that the investment objectives of the Scheme will be achieved. No guaranteed returns are being offered under the Scheme.

#### Procedure for investment decisions

The Executive Committee ( EC) of the Board reviews the performance of the schemes and the decisions of the Internal Investment Committee. The EC consists of the Managing Director, three other Directors, and Deputy Chief Executive Officer. The reasons for purchase / sale are recorded in the system. Every quarter, the fund manager presents a review of all decisions taken and on fund performance to the Board of Directors of the AMC and the Trustee Company.

### 3. A BRIEF NOTE ON THE DEBT AND MONEY MARKET IN INDIA

The market for fixed-income securities in India can be briefly divided into the following segments:

- The money market – The market for borrowing / lending monies;
- The securities market – The market for trading in securities; and;
- The derivatives market – The market for-fixed income derivatives.

A predominantly institutional market, the key market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates. Provident / pension funds are also present, but not in a very active manner.

#### The money market

The money market can be classified into two broad categories

The market for clean borrowing / lending

The market for collateralized borrowing / lending.

The market for clean borrowing or lending i.e. borrowing / lending without the backing of any collateral consists of

**Call Money:** The market for overnight borrowing / lending

**Notice Money:** The market for borrowing / lending from 2 days to a fortnight.

**Term Money:** The market for borrowing / lending from a fortnight to six months

The market for collateralized borrowing / lending broadly consists of Repo transactions : These are repurchase obligation transactions in which the borrower tenders securities to the lender which is bought back by the borrower on the repurchase date. The price difference between the sale and repurchase of the securities is the implicit interest rate for the borrowing /lending. The eligible underlying securities for these transactions are currently government securities / treasury bills. Corporate bonds etc. are currently not allowed as eligible securities for repo transactions. The minimum repo term (lending / borrowing period) is one day.

**CBLO:** CBLO stands for Collateralized Borrowing and Lending obligation. CBLO is a discount instrument introduced by the Clearing Corporation of India Limited (CCIL). They can be traded like any other discount instrument. Lenders buy CBLO's and borrowers sell CBLOs. CCIL manages the risks inherent in issuing these securities through a system of margins and deposits that it takes from both lenders and borrowers. CBLOs can be issued/bought/sold for a minimum of one day to a maximum of 364 days.

#### The Securities Market

The market for fixed-income securities can be broadly classified into

- The market for money market (short-term) instruments
- The market for Government Securities
- The market for Corporate Bonds
- The market for other instruments such as securitised debt /PTCs etc.

Money market securities are generally discount securities maturing within one year at the time of issuance. Instruments satisfying this criterion are treasury bills (obligations of the government), commercial paper (obligations of the corporate sector) and certificate of deposit (obligations of banks). Government securities are medium / long-term debt obligations of the government. The market for government securities is the most liquid segment of the Indian debt market. Most of the secondary market trading is concentrated in government securities.

Trading in government securities is now done mostly through an electronic trading, reporting and settlement platform developed by the Reserve Bank of India (RBI) called Negotiated Dealing System (NDS). The role of brokers which was an important element of the Indian bond market therefore stands reduced to that extent.

Trading in corporate bonds is relatively subdued (in comparison to government securities). Price discovery and trading in this segment is still carried out through the telephone. Attempts at improving the trading, settlement and risk management practices for trading corporate bonds are currently underway. Trading in other instruments such as securitised debt is relatively scarce. Price discovery and trading in this segment too is through the telephone.

The various instruments and their prevailing yields and liquidity are indicated in the following table:

As on October 06, 2007

| Instruments      | Tenor    | Yield p.a. | Liquidity |
|------------------|----------|------------|-----------|
| Treasury Bills   | 1 month  | 7.225%     | High      |
|                  | 3 months | 7.475%     | High      |
| Commercial Paper | 1 month  | 7.38%      | High      |
|                  | 3 months | 7.96%      | High      |

Source: Bloomberg

The actual yields will, however, vary in line with general levels of interest rates and debt/money market conditions prevailing from time to time.

The Floating rate securities market is at a nascent stage in India. The coupon rate in floating rate securities is linked to an acceptable benchmark. Floating rate securities generally have a coupon rate, which is reset over a regular period depending on the benchmark chosen. The market widely uses the MIBOR benchmarks announced by Independent agencies such as NSE and Reuters. When benchmark interest rate rises, the income generated on these floating rate securities also rise. When the benchmark interest rates fall, the income generated on these floating rate securities also fall. Increasingly more companies are raising resource through floating rate securities. Most of such securities are in the form floating rate debentures at a spread over NSE MIBOR. The Government of India has also started issuing floating rate securities. Such floating rate issuances reduce the interest rate risk of the portfolio in which these securities are held.

#### The fixed income derivatives market

The interest rate derivatives market is in a developing stage in the country.

Instruments are broadly transacted are

- Interest Rate Swaps; and
- Forward Rate Agreements

Vanilla interest rate swap contracts are contracts, which exchange a fixed amount against a floating benchmark. These are calculated on a notional principal, which is never exchanged. Interest rate swaps can be used to hedge interest rate risk for existing fixed rate exposures; and Create synthetic floating or fixed rate structures.

Forward Rate Agreements are contracts which allow the transacting counter parties to fix a borrowing / lending rate for some future date at the current juncture itself.

#### 4. Instruments in which investments can be made

In order to achieve investment objectives, the corpus of the Scheme can be invested in any of the following securities:

- Debt obligations of the Government of India, securities of state and local governments which are supported by the State/Central Government / Government agencies, statutory bodies, public sector undertakings, scheduled commercial banks, non-banking finance companies, development financial institutions, supranational financial institutions, corporate entities and trusts.
- Money market instruments including but not limited to, treasury bills, commercial paper of public sector undertakings and private sector corporate entities, inter bank call and notice money, reverse repurchase agreements, CBLOs (Collateralized Borrowing and Lending Obligation), certificates of deposit of scheduled commercial banks and development financial institutions, bills of exchange/promissory notes of public sector and private sector corporate entities (co accepted by banks), government securities and , securitised debt with unexpired maturity of one year or less.
- Pass through, Pay through or other Participation Certificates, representing interest in a pool of assets including receivables.
- The non-convertible part of convertible securities and strips
- Units of Mutual funds as may be permitted by regulations.
- Any other like Debt and Money Market securities and such other securities as may be permitted by SEBI and RBI regulations.
- The scheme may also enter into repurchase and reverse repurchases obligations in all securities held by it as per the guidelines and regulations applicable to such transactions
- Pending deployment of funds in terms of investment objectives of the scheme, the funds may be invested in short term deposits with scheduled

Commercial Banks in accordance with the Guidelines issued by SEBI in this regard.

- A portion of the fund could be invested in liquid investments.
- With this composition, the scheme shall be able to meet the normal repurchase/redemption requirement
- The securities mentioned above and such other securities the scheme is permitted to invest in, could be listed, unlisted, privately placed, secured, unsecured, rated or unrated, bearing fixed-rate or floating coupon rate. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, and rights offers or negotiated deals..
- The scheme shall invest in the instruments rated as investment grade or above by a recognized rating agency. In case, the instruments are not rated, specific approval of the Board of Directors of the AMC or a Committee constituted by the Board of Directors of the AMC and the Board of Directors of Trustee Company or a Committee approved by the Trustee Company shall be obtained.
- In cases where the repurchase/ redemption requirements are large, the scheme may resort to temporary borrowing within the limits laid down by SEBI.

#### 5. Risk control

The risk factors – general as well as scheme specific – have been outlined in detail under ‘risk factors’.

The AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process. The AMC aims to identify securities, which offer superior levels of return at lower levels of risks. With the aim of controlling risks, rigorous evaluation of the securities proposed to be invested in will be carried out by the investment team of the AMC.

#### 6 Portfolio turnover

The Portfolio Turnover is defined as the lower of the value of purchases or sales as a percentage of the average corpus of the Scheme during a specified period of time. The Asset Management Company does not have a policy statement on portfolio turnover. As there could be redemptions in the Scheme or changes in the ratings of securities held or market opportunities, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

#### 7. Benchmark index

For the purpose of regulation, the performance of the Scheme will be benchmarked to Crisil Short-Term Bond Fund Index. The Trustees reserve the right to change the benchmark if due to a change in market conditions, a different index appears to be providing a more appropriate basis for comparison of fund performance or if the indicated benchmark ceases to exist or undergoes a substantial change that renders it an ineffective base for performance comparison and analysis. However, such change in the benchmark shall not be construed as a change in fundamental attributes of the scheme.

#### 8. Investment limitations of the scheme

Presently the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, lays down following investment criteria and restrictions:

- The scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Securities and Exchange Board of India Act, 1992. Such investment limit may be extended to 20% of the scheme with the prior approval of the Board of Trustees and the Board of the Asset Management Company. Provided that such limits shall not be applicable for investments in government securities and money market instruments.
- The scheme shall not invest more than 10% of its NAV in unrated debt instruments including debentures, (irrespective of the residual maturity period) issued by a single issuer and total investment in such instruments shall not exceed 25% of the NAV of the scheme. All such investments shall be made with the prior approval of the Board of Trustees and Board of the Asset Management Company.
- Transfer of investments from one scheme to another scheme, including this scheme shall be allowed only if such transfers are made at the prevailing

market price for quoted securities on a spot basis and the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

- No loans may be advanced by the Mutual Fund.
- The Fund may invest in another scheme under the same asset management company or any other mutual fund with similar investment objectives without charging any fees, provided that aggregate inter-scheme investments made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund.
- The scheme shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities and shall in no case put itself in a position whereby it has to make short sale or carry forward transactions or engaged in badla finance. Provided that mutual fund may enter into derivatives transactions in a recognized stock exchange for the purpose of hedging and portfolio balancing, in accordance with the SEBI Guidelines.
- The scheme shall, get the securities purchased or transferred in the name of the mutual fund on account of the concerned scheme, wherever investments are intended to be of a long-term nature.
- Pending deployment of funds of the scheme in securities in terms of the investment objectives of the scheme, the Mutual Fund can invest the funds of the scheme in short term deposits of scheduled commercial banks subject to such Guidelines as may be specified by SEBI.
- No mutual fund scheme shall make any investment in:
  - o Any unlisted security of an associate or group company of the sponsor: or
  - o Any security issued by way of private placement by an associate or group company of the sponsor: or
  - o The listed securities of group companies of the sponsor which is in excess of 25% of the net assets.
- No Scheme of a mutual fund shall make any investment in any fund of funds scheme.
- Debentures, irrespective of the residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments as specified under Clause 1 and 1 A of Seventh Schedule to the Regulations.

All the Investment restrictions have to be considered at the point of Investments.

The trustee of the Mutual Fund may alter these limitations / objectives from time to time to the extent the SEBI Regulations change so as to permit the Scheme to make its investments in the full spectrum of permitted investments for the mutual fund in order to achieve its investment objectives and in the interest of the investors. All investments of the Scheme will be made in accordance with the SEBI Regulations and applicable Guidelines/ directives of SEBI/RBI and other regulatory authorities as applicable from time to time.

#### Valuation of assets and net asset value

Valuation of Scheme's assets and calculation of the Scheme's NAV will be subject to such rules or regulations that SEBI may prescribe from time to time and shall be subject to audit on an annual basis. The disclosure on valuation norms, computation and publication of NAV, repurchase and sale price, accounting policies and publication of half yearly accounts shall conform to the relevant provisions of SEBI (Mutual Funds) Regulations, 1996. Accordingly, the following principles will be adopted:

##### 1. Traded Securities

- i. The securities shall be valued at the last quoted price on the stock exchange.
- ii. When the securities are traded on more than one recognized stock exchange, the securities shall be valued at the last quoted closing price on the National Stock Exchange (NSE), which is the principal stock exchange of the AMC.
- iii. When on a particular valuation day, a security has not been traded on the National Stock Exchange (NSE); the value at which it is traded on another stock exchange may be used.
- iv. When a debt security (other than Government Securities) is not traded on any stock exchange on any particular valuation day, the value at which it was traded on the National Stock Exchange (NSE) or any other stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than fifteen days prior to valuation date. When a debt security (other than Government Securities) is purchased by way of private placement, the value at which it was bought may be used for a period of fifteen days beginning from the date of purchase. For valuation

of government securities, all the Fund shall use the prices for Government Securities released by an agency suggested by AMFI. (At present Crisil.com vide AMFI circular dated February 5, 2002)

## 2. Thinly Traded Securities:

Thinly traded securities as defined in the Regulations shall be valued in the manner as specified in the guidelines issued by SEBI, as follows:

A debt security (other than Government Securities) shall be considered as a thinly traded security if on the valuation date, there are no individual trades in that security in marketable lots (currently Rs 5 crore) on the National Stock Exchange (NSE) or any other stock exchange. A thinly traded debt security as defined above would be valued as per the norms set for non-traded debt security.

## 3. Non-traded Securities

When a security is not traded on any stock exchange for a period of fifteen days prior to the valuation date, the scrip must be treated as a 'non-traded' scrip.

Non traded/ thinly traded securities shall be valued "in good faith" by the asset management company on the basis of the valuation principles laid down below:

Non Traded / Thinly Traded Debt Securities of Upto 182 Days to maturity As the money market securities are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instruments) a similar process should be adopted for non-traded debt securities with residual maturity of up to 182 days, in the absence of any other standard benchmarks in the market. Debt securities purchased with residual maturity of up to 182 days are to be valued at cost (including accrued interest till the beginning of the day) plus the difference between the redemption value (inclusive of interest) and cost spread uniformly over the remaining maturity period of the instrument. In case of a debt security with maturity greater than 182 days at the time of purchase, the last valuation price plus accrued interest should be used instead of purchase cost. All other non-traded Non Government debt instruments shall be valued using the method suggested below.

Non Traded / Thinly Traded Debt Securities of over 182 Days to Maturity For the purpose of valuation, all non-traded debt securities would be classified into "investment grade" and "non investment grade" securities based on their credit ratings. The non-investment grade securities would further be classified as "performing" and "non performing" assets.

All non-government investment grade debt securities, classified as not traded, shall be valued on yield to maturity basis as described below.

All non-government non-investment grade performing debt securities would be valued at a discount of 25% to the face value.

All non-government non-investment grade non-performing debt securities would be valued based on the provisioning norms. The approach in valuation of non traded debt securities is based on the concept of using spreads over the benchmark rate to arrive at the yields for pricing the non traded security. The yields for pricing the non-traded debt security would be arrived at using the process as defined below.

### Step A

A risk free benchmark yield is built using the government securities (GOI Securities) as the base. GOI Securities are used as the benchmarks as they are traded regularly, free of credit risk and traded across different maturity spectrums every week.

### Step B

A matrix of spreads (based on the credit risk) is built for marking up the benchmark yields. The matrix is built based on traded corporate paper on the wholesale debt segment of an appropriate stock exchange and the primary market issuances. The matrix is restricted only to investment grade corporate paper.

### Step C

The yields as calculated above are marked-up / marked-down for illiquidity risk.

### Step D

The yields so arrived are used to price the portfolio.

## Methodology

### Construction of Risk Free Benchmark

Using Government of India dated securities, the benchmark shall be constructed as below:

Government of India dated securities will be grouped into the following duration buckets viz., 0.5-1 years, 1-2 years, 2-3 years, 3-4 years, 4-5 years, 5-6 years and 6 years and the volume weighted yield would be computed for each bucket. These duration buckets may be changed to reflect the market value more closely by any agency suggested by AMFI giving benchmark yield / matrix of spreads over benchmark yield. Accordingly, there will be a benchmark YTM for each duration bucket. The benchmark as calculated above will be set at least weekly, and in the event of any significant movement of prices of Government securities on account of any event impacting interest rates on any day such as change in the RBI policies, the benchmark will be reset to reflect any change in the market conditions.

Building a Matrix of Spreads for Marking-up the Benchmark Yield Mark up for credit risk over the risk free benchmark YTM as calculated in step A, will be determined using the trades of corporate debentures / bonds of different ratings. All trades on appropriate stock exchange during the fortnight prior to the benchmark date will be used in building the corporate YTM and spread matrices. Initially these matrices will be built only for corporate securities of investment grade. The matrices are dynamic and the spreads will be computed every week. The matrix will be built for all duration buckets for which the benchmark GOI matrix is built to effectively link the corporate matrix with the GOI securities matrix. Accordingly:

All traded paper (with minimum traded value of Rs. 1 cr. (Rupees One Crore Only) will be classified by their ratings and grouped into 7 duration buckets; for rated securities, the most conservative publicly available rating will be used; For each rating category, average volume weighted yield will be obtained both from trades on the appropriate stock exchange and from the primary market issuances;

Where there are no secondary trades on the appropriate stock exchange in a particular rating category and no primary market issuances during the fortnight under consideration, then trades on appropriate stock exchange during the 30 days period prior to the benchmark date will be considered for computing the average YTM for such rating category;

If the matrix cannot be populated using any or all of the above steps, then credit spreads from trades on appropriate stock exchange of the relevant rating category over the AAA trades will be used to populate the matrix;

In each rating category, all outliers will be removed for smoothening the YTM matrix;

Spreads will be obtained by deducting the YTM in each duration category from the respective YTM of the GOI securities;

In the event of lack of trades in the secondary market and the primary market the gaps in the matrix would be filled by extrapolation. If the spreads cannot be extrapolated for the reason of practicality, carrying the spreads from the last matrix will fill the gaps in the matrix.

### Mark-up / Mark-down Yield

The Yields calculated would be marked-up / marked-down to account for the ill-liquidity risk, promoter background, finance company risk and the issuer class risk. As the level of ill-liquidity risk would be higher for non-rated securities the marking process for rated and non-rated securities would be differentiated as follows:

Adjustments for Securities rated by External Rating Agencies

The Yields so derived out of the above methodology could be adjusted to 14 account for risk mentioned above by an appropriate discount or premium as may be required. The range of the markups for both discount as well as premium is given below:

### Premium

A Discretionary premium of up to -50 Basis Points for securities having duration of up to 2 years and up to - 25 Basis Points for securities having duration higher than 2 years will be permitted to be provided for the above mentioned types of risks. The rationale for the above discount structure is to take cognizance of the differential interest rate risk of the securities. This structure will be reviewed periodically.

### Discount

SEBI vide circular dated 20 February, 2002, has revised the discretionary discount limits as below:

| Category                                      | Discretionary discount over benchmark yield in basis points |
|---|---|
| Rated Instruments with duration up to 2 years | Discretionary Discount of up to +100                        |
| Rated Instruments with duration over 2 years  | Discretionary Discount of up to +75                         |

### Adjustments for Internally Rated Securities

To value an unrated security, the fund manager has to assign an internal credit rating, which will be used for valuation. Since unrated instruments tend to be more illiquid than rated securities, the yields would be mandatorily marked up by adding +50 basis point for securities having a duration of up to two years and +25 basis point for securities having duration of higher than two years to account for the illiquidity risk.

The yields derived from the above methodology could be adjusted to account for risk mentioned above. SEBI vide circular dated 20 February, 2002, has revised the discretionary discount limits as below:

| Category  | Discretionary discount over benchmark yield in basis points                      |
|---|--|
| Unrated Instruments with duration up to 2 years | Discretionary Discount of up to +50 over and above the mandatory Discount of +50 |
| Unrated Instruments with duration over 2 years  | Discretionary Discount of up to +50 over and above the mandatory Discount of +25 |

The benchmark yield / matrix of spreads over benchmark yield obtained from any agency suggested by AMFI as a provider of benchmark yield / matrix of spreads over benchmark yield to mutual funds, must be applied for valuation of securities on the day on which the benchmark yield / matrix of spreads over benchmark yield is released by the aforesaid agency.

### 4. Valuation of securities with Put / Call options

The option embedded securities would be valued as follows:

#### Securities with Call option

The securities with call option shall be valued at the lower of the value as obtained by valuing the security to final maturity and valuing the security to call option. In case there are multiple call options, the lowest value obtained by valuing to the various call dates and valuing to the maturity date is to be taken as the value of the instrument.

#### Securities with Put option

The securities with put option shall be valued at the higher of the value as obtained by valuing the security to final maturity and valuing the security to put option. In case there are multiple put options, the highest value obtained by valuing to the various put dates and valuing to the maturity date is to be taken as the value of the instruments.

Securities with both Put and Call option on the same day

The securities with both Put and Call option on the same day would be deemed to mature on the Put / Call day and would be valued accordingly.

### 5. Government securities

Government securities will be valued as per the prices for Government Securities released by an agency suggested by AMFI for the sake of uniformity in calculation of NAVs.

### 6. Fixed Income and Money Market Securities

The money market securities with maturity upto 182 days are valued on the basis of amortization (cost plus accrued interest till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instruments). In case of a money market security with maturity greater than 182 days at the time of purchase, the valuation price as prescribed by SEBI (reduced by the cost and the accrual) till date of valuation would be treated as appreciation or depreciation over and above the amortization taken day on day. (b) Investments in call money, bills purchased under rediscounting scheme and short term deposits with banks shall be valued at cost plus accrual; other money market instruments shall be valued at the yield at which they are traded. For this purpose, instruments not traded for a period of seven days will either be valued at cost plus interest accrued till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instruments or valued on the basis recommended by the AMC, which will be reviewed by the Trustees periodically.

### 7. Valuation of "Repo"

Where instruments have been bought on 'repo' basis, the instrument must be valued at the resale price after deduction of applicable interest up to date of resale. Where an instrument has been sold on a 'repo' basis, adjustment must be made for the difference between the repurchase price (after deduction of applicable interest up to date of repurchase) and the value of the instrument. If the repurchase price exceeds the value, the depreciation must be provided for and if the repurchase price is lower than the value, credit must be taken for the appreciation.

### 8. Valuation of convertible debentures and bonds

In respect of convertible debentures and bonds, the non-convertible and convertible components shall be valued separately. The nonconvertible component shall be valued on the same basis as would be applicable to a debt instrument.

#### General

All expenses and incomes accrued up to the valuation date shall be considered for computation of the Net Asset Value. For this purpose, while major expenses like management fees and other periodic expenses should be accrued on a day to day basis, other minor expenses and income need not be so accrued, provided the non-accrual does not affect the NAV calculations by more than 1%. Any changes in securities and in the number of Units be recorded in the books not later than the first valuation date following the date of transaction. If this is not possible given the frequency of the Net Asset Value disclosure, the recording may be delayed up to a period of seven days following the date of the transaction, provided that as a result of the non-recording, the Net Asset Value calculations shall not be affected by more than 1%. In case the NAV of the Scheme(s) differs by more than 1%, due to non-recording of transactions, the investors or Scheme(s) as the case may be, shall be paid the difference in amount as follows: -

- o If the investors are allotted units at a price higher than NAV or are given a price lower than NAV at the time of sale of their Units, they shall be paid the difference in amount by the Scheme.
- o If the investors are charged lower NAV at the time of purchase of their Units or are given higher NAV at the time of sale of their Units, the AMC shall pay the difference in amount to the Scheme. The AMC may recover the difference from the investors.

The valuation guidelines as outlined above are as per prevailing Regulations and are subject to change from time to time in conformity with changes made by SEBI.

#### Calculation of net asset value

The Net Asset Value (NAV) is the most widely accepted yardstick for measuring the performance of any scheme of a Mutual Fund. NAV calculations shall be based upon the following formulae:

$$\frac{\text{Market / Fair Value of the Scheme's investments + other current assets + Deposits - all Liabilities except Unit capital, Reserve and Profit and Loss Account + Unamortized Initial Issue Expenses}}{\text{Number Of Sundaram BNP Paribas Fixed Term Plan-16 Months outstanding Units}}$$

The AMC will calculate and disclose the first NAV of the Plans not later than 30 days from the closure of New Fund Offer. Subsequently, the NAV of the Plans will be calculated as of the close of every Working Day. Valuation of Scheme's assets and calculation of the Scheme's NAV will be subject to such rules or regulations that SEBI may prescribe from time to time. NAV of the schemes will be calculated and disclosed up to four decimals and NAV of each option/plan will be disclosed separately.

#### Calculation of repurchase price & sale price

Investors may note that the Repurchase Price and Sale price shall be Calculated as indicated below.

#### Sale Price:

Since the scheme is a close-end scheme units are offered for sale only during NFO period. The sale price will be Rs.10 per unit. There will be no Entry Load

#### Repurchase Price

Repurchase Price = NAV per unit on the valuation date minus (i) unamortised initial expenses and (ii) exit load as detailed below :

An exit load of 1.5% shall be charged in case of redemptions / switch outs before the maturity period.

*Note: In terms of SEBI circular No.1/64057/06 dated April 4, 2006, AMC shall redeem the units after recovering the balance proportionate unamortized initial issue expenses from an investor exiting the scheme. Please refer example in Part IV.*

#### 2. NAV information

The NAV will be computed on all working days (except in special circumstances as mentioned under the section titled as "NAV information"), published in 2 newspapers and updated on the websites of Sundaram BNP Paribas Asset Management ([www.sundarambnpparibas.in](http://www.sundarambnpparibas.in)) and the Association of Mutual Funds of India ([www.amfiindia.com](http://www.amfiindia.com))

Sundaram BNP Paribas Asset Management shall normally update the NAVs on the website of Association of Mutual Funds in India before 9.00 p.m. every working day. In case of any delay, the reasons for such delay would be

explained to AMFI and SEBI by the next day. If the NAVs are not available before commencement of working hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs.

Further transparency will be maintained through half-yearly disclosure of established portfolio through newsletters.

The Board may suspend determination or publication of the NAV of the units during the existence of a state of emergency, or a breakdown in communications or in the event of suspension of trading on the Stock Exchanges and resultantly the NAV cannot be calculated.

### 3. Accounting policies and standards

In accordance with SEBI Regulation 50 read with the Ninth Schedule to the SEBI Regulations, the Scheme shall follow the following accounting policies:

- AMC shall keep and maintain proper books of accounts, records and documents, for the Scheme so as to explain its transactions and to disclose at any point of time of sale for the period of the Scheme and in particular give a true and fair view of the state of affairs of the Scheme;
- For the purpose of the financial statements, the Mutual Fund shall mark all investments to market and carry investments in the balance sheet at market value. However, since the unrealised gain arising out of the appreciation on investments cannot be distributed, provisions shall be made for exclusion of this item when arriving at distributable income;
- In respect of all interest-bearing investments, income shall be accrued on a day-to-day basis as it is earned. Therefore when such investments are purchased, interest paid for the period from the last interest due date up to the date of purchase shall not be treated as a cost of purchase but shall be debited to the Interest Recoverable Account. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale shall not be treated as an addition to sale value but shall be credited to the Interest Recoverable Account;
- In determining the holding cost of investments and the gains or loss on sale of investments, the 'average cost' method shall be followed;
- Transactions for purchase or sale of investments shall be recognized as of the trade date and not as of the settlement date, so that the effect of all investments traded during the financial year are recorded and reflected in the financial statements for the year. Where investment transactions take place outside the stock market, for example, acquisitions through private placement or purchases or sales through private treaty, the transaction will be recorded, in the event of a purchase, as of the date on which the Scheme obtains an enforceable obligation to pay the price or, in the event of sale, when the Scheme obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold;

Where income receivables on investments has accrued but has not been received for the period specified in the guidelines issued by SEBI, provision shall be made by debiting to the revenue account the income so accrued in the manner specified by guidelines issued by the SEBI for identification and provisioning for non-performing assets. An asset shall be treated as non-performing, if the interest and/or principal amount have not been received or remained outstanding or one quarter from the day such income/instalment has fallen due.

Being a close-end scheme which provides the option for an early redemption or repurchase, the par value of the unit will be debited to Capital Account and the difference between the purchase price and the par value, if positive, will be credited to reserves and, if negative, will be debited to reserves. A proportionate part of the unamortized initial issue expenses will be transferred to the reserves so that the balance carried forward on that account is proportional to the number of units remaining outstanding.

- The cost of investments acquired or purchased should include brokerage, stamp charges and any charge customarily included in the broker's bought note. In respect of privately placed debt instruments any front-end discount shall be reduced from the cost of the investment;

Being a close-end Scheme, the initial issue expenses, incurred if any, would be amortized over the tenure of the Scheme, that is, over a period of 16 months. The accounting policies and standards as outlined above are in accordance with the present Mutual Fund Regulations and are subject to change in accordance with changes in the Mutual Fund Regulations. All other policies and standards as specified in the Mutual Fund Regulations, as well as any additions/modifications

thereto as may be specified by SEBI from time to time shall be adhered to while preparing the books of accounts and financial statements of the Fund.

## PART III

### Units And Offer

#### I. New Fund Offer

- New Fund Offer Price: The new fund offer price will be Rs. 10 per unit under all the plans /options launched under the scheme.
- New Fund Offer Period: New Fund Offer fund offer period for the Scheme will commence on DD/M/Y .....and close on. DD/M/Y ..... ..

The Trustee reserves the right to extend the New Fund Offer Period, subject to the condition that the subscription list of the New Fund Offer of the Plan will not be kept open for more than 45 days..Any such extension will be announced by way of a newspaper advertisement in one vernacular daily of registered office and one English daily

#### Minimum Corpus

The Fund seeks to collect a minimum corpus of Rs. 25 Crore under the Scheme. In case the amount of subscription received during the new fund offer period is less than the minimum collection targeted, the amount collected will be refunded to the applicants, in accordance with the SEBI Regulations.

In accordance with SEBI Regulations, if the Mutual Fund fails to collect the minimum subscriptions as indicated above, the fund and the AMC shall be liable to refund the subscriptions within a period of six weeks from the date of closure of subscription list to the applicants of the scheme. If the fund refunds after six weeks, interest @ 15% per annum shall be paid by the AMC..

#### • Minimum Investment Amount

|                     |   |
|---------------------|---|
| Retail:             | Rs.5,000 and in multiple of Re.1 thereafter per application     |
| Institutional Plan: | Rs. 5,00,000 and in multiple of Re.1 thereafter per application |

#### • Minimum Number of Investors

20 (for regulatory details, refer "General Risk Factors")

#### II. Who can invest

The following persons may apply for subscribing to the units of Sundaram BNP Paribas Fixed Term Plan (subject, wherever appropriate, to subscription to units of mutual funds being permitted under relevant statutory regulations and the applicants' constitutions):

- Resident adult individuals either singly or jointly (not exceeding three)
- Minors through their parents/ lawful guardians
- Companies/Bodies Corporate/Public Sector Undertakings registered in India
- Religious and Charitable Trusts under the provisions of 11(5)(xii) of Income Tax Act 1961 read with Rule 17C of Income Tax Rules, 1962.
- Wakf Boards or endowments and Registered societies (including registered co-operative societies) and private trusts, authorised to invest in units
- Partnership firms
- Hindu Undivided Family (HUF)
- Banks, Financial Institutions, insurance company, pension funds
- Non-resident Indian (NRI), Persons of India origin on full repatriation basis (subject to RBI approval, if required)
- Foreign Institutional Investors (FIIs), including sub accounts, registered with SEBI on full repatriation basis (subject to RBI approval)
- An association of persons or a body of individuals and Societies registered under the Societies Registration act, 1860(so long as the purchase of units is permitted under the respective constitutions)
- Army/Air force/Navy/Para-military funds and other eligible institutions
- Provident / pension / Gratuity and such other funds as and when permitted to invest
- Scientific and/or industrial research organizations authorised to invest in units
- Other associations, institutions, etc., authorised to invest in mutual fund units
- Any other Scheme of Sundaram BNP Paribas Mutual Fund, subject to the limits and conditions set out in SEBI Regulations and the Board of the AMC/ Trustee, as applicable from time to time.

#### Notes:

- *Non-Resident Indians and Persons of Indian Origin residing abroad (NRIs) and Foreign Institutional Investors (FIIs) have been granted a general permission by the Reserve Bank of India [Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, for investing in/redeeming units of mutual funds subject to conditions set out in the aforesaid regulations.*

- In the case of an application under a power of attorney or by a limited company or other corporate body or an eligible institution or a registered society or a trust fund, the original power of attorney or a certified true copy duly notarized or the relevant resolution or authority to make the application, as the case may be, or a duly notarized copy thereof, along with a certified copy of the memorandum and articles of association and/or bye-laws and/or trust deed and/or partnership deed and certificate of registration should be submitted. The officials should sign the application under their official designation. A list of specimen signatures of the authorised officials, duly certified/attested should also be attached to the application form. In case of a trust/fund it shall submit a resolution from the trustee(s) authorizing such purchases
- Unitholder information (mandatory): In terms of SEBI circular MRD/DoP/Cir-05/2007 dated April 27, 2007 PAN shall be the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. effective from July 02, 2007 to December 31, 2007, the applicants are required to submit the following documents:

#### Transaction value & Required documents

##### A. Less than Rs.50,000

Either PAN copy or Acknowledgement copy of PAN Application Form (Form 49A)

##### B. Equal to or greater than Rs.50,000

Either PAN copy or Acknowledgement copy of PAN Application Form (Form 49A) and Form 60/61 with address proof

#### Instructions for verification:

- AMC branch officials/Registrar and Transfer Agents and Investor Centres will verify the PAN card copy with originals. The person verifying the document need to affix his/her signature, name and company seal with remarks as verified with original/verified/attested.
- Alternatively copy of the PAN shall be attested by the Bank Manager/Gazetted Officer of State/Central Government/Notary Public/Judicial Authorities.
- Alternatively, the distributors can verify the PAN card copy with originals. The person verifying the document need to affix his/her signature, name and company seal with remarks as verified with original / verified / attested.
- All other document/copies to be self certified by the investor and certified by AMFI certified distributor (with ARN affixed).
- Applications without required documents will be liable to be rejected.
- With effect from January 01, 2008 PAN Copy will be mandatory for all applicable transactions.

#### C. How to Purchase the units of the scheme

Application forms are available at all offices of Sundaram BNP Paribas Asset Management Company Limited, Brokers, Agents, Registrars and their specified investor service centres.

The minimum subscription will be:

|                     |   |
|---------------------|---|
| Retail:             | Rs.5,000 and in multiple of Re.1 thereafter per application     |
| Institutional Plan: | Rs. 5,00,000 and in multiple of Re.1 thereafter per application |

- Application forms complete in all respects, accompanied by the amount of investment by means of a cheque/demand draft payable at the place where it is submitted are to be submitted at any of the collecting bank branches OR the official points of acceptance of the AMC/Registrar before closure of the Scheme. A complete list of collecting banks and their respective branches official points of acceptance is enclosed elsewhere. Further instructions are given in the Application Form.
- As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications for purchase of units.
- Kindly retain the acknowledgement slip initialled/stamped by the collecting authority.

#### D. Redemption:

Unit holders of the scheme can redeem their units on any working day at applicable NAV, subject to deduction of unamortised initial issue expenses and applicable exit load. No exit load is payable on redemption upon maturity

#### Mode of Payment

The payment may be made by any of the following modes:

- By a cheque payable locally and drawn on any bank which is a member of the bankers clearing house located at the place where the application form is submitted; or
- By demand draft payable at the place where the application form is submitted, from applicants residing at places where there is no collection centres for this scheme.
- The bank charges/commission as per SBI guidelines for DD charges may be deducted from the amount of investment. Such bank charges/commission will be treated as eligible expenses debited to the Scheme within the expenses limits laid out under the regulations. As of now, the DD charges applicable for an investment of less than Rs 10,000 will be Rs 30. For sums exceeding Rs 10,000, the demand draft charges applicable will be Rs 3.50 per thousand subject to a minimum of Rs 50 and a maximum of Rs 12,500. These are subject to change based on SBI guidelines in this regard. In terms of AMFI Circular No.135/DP/13/07-08 dated October 03, 2007 DD charges reimbursed to the holder will be borne by the AMC and not to be charged to the scheme.
- In case of NRIs and Persons of Indian Origin residing abroad, payment may be made by Indian Rupee Drafts payable at Chennai, purchased abroad or by cheque/DD payable at Chennai, drawn on Non-resident (External) account, FCNR account maintained with the banks authorised to deal in Foreign Exchange in India.
- For applications along with outstation Cheques /demand drafts not payable at the place of submission of the application, the application for subscription / switch-in will be valid only after the cheque/demand draft is credited in the scheme account.
- All cheques/ demand drafts should be drawn in favour of 'Sundaram BNP Paribas Fixed Term Plan and crossed 'Account Payee only'. Please note that cash, stock invest, money orders, post dated cheques and postal orders will not be accepted.

Please note that the application forms and the payments will be accepted only at the offices of AMC and branches of the collecting bank (s) and official points of acceptance mentioned in the application form.

#### E. Refunds

In accordance with the Regulations, if the scheme fails to collect the minimum subscription amount of Rs.25 Crore, the scheme should be liable to refund to the applicants the entire money received. If the scheme collects applications in excess of the maximum corpus mentioned in relevant section, the excess money collected, such excess money shall be refunded. Further, refund of application money to applicants whose applications are invalid for any reason whatsoever will commence immediately after the allotment is completed.

Refunds will be completed within six weeks of the closure of the New Fund Offer Period. If the scheme refunds the amount after six weeks, interest at 15% per annum shall be paid by the AMC. Refund orders will be marked 'Account Payee Only' and payable in the name of the sole/first applicant. All refund cheques will be sent through Registered Post A.D. It is mandatory for every applicant to provide his bank name, branch name and account number in their application for purchase/redemption of units.

The investor is aware that the mutual fund needs to use intermediaries such as post office, local and international couriers, banks and other intermediaries for correspondence with the investor and for making payments to the investors by cheques, drafts, warrants, through ECS etc. The Investor expressly agrees and authorises the mutual fund to correspond with the investor or make payments to the investor through intermediaries including but not limited to post office, local and international couriers and banks. The investor clearly understands the mutual fund uses such intermediaries are agents of the investor and not the mutual fund. The Mutual fund is not responsible for delayed receipt or non-receipt of any correspondence or payment through such intermediaries.

#### F. Allotment

Allotment of units in the scheme would be at the discretion of the Trustees. Allotments are assured to the eligible applicants provided the applications are complete in all respects, are in order and reaches well before the closing date and is accompanied by stipulated documents for PAN purposes. Allotment shall be completed and dispatch of certificates/account statements/refund warrants (if any) will be made within 30 days from the date of closure of the subscription list.

#### G. Repurchase of units

##### Redemption / Switch Out

Redemption/ Switch Out would be allowed on any working day at applicable NAV subject to deduction of unamortised initial issue expenses and applicable exit load. The applicable NAV for this purpose will be reckoned on the following basis:

- For redemption request received before 3 PM on any working day, the applicable NAV will be the closing NAV of that day
- For redemption request received after 3 PM on any working day, the applicable NAV will be the closing NAV of next working day

An exit load of 1.5% will be charged in case of redemptions / switch outs before the maturity period. No exit load is payable for redemption/switch out upon maturity

The Minimum Repurchase limits will be:

|                     |  |
|---------------------|--|
| Retail:             | Rs. 1,000 or a minimum of 100 Units    |
| Institutional Plan: | Rs. 50,000 or a minimum of 5,000 Units |

The minimum limits set out for subscription and repurchase are subject to change at the discretion of the Trustee.

#### General:

Unit holders shall have the option to exercise repurchase for a minimum amount mentioned in the scheme summary and highlights. The repurchase request can be made by specifying the rupee amount or by specifying the number of Units to be redeemed. If a repurchase request is for both a specified rupee amount and a specified number of Units, specified number of Units will be considered the definitive request. In order to protect the interest of the investors from fraudulent encashment of redemption cheques, the current SEBI guidelines provide that redemption cheques are to specify the name of the investor and the bank name and account number where the cheque is to be credited. Hence investors are advised in their interest to provide the name of the bank, branch address, account type, account number for remittance of repurchase amount.

Sundaram BNP Paribas Mutual Fund/Sundaram BNP Paribas Asset Management Company Limited will not be responsible for any loss arising out of fraudulent encashment of cheques and delay/lost in transit.

In case the units are standing in the names of more than one unit holder, where mode of holding is specified as "Joint", repurchase requests will have to be signed by all unit holders. However, in cases of holding specified as "Anyone or Survivor", any one of the unit holders will have the power to make requests, without it being necessary for all the unit holders to sign. However, in all cases, the proceeds of the redemption will be only to the first-named holder.

The unit holder may either request for mailing of the redemption proceeds to his / her address or collection of the same from the Customer Service Center. A fresh Account Statement will be dispatched reflecting the updated holding of the unit holder after every transaction.

Investors may note that the AMC/Trustees may close a Unit holder's account if at the time of any part of repurchase of Units by the Unit holder, the value of Units (represented by units in the investors account if such repurchase of units were to take place, valued at the applicable repurchase price), falls below Rs.500/-

As per SEBI Regulations, the repurchase warrant shall be mailed within ten working days from the date of receipt of the repurchase request at the office of the Registrar/Asset Management Company. However, under normal circumstances, the AMC will endeavour to despatch the repurchase proceeds within five working days. In case of delay in despatch of redemption or repurchase proceeds within the period specified in sub-clause (b) of the Regulation 53, the AMC is liable to pay interest to the unitholders at such rate as may be specified by SEBI. Further the investor is aware that the mutual fund needs to use intermediaries such as post office, local and international couriers, banks and other intermediaries for correspondence with the investor and for making payments to the investors by cheques, drafts, warrants, through ECS etc.

The Investor expressly agrees and authorises the mutual fund to correspond with the investor or make payments to the investor through intermediaries including but not limited to post office, local and international couriers and banks.

The investor clearly understands the mutual fund uses such intermediaries are agents of the investor and not the mutual fund. The Mutual fund is not responsible for delayed receipt or non-receipt of any correspondence or payment through such intermediaries.

#### H. Mode of Payment of Redemption Proceeds

The AMC proposes to use a variety of methods to effect redemptions to the investors. In choosing the payment method for any specific investor, the AMC will endeavour to see which method would best suit the investor, taking into consideration the banking facilities available, the level of technology employed by different banks and the investor's preference.

The AMC will constantly review the options in use and new options that may emerge for making payment for redemptions and alter the payment mechanisms to best serve the investors. In this endeavour, at all points of time,

the objective of the AMC will be to ensure speedy and safe payment to the investors, in a manner most convenient and cost effective to them.

For the present, the AMC proposes to make redemption payments by the following methods.

#### Direct Credits

Some banks have adopted a level of technology that enables them to credit the proceeds to the accounts of the account holders electronically. For investors who have accounts with such banks, the AMC will, in consultation with the banks and under advice to Unit holders, directly credit the accounts of the investors based on the account details provided by them to the AMC. Currently, this would probably be the quickest and safest method for an investor to receive payments due to him. The following banks have confirmed that they can extend this facility to the Unitholders in the Scheme:

- ABN Amro Bank
- Axis Bank
- BNP Paribas Bank
- CITIBANK
- ICICI Bank
- IDBI Bank
- HDFC Bank
- HSBC Bank
- IndusInd Bank
- Kotak Mahindra Bank
- Standard Chartered Bank
- YES BANK

An investor having an account with any of the above banks may provide the complete and correct account details to the AMC for direct credit of redemptions. The AMC may exclude any bank participating in this arrangement based on its experience in dealing with the bank or add to the list a bank that may be able to provide this facility to the satisfaction of the AMC. The investor has a choice of changing his option about the method of receiving the redemptions if he/she so desires. For this purpose, the investor has to communicate the change in details to the AMC or to its Customer Service Centres.

#### Warrants/Payable-at-par cheque

The AMC will make arrangement with banks to issue redemption cheque payable-at-par or pay orders at the designated centres as notified in the application form. The AMC will endeavor to increase the number of locations where such warrants are payable-at-par. However, if an investor resides at a centre outside the locations, then the instrument will be issued to be payable at par at the centre nearest to where the investor resides. The cost of clearing these instruments from such nearest centre will be borne by the investor.

As prescribed by SEBI and in order to protect the interests of the investors, it is mandatory for the investors to provide their full bank details for the AMC to make dividend payment.

#### Redemption by NRIs

Credit balances in the account of an NRIs investor may be redeemed by such investors in accordance with the procedure described above and subject to any procedures laid down by the RBI, if any. Such redemption proceeds will be paid by a Rupee Cheque payable to the NRIs or by a Foreign Currency draft drawn at the then current rates of exchange less bank charges thereof to RBI procedures and approvals. The fund will not be liable for any delays / for any loss on account of any exchange fluctuations, while converting the rupee amount in foreign exchange in the case of transactions with NRIs. In terms of the Schedule 5 of Notification no. FEMA 20/2000 dated 19th May 2000 issued under the Foreign Exchange Management Act, 1999 (FEMA) the RBI has granted general permission to NRIs who have purchased units issued by Mutual Funds in accordance with the aforesaid notification to tender units to the mutual funds for repurchase or for the payment of maturity proceeds.

#### I. Other modes of payment

The AMC would constantly endeavour to make the transaction processing convenient and cost-effective for the investors. The AMC may choose for any method of making the dividend payments and redemptions from among the options available, that in the AMC's discretion appears best suited to the investor's position at any point of time. The AMC may also explore other innovative and convenient methods of making payments when such options become available with the help of technology or other infrastructure created by appropriate service providers.

## J. Fractional Units

Since the request for investment or repurchase of units, is generally made in Rupee amount and not in terms of number of Units, investors may be left with Fractional Units in their Account. Fractional Units will be computed and accounted for up to three decimal places. However, Fractional Units will in no way affect the investors' ability to redeem the Units, either in part or in full standing to the Unit holders' credit.

## K. Listing

As the funds stands ready to buy back the units of this Scheme on any working day, it is not proposed to list the Units of this Scheme on any stock exchange.

## L. Transfer

The units of Sundaram BNP Paribas Fixed Term Plan are freely transferable by act of parties or by operation of law. For effecting a transfer the applicable transfer, form(s) shall be duly stamped and signed by all the unit holders and submitted along with the relevant unit certificate(s). The Asset Management Company shall on production of instrument of transfer together with the relevant unit certificates, register the transfer and return the unit certificates to the transferee within thirty days from the date of lodgement of transfer request at the office of the Registrar.

## M. Transmission

In case the Unit holder holds units in a single name, units shall be transmitted in favour of the nominee where the Unit holder has appointed a nominee upon production of Death Certificate or any other documents to the satisfaction of the Fund, AMC or Registrar. If the Unit holder has not appointed a nominee, the units shall be transmitted in favour of the unit holder's executor/administrator of its estate/legal heir(s) as the case may be on production of the Death Certificate or any other documents to the satisfaction of the Fund/AMC/Registrar. In case more than one registered Unit holder holds units, then upon death of the first Unit holder, units shall be transmitted to the second Unit holder on production of the necessary documents, including Death Certificate. The rights in the units will vest in the nominee upon the death of all Joint Unit Holders upon the nominee producing the Death Certificate or any other document to the satisfaction of the Fund/AMC/Registrar.

## N. Switching

i) Investors, who hold units in any other open-end funds of the Sundaram BNP Paribas Mutual Fund, may subject to the terms and conditions of such funds, switch all or part of their holdings to the Scheme under this offer document during the New Fund Offer period.

ii) Investors who holds units of Sundaram BNP Paribas Fixed Term Plan may switch all or part of their holdings to any of the other scheme(s) (to be launched hereafter) during the New Fund Offer period of respective scheme(s) or to any other open-end schemes (where switch-in is permitted) of the Sundaram BNP Paribas Mutual Fund.

The switch will be effected by way of a repurchase of units and a reinvestment of the proceeds in another scheme(s). Accordingly, to be effective, the switch must comply with the repurchase rules of this scheme and the issue rules of the other scheme. The price at which the units will be switched out of the scheme will be based on the prevailing repurchase price and the proceeds will be invested in another scheme(s) at the prevailing public offering price for units in that scheme. The switch will be effected by redeeming units from the scheme in which the units are held and investing the net proceeds in the other scheme(s)/plan(s), subject to the minimum balance applicable for the respective scheme.

## O. Suspension of Sale/ Repurchase of units:

The sale/repurchase of the units of the Scheme may be suspended temporarily or indefinitely under any of the following circumstances:

- During the period of Book closure, if any
- Stock markets stop functioning or trading is restricted
- Periods of extreme volatility in the stock markets, which in the opinion of the Investment Manager is prejudicial to the interest of the unit holders.
- A complete breakdown or dislocation of business in the major financial markets
- Natural calamities
- Declaration of war or occurrence of insurrection, civic commotion or any other serious or sustained financial, political or industrial emergency or disturbance.
- SEBI, by order, so directs.

In the above circumstances, the time limits indicated, for processing requests for purchase and repurchase of units will not be applicable. Suspension or restriction of repurchase/redemption facility shall be made only after approval by the Board of Directors of the AMC and the Trustee, The approval of the Trustee giving circumstances justifying the suspension shall be conveyed to SEBI in advance

## P. Nomination Facility

In terms of Regulation 29A of the SEBI Regulations, the AMC will provide an option to investors, being individuals, to nominate a person in whom the units will vest upon the death of the investor. Joint holders may together nominate a person as a nominee. It must be understood that by providing this facility, the AMC is not declaring the nominee as the person entitled to the units upon the death of unit holder nor does the AMC purport to confer or grant any rights other than those available under law to the nominee. The nominee receives the units (subject to the rights of any subsisting charge holder) only as an agent/trustee of the person who is entitled to them under law. Where a nominee is a minor, the unit holder shall provide the name and address of the guardian of the minor nominee. Only an individual provided he/she is otherwise not disqualified to own the units can be a nominee.

Transmission of units (subject to the rights of any charge holder) to the nominee will constitute full discharge of the obligations of the AMC/Trustee, towards the estate/legal heirs/ successors of the deceased unit holder.

An NRI can be a nominee, subject to the exchange control regulations, as applicable from time to time. Applicants can change the nomination at any time so long as they hold the units of the Scheme.

Non-individuals including Societies, Trusts, Body Corporate, Partnership Firms, Karta of Hindu Undivided Family, Association of Persons (AOP), Body of Individuals (BOI), Holders of Power of Attorney can neither nominate or be a nominee. The nomination facility is subject to applicable laws. Investors are requested to comply with the prescribed procedures to avail themselves of this facility, the details of which are available with the R&T agent.

## Q. Options and Investment Plans offered

The Scheme offers the following plans & options:

Growth, Dividend Payout, and Dividend Reinvestment

Investors should indicate the scheme and/or option etc., wherever applicable, for which the subscription is made by indicating the choice in the appropriate box provided for this purpose in the application form.

### Growth Option

Investors who prefer capital appreciation can opt for this option. No dividend will be declared under this option; the income earned on the investors' units would remain invested in the scheme and will be reflected in the net asset value of this option.

### Dividend Option – Payout

Investors who wish to receive income in the form of dividends can opt for the Dividend Option. Dividends, if any, will be paid by means of Warrants / Demand Drafts / Cheques payable at par at the nearest City/Town of the Investor. However declaration of Dividends will be at the discretion of The Board of directors of Trustee Company and will be subject to the availability of distributable surplus on the record date and SEBI Guidelines.

As per the Regulations, the Fund shall despatch to the unit holders, the dividend warrants within 30 days of declaration of dividend. Dividends will be payable to those unit holders whose name appear in the Register of unit holders on the Record Date.

The cheques/warrants will be drawn in the name of the sole/first holder and will be posted/mailed to the address as indicated in the application form. As per SEBI guidelines and in the interest of the investors to safeguard from loss or theft of dividend cheques/warrants, investors are requested provide the name of the bank, branch and account number in the application form. Such information would be incorporated in the cheque/warrants. Investors can also opt to receive dividend through the 'Direct Credit Facility' as outlined above

### Dividend Option – Reinvestment

Under this option, Unit holders may choose to reinvest all of their dividends by way of additional units of the scheme instead of dividend cheque. The additional units will be allotted based on the Ex-dividend NAV (dividend option) on the next working day after the Record date for the dividend. No entry load will be charged for such reinvestment of dividend.

The dividends so reinvested shall be constructive payment of dividends to the Unit-holder and constructive receipt of the same amount from each unitholder for reinvestment of units. A revised Account Statement will be mailed to the investors after incorporating the additional units allotted. The Dividend

Reinvestment Option can be opted by indicating in the application form or by written instruction by all the Unit holders to the Corporate Office of the AMC or to the Registrar.

**Plans:**

Retail and Institutional

**Minimum application amount for subscription**

|                     |   |
|---------------------|---|
| Retail:             | Rs.5000 and in multiple of Re.1 thereafter per application    |
| Institutional Plan: | Rs. 500000 and in multiple of Re.1 thereafter per application |

**Minimum Repurchase Amount:**

|                     |  |
|---------------------|--|
| Retail:             | Rs. 1,000 or a minimum of 100 Units    |
| Institutional Plan: | Rs. 50,000 or a minimum of 5,000 Units |

**Effect of Dividends:**

When dividends are paid, the NAV will stand reduced by the amount of Dividend and distribution tax, if any applicable. To the extent the entire net income and realized gains are not distributed, the same will remain invested in the scheme and be reflected in the NAV. Since dividends are declared under dividend option only, the NAV of Growth option will not be affected by the payment of such dividend.

In case no option is indicated, the default option will be taken as Growth.

**R. General**

- The AMC will not be responsible for loss due to any delay in the receipt of the statement/certificate.
- SEBI has prescribed a uniform cut-off time across the industry.
- Accordingly, such cut-off time shall be applicable for purchase /redemptions/switch transactions. The applicable price for applications for purchase/redemption received by agents will be the price applicable for the date/time when they are received correct and complete at the investor service centres of the AMC/the R&T agent. In case SEBI prescribes any change in the uniform cut-off time, such time shall apply automatically.
- Unitholders are requested to check the account statement and report any discrepancy noticed by them to the R&T agent or customer service department of the AMC immediately. In case of any non-intimation within 15 days, it will be taken that there are no discrepancies.
- Despatch of redemption warrant or other communication will be made by ordinary mail or registered post/courier as required under the Regulations at the risk of the investor.
- The Mutual Fund/AMC will not be responsible for any fraudulent conversion of any payment instrument/instruction. It is mandatory for investors to furnish details of their bank accounts. The normal processing time will not apply in cases where such details are not provided.
- All disputes arising out of or in relation to the issue made under the scheme will be subject to the exclusive jurisdiction of courts in India.
- The Mutual Fund will have a first and paramount lien/set-off with respect to every unit/dividend for any amount owed by the Unit holder to it. Further, subject to such procedures as may be set out by the AMC/Trustee, pledge /lien can be created in respect of the units held by the investor.
- The AMC/Mutual Fund will not be responsible for any delay/non-receipt of redemption proceeds where it is attributable to any incorrect / incomplete / inconsistent information provided by the investor. Where any request from the investor is ambiguous or contrary to the terms of the Scheme or does not conform to the procedures prescribed by the Scheme, the AMC/Trustee reserves their right to reject it.
- The Scheme is not obliged to re-present any dishonored cheque or any other payment instrument, or inform the investor of the dishonour. In such cases, the facility of purchasing units by issue of cheque may not be permitted to the investor concerned and the expenses incurred by the Scheme may be payable by the investor. Any request for withdrawal of an application made during the initial public offer period will be treated as a redemption request and processed accordingly.
- All information contained in this offer document is based on the laws currently in force and are subject to any change thereto. In the case of amendments made to any law/regulations (e.g., SEBI Regulations, Foreign Exchange Regulations, Taxation Laws etc) in relation to mutual funds or the Scheme, such amendments will automatically apply to the Scheme to the extent and in the manner provided in such laws/regulations.

- Subject to SEBI Regulations, any amendment to regulations / clarifications / guidelines issued by SEBI for the operation of mutual funds will apply to the Scheme.
- All response times are to be reckoned from the time of receipt of correct/complete information relating to the transaction.
- Subject to SEBI regulations, the Trustees will have the power to do anything not inconsistent with the provisions of the Scheme/Regulations, which appear to them to be desirable or expedient for giving effect to the provisions of the Scheme or for removal of any difficulty or inconsistency that may arise in the operation of the Scheme. In exercise of such powers, the Trustees may prescribe necessary forms, terms and rules with power to the AMC to alter them from time to time.
- Applications not complete in any respect are liable to be rejected. In the event of non-allotment of units, no interest will be payable by Sundaram BNP Paribas Mutual Fund on the money refunded. The decision of the Board of Trustees as regards any representation arising from the disqualification of any application shall be absolute and final.
- Sundaram BNP Paribas Mutual Fund reserves its right to accept or to reject in whole or in part any application not in accordance with the terms of the Scheme, without assigning any reason.
- Refund orders will be marked 'Account Payee only' and drawn in the name of the sole/ first applicant. All refund cheques will be sent by Registered Post, acknowledgement due. It is mandatory for applicants to provide their bank name, branch name branch name and account number in their application for purchase / redemption of units.
- The Trustees may add or otherwise modify any feature investment Plans/patterns, options etc. after obtaining the approval of Unitholders, SEBI and other authorities, wherever required, in accordance with the SEBI Regulations and other applicable laws and the same will be binding on each Unitholder or any person claiming through him, as if such Unitholder or person had expressly agreed to such addition /modification.

**S. Unclaimed Redemption/Dividend Amount**

The unclaimed redemption amount and dividend amounts may be deployed by the scheme in money market instruments only and the investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. After a period of three years, this amount will be transferred to a pool account and the investors can claim the amount at NAV prevailing at the end of the third year. The income earned on such funds will be used for the purpose of investor education. The AMC will make a continuous effort to remind the investors through letters to take their unclaimed amounts. Further, the investment management fee charged by the AMC for managing unclaimed amounts shall not exceed 50 basis points. The details in this regard will also be provided in the Financial statements.

**PART IV**

**1. Load Structure**

There will be no entry load. Redemption will be permitted at NAV-based prices. An exit load of 1.5% shall be charged in case of redemptions / switch outs before the maturity period. There will be no exit load on redemption upon maturity. To illustrate:  
 Applicable NAV is Rs11.00  
 If redemption is made prior to maturity date  
 Exit load of 1.5% will be payable on Rs11.00 which will be 0.165 so that the repurchase price will be Rs 10.835(11.00 minus0.165).  
*Note: In addition, unamortised initial issue expenses will deducted, as detailed below. The NAV figure is assumed for the purpose of illustration In accordance with SEBI Regulations, the repurchase price will not be lower than 95% of the NAV All loads (including CDSC) for the Scheme shall be maintained in a separate account and may be utilised towards the selling and distribution expenses.*  
*Any surplus in this account may be credited to the Scheme, whenever felt appropriate by the AMC.*  
 The Board of Trustees reserves the right to prescribe or modify the load structure with prospective effect and to introduce an exit load or a combination of entry and exit loads, subject to a maximum as prescribed under SEBI Regulations. The change will be notified by a suitable display at the Corporate Office of the AMC and at the Investor Service Centres.

## 2. Expenses

### a) Initial Issue Expenses

The initial issue expenses charged to the scheme would not exceed 6% of the corpus collected under the Scheme. Any initial issue expenses more than 6% will be borne by AMC. The initial issue expenses will be amortized on a daily basis over the close end tenure, i.e. for a sixteen month period, of the Scheme. The Initial Issue expense includes the filing fees payable to the SEBI, brokerage, sales/marketing expenses and bank charges. As such, in the case of Sundaram BNP Paribas Fixed Term Plan for every Rs.100/- contributed by the investor, at least Rs. 94/- will be available to the Scheme for investment.

The initial issue expenses (up to 6%) shall be amortized in the books of the Scheme over the tenure of the scheme, that is 16 months from the date of allotment in terms of Regulations 52(5) read with Tenth Schedule. The impact of the initial issue expenses on the NAV is explained in the example given below. The initial issue expense are assumed as 6% which is the maximum allowed limit by regulation.:

#### Effect on redemption:

|   |        |          |               |
|---|--------|----------|---------------|
| Unit Initial Issue Expenses   | A      | 0.60     | Rs. 10 X 6%   |
| No of days the initial expenses is to be amortized the tenure of the Scheme (16 months) | B      | 485      | No of days in |
| Daily per unit amortization   | C= A/B | 0.001237 | 0.60/485 =    |
| Number of Days after which Units are redeemed (assumed)                                 | D      | 183      |               |
| Initial issue expenses amortized up to date of redemption (183 days)                    | E =CXD | 0,2264   | 0.001237 X183 |
| Unamortised Unit initial issue expenses   | F=A-E  | 0,3736   | 0.60-0.2264   |

*Note: The situation and the NAV figures are assumed for the purpose of illustration.*

*In addition, exit load of 1.5% will be payable for redemptions prior to maturity date as explained above.*

*Continuing the above example, the redemption amount payable will be Rs10.46 That is, Rs 11.00 less 0.165 (towards exit load) and less 0.3736 (towards unamortised initial issue expenses),*

### b) Estimated Annual recurring expenses

The total annual recurring expenses of this Scheme excluding deferred revenue expenditure written off, issue or redemption expenses, but including the investment management advisory fee shall be subject to the limits mentioned below.

#### Break-up of annual expenses

| Nature of Expense                       | Cost (as % of average weekly net assets) on a per annum basis |                    |
|---|---|--------------------|
|   | Retail Plan   | Institutional Plan |
| Investment Management and Advisory Fees | 1.25  | 1.25               |
| Marketing                               | 0.75%   | 0.05               |
| Trustee Fees                            | 0.01  | 0.01               |
| Custodian Fees                          | 0.05  | 0.05               |
| Registrar and Transfer Agent Fees       | 0.10  | 0.10               |
| Audit Fees                              | 0.02  | 0.02               |
| Other expenses                          | 0.07  | 0.02               |
| <b>Total</b>                            | <b>2.25</b>   | <b>1.50</b>        |

These are indicative numbers and subject to change within the limits prescribed for fee and expenses

Other expenses will also include service tax and other expenses which are directly attributable to the Scheme and which may be charged with approval of the Trustee within the overall limits as specified in the Regulations except those expenses which are specifically prohibited

The purpose of the above table is to assist the investor in understanding the various costs and expenses that an investor in the Scheme / Plan(s) will bear directly or indirectly.

The above expenses are subject to change and may increase / decrease as per actual and / or any change in the Regulations. These estimates have been made in good faith as per information available to the AMC and the total expenses may be more than as specified in the table above. The AMC reserves the right to change the estimates, both inter se or in total, subject to prevailing Regulations

However, as per the Regulations, the total recurring expenses that can be charged to the Scheme in this Offer Document shall be subject to the applicable guidelines.. The recurring expenses of the Scheme, and the

additional management fee shall be as per the limits prescribed under sub-regulation 6 of Regulation 52 of the SEBI Regulations and shall not exceed the limits prescribed thereunder. Currently, as per the Regulations, the maximum recurring expenses and management fee that can be charged to the Scheme shall be subject to a percentage limit of average weekly net assets as in the table below:

#### Maximum Recurring Expenses for debt Schemes

| Average daily net assets | Maximum, (per annum) as a % of Average daily net assets |
|--------------------------|---|
| First Rs 100 Crores      | 2.25%   |
| Next Rs 300 Crores       | 2.00%   |
| Next Rs 300 Crores       | 1.75%   |
| Balance assets           | 1.50%   |

#### Maximum Management Fee to be charged by the AMC:

| Average daily net assets | Maximum, (per annum) as a % of Average daily net assets |
|--------------------------|---|
| First 100 Crores         | 1.25%   |
| Balance assets           | 1.00%   |

As per the SEBI Regulations, the total recurring expenses that can be charged to this scheme shall be subject to the applicable guidelines. Any recurring expense above the permitted limits will be borne by the Investment manager or by trustees or by sponsor

### c) Initial Issue Expenses of the latest Scheme launched:

Initial Issue Expenses of the schemes launched during the last three years

| Month/Year | Scheme  | Amount Rs. in lakh | Borne by AMC/ Amortised by the Scheme |
|------------|---|--------------------|---------------------------------------|
| Jun-04     | Sundaram BNP Paribas India Leadership Fund  | 245                | Scheme                                |
| Dec-04     | Sundaram BNP Paribas Floating Rate Fund   | 5.89               | AMC                                   |
| Jan-05     | Sundaram BNP Paribas S.M.I.L.E Fund   | 1442               | Scheme                                |
| Aug-05     | Sundaram BNP Paribas Capex opportunities Fund                                     | 2174               | Scheme                                |
| Oct-05     | Sundaram BNP Paribas Value Plus   | 4.13               | AMC                                   |
| Feb-06     | Sundaram BNP Paribas Fixed Term Plan  | 13                 | AMC                                   |
| Mar-06     | Sundaram BNP Paribas Rural India Fund   | 5848               | Scheme                                |
| Jun-06     | Sundaram BNP Paribas Fixed Term Plan Series VI and VII                            | 1.2                | AMC                                   |
| Sep-06     | Sundaram BNP Paribas Fixed Term Plan Series IX                                    | 1.19               | AMC                                   |
| Oct-06     | Sundaram BNP Paribas Fixed Term Plan Series VIII                                  | 0.79               | AMC                                   |
| Nov-06     | Sundaram BNP Paribas Fixed Term Plan Series X & XI                                | 1.21               | AMC                                   |
| Dec-06     | Sundaram BNP Paribas Fixed Term Plan Series XIV                                   | 0.93               | AMC                                   |
| Dec-06     | Sundaram BNP Paribas Fixed Term Plan Series XVII                                  | 0.53               | AMC                                   |
| Dec-06     | Sundaram BNP Paribas Fixed Term Plan Series XXI                                   | 0.53               | AMC                                   |
| Jan-07     | Sundaram BNP Paribas Select Smallcap  | 1497.88            | Scheme                                |
| Jan-07     | Sundaram BNP Paribas Equity Multiplier Fund                                       | 2332.15            | Scheme                                |
| Feb-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXIII                               | 0.63               | AMC                                   |
| Feb-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXV                                 | 0.64               | AMC                                   |
| Mar-07     | Sundaram BNP Paribas Fixed Term Plan Series - XVI                                 | 0.61               | AMC                                   |
| Mar-07     | Sundaram BNP Paribas Fixed Term Plan Series - XVIII                               | 0.6                | AMC                                   |
| Mar-07     | Sundaram BNP Paribas Fixed Term Plan Series - XIX                                 | 0.6                | AMC                                   |
| Mar-07     | Sundaram BNP Paribas Fixed Term Plan Series - XX                                  | 8.31               | AMC                                   |
| Mar-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXII                                | 0.6                | AMC                                   |
| Apr-07     | Sundaram BNP Paribas Liquid Plus  | 1.15               | AMC                                   |
| May-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXIV                                | 0.39               | AMC                                   |
| May-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXVI                                | 0.39               | AMC                                   |
| May-07     | Sundaram BNP Paribas Fixed Term Plan Series - XII                                 | 4.65               | AMC                                   |
| May-07     | Sundaram BNP Paribas Fixed Term Plan Series - XIII                                | 4.65               | AMC                                   |
| Jun-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXVII                               | 0.39               | AMC                                   |
| Jun-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXVIII                              | 2.00               | AMC                                   |
| Jun-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXIX                                | 0.67               | AMC                                   |
| Jun-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXX                                 | 2.00               | AMC                                   |
| Jun-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXXI                                | 0.74               | AMC                                   |
| Aug-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXXIII                              | 0.60               | AMC                                   |
| Aug-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXXIV                               | 0.35               | AMC                                   |
| Aug-07     | Sundaram BNP Paribas Fixed Term Plan Series - XXXV                                | 0.62               | AMC                                   |
| Aug-07     | Sundaram BNP Paribas Global Advantage Fund of Funds                               | 169.35             | AMC                                   |
| Aug-07     | Sundaram BNP Paribas Capital Protection Oriented Fund of Funds - Series 1-3 years | 48.02              | Scheme                                |
| Aug-07     | Sundaram BNP Paribas Capital Protection Oriented Fund of Funds - Series 1-5 years | 4.67               | AMC                                   |
| Aug-07     | Sundaram BNP Paribas Capital Protection Oriented Fund of Funds - Series 1-5 years | 34.21              | Scheme                                |
| Aug-07     | Sundaram BNP Paribas Capital Protection Oriented Fund of Funds - Series 1-5 years | 3.11               | AMC                                   |
| Sep-07     | Sundaram BNP Paribas Fixed Term Plan Series-XXXII                                 | 0.73               | AMC                                   |
| Sep-07     | Sundaram BNP Paribas Fixed Income Interval Fund Quarterly Series-Plan A           | 0.41               | AMC                                   |
| Sep-07     | Sundaram BNP Paribas Fixed Income Interval Fund Quarterly Series-Plan B           | 0.41               | AMC                                   |

**(3) CONDENSED FINANCIAL INFORMATION OF THE SCHEMES LAUNCHED DURING THE LAST THREE FISCAL YEARS:**

**Sundaram BNP Paribas Floating Rate Fund - Short Term Plan** (Amount in Rs.)

| Sl.No. | Historical per unit statistics                              | 30/12/05<br>31/03/06 | 01/04/05<br>31/03/06 | 01/04/06<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|----------------------|----------------------|
| 1.     | Date of allotment   | 30/12/2005           | 30/12/2005           | 30/12/2005           | 30/12/2005           |
| 2.     | NAV at the beginning - Regular Monthly                      | 10.0000              | 10.1297              | 10.1882              | 10.1825              |
|        | Growth  | 10.0000              | 10.1297              | 10.6986              | 11.3496              |
|        | NAV at the beginning - Institutional Daily                  | 10.0000              | 10.0519              | 10.0519              | 10.0519              |
|        | Weekly  | 10.0000              | 10.1196              | 10.2228              | -                    |
|        | Monthly   | 10.0000              | 10.1365              | 10.2126              | 10.2053              |
|        | Growth  | 10.0000              | 10.1365              | 10.7176              | 11.4830              |
| 3.     | Dividend - Regular - Monthly                                | 0.0676               | 0.4312               | 0.8907               | 0.4772               |
|        | Dividend - Institutional - Daily                            | 0.0830               | 0.7317               | -                    | 0.6100               |
|        | Weekly  | 0.0141               | 0.0416               | -                    | -                    |
|        | Monthly   | 0.0349               | 0.9017               | 0.9672               | 0.5156               |
|        | Quarterly   | -                    | 0.0877               | -                    | -                    |
| 4.     | Transfer to reserve   | -                    | -                    | -                    | -                    |
| 5.     | NAV at the end - Regular Monthly                            | 10.1297              | 10.1882              | 10.1825              | 10.2481              |
|        | Growth  | 10.1297              | 10.6986              | 11.3496              | 11.7700              |
|        | NAV at the end Institutional Daily                          | 10.0519              | 10.0519              | 10.0519              | 10.0519              |
|        | Weekly  | 10.1196              | 10.2228              | -                    | -                    |
|        | Monthly   | 10.1365              | 10.2126              | 10.2053              | 10.2758              |
|        | Growth  | 10.1365              | 10.7176              | 11.4830              | 11.9416              |
| 6.     | Scheme Return - Regular #                                   | 0.41%                | 5.47                 | 7.93%                | 7.69%                |
|        | Institutional #   | 0.43%                | 6.05                 | 8.48%                | 8.26%                |
| 7.     | Benchmark Return \$ - Regular                               | 0.37%                | 5.88                 | 8.28%                | 7.99%                |
|        | Institutional \$  | 0.37%                | 5.73                 | 8.28%                | 7.99%                |
| 8.     | Net Assets at the end of the period (Rs. in crores)         | 129.05               | 128.88               | 106.97               | 118.02               |
| 9.     | Ratio of recurring expenses to Average Net Assets - Regular | 1.01%                | 1.02%                | 1.00%                | -                    |
|        | Institutional   | 0.73%                | 0.46%                | 0.43%                | -                    |
| 10.    | Net income (per unit)                                       | 0.175                | 1.06                 | 1.1054               | 0.77                 |

# - Absolute Return \$ CRISIL Liquid Fund Index

**Sundaram BNP Paribas Floating Rate Fund - Long Term Plan** (Amount in Rs.)

| Sl.No. | Historical per unit statistics                              | 30/12/05<br>31/03/06 | 01/04/05<br>31/03/06 | 01/04/06<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|----------------------|----------------------|
| 1      | Date of allotment   | 30/12/2005           | 30/12/2005           | 30/12/2005           | 30/12/2005           |
| 2      | NAV at the beginning - Regular Monthly                      | 10.0000              | 10.1217              | 10.2532              | 10.2825              |
|        | Quarterly   | 10.0000              | 10.1217              | 10.2271              | 10.2323              |
|        | Half Yearly   | 10.0000              | 10.1217              | 10.3776              | 10.4870              |
|        | Annual  | 10.0000              | 10.1217              | 10.6162              | 10.4832              |
|        | Growth  | 10.0000              | 10.1217              | 10.6187              | 11.3038              |
|        | NAV at the beginning - Institutional Monthly                | 10.0000              | 10.1220              | 10.2516              | 10.2872              |
|        | Quarterly   | 10.0000              | 10.1220              | -                    | -                    |
|        | Growth  | 10.0000              | 10.1220              | 10.6185              | 13.2526              |
| 3      | Dividend - Regular - Monthly                                | 0.0626               | 0.3598               | 1.0166               | 0.5410               |
|        | Quarterly   | -                    | -                    | 0.6472               | 0.2537               |
|        | Half Yearly   | -                    | -                    | 0.9060               | 0.5074               |
|        | Annual  | -                    | -                    | 1.2984               | 0.9302               |
|        | Dividend - Institutional - Monthly                          | 0.0304               | 0.3050               | 0.3107               | 0.3625               |
|        | Quarterly   | -                    | 0.2861               | -                    | -                    |
| 4      | Transfer to reserve   | -                    | -                    | -                    | -                    |
| 5      | NAV at the end - Regular Monthly                            | 10.1217              | 10.2532              | 10.2825              | 10.3034              |
|        | Quarterly   | 10.1217              | 10.2271              | 10.2323              | 10.4249              |
|        | Half Yearly   | 10.1217              | 10.3776              | 10.4870              | 10.5459              |
|        | Annual  | 10.1217              | 10.6162              | 10.4832              | 10.3007              |
|        | Growth  | 10.1217              | 10.6187              | 11.3038              | 11.6851              |
|        | NAV at the end - Institutional Monthly                      | 10.1220              | 10.2516              | 10.2872              | 10.3004              |
|        | Quarterly   | 10.1220              | -                    | -                    | -                    |
|        | Growth  | 10.1220              | 10.6185              | 13.2526              | 13.7025              |
| 6      | Scheme Return - Regular #                                   | 0.39%                | 4.95%                | 5.60%                | 5.81%                |
|        | Institutional #   | 0.39%                | 4.95%                | 13.34%               | 12.11%               |
| 7      | Benchmark Return \$ - Regular                               | 0.37%                | 2.79%                | 3.78%                | 4.73%                |
|        | Institutional \$  | 0.37%                | 2.79%                | 3.78%                | 4.73%                |
| 8      | Net Assets at the end of the period (Rs. in crores)         | 15.59                | 13.71                | 6.88                 | 5.11                 |
| 9      | Ratio of recurring expenses to Average Net Assets - Regular | 1.00%                | 1.00%                | 1.00%                | -                    |
|        | Institutional   | 1.00%                | 1.00%                | 1.00%                | -                    |
| 10     | Net income (per unit)                                       | 0.176                | 0.4723               | 0.9623               | 0.7700               |

# - Absolute Return \$ - CRISIL Composite Bond Fund Index

**Sundaram BNP Paribas value Plus**

(Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 01/04/06<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|
| 1      | Date of allotment                                   | 04/12/2005           | 04/12/2005           |
| 2      | NAV at the beginning                                | 10.6566              | 10.8224              |
| 3      | Dividend  | -                    | -                    |
| 4      | Transfer to reserve                                 | -                    | -                    |
| 5      | NAV at the end                                      | 10.8224              | 11.9786              |
| 6      | Scheme Return #                                     | 6.17%                | 10.40%               |
| 7      | Benchmark Return \$                                 | 6.81%                | 9.53%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 3.58                 | 3.48                 |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.73%                | 0.72%                |
| 10     | Net income (per unit)                               | 1.0584               | 0.36                 |

# Absolute Return \$ CRISIL MIP Blended Index

**Sundaram BNP Paribas India Leadership Fund**

(Amount in Rs.)

| Sl.No. | Historical per unit statistics                      | 02/07/04<br>31/03/05 | 01/04/05<br>31/03/06 | 01/04/06<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|----------------------|----------------------|
| 1      | Date of allotment                                   | 02/07/04             | 02/07/04             | 02/07/04             | 02/07/04             |
| 2      | NAV at the beginning - Dividend                     | 10.0000              | 11.2217              | 17.4221              | 13.371               |
|        | Growth  | 10.0000              | 13.7713              | 27.7691              | 27.4125              |
| 3      | Dividend  | 2.50                 | 4.00                 | 3.00                 | -                    |
| 4      | Transfer to reserve                                 | -                    | -                    | -                    | -                    |
| 5      | NAV at the end - Dividend                           | 11.2217              | 17.4221              | 13.371               | 18.3505              |
|        | Growth  | 13.7713              | 27.7691              | 27.4125              | 37.6159              |
| 6      | Scheme Return #                                     | 37.52%               | 79.54%               | 44.60%               | 6.10%                |
| 7      | Benchmark Return \$                                 | 30.64%               | 57.64%               | 39.51%               | 5.96%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 79.68                | 274.06               | 268.23               | 217.87               |
| 9      | Ratio of recurring expenses to Average Net Assets   | 2.19%                | 2.43%                | 2.34%                | 2.36%                |
| 10     | Net income (per unit)                               | 1.75                 | 1.67                 | 2.41                 | 9.09                 |

# Absolute Return \$ S & P CNX Nifty

**Sundaram BNP Paribas S.M.I.L.E. Fund**

(Amount in Rs.)

| Sl.No. | Historical per unit statistics                      | 15/02/05<br>31/03/05 | 01/04/05<br>31/03/06 | 01/04/06<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|----------------------|----------------------|
| 1      | Date of allotment                                   | 15/02/2005           | 15/02/2005           | 15/02/2005           | 15/02/2005           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              | 10.0715              | 14.9073              | 12.8437              |
|        | Growth  | 10.0000              | 10.0724              | 17.2667              | 17.0628              |
| 3      | Dividend  | -                    | 2.00                 | 1.00                 | -                    |
| 4      | Transfer to reserve                                 | -                    | -                    | -                    | -                    |
| 5      | NAV at the end - Dividend                           | 10.0715              | 14.9073              | 12.8437              | 18.4384              |
|        | Growth  | 10.0724              | 17.2667              | 17.0628              | 24.5011              |
| 6      | Scheme Return #                                     | -0.40%               | 62.81%               | 29.36%               | 40.75%               |
| 7      | Benchmark Return \$                                 | -2.03%               | 52.50%               | 26.46%               | 39.78%               |
| 8      | Net Assets at the end of the period (Rs. in crores) | 352.18               | 280.08               | 178.73               | 200.02               |
| 9      | Ratio of recurring expenses to Average Net Assets   | 2.13%                | 2.33%                | 2.36%                | 2.39%                |
| 10     | Net income (per unit)                               | 0.07                 | 5.37                 | 4.33                 | 6.39                 |

# Absolute Return \$ BSE 500

**Sundaram BNP Paribas CAPEX Opportunities Fund Growth**

(Amount in Rs.)

| Sl.No. | Historical per unit statistics                      | 29/09/05<br>31/03/06 | 01/04/06<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|----------------------|
| 1      | Date of allotment                                   | 29/09/2005           | 29/09/2005           | 29/09/2005           |
| 2      | NAV at the beginning - Dividend                     | -                    | -                    | -                    |
|        | Growth  | 10.0000              | 14.9113              | 15.7491              |
| 3      | Dividend  | -                    | -                    | -                    |
| 4      | Transfer to reserve                                 | -                    | -                    | -                    |
| 5      | NAV at the end - Dividend                           | -                    | -                    | -                    |
|        | Growth  | 14.9113              | 15.7491              | 22.4278              |
| 6      | Scheme Return #                                     | 49.11%               | 35.63%               | 55.63%               |
| 7      | Benchmark Return \$                                 | 65.37%               | 50.55%               | 72.40%               |
| 8      | Net Assets at the end of the period (Rs. in crores) | 281.75               | 211.36               | 490.85               |
| 9      | Ratio of recurring expenses to Average Net Assets   | 2.35%                | 2.35%                | 2.36%                |
| 10     | Net income (per unit)                               | 1.18                 | 2.59                 | 3.43                 |

# Absolute Return \$ - BSE Capital Goods Index

**Sundaram BNP Paribas CAPEX Opportunities Fund Dividend** (Amount in Rs.)

| Sl.No. | Historical per unit statistics                      | 29/09/05<br>31/03/06 | 01/04/06<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|----------------------|
| 1      | Date of allotment                                   | 29/09/2005           | 29/09/2005           | 29/09/2005           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              | 13.9647              | 14.6849              |
|        | Growth  | -                    | -                    | -                    |
| 3      | Dividend  | 1.00                 | -                    | -                    |
| 4      | Transfer to reserve                                 | -                    | -                    | -                    |
| 5      | NAV at the end - Dividend                           | 13.9647              | 14.6849              | 24.2505              |
|        | Growth  | -                    | -                    | -                    |
| 6      | Scheme Return #                                     | 39.65%               | 35.25%               | 54.67%               |
| 7      | Benchmark Return \$                                 | 65.67%               | 50.55%               | 72.40%               |
| 8      | Net Assets at the end of the period (Rs. in crores) | 499.74               | 344.77               | 318.70               |
| 9      | Ratio of recurring expenses to Average Net Assets   | 2.27%                | 2.30%                | 2.31%                |
| 10     | Net income (per unit)                               | 1.56                 | 2.98                 | 3.19                 |

# Absolute Return \$ - BSE Capital Goods Index

**Sundaram BNP Paribas Rural India Fund** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 12/05/06<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|
| 1      | Date of allotment                                   | 12/05/06             | 12/05/06             |
| 2      | NAV at the beginning - Dividend                     | 10.0000              | 9.7249               |
|        | Growth  | 10.0000              | 10.6592              |
| 3      | Dividend  | 1.0000               | -                    |
| 4      | Transfer to reserve                                 | 0.0000               | -                    |
| 5      | NAV at the end - Dividend                           | 9.7249               | 13.2765              |
|        | Growth  | 10.6592              | 14.5537              |
| 6      | Scheme Return #                                     | 6.59%                | 31.09%               |
| 7      | Benchmark Return \$                                 | 0.52%                | 25.76%               |
| 8      | Net Assets at the end of the period (Rs. in crores) | 809.91               | 548.03               |
| 9      | Ratio of recurring expenses to Average Net Assets   | 2.00%                | 2.19%                |
| 10     | Net income (per unit)                               | 1.14                 | 3.49                 |

# Absolute Return \$ - BSE 500

**Sundaram BNP Paribas Select Smallcap** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 22/02/07<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|
| 1      | Date of allotment                                   | 22/02/2007           | 22/02/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              | 9.9005               |
|        | Growth  | 10.0000              | 9.9005               |
| 3      | Dividend  | -                    | -                    |
| 4      | Transfer to reserve                                 | -                    | -                    |
| 5      | NAV at the end - Dividend                           | 9.9005               | 11.6528              |
|        | Growth  | 9.9005               | 11.6507              |
| 6      | Scheme Return #                                     | -1.22%               | 16.53%               |
| 7      | Benchmark Return \$                                 | -6.28%               | 26.86%               |
| 8      | Net Assets at the end of the period (Rs. in crores) | 298.1                | 350.7                |
| 9      | Ratio of recurring expenses to Average Net Assets   | 2.33%                | 2.33%                |
| 10     | Net income (per unit)                               | 0.08                 | 0.36                 |

# - Absolute Return \$ - BSE 500

**Sundaram BNP Paribas Equity Multiplier** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 27/02/07<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|
| 1      | Date of allotment                                   | 27/02/2007           | 27/02/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              | 9.8095               |
|        | Growth  | 10.0000              | 9.8095               |
| 3      | Dividend  | -                    | -                    |
| 4      | Transfer to reserve                                 | -                    | -                    |
| 5      | NAV at the end - Dividend                           | 9.8095               | 13.0878              |
|        | Growth  | 9.8095               | 13.0995              |
| 6      | Scheme Return #                                     | -2.15%               | 30.80%               |
| 7      | Benchmark Return \$                                 | -4.89%               | 34.67%               |
| 8      | Net Assets at the end of the period (Rs. in crores) | 539.52               | 711.32               |
| 9      | Ratio of recurring expenses to Average Net Assets   | 2.23%                | 2.21%                |
| 10     | Net income (per unit)                               | 0.04                 | 1.22                 |

# - Absolute Return \$ S & P CNX Nifty

**Sundaram BNP Paribas Liquid Plus** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 23/04/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 23/04/2007           |
| 2      | NAV at the beginning                                |                      |
|        | Regular   |                      |
|        | Growth  | 10.0000              |
|        | Daily   | 10.0000              |
|        | Weekly  | 10.0000              |
|        | Quarterly   | 10.0000              |
|        | Institutional                                       |                      |
|        | Growth  | 10.0000              |
|        | Daily   | 10.0000              |
|        | Weekly  | 10.0000              |
|        | Monthly   | 10.0000              |
|        | Super Institutional                                 |                      |
|        | Growth  | 10.0000              |
|        | Daily   | 10.0000              |
|        | Weekly  | 10.0000              |
| 3      | Dividend  |                      |
|        | Regular   |                      |
|        | Daily   | 0.5027               |
|        | Weekly  | 0.3530               |
|        | Fortnightly   | 0.3841               |
|        | Monthly   | 0.2965               |
|        | Quarterly   | 0.2029               |
|        | Institutional                                       |                      |
|        | Daily   | 0.5639               |
|        | Weekly  | 0.3487               |
|        | Monthly   | 0.4196               |
|        | Super Institutional                                 |                      |
|        | Daily   | 0.5504               |
|        | Weekly  | 0.3575               |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end                                      |                      |
|        | Regular   |                      |
|        | Growth  | 10.3654              |
|        | Daily   | 10.0237              |
|        | Weekly  | 10.1630              |
|        | Fortnightly   | 10.1497              |
|        | Monthly   | 10.1785              |
|        | Quarterly   | 10.2404              |
|        | Institutional                                       |                      |
|        | Growth  | 10.3675              |
|        | Daily   | 10.0238              |
|        | Weekly  | 10.1699              |
|        | Monthly   | 10.1127              |
|        | Super Institutional                                 |                      |
|        | Growth  | 10.3812              |
|        | Daily   | 10.0240              |
|        | Weekly  | 10.1752              |
| 6      | Scheme Return #                                     | 3.65%                |
| 7      | Benchmark Return \$                                 | 3.00%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 1948.03              |
| 9      | Ratio of recurring expenses to Average Net Assets   | -                    |
| 10     | Net income (per unit)                               | 0.28                 |

# - Absolute Return \$ - CRISIL Liquid Fund Index

**Sundaram BNP Paribas Fixed Term Plan Series XII (18 months)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 28/05/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 28/05/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              |
|        | Growth  | 10.0000              |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.4564              |
|        | Growth  | 10.4564              |
| 6      | Scheme Return #                                     | 4.56%                |
| 7      | Benchmark Return \$                                 | 3.39%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 52.88                |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.80%                |
| 10     | Net income (per unit)                               | 0.35                 |

# - Absolute Return \$ - CRISIL Composite Bond Fund Index

**Sundaram BNP Paribas Fixed Term Plan Sereis XIII (30 months)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 28/05/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 28/05/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              |
|        | Growth  | 10.0000              |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.5249              |
|        | Growth  | 10.5249              |
| 6      | Scheme Return #                                     | 5.25%                |
| 7      | Benchmark Return \$                                 | 2.07%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 63.24                |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.82%                |
| 10     | Net income (per unit)                               | 0.26                 |

# - Absolute Return \$ - CRISIL Composite Bond Fund Index

**Sundaram BNP Paribas Fixed Term Plan Series XVIII (13 months)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 22/03/07<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|
| 1      | Date of allotment                                   | 22/03/2007           | 22/03/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.00                | 10.0269              |
|        | Growth  | 10.00                | 10.0269              |
| 3      | Dividend  | -                    | -                    |
| 4      | Transfer to reserve                                 | -                    | -                    |
| 5      | NAV at the end - Dividend                           | 10.0269              | 10.6467              |
|        | Growth  | 10.0269              | 10.6470              |
| 6      | Scheme Return #                                     | 0.24%                | 6.47%                |
| 7      | Benchmark Return \$                                 | 0.15%                | 5.12%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 69.75                | 73.92                |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.42%                | 0.44%                |
| 10     | Net income (per unit)                               | 0.02                 | 0.30                 |

# - Absolute Return \$ - CRISIL Short Term Bond Fund Index

**Sundaram BNP Paribas Fixed Term Plan Series XIX (14 months)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 16/03/07<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|
| 1      | Date of allotment                                   | 16/03/2007           | 16/03/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              | 10.0399              |
|        | Growth  | 10.0000              | 10.0399              |
| 3      | Dividend  | -                    | -                    |
| 4      | Transfer to reserve                                 | -                    | -                    |
| 5      | NAV at the end - Dividend                           | 10.0399              | 10.6574              |
|        | Growth  | 10.0399              | 10.6594              |
| 6      | Scheme Return #                                     | 0.40%                | 6.59%                |
| 7      | Benchmark Return \$                                 | 0.26%                | 5.24%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 91.77                | 97.4                 |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.41%                | 0.40%                |
| 10     | Net income (per unit)                               | 0.04                 | 0.30                 |

# - Absolute Return \$ - CRISIL Short Term Bond Fund Index

**Sundaram BNP Paribas Fixed Term Plan Series XX (15 months)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 28/03/07<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|
| 1      | Date of allotment                                   | 28/03/2007           | 28/03/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.00000             | 10.00000             |
|        | Growth  | 10.00000             | 10.00000             |
| 3      | Dividend  | -                    | -                    |
| 4      | Transfer to reserve                                 | -                    | -                    |
| 5      | NAV at the end - Dividend                           | 10.00000             | 10.6221              |
|        | Growth  | 10.00000             | 10.6223              |
| 6      | Scheme Return #                                     | 0.00%                | 6.22%                |
| 7      | Benchmark Return \$                                 | 0.00%                | 4.99%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 50.93                | 53.76                |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.40%                | 0.84%                |
| 10     | Net income (per unit)                               | 0.14                 | 0.33                 |

# - Absolute Return \$ - CRISIL Short Term Bond Fund Index

**Sundaram BNP Paribas Fixed Term Plan Series XXI (16 months)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 29/12/06<br>31/03/07 | 01/04/07<br>30/09/07 |
|--------|---|----------------------|----------------------|
| 1      | Date of allotment                                   | 29/12/2006           | 29/12/2006           |
| 2      | NAV at the beginning - Dividend                     | 10                   | 10.1858              |
|        | Growth  | 10                   | 10.1858              |
| 3      | Dividend  | -                    | -                    |
| 4      | Transfer to reserve                                 | -                    | -                    |
| 5      | NAV at the end - Dividend                           | 10.1858              | 10.6598              |
|        | Growth  | 10.1858              | 10.6600              |
| 6      | Scheme Return #                                     | 1.86%                | 6.60%                |
| 7      | Benchmark Return \$                                 | 0.91%                | 5.84%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 70.32                | 74.96                |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.35%                | 0.35%                |
| 10     | Net income (per unit)                               | 0.13                 | 0.18                 |

# - Absolute Return \$ - CRISIL Short Term Bond Fund Index

**Sundaram BNP Paribas Fixed Term Plan Series XXVIII (375 days)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 06/06/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 06/06/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              |
|        | Growth  | 10.0000              |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.3373              |
|        | Growth  | 10.3373              |
| 6      | Scheme Return #                                     | 3.37%                |
| 7      | Benchmark Return \$                                 | 2.82%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 88.63                |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.60%                |
| 10     | Net income (per unit)                               | 0.28                 |

# Absolute Return \$ CRISIL Short Term Bond Fund Index

**Sundaram BNP Paribas Fixed Term Plan Series XXX (375 days)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 25/06/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 25/06/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              |
|        | Growth  | 10.0000              |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.2679              |
|        | Growth  | 10.2693              |
| 6      | Scheme Return #                                     | 2.69%                |
| 7      | Benchmark Return \$                                 | 2.38%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 37.69                |
| 9      | Ratio of recurring expenses to Average Net Assets   | 1.00%                |
| 10     | Net income (per unit)                               | 0.2700               |

# Absolute Return \$ CRISIL Short Term Bond Fund Index

**Sundaram BNP Paribas Fixed Term Plan Series XXXII (90 days)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 07/09/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 7/9/07               |
| 2      | NAV at the beginning - Dividend                     | 10.0000              |
|        | Growth  | 10.0000              |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.0691              |
|        | Growth  | 10.0691              |
| 6      | Scheme Return #                                     | 0.69%                |
| 7      | Benchmark Return \$                                 | 0.71%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 139.60               |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.35%                |
| 10     | Net income (per unit)                               | 0.13                 |

# Absolute Return \$ CRISIL Short Term Bond Fund Index

**Sundaram BNP Paribas Fixed Term Plan Series XXXIII (90 days)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 09/08/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 09/08/2007           |
| 2      | NAV at the beginning - Dividend                     | 10                   |
|        | Growth  | 10                   |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.1176              |
|        | Growth  | 10.1176              |
| 6      | Scheme Return #                                     | 1.18%                |
| 7      | Benchmark Return \$                                 | 0.86%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 5.10                 |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.11%                |
| 10     | Net income (per unit)                               | 0.18                 |

# Absolute Return \$ CRISIL Liquid Fund Index

**Sundaram BNP Paribas Fixed Term Plan Series XXXIV (90 days)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 14/08/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 14/08/2007           |
| 2      | NAV at the beginning - Dividend                     | 10                   |
|        | Growth  | 10                   |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.1060              |
|        | Growth  | 10.1060              |
| 6      | Scheme Return #                                     | 1.06%                |
| 7      | Benchmark Return \$                                 | 0.86%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 220.46               |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.12%                |
| 10     | Net income (per unit)                               | 0.18                 |

# Absolute Return \$ CRISIL Liquid Fund Index

**Sundaram BNP Paribas Fixed Term Plan Series XXXV (90 days)** (Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 24/08/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 24/08/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              |
|        | Growth  | 10.0000              |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.0868              |
|        | Growth  | 10.0868              |
| 6      | Scheme Return #                                     | 0.87%                |
| 7      | Benchmark Return \$                                 | 0.74%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 204.49               |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.12%                |
| 10     | Net income (per unit)                               | 0.16                 |

# Absolute Return \$ CRISIL Liquid Fund Index

**Sundaram BNP Paribas Fixed Income - Interval Fund - Quarterly Series - Plan A**

(Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 11/09/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 11/9/07              |
| 2      | NAV at the beginning - Dividend                     | 10.0000              |
|        | Growth  | 10.0000              |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.0429              |
|        | Growth  | 10.0429              |
| 6      | Scheme Return #                                     | 0.43%                |
| 7      | Benchmark Return                                    | 0.31%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 67.64                |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.12%                |
| 10     | Net income (per unit)                               | 0.11                 |

# Absolute Return \$ CRISIL Liquid Fund Index

**Sundaram BNP Paribas Fixed Income - Interval Fund - Quarterly Series - Plan B**

(Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 25/09/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 25/09/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              |
|        | Growth  | 10.0000              |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.0131              |
|        | Growth  | 10.0131              |
| 6      | Scheme Return #                                     | 0.13%                |
| 7      | Benchmark Return \$                                 | 0.31%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 137.01               |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.12%                |
| 10     | Net income (per unit)                               | 0.08                 |

# Absolute Return \$ CRISIL Liquid Fund Index

**Sundaram BNP Paribas Capital Protection Oriented Fund - Series 1 - 3 years**

(Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 24/08/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 24/08/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              |
|        | Growth  | 10.0000              |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.4701              |
|        | Growth  | 10.4701              |
| 6      | Scheme Return #                                     | 4.16%                |
| 7      | Benchmark Return \$                                 | 2.39%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 16.76                |
| 9      | Ratio of recurring expenses to Average Net Assets   | 3.29%                |
| 10     | Net income (per unit)                               | 0.09                 |

# Absolute Return \$ CRISIL Composite Bond Fund Index

**Sundaram BNP Paribas Capital Protection Oriented Fund - Series 1 - 5 years**

(Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 24/08/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 24/08/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              |
|        | Growth  | 10.0000              |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.6299              |
|        | Growth  | 10.6299              |
| 6      | Scheme Return #                                     | 5.87%                |
| 7      | Benchmark Return \$                                 | 2.39%                |
| 8      | Net Assets at the end of the period (Rs. in crores) | 7.28                 |
| 9      | Ratio of recurring expenses to Average Net Assets   | 5.46%                |
| 10     | Net income (per unit)                               | 0.09                 |

# Absolute Return \$ CRISIL Composite Bond Fund Index

**Sundaram BNP Paribas Global Advantage**

(Amount in Rs)

| Sl.No. | Historical per unit statistics                      | 22/08/07<br>30/09/07 |
|--------|---|----------------------|
| 1      | Date of allotment                                   | 22/08/2007           |
| 2      | NAV at the beginning - Dividend                     | 10.0000              |
|        | Growth  | 10.0000              |
| 3      | Dividend  | -                    |
| 4      | Transfer to reserve                                 | -                    |
| 5      | NAV at the end - Dividend                           | 10.9057              |
|        | Growth  | 10.9060              |
| 6      | Scheme Return #                                     | 9.06%                |
| 7      | Benchmark Return \$                                 | 15.10%               |
| 8      | Net Assets at the end of the period (Rs. in crores) | 333.99               |
| 9      | Ratio of recurring expenses to Average Net Assets   | 0.71%                |
| 10     | Net income (per unit)                               | 0.90                 |

# Absolute Return \$ MSCI Emerging Markets Index

Note:

1. Annualised returns reported in the tables above are calculated with the inception NAV taken at Rs.10, the face or par value of the Unit at the time of allotment. Any dividends paid by the Scheme have been assumed as reinvested in units of the Scheme at the ex-dividend NAV for the purpose of calculating the annualised returns.

2. The Net unrealized appreciation and depreciation is excluded for the purpose of calculating the Net income per unit.
  3. Past Performance may or may not be sustained in future and may not necessarily provide a basis for comparison with other investments.
  4. All Dividends inclusive of Corporate and Non Corporate Dividend wherever applicable.
- PE 30/09/2007 figures were unaudited.

## PART V

### (1) Investor's rights and services

#### a) Investor Services

Prospective investors and existing unit holders are welcome to contact the Customer Service department at the Corporate Office of the AMC for any further information about the Schemes of the Mutual Fund and for any service concerning their investments in the Schemes of the Mutual Fund. The address and phone numbers are

#### Mr. S Balasubramanian

Head – Customer Service and Transaction Processing  
Sundaram BNP Paribas Asset Management Company Limited  
Corporate Office  
Sundaram Towers II Floor  
46 Whites Road  
Royapettah Chennai 600014  
Phone: (91) (044) 28578700 and Toll Free No. 1800 425 REVIEW  
Fax: (91) (44) 28583285, 2858 3156  
Email: service@sundarambnpparibas.in:

The Fund endeavours to complete all monetary transactions within ten working days from the date of receipt at the Investor Service Centres. Non-monetary transactions and requests will be processed within ten days of receipt at any of the Investor Service Centres.

#### b) Information about the Scheme

An abridged scheme-wise annual report shall be mailed to all unit holders within six months from March 31 of each year. The abridged report shall contain such details as are required under the SEBI Regulations. The AMC will also publish the NAV, Repurchase Price and Sale Price of the Units of this Scheme as per SEBI regulations. Investors may also access performance charts, portfolio details, scheme features, fact sheet, product note/guide, offer document, FAQs and any relevant scheme specific material on [www.sundarambnpparibas.in](http://www.sundarambnpparibas.in) and [www.wiseinvestoronline.com](http://www.wiseinvestoronline.com). Further transparency will be maintained through half-yearly disclosure of established portfolio through newsletters.

#### c) Account Statements

Each unit holder will be sent a non-transferable Account Statement, which is a conclusive proof of investment in the Schemes of the Mutual Fund. The AMC will endeavour to forward the account statement within ten working days after every transaction. Investors are urged to preserve the Account Statement carefully.

#### d) NAV Information

The NAV will be computed on all working days (except in special circumstances as mentioned under the section titled as "NAV information"), published in 2 newspapers and updated on the websites of Sundaram BNP Paribas Asset Management ([www.sundarambnpparibas.in](http://www.sundarambnpparibas.in)) and the Association of Mutual Funds of India ([www.amfiindia.com](http://www.amfiindia.com))

Sundaram BNP Paribas Asset Management shall normally update the NAVs on the website of Association of Mutual Funds in India before 9.00 p.m. every working day. In case of any delay, the reasons for such delay would be explained to AMFI and SEBI by the next day. If the NAVs are not available before commencement of working hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs.

Further transparency will be maintained through half-yearly disclosure of established portfolio through newsletters.

The Board may suspend determination or publication of the NAV of the units during the existence of a state of emergency, or a breakdown in communications or in the event of suspension of trading on the Stock Exchanges and resultantly the NAV cannot be calculated.

#### e) Disclosure of information under the Regulations

The full annual report shall be available for inspection at the corporate office of the Mutual Fund and a copy thereof shall be made available to the unit holder on payment of Rs.10/-. The abridged Scheme-wise annual report

shall be mailed to all Unit holders not later than six months from the date of closure of the relevant accounting year. The scheme wise abridged annual reports are also displayed on the website of the mutual fund. The Mutual Fund and the AMC shall before expiry of one month from the close of each half year, i.e. March 31 and September 30, publish the unaudited financial results in one English newspaper circulating in the whole of India and in a Tamil newspaper published from Chennai. These shall also be displayed on the websites of the mutual fund and that of the Association of Mutual Funds in India (AMFI). Full portfolio in the prescribed format shall also be disclosed either by publishing it in the newspapers or by sending to the unit holders within one month from end of each half-year and it shall also be displayed on the web site of Sundaram BNP Paribas Mutual Fund. The Scheme shall publish, before expiry of one month from the close of each half year, that is on March 31 and September 30, its Scheme portfolio in the prescribed format as per SEBI Regulations in one national English daily newspaper and in a newspaper in the language of the region where the HO of the Mutual Fund is situated or send a copy to all the unit holders and it shall also be displayed on the web site of the Mutual Fund. The annual report containing the accounts of the AMC shall be displayed on the website of the AMC. Unit holders, if they so desire, may request for the annual report of the AMC.

#### f) Rights of Unit holders of the Scheme

- Unit holders of the Scheme have a proportionate right in the beneficial ownership of the assets of the Scheme and dividend if any declared by the Mutual Fund under the Scheme.
- When a dividend is declared under this Scheme, the dividend option unit holders are entitled to the despatch of the dividend warrant within 30 days from the date of declaration of dividend.
- Unit holders are entitled to the despatch of redemption or repurchase proceeds within 10 working days from the date of redemption or repurchase. If the payment is not made within the period stipulated in the regulations, unit holder shall be paid interest @ 15% p.a. for the delayed period.
- The Trustees is bound to make such disclosures to the unit holders as are essential in order to keep them informed about any information, known to the Board of Trustees, which may have an adverse bearing on their investments.
- The appointment of the AMC for the Scheme can be terminated by a majority of the Trustees or by three-fourths of the unit holders of the Scheme.
- Three-fourths of the unit holders can pass a resolution to wind up the Scheme.
- The unit holders have the right to inspect all the documents listed under "Documents Available for Inspection" stated elsewhere in this document.
- The Trustees shall obtain the consent of the unit holders:
  - o Whenever required to do so by SEBI, in the interest of the unit holders;
  - o Whenever required to do so on the requisition made by 75% of the unit holders of the Scheme;
  - o When the Board of Trustees decides to wind up or prematurely redeem the units of the Scheme;
  - o When any change in the fundamental attribute of this Scheme or the trust or fees and expenses payable or any other change which would modify the Scheme or affect the interest of the unit holders, is proposed to be carried out, no change shall be carried out unless
    - a. written communication about the proposed change is sent out to each unit holder and an advertisement is given in one English daily newspaper having nation wide circulation as well as in a newspaper published in the language of the region where the Head office of the mutual fund is situated; and
    - b. the unit holders are given an option to exit at the prevailing NAV without any exit load.

Note: For the purpose of this clause, Fundamental Attributes mean (a) Type of scheme, (b) Investment Objective and (c) Terms of this Scheme.

#### g) Procedure and Manner of Obtaining Investors Approval in Specified Circumstances

In circumstances requiring the approval of unit holders, the AMC shall be guided by the directions issued by SEBI and the Board of Trustees, under the Regulations, in regard to the manner of obtaining such approval. Further, those unit holders who have not given their consent or have not responded shall be allowed to redeem their holdings in full in the Scheme at any time at the NAV based price.

## h) Duration of the Scheme

The duration of the Scheme is 16 months from the date of allotment. However, in terms of the SEBI regulations, this scheme may be wound up earlier after repaying the amount due to the Unit holders:

- If on the happening of any event which, in the opinion of Trustees, requires this Scheme to be wound up; or
- If 75% of the unit holders of the Scheme pass a resolution that the Scheme be wound up; or
- SEBI so directs in the interest of the unit holders of the Scheme. When the Scheme is to be wound up, the Trustees shall give notice of the circumstances leading to its winding up:
  - a. To SEBI and
  - b. To the unit holders of the Scheme by publication in the newspapers as per prevailing guidelines.

On and from the date of the publications of the notice of winding up, the Board of Trustees or the AMC, as the case may be, shall:

- Cease to carry on any business activities in respect of the Scheme so wound up;
- Cease to create or cancel Units in the Scheme; and
- Cease to issue or redeem Units in the Scheme.

## i) Procedure and manner of Winding up

The Trustees shall call a meeting of the unit holders to approve by simple majority of the unit holders present and voting at the meeting for authorizing the Board of Trustees or any other person to take steps for the winding up of the Scheme. The Trustees or the person authorised above shall dispose of the assets of the Scheme concerned in the best interest of the unit holders of the Scheme. The proceeds of sale realised in pursuance of the above, shall be first utilised towards discharge of such liabilities as are due and payable under the Scheme, and after making appropriate provision for meeting the expenses connected with such winding up, the balance shall be paid to the unit holders in proportion to their respective interest in the assets of the Scheme, as on date the decision for winding up was taken.

On completion of the winding up, the Board of Trustees shall forward to SEBI and the unit holders a report on the winding up, detailing the circumstances leading to the winding up, the steps taken for disposal of the assets of the Scheme before winding up, net assets available for distribution to the unit holders and a certificate from the auditors of the Scheme. Notwithstanding anything contained herein above, the provisions of the SEBI Regulations in respect of disclosures of half-yearly reports shall continue to be applicable until winding up is completed or the Scheme ceases to exist. After receipt of the report referred to above, if SEBI is satisfied that all measures for winding up of the Scheme have been complied with, the Scheme shall cease to exist.

### Tax benefits of investing in a mutual fund

The information set out below outlines the tax implications with respect to the Unitholders of the Scheme and with respect to the Mutual Fund and is based on relevant provisions of the Indian Income Tax Act, 1961 and Wealth Tax Act, 1957 currently in force

Sundaram BNP Paribas does not make any representation on the procedures for ascertaining the tax implications nor do the fund make any representations regarding any legal interpretations. Since the information below is based on the relevant provisions currently in force, any subsequent changes in the relevant provisions could affect tax implications.

The following information is provided for general information purposes only. In view of the individual nature of tax implications, each investor is advised to consult his or her own tax adviser with respect to the specific tax implications arising out of his or her participation in the scheme.

#### A. For the Unitholders

- Income distributions from Mutual Fund would be tax free in the hands of the Unitholders as per the provisions of section 10(35) of the Income-tax Act, 1961 (the Act). The Scheme will pay Distribution tax @14.1625%, in the case of distributions to individuals and HUFs and @ 22.66% for distributions made to others. 'Money Market Mutual Fund' and 'Liquid Funds' are required to pay dividend distribution tax at the rate of 28.325%
- Under Section 2(29A) of the Act, read with section 2(42A) of the Act, a unit of a Mutual Fund is treated as a long term capital asset if it is held as a capital asset for more than 12 months. If the unit is held for 12 months or less, the same is treated as a short term capital asset.
- Long-term capital gains are taxable @20%. The capital gains will be computed by deducting the indexed cost of acquisition of the unit from the sale consideration. Further, the maximum tax payable on long term capital gains on such units is restricted to 10% of the capital gains calculated

without indexation of the cost of acquisition. In the case of an individual or HUF, (being a resident), where the total income as reduced by the long term capital gains is below the maximum amount not chargeable to tax (i.e. Rs.195,000 in case of senior citizens, Rs. 145,000 in case of women and Rs. 110,000 in case of all other individuals), the long term capital gains will be reduced to the extent of the shortfall and only the balance capital gains will be taxed at the rate specified above.

- Short-term capital gains are taxable at normal rates, applicable to the unit holder as per the provisions of the Income Tax Act. The capital gains will be computed by deducting the cost of acquisition from the sale consideration. The provisions related to minimum amount not chargeable to tax, would apply to such short-term capital gains
- The capital loss resulting from sale of units would be available for setting off against other capital gains made by the investor and would reduce the tax liability of the investor to that extent. However, losses on transfer of long term capital assets would be allowed to be set-off only against gains from transfer of long-term capital assets and the balance long-term capital loss shall be carried forward separately for a period of eight assessment years to be set off only against long-term capital gains.
- Where a person buys any units within a period of three months before the record date and sells such units within nine months after such date, the dividend income on such units being exempt from tax, then the capital loss, if any, on such sale to the extent of dividend income cannot be set off against other gains.
- Where a person buys units (original units) within a period of three months before the record date, receives bonus units on such original units, and then sells the original units within a period of nine months from the record date and continues to hold the bonus units, then the loss incurred on the original units shall not be allowed to be set off against other profits but shall be deemed to be the cost of the bonus units.
- In addition to income tax, surcharge on income tax will be payable depending on the Total Income at rates prescribed by the Finance Act 2007. Further, a cess of 3% is payable on the total tax (income tax and surcharge.)
- No deduction of tax at source shall be made from income credited or paid by a mutual fund to a unitholder.
- In case of resident unitholders, no tax is required to be deducted at source from capital gains arising at the time of repurchase or redemption of the units.
- As per circular no. 728 dated October 30, 1995 issued by the CBDT, in the case of a remittance to residents of a country with which a Double Tax Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. In order for the Unitholder to obtain the benefit of a lower rate available under a DTAA, the Unitholder will be required to provide the Mutual Fund with a certificate obtained from his Assessing Officer stating his eligibility for the lower rate.
- Mutual Fund units are exempt from Wealth Tax.

#### B. For the Mutual Fund

Sundaram BNP Paribas Mutual Fund registered with SEBI and as such is eligible for benefits under Section 10(23D) of the Act. Accordingly, its entire income is exempt from tax. The Mutual Fund will receive all income without any deduction of tax at source under the provisions of Section 196(iv) of the Act.

#### Gift Tax

Units of the Mutual Fund may be given as a gift and no gift tax will be payable either by the donor or the donee.

#### Other Benefits

Units of the schemes are an eligible mode of investment in terms of the pattern of investment prescribed under the Income Tax Act for the following entities

- Charitable Trusts
- Scientific Research Associations
- Institutions/Associations/Boards for regulating games/sports, and
- Employee Welfare Trusts

### PART VI

#### Other Matters

#### 1. Investments in Group Companies

Sundaram BNP Paribas Mutual Fund, under all its Schemes, has no investment in the Group companies of the sponsor. The AMC does not have a separate policy for investment in securities of the group companies. Any such investments will be made on pure commercial consideration for the benefits of

the Mutual Fund and as per Regulations. As per current regulations, no investment will be made in any unlisted securities of an associate or group company of the sponsor and in any securities issued by way of private placement by an associate or group company of the sponsor. Further, no investment shall be made in listed securities of group companies of the sponsor in excess of 25% of the net assets of the Scheme.

## 2. Investor Grievances Redressal Mechanism

Service requests and grievances, if any, from the investors are received at the corporate office of the AMC or its investor service centres or by its registrars. The service requests, complaints or grievances are closely followed up with the Registrar to ensure timely redressal and prompt investor service. Given below is a summary of all such service requests/complaints/grievances received from the unit holders of the schemes of Sundaram BNP Paribas Mutual Fund up to September 30, 2007

### Summary of service requests/complaints/grievances received and redressed:

| Slno. | Scheme  | 2005-06 | 2006 - 07 | 01.04.07<br>30.09.07 |
|-------|---|---------|-----------|----------------------|
| 1     | Sundaram BNP Paribas Growth Fund                        | 5,956   | 7,719     | 3,045                |
| 2     | Sundaram BNP Paribas Bond Saver                         | 8,460   | 4,481     | 1,592                |
| 3     | Sundaram BNP Paribas Tax Saver '98                      | 122     | 403       | 14                   |
| 4     | Sundaram BNP Paribas Tax Saver OE                       | 8,108   | 23,076    | 12,862               |
| 5     | Sundaram BNP Paribas Money Fund                         | 1,486   | 981       | 454                  |
| 6     | Sundaram BNP Paribas Balanced Fund                      | 5,334   | 3,037     | 1,459                |
| 7     | Sundaram BNP Paribas Gilt Fund                          | 337     | 73        | 194                  |
| 8     | Sundaram BNP Paribas Select Focus                       | 3,828   | 13,715    | 6,906                |
| 9     | Sundaram BNP Paribas Select Midcap                      | 15,572  | 79,846    | 47,608               |
| 10    | Sundaram BNP Paribas Income Plus                        | 1,229   | 673       | 280                  |
| 11    | Sundaram BNP Paribas Select Debt                        | 712     | 804       | 125                  |
| 12    | Sundaram BNP Paribas Monthly Income Plan                | 3,025   | 2,399     | 761                  |
| 13    | Sundaram BNP Paribas India Leadership Fund              | 8,860   | 15,891    | 5,894                |
| 14    | Sundaram BNP Paribas Floating Rate Fund                 | 842     | 2,366     | 740                  |
| 15    | Sundaram BNP Paribas SMILE Fund                         | 14,990  | 9,213     | 3,881                |
| 16    | Sundaram BNP Paribas CAPEX Opportunities Fund           | 8,905   | 26,878    | 12,338               |
| 17    | Sundaram BNP Paribas Rural India Fund                   | -       | 29,689    | 11,781               |
| 18    | Sundaram BNP Paribas Liquid Plus                        | -       | -         | 261                  |
| 19    | Sundaram BNP Paribas Value Plus                         | 13      | 13        | 8                    |
| 20    | Sundaram BNP Paribas Fixed Term Plan                    | -       | -         | 420                  |
| 21    | Sundaram BNP Paribas Equity Multiplier Fund             | -       | -         | 1,342                |
| 22    | Sundaram BNP Paribas Select Smallcap                    | -       | -         | 1,089                |
| 23    | Sundaram BNP Paribas Capital Protection Oriented Scheme | -       | -         | 37                   |
| 24    | Sundaram BNP Paribas Global Advantage Fund              | -       | -         | 1,032                |

#### Note

There were 46 pending request/ grievance/complaint as on September 30, 2007 which were subsequently resolved

Balanced Fund - 1  
Bond Saver - 7  
Select Focus - 1  
Growth Fund - 4  
Select Midcap - 8  
Tax Saver Open Ended - 4  
Global - 1  
SMILE Fund - 2  
India Leadership - 2  
CAPEX Opportunities - 8  
Rural India Fund - 7  
Liquid Plus - 1  
Capital Protection - 1

There were 22 Complaints received from SEBI from April 1, 2007 to September 30, 2007 which were subsequently resolved.

## 3. Associate Transactions

### a. Underwriting obligations with respect to issues of Group/Associate Companies

The Sundaram Mutual Fund, under all its Schemes, has till date not entered into any underwriting contracts in respect of any public issue made by any group/ associate company of the Sponsor.

### b. Subscription to issues lead managed by Group/Associate Companies

No Schemes of Sundaram Mutual Fund have till date invested in any public issue lead managed by any group/associate company of the Sponsor.

### c. Dealings with Group/Associate Companies

The AMC from time to time, for the purpose of conducting its normal business, uses the services of the Sponsor and the subsidiaries and other associates of the Sponsor, namely, Sundaram Finance Distribution Limited. The AMC may utilize the services of these group companies and any other subsidiary or associate company of the Sponsor that may be established later in case such an associate company is capable of providing the requisite services to the AMC. The AMC will conduct its business with such companies on commercial terms and on arms-length basis and at the prevailing market prices to the extent permitted under the applicable laws including the Regulations, after an evaluation of the competitiveness of the pricing offered by the associate companies and services to be provided by them. In terms of SEBI Regulations, the Mutual Fund shall disclose at the time of declaring half-yearly and yearly results:

- any underwriting obligations undertaken by the schemes of the mutual fund with respect to issue of securities of associate companies;
- devolvement, if any;
- subscription by the schemes in the issues lead managed by associate companies;
- subscription to any issue of equity or debt on private placement basis where the sponsor or its associate companies have acted as arranger or manager.

### Information on Payments to Sundaram Finance group companies towards brokerage for sale of units is given below

#### Associate Brokerage paid

| Scheme Name  | 2004-05 | 2005-06 | 2006 - 07 | 01.04.07<br>30.09.07 |
|--|---------|---------|-----------|----------------------|
| Sundaram BNP Paribas Growth Fund                                   | 7.33    | 7.38    | 15.32     | 4.93                 |
| Sundaram BNP Paribas Select Focus                                  | 3.55    | 2.93    | 22.34     | 8.68                 |
| Sundaram BNP Paribas Select Midcap                                 | 13.53   | 12.75   | 50.6      | 15.68                |
| Sundaram BNP Paribas Tax Saver (OE)                                | 0.9     | 10.55   | 20.85     | 4.54                 |
| Sundaram BNP Paribas Balanced Fund                                 | 1.2     | 1.17    | 1.04      | 0.50                 |
| Sundaram BNP Paribas India Leadership Fund                         | 14.19   | 21.14   | 21.54     | 5.62                 |
| Sundaram BNP Paribas s.m.l.i.e. Fund                               | 21.08   | 23.9    | 9.82      | 3.06                 |
| Sundaram BNP Paribas Capex Opportunities Fund                      | -       | 89.1    | 43.45     | 14.67                |
| Sundaram BNP Paribas Bond Saver                                    | 10.92   | 3.7     | 1.21      | 0.62                 |
| Sundaram BNP Paribas Money Fund                                    | 7.4     | 2.84    | 8.79      | 1.21                 |
| Sundaram BNP Paribas Income Plus                                   | 1.53    | 0.67    | 0.67      | 0.22                 |
| Sundaram BNP Paribas Gilt Fund                                     | 0.07    | 0.01    | 0.086     | 0.01                 |
| Sundaram BNP Paribas Select Debt                                   | 0.9     | 0.07    | 0.022     | 0.00                 |
| Sundaram BNP Paribas Monthly Income Plan                           | 6.03    | 1.96    | 1.07      | 0.36                 |
| Sundaram BNP Paribas Floating Rate Fund - STP                      | 0.95    | 3.84    | 2.44      | 2.50                 |
| Sundaram BNP Paribas Floating Rate Fund - LTP                      | 0.69    | 1.29    | 0.541     | 0.01                 |
| Sundaram BNP Paribas Value Plus                                    | -       | 0.2     | 0.09      | 0.03                 |
| Sundaram BNP Paribas Fixed Term Plan                               | -       | 0.05    | 4.87      | 0.81                 |
| Sundaram BNP Paribas Rural India Fund                              | -       | -       | 153.81    | 8.54                 |
| Sundaram BNP Paribas Select SmallCap                               | -       | -       | 27        | 0.07                 |
| Sundaram BNP Paribas Equity Multiplier Fund                        | -       | -       | 38.14     | 3.02                 |
| Sundaram BNP Paribas Liquid Plus                                   | -       | -       | -         | 1.63                 |
| Sundaram BNP Paribas Fixed Income Interval Fund - Quarterly Series | -       | -       | -         | 0.01                 |
| Sundaram BNP Paribas Global Advantage                              | -       | -       | -         | 21.67                |
| Sundaram BNP Paribas Capital Protection Oriented Fund              | -       | -       | -         | 3.66                 |

### 4. Investments made in companies which have invested more than 5% of the net asset value of the schemes of Sundaram BNP Paribas Mutual Fund

| Company Name          | Scheme  | Investments made by the Scheme |                     | Holdings as on 30.09.07<br>Market Value<br>Rs. in Lakhs |
|-----------------------|---|--------------------------------|---------------------|---|
|                       |   | Scheme                         | Cost (Rs. In Lakhs) |   |
| AIA Engineering Ltd   | Sundaram BNP Paribas Fixed Term Plan - XXXI                       | CAPEX G                        | 17.94               | -   |
|                       |   | SILF                           | 105.55              | -   |
|                       |   | SRURAL                         | 910.22              | 719.62  |
|                       |   | SFOCUS                         | 7.92                | -   |
| Allahabad Bank        | Sundaram BNP Paribas Floating Rate Fund - Short Term Plan         | SUNGRO                         | 9.59                | -   |
|                       |   | LIQ+                           | 4,660.01            | 4,802.82  |
|                       |   | SMON                           | 17,889.67           | 1,640.62  |
|                       |   | SFTPI7                         | 1,468.87            | -   |
| Bank of Baroda        | Sundaram BNP Paribas Money Fund                                   | SUNGRO                         | 615.06              | -   |
|                       |   | SUNBAL                         | 104.38              | -   |
|                       |   | MIDCAP                         | 3,155.17            | -   |
|                       |   | SUNMIP                         | 27.59               | -   |
|                       |   | SMILE                          | 58.03               | -   |
|                       |   | TAX 98                         | 3.78                | -   |
|                       |   | SUNTAX                         | 6.25                | -   |
|                       |   | STAX                           | 158.25              | -   |
| Bank of India         | Sundaram BNP Paribas Money Fund                                   | SUNGRO                         | 510.73              | -   |
|                       |   | SILF                           | 792.99              | -   |
|                       |   | MIDCAP                         | 2,211.17            | -   |
|                       |   | SRURAL                         | 543.37              | -   |
|                       |   | SMILE                          | 1,259.67            | 276.90  |
| Exim Bank             | Sundaram BNP Paribas Money Fund                                   | SUNBDS                         | 986.49              | 502.76  |
|                       |   | SF3671                         | 502.78              | -   |
|                       |   | SLIQ+                          | 2,298.30            | -   |
|                       |   | SMON                           | 3,332.64            | -   |
| Grasim Industries Ltd | Sundaram BNP Paribas Liquid Plus<br>Sundaram BNP Paribas FTP XXXV | SUNGRO                         | 850.09              | 908.13  |
|                       |   | SUNBAL                         | 53.56               | 188.72  |
|                       |   | Capex G                        | 46.00               | -   |
|                       |   | Capex D                        | 70.76               | -   |
|                       |   | Equity Multiplier              | 3,852.48            | 4,540.67  |
|                       |   | SILF                           | 1,131.74            | 653.06  |
|                       |   | SUNMIP                         | 77.50               | 25.83   |
|                       |   | SRURAL                         | 2,647.39            | -   |
|                       |   | SFOCUS                         | 1,705.57            | 2,040.48  |
|                       |   | SMILE                          | 491.62              | 210.66  |
|                       |   | SUNTAX                         | 2.36                | -   |
| STAX                  | 647.19  | 1,119.53                       |                     |   |
| SMON                  | 7,500.00  | -                              |                     |   |

|                         |  |                                      |   |           |
|-------------------------|--|--------------------------------------|---|-----------|
| HDFC Bank Ltd           | Sundaram BNP Paribas Money Fund  | SMON                                 | 3,883.00  | -         |
|                         |  | SLIQ+                                | 986.91  | -         |
|                         |  | Value+                               | 3.22  | -         |
|                         |  | SRURAL                               | 516.87  | -         |
|                         |  | SFRSTP                               | 996.63  | -         |
| Hindalco Industries Ltd | Sundaram BNP Paribas Liquid Plus<br>Sundaram BNP Paribas Fixed Term XXIV   | STAX                                 | 401.47  | -         |
|                         |  | SUNBAL                               | 45.97   | -         |
|                         |  | Equity Multiplier                    | 2,232.76  | -         |
|                         |  | SUNGRO                               | 321.89  | -         |
|                         |  | SILF                                 | 546.06  | -         |
|                         |  | SRURAL                               | 1,340.25  | -         |
|                         |  | SFOCUS                               | 187.92  | -         |
|                         |  | SMILE                                | 123.38  | -         |
| ICICI Bank Ltd          | Sundaram BNP Paribas Money Fund<br>Sundaram BNP Paribas Money Fund<br>Sundaram BNP Paribas Money Fund<br>Sundaram BNP Paribas Money Fund | SMON                                 | 58,148.08   | 3,977.12  |
|                         |  | Liq+                                 | 34,725.73   | 23,598.60 |
|                         |  | SFRSTP                               | 5,610.21  | 1,896.40  |
|                         |  | SFTP21                               | 915.76  | -         |
|                         |  | SFTP23                               | 3,905.15  | -         |
|                         |  | SFTP24                               | 2,925.35  | -         |
|                         |  | SFTP26                               | 18,798.34   | -         |
|                         |  | SFTP28                               | 1,822.54  | -         |
|                         |  | SRURAL                               | 2,794.29  | -         |
|                         |  | SFTP22                               | 486.41  | -         |
|                         |  | SFTP17                               | 4,899.79  | -         |
|                         |  | SFTP6                                | 4,367.81  | -         |
|                         |  | SFTP7                                | 923.98  | -         |
|                         |  | SUNBAL                               | 151.95  | 283.66    |
|                         |  | Equity Multiplier                    | 3,186.34  | 1,822.48  |
|                         |  | SUNGRO                               | 742.66  | 300.77    |
|                         |  | SILF                                 | 376.63  | -         |
|                         |  | SUNMIP                               | 34.57   | -         |
|                         |  | SRURAL                               | 4,985.88  | 956.106   |
|                         |  | SFOCUS                               | 1,853.40  | 1,142.96  |
| SMILE                   | 608.20   | -                                    |   |           |
| STAX                    | 882.02   | 1,018.08                             |   |           |
| Indian Bank             | Sundaram BNP Paribas Money Fund<br>Sundaram BNP Paribas Money Fund   | SunVal                               | 3.13  | -         |
|                         |  | Sunbal                               | 29.52   | 51.71     |
|                         |  | Midcap                               | 1,347.95  | 1,279.20  |
|                         |  | STAX                                 | 227.74  | 398.57    |
|                         |  | SLIQ+                                | 7,365.15  | -         |
|                         |  | SMON                                 | 4,929.48  | -         |
|                         |  | Capex D                              | 67.00   | -         |
|                         |  | Capex G                              | 46.44   | -         |
|                         |  | Equity Multiplier                    | 93.04   | -         |
|                         |  | SUNMIP                               | 1.73  | -         |
|                         |  | SRURAL                               | 163.19  | -         |
|                         |  | SFOCUS                               | 50.94   | -         |
|                         |  | SMALLCAP                             | 51.25   | -         |
|                         |  | Industrial Development Bank of India | Sundaram BNP Paribas Money Fund<br>Sundaram BNP Paribas Money Fund<br>Sundaram BNP Paribas Money Fund<br>Sundaram BNP Paribas Money Fund<br>Sundaram BNP Paribas Money Fund | Midcap    |
| Equity Multiplier       | 586.37   |                                      |   | -         |
| SRURAL                  | 1,726.70   |                                      |   | -         |
| SMILE                   | 672.38   |                                      |   | 782.25    |
| Value+                  | 6.00   |                                      |   | -         |
| SMON                    | 22,466.97  |                                      |   | 8,207.46  |
| SLIQ+                   | 12,357.76  |                                      |   | 11,196.24 |
| SFTP 26                 | 2,715.34   |                                      |   | -         |
| SFRSTP                  | 468.00   |                                      |   | 2,262.26  |
| DEBTST                  | 488.97   |                                      |   | -         |
| CPOSR3                  | 13.98  |                                      |   | -         |
| CPOSR5                  | 8.81   |                                      |   | -         |
| SFOCUS                  | 1,020.78   |                                      |   | 942.45    |
| SFTP34                  | 2,438.97   |                                      |   | -         |
| SUNMIP                  | 19.13  | 19.18                                |   |           |
| ITC Ltd                 | Sundaram BNP Paribas Money Fund<br><br>Sundaram BNP Paribas Liquid Plus<br>Sundaram BNP Paribas Liquid Plus                              | SUNBAL                               | 49.31   | -         |
|                         |  | Capex D                              | 117.37  | -         |
|                         |  | Capex G                              | 91.39   | -         |
|                         |  | Equity Multiplier                    | 571.57  | -         |
|                         |  | SUNGRO                               | 533.53  | -         |
|                         |  | SILF                                 | 477.74  | 165.25    |
|                         |  | SRURAL                               | 3,229.11  | 379.60    |
|                         |  | SFOCUS                               | 995.40  | -         |
|                         |  | SMILE                                | 156.15  | -         |
|                         |  | SUNTAX                               | 3.89  | -         |
| STAX                    | 278.89   | 325.51                               |   |           |

|  |  |                              |                                 |          |           |   |
|--|--|------------------------------|---------------------------------|----------|-----------|---|
| Infrastructure Development Finance Ltd | Sundaram BNP Paribas Money Fund<br>Sundaram BNP Paribas Money Fund   | Capex D                      | 77.93                           | -        |           |   |
|  |  | Capex G                      | 50.63                           | -        |           |   |
|  |  | Equity Multiplier            | 1,895.19                        | -        |           |   |
|  |  | MIDCAP                       | 550.89                          | -        |           |   |
|  |  | SRURAL                       | 223.22                          | -        |           |   |
|  |  | SFOCUS                       | 669.70                          | -        |           |   |
|  |  | SMILE                        | 532.34                          | -        |           |   |
|  |  | STAX                         | 486.97                          | -        |           |   |
|  |  | Jammu & Kashmir Bank Limited | Sundaram BNP Paribas Money Fund | SMON     | 28,390.37 | - |
|  |  |                              |                                 | SFTP17   | 4,895.91  | - |
| SFTP24                                 | 1,948.82   |                              |                                 | -        |           |   |
| SFTP22                                 | 3,906.46   |                              |                                 | -        |           |   |
| Mahindra & Mahindra Ltd                | Sundaram BNP Paribas Liquid Plus<br>Sundaram BNP Paribas Floating Rate - STP<br>Sundaram BNP Paribas Floating Rate - STP | SUNBAL                       | 120.34                          | 298.78   |           |   |
|  |  | CAPEX D                      | 44.27                           | -        |           |   |
|  |  | CAPEX G                      | 48.32                           | -        |           |   |
|  |  | SUNGRO                       | 392.02                          | 176.72   |           |   |
|  |  | SILF                         | 519.02                          | 2,112.82 |           |   |
|  |  | SUNMIP                       | 50.18                           | -        |           |   |
|  |  | SRURAL                       | 4,354.96                        | -        |           |   |
|  |  | SFOCUS                       | 2,148.27                        | 355.70   |           |   |
|  |  | SMILE                        | 446.18                          | -        |           |   |
|  |  | SLIQ+                        | 1,002.87                        | -        |           |   |
| Maruti Udyog Ltd                       | Sundaram BNP Paribas Liquid Plus   | Equity Multiplier            | 2,345.11                        | 2,956.30 |           |   |
|  |  | SUNGROW                      | 430.51                          | 134.56   |           |   |
|  |  | SILF                         | 448.98                          | 217.23   |           |   |
|  |  | SRURAL                       | 5,820.50                        | 1,963.26 |           |   |
|  |  | SFOCUS                       | 1,949.61                        | 542.32   |           |   |
|  |  | SMILE                        | 367.01                          | -        |           |   |
| Reliance Petroleum Limited             | Sundaram BNP Paribas Fixed Term Plan XXXV  | SFOCUS                       | 1,544.70                        | 748.44   |           |   |
|  |  | SILF                         | 789.89                          | 188.22   |           |   |
|  |  | SMILE                        | 189.97                          | -        |           |   |
|  |  | SRURAL                       | 1,352.50                        | -        |           |   |
|  |  | Equity Multiplier            | 593.69                          | -        |           |   |
| Shobha Developers Limited              | Sundaram BNP Paribas Liquid Plus   | SUNBAL                       | 2.47                            | -        |           |   |
|  |  | Capex D                      | 29.35                           | -        |           |   |
|  |  | Capex G                      | 19.56                           | -        |           |   |
|  |  | SUNGRO                       | 12.41                           | -        |           |   |
|  |  | SILF                         | 24.06                           | -        |           |   |
|  |  | MIDCAP                       | 127.50                          | -        |           |   |
|  |  | SUNMIP                       | 0.85                            | -        |           |   |
|  |  | SRURAL                       | 83.93                           | -        |           |   |
|  |  | SFOCUS                       | 16.60                           | -        |           |   |
|  |  | SMILE                        | 17.55                           | -        |           |   |
| TAX OE                                 | 8.02   | -                            |                                 |          |           |   |
| Value +                                | 0.06   | -                            |                                 |          |           |   |
| State Bank of Hyderabad                | Sundaram BNP Paribas Money Fund  | SMON                         | 7,161.09                        | -        |           |   |
|  |  | SLIQ+                        | 4,765.97                        | 9,553.32 |           |   |
| Tata Chemicals Limited                 | Sundaram BNP Paribas Liquid Plus<br>Sundaram BNP Paribas FTP XXIX<br>Sundaram BNP Paribas FTP XXXV                       | Equity Multiplier            | 566.45                          | -        |           |   |
|  |  | MIDCAP                       | 3,490.20                        | -        |           |   |
|  |  | SRURAL                       | 1,281.56                        | -        |           |   |
|  |  | SMILE                        | 138.97                          | -        |           |   |
|  |  | STAX                         | 192.26                          | -        |           |   |
| Tata Consultancy Limited               | Sundaram BNP Paribas Liquid Plus<br>Sundaram BNP Paribas Liquid Plus   | SUNBAL                       | 43.24                           | -        |           |   |
|  |  | CAPEX D                      | 70.58                           | -        |           |   |
|  |  | CAPEX G                      | 48.23                           | -        |           |   |
|  |  | Equity Multiplier            | 458.25                          | -        |           |   |
|  |  | SUNGRO                       | 464.51                          | -        |           |   |
|  |  | SILF                         | 641.31                          | -        |           |   |
|  |  | SRURAL                       | 1,505.27                        | 1,284.20 |           |   |
|  |  | SFOCUS                       | 1,664.33                        | -        |           |   |
|  |  | SMILE                        | 467.61                          | -        |           |   |
| STAX                                   | 415.13   | 223.99                       |                                 |          |           |   |
| Tata Motors                            | Sundaram BNP Paribas Money Fund  | SFOCUS                       | 1,147.39                        | 407.48   |           |   |
|  |  | SILF                         | 334.24                          | 220.25   |           |   |
|  |  | SRURAL                       | 2,511.31                        | 1,165.35 |           |   |
|  |  | SUNGRO                       | 206.15                          | 182.57   |           |   |
|  |  | SLIQ+                        | 11,999.17                       | -        |           |   |
|  |  | SUNBAL                       | 100.32                          | -        |           |   |
|  |  | Capex D                      | 80.34                           | -        |           |   |
| CapexG                                 | 65.29  | -                            |                                 |          |           |   |
| Equity Multiplier                      | 1,705.73   | 1,757.15                     |                                 |          |           |   |
| TAX OE                                 | 752.91   | 620.17                       |                                 |          |           |   |
| UCO Bank                               | Sundaram BNP Paribas Money Fund<br>Sundaram BNP Paribas Floating Rate - STP<br>Sundaram BNP Paribas Money Fund           | SMON                         | 19,869.32                       | -        |           |   |
|  |  | SFTP35                       | 2,450.41                        | -        |           |   |
|  |  | SLIQ+                        | 10,231.81                       | -        |           |   |
|  |  | SFTP22                       | 2,416.53                        | -        |           |   |
| SFRSTP                                 | 991.99   | -                            |                                 |          |           |   |

|                     |   |              |  |          |
|---------------------|---|--------------|--|----------|
| Union Bank of India | Sundaram BNP Paribas Money Fund           | SFRSTP       | 498.76                                   | -        |
|                     |   | SLIQ+        | 12,516.80                                | -        |
|                     |   | MIDCAP       | 5,668.32                                 | 5,063.85 |
|                     |   | SILF         | 307.18                                   | 325.88   |
|                     |   | SMILE        | 249.70                                   | 261.36   |
|                     |   | SRURAL       | 1,438.37                                 | 490.05   |
|                     |   | SUNGRO       | 188.66                                   | -        |
|                     |   | SMON         | 16,465.95                                | -        |
|                     |   | Value +      | 1.78                                     | -        |
|                     |   | UTI Bank Ltd | Sundaram BNP Paribas Floating Rate - STP | SMON     |
|                     |   | SLIQ+        | 1,467.95                                 | -        |
|                     |   | SFTSTP       | 472.02                                   | -        |
|                     |   | TAX Saver    | 339.16                                   | -        |
|                     |   | SUNGRO       | 199.54                                   | -        |
| WIPRO               | Sundaram BNP Paribas Fixed Term Plan XXIX | SUNBAL       | 15.52                                    | -        |
|                     |   | SUNGRO       | 95.48                                    | -        |
|                     |   | SILF         | 265.12                                   | -        |
|                     |   | SMILE        | 100.34                                   | -        |
|                     |   | STAX         | 188.44                                   | -        |
|                     |   |              |  |          |

SUNGRO-Sundaram BNP Paribas Growth Fund

SFRF-STP-Sundaram BNP Paribas Floating Rate Fund-Short Term Plan

SUNBAL-Sundaram BNP Paribas Balanced Fund

SCILT-Sundaram BNP Paribas Gilt Fund

STAX-Sundaram BNP Paribas Tax saver Open-ended

SUNTAY-Sundaram BNP Paribas Tax saver 97

MIDCAP-Sundaram BNP Paribas Midcap

DEBT ST-Sundaram BNP Paribas Select Debt Short Term Asset Plan

SILF-Sundaram BNP Paribas India Leadership Fund

FTP-Sundaram BNP Paribas Fixed Term Plan

CAPEXG-Sundaram BNP Paribas Capex Opportunities Fund - Growth

SMILE-Sundaram BNP Paribas Small and Medium Indian Leading Equities Fund"

SUNBDS-Sundaram BNP Paribas Bond Saver

SMON-Sundaram BNP Paribas Money Fund

SFRF-LTP-Sundaram BNP Paribas Floating Rate Fund-Long Term Plan

SUNIP-Sundaram BNP Paribas Income Plus

SFOCUS-Sundaram BNP Paribas Select Focus

TAX98-Sundaram BNP Paribas Tax saver 98

SUNMIP-Sundaram BNP Paribas Monthly Income Plan

DEBT DA-Sundaram BNP Paribas Select Debt Dynamic Asset Plan

SUNVAL-Sundaram BNP Paribas Value Plus

CAPEXD-Sundaram BNP Paribas Capex Opportunities Fund - Dividend

The investment made in the schemes keeping in view of the fundamentals and long term prospects of the company

## 5. Borrowing by the Mutual Fund

The Mutual Fund has not resorted to any borrowings till date. However, the Scheme shall have powers to borrow to meet temporary liquidity needs for the purpose of repurchase, redemption of units, or payment of interest or dividend to the Unitholders as permitted under the SEBI Regulations. Further, as per SEBI Regulations, the Scheme shall not borrow more than 20% of the Net Assets and the duration of such borrowing shall not exceed six months. The Scheme under such circumstances may borrow from any body corporate or a bank or from any other person at the prevailing interest rates. The Scheme may decide to offer such collateral security as may be necessary under the circumstances. This may result in a reduction in the overall portfolio returns during the currency of the borrowing in case the cost of borrowing is higher than the portfolio rate of return.

## 6. Inter- Scheme Transfers

A transfer of traded securities from one scheme to another scheme of the Mutual Fund can be effected at the prevailing market prices on spot basis. In the case of any security not traded on a stock exchange, the transfer can be effected on fair valuation basis to be arrived by the AMC. Such transfers would be done in conformity with the objectives of the Schemes and SEBI Regulations.

## 7. Inter-Scheme Investments

This Scheme may invest in any other scheme having similar investment objective under the same Asset Management Company or any other mutual fund without charging any fees, provided that the aggregate inter-scheme investments made by all schemes under the same management or in schemes under the management of any other Asset Management Company shall not exceed 5% of the Net Asset Value of the investing Mutual Fund. Such investments shall be made from time to time on the merits of the proposal. As and when any changes are made to SEBI Regulations with respect to the aforesaid percentage or charging of fees with respect to such inter-scheme investments, the same will apply.

## 8. Investment by the AMC

Value of the Investments held by the AMC in the schemes of Sundaram BNP Paribas Mutual Fund as on 30.09.2007 is given in the following table:

| Scheme Name   | Value as on 30.09.2007 (Rs. in Lakhs) |
|---|---------------------------------------|
| Sundaram BNP Paribas Select Midcap (D)                  | 23.7                                  |
| Sundaram BNP Paribas Growth Fund (D)                    | 50                                    |
| Sundaram BNP Paribas Fixed Term Plan                    | 195                                   |
| Sundaram BNP Paribas Money Fund                         | 0.03                                  |
| Sundaram BNP Paribas Liquid Plus                        | 251.4                                 |
| Sundaram BNP Paribas Capital Protection Oriented Scheme | 65                                    |
| <b>Total</b>  | <b>585.13</b>                         |

The AMC may invest in the Scheme depending upon its cash flows and investment opportunities. In such an event, the AMC will not charge management fees on its investment for the period the it is retained in the Scheme.

The investment by the AMC shall not exceed 25% of the net assets of the Scheme on the date of investment.

## 9. Dividends and Distributions

The Board of Trustees may decide and declare a dividend. However, it must be distinctly understood that the actual declaration of dividends under the Scheme and the frequency thereof will, inter alia, depend upon the disposable surplus of the Scheme and applicable SEBI Guidelines.. The decision of the Board of Trustees in this regard shall be final. The dividend that may be paid out of the net surplus of the Scheme will be paid only to those Unit holders whose names appear in the register of Unit holders on the notified record date.

## 10. Penalties & Pending Litigations

- No penalties have been awarded by SEBI under the SEBI Act or any of its Regulations against the sponsor of the Mutual Fund or any company associated with the sponsor in any capacity including the AMC, Trustees or any of the directors or any key personnel (specifically the fund managers) of the AMC and Trustees. No penalties have been awarded on the Sponsor and its associates by any financial regulatory body, including stock exchanges, for defaults in respect of shareholders, debenture holders and depositors. No penalties have been awarded for any economic offence and violation of any securities laws.
- There are no pending material litigation proceedings incidental to the business of the Mutual Fund to which the sponsor of the Mutual Fund or any company associated with the sponsor in any capacity including the AMC, Trustees or any of the directors or key personnel of the AMC is a party. Further, there are no pending criminal cases against the Sponsor or any company associated with the sponsor in any capacity including the AMC, Trustees or any of the directors or key personnel.
- There is no deficiency in the systems and operations of the sponsor of the Mutual Fund or any company associated with the sponsor in any capacity, including the AMC which SEBI has specifically advised to be disclosed in the Offer Document, or which has been notified by any other regulatory agency.
- There are no enquiries or adjudication proceedings under the SEBI Act and the Regulations made thereunder, which are in progress against any company associated with the sponsor in any capacity including the AMC, Trustees or any directors or key personnel of the AMC.

## 11. Documents available for Inspection

The following documents are available for inspection to the Unitholders at the Corporate Office of Sundaram BNP Paribas Asset Management Company Limited at Chennai during business hours. :

- Trust Deed of Sundaram BNP Paribas Mutual Fund
- Copy of the Registration Certificate
- Investment Management Agreement
- Memorandum and Articles of Association of Sundaram BNP Paribas

## Asset Management Company Limited

- Custodian Agreement
- Letter of Appointment of the Registrar
- SEBI (Mutual Funds) Regulations, 1996
- Indian Trusts Act, 1882
- The Companies Act, 1956

## 12. APPROVAL BY THE BOARD OF TRUSTEES

The original Offer Document was approved by the Board of Trustees of Sundaram BNP Paribas Mutual Fund vide resolution dated 07/03/2006. Notwithstanding anything contained in the offer document the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the Guidelines thereunder shall be applicable.

For and on behalf of the Board of Directors of Sundaram BNP Paribas Asset Management Company Limited

**T P Raman**  
Managing Director

Date : 20/11/2007

Place : Chennai

# Sundaram BNP Paribas Fixed Term Plan-16 Months

Serial No. **SBNPPFTP-16 MTS**



**SUNDARAM BNP PARIBAS**  
MUTUAL

| BROKER/AGENT NAME & CODE | SUB-BROKER'S NAME & CODE | COLLECTING CENTRE | DATE & TIME OF RECEIPT | REGISTRAR'S SERIAL NO. |
|--------------------------|--------------------------|-------------------|------------------------|------------------------|
|                          | 1.<br>2.                 | STAMP & SIGN      |                        |                        |

## 1. Existing Unit holder

a. Are you making a purchase into an existing folio? (Please ✓)  Yes  No. Folio Number  
(If yes, Please note that investment details and mode of holding will be as per existing folio number. • If you have provided a Folio Number please fill in only Section 2a and then proceed to Section 4.)

## 2. Unit holder Information (Write in block letters. Leave space between words)

a. Full Name of First/Sole Applicant (as it appears in your bank account) \_\_\_\_\_ Salutation  Mr.  Ms.  Dr.  Prof

PAN No. \_\_\_\_\_ Date of Birth \_\_\_\_\_

Full Name of  Father  Husband  Guardian (in the case of minor)  Contact person (in the case of Corporate) please tick the applicable \_\_\_\_\_ Salutation  Mr.  Ms.  Dr.  Prof

Full Name of Second Applicant \_\_\_\_\_ Salutation  Mr.  Ms.  Dr.  Prof

PAN No. \_\_\_\_\_

Full Name of Third Applicant \_\_\_\_\_ Salutation  Mr.  Ms.  Dr.  Prof

PAN No. \_\_\_\_\_ As per SEBI regulations, copy of PAN/Acknowledgement of Form 49A shall be provided irrespective of the purchase amount. For details please see Section-7 of Instructions

b. Mode of Holding  Single  Joint  Anyone or Survivor (default option – anyone or survivor)

c. Mailing Address  Home  Office (P.O.Box Address is not sufficient)

\_\_\_\_\_

Location \_\_\_\_\_ PIN \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ Country \_\_\_\_\_

d. Mailing Address  Home  Office (Overseas address in case of NRIs/FIIs)

\_\_\_\_\_

Location \_\_\_\_\_ PIN \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ Country \_\_\_\_\_

e. Contact Particulars

Tel: Office \_\_\_\_\_ Residence \_\_\_\_\_

Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Contact Person's Name.....(for non-individuals)

f. Are you applying as  Individual  Partnership  Public Ltd. Co.  On behalf of Minor  HUF  Proprietorship

Trust  Pvt. Ltd. Co.  Society  NRI  Repatriation  Non-Repatriation  Others \_\_\_\_\_

g. Do you want a PIN assigned to you? (This PIN will allow you access to your account via the internet)  Yes  No

h. Do you want the account statement  Through e-mail  Post



**SUNDARAM BNP PARIBAS** Second Floor, 46 Whites Road,  
MUTUAL Chennai - 600 014  
Ph : (044) 28583362, 28583367, 28585606

Acknowledgement

Serial No. **SBNPPFTP-16 MTS**

Received From Mr./Mrs./Ms. ....

Address .....

ISC's Signature & Stamp

All future communication in connection with the application should be addressed to the Registrar **Computer Age Management Services (P) Ltd.**, (Unit: Sundaram BNP Paribas Mutual Fund), Rayala Towers 3, 1st Floor, No. 158, Anna Salai, Chennai 600 002. Tel: (044) 30212401/02/03/04 / 28521596 / 28520516 / 28520788 quoting full name of Sole/First applicant, Application Serial No., Date, Name of the Bank and Branch or Centre where it was lodged.

Cheques/Drafts are subject to realisation

**3. Payment of Dividend/Redemption**

Sundaram BNP Paribas Asset Management Company Limited will endeavour to use Warrant/Draft or Direct Credit payment of dividend/redemption but retains the right to use any other mode of payment as deemed appropriate. You may select either Direct Credit option or Warrant for receiving dividends/redemption in your bank account. Please read Instructions (section 4).

Direct Credit  Warrant/Draft

Direct Credit of Redemption: If you have an account in any of the following banks you can opt for direct credit of dividend and redemption to your bank account. I authorise Sundaram BNP Paribas Mutual Fund to credit my dividend / redemption amount to my account maintained with the following Bank (Please ✓)

ABN Amro Bank  AXIS Bank  BNP Paribas  Citi Bank  HDFC Bank  HSBC Bank  ICICI Bank  IDBI Bank  Kotak Mahindra  Standard Chartered Bank  Yes Bank

**4. Bank Account Details** *Please note it is mandatory as per SEBI regulations for all investors to provide bank account details*

All communication and payments will be made to the first applicant or to the Karta in case of HUF.

Name of your Bank

Branch / Payable location

Your Account Number

Bank Address

Account Type  Current  Savings  Cash Credit  NRE  NRO

**Please note that cash investments will not be accepted. On the reverse of the Cheque/DD please indicate the name of the investor, scheme and option opted for as well as the application number.**

**5. Investment Opted for**

If you do not indicate an investment option, the default option will be applicable.  
**Please issue a separate Cheque/Demand Draft for each investment in favour of "SBNPPFTP-16 Months".**

**SBNPPFTP-16 MTS** **Sundaram BNP Paribas Fixed Term Plan-16 Months**

| Amount                   | Chq/DD No. | DD Charges* | Net Amount | Date | Bank & Branch | Investment Plan/Option (please ✓)  |
|--------------------------|------------|-------------|------------|------|---------------|--|
| Net Amount In words..... |            |             |            |      |               | <input type="checkbox"/> Retail <input type="checkbox"/> Institutional<br><input type="checkbox"/> Growth<br><input type="checkbox"/> Dividend Payout<br><input type="checkbox"/> Dividend Re-investment |

**6. Nomination (available only for individuals)**

I/We ..... and ..... do hereby nominate the person more particularly described hereunder on the ..... day of ..... in respect of the units bearing Folio No./Application ..... (\* strike out which is not applicable)

**Name and Address of the Nominee**  
 Name:.....

Address:.....  
 Date of Birth:..... (to be furnished in case the Nominee is a minor)  
 (\* The Nominee is a minor whose guardian is.....  
 Address of the Guardian.....  
 Signature of the guardian .....

**7. Proof of Identity**  Passport No.  Driving Licence  Voter ID Card

**8. Declaration and Signatures**

The Trustees  
 Sundaram BNP Paribas Trustee Company Ltd.

Having read and understood the contents of the Offer Document of the scheme, I/we hereby apply for units of Sundaram BNP Paribas Fixed Term Plan-16 Months as indicated in Section 5 above and agree to abide by the terms, conditions, rules and regulations of the scheme. I/We have not received nor been induced by any rebate or gifts, directly or indirectly in making this investment.

Applicable to NRIs only:  
 I/We confirm that I am/We are Non-Resident of Indian Nationality/Origin and I/We hereby confirm that the funds for subscription have been remitted from abroad through normal banking channels or from funds in my/our Non-Resident External/Ordinary Account/FCNR Account.

Please tick  Yes  No  
 If yes  Repatriation basis  Non-Repatriation basis

In the case of failure of any indication on repatriation, any investment through NRE account will be treated as repatriable and investments through NRO accounts will be treated as non-repatriable

**SIGNATURES**

1st Applicant \_\_\_\_\_  
 2nd Applicant \_\_\_\_\_  
 3rd Applicant \_\_\_\_\_

|                                    |  |                                 |  |
|------------------------------------|--|---------------------------------|--|
| Scheme Name                        | Sundaram BNP Paribas Fixed Term Plan-16 Months | <input type="checkbox"/> Retail | <input type="checkbox"/> Institutional   |
| Cheque / DD No.                    |  | <input type="checkbox"/> Growth | <input type="checkbox"/> Dividend Payout <input type="checkbox"/> Dividend Re-investment |
| Date                               |  |                                 |  |
| Drawn on (Name of Bank and Branch) |  |                                 |  |
| Amount in Rupees                   |  |                                 |  |

# Instructions

## SECTION - 1 & 2

All applicants must complete section 1. Name and address must be given in full.

All communication and payments will be made to the first applicant or to the Karta in case of HUF.

Applicants who have ticked the mode of holding as 'Single' in section 2(b) may nominate a successor to receive units upon his/her death.

Where the mode of holding in section 2(b) has been specified as 'Joint' the first named holder shall receive all Account Statements, Redemption/refund warrants and any other correspondence sent from time to time.

In case of an application under a Power of Attorney or by a limited company or a body corporate or a registered society or a trust or a partnership, the relevant Power of Attorney or the relevant resolution or authority to make the application and the Trust Deed or the Partnership Deed as the case may be, or duly certified copy thereof, along with the Memorandum and Articles of Association and/or bye-laws must be lodged along with the Application Form at the Registrar's office in Chennai within seven days from the date of application, quoting the details of the application. Sole Proprietary firms may submit a completed nomination form to enable transmission of units in the event of death of the sole Proprietor. In case of HUF, a list of all co-parceners together with their dates of birth and specimen signatures must be lodged at the Registrar's office within seven days. Applicants who request a Personal Identification Number (PIN) by ticking the box in section 2(g) will be sent a PIN agreement which will be mailed separately. This PIN allows you to access your account information via the Internet.

## SECTION - 3

Please tick the box if you would like to receive your redemption payment under the following mode.

- Direct Credit to your bank account with select banks.
- Warrants/Drafts (The warrants/drafts will be payable only at cities where Sundaram BNP Paribas Mutual Customer Service Centres are located).

## SECTION - 4

In order to protect the interest of the investors from fraudulent encashment of refund / redemption cheques, the current SEBI guidelines require that refund orders/redemption cheques specify the name of the investor, bank name and account number where the cheque is intended to be credited. Hence, investors are advised in their interest to provide the name of the Bank, Branch address, account type and account number for remittance of redemption amount. The Trustees / Investment Manager will not be responsible for any loss arising out of fraudulent encashment of cheques or delay/loss in transit. Investors must write the application form number/folio number on the reverse of the cheque and bank draft accompanying the application form.

## SECTION - 5

The minimum purchase amount is Rs.5000/- and in multiples of Re.1/- for Retail Option and Rs.5,00,000 and multiples of Re.1 for Institutional Option. Please note that if you do not tick the relevant box in Section 2b for mode of holding and Section 5 for investment Plan/Option the default option will be made applicable as under:

| Indication not made                                 | Default                                |
|---|--|
| Mode of holding in case of more than one applicant. | Anyone or Survivor                     |
| Plan  | Based on the minimum investment amount |
| Growth/Dividend                                     | Growth                                 |
| Dividend Payout/Dividend Re-investment              | Dividend Re-investment                 |

Mode of Payment: The cheque/bank draft should be drawn in favour of "SBNPPFTP-16 Months" and crossed "A/c Payee only". DD charges will be absorbed by the fund according to SBI Guidelines.

## SECTION - 6

Please fill in this section should you wish to nominate someone.

## SECTION - 7

### Prevention of Money Laundering

In terms of the Prevention of Money Laundering Act, 2002, the Rules issued there under and the guidelines/circulars issued by SEBI regarding the Anti

Money Laundering (AML Laws), all intermediaries, including Mutual Funds, have to formulate and implement a client identification programme, verify and maintain the record of identity and address (es) of investors.

In order to make the data capture and document submission easy and convenient for the investors, Mutual Fund Industry has collectively entrusted this responsibility of collection agency. Presently CDSL Ventures Limited acts as central record keeping agency ('Central Agency'). CDSL has appointed Points of Services (POS) to carry out the KYC process. Investors are required to attach a copy of PAN card as a mandatory document for proof of identity. As a token of having verified the identity and address and for efficient retrieval of records, the POS will issue an acknowledgement.

Investors who have obtained the acknowledgement after completing the KYC process, can invest in the schemes of the mutual fund by quoting the PAN number in lieu of submitting information and documents required under AML Laws.

In terms of SEBI circular MRD/DoP/Cir-05/2007 dated April 27, 2007 PAN shall be the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. Effective from July 02, 2007 to December 31, 2007, the applicants are required to submit the following documents for all fresh purchases, additional purchases and Systematic Investment Plan (SIP) as mentioned below:

### Transaction value Required documents

|               |  |
|---------------|--|
| < Rs.50,000   | Either PAN copy or Acknowledgement copy of PAN Application Form (Form 49A)                                   |
| = > Rs.50,000 | Either PAN copy or Acknowledgement copy of PAN Application Form (Form 49A) and Form 60/61 with address proof |

Instructions for verification:

1. AMC branch officials/Registrar and Transfer Agents and Investor Centres will verify the PAN card copy with originals. The person verifying the document need to affix his/her signature, name and company seal with remarks as verified with original / verified / attested.
2. Alternatively copy of the PAN shall be attested by the Bank Manager/Gazetted Officer of State/Central Government / Notary Public / Judicial Authorities.
3. Alternatively, the distributors can verify the PAN card copy with originals. The person verifying the document need to affix his/her signature, name and company seal with remarks as verified with original / verified / attested.
4. All other document/copies to be self certified by the investor and certified by AMFI certified distributor (with ARN affixed).
5. Applications without required documents will be liable to be rejected.

**With effect from January 01, 2008 PAN Copy mandatory for all applicable transactions.**

## SECTION - 8

Signature should be in English or in any Indian language. Thumb impressions must be attested by a Magistrate/Notary Public under his/her official seal. In case of HUF the Karta should sign on behalf of the HUF.

### General

The investor is aware that the mutual fund needs to use intermediaries such as post office, local and international couriers, banks and other intermediaries for correspondence with the investor and for making payments to the investors by cheques, drafts, warrants, through ECS etc. The Investor expressly agrees and authorises the mutual fund to correspond with the investor or make payments to the investor through intermediaries including but not limited to post office, local and international couriers and banks. The investor clearly understands the mutual fund uses such intermediaries are agents of the investor and not the mutual fund. The Mutual fund is not responsible for delayed receipt or non-receipt of any correspondence or payment through such intermediaries.

## DIRECTORY

### SPONSOR

#### Sundaram Finance Limited

Registered Office: 21 Pattulos Road,  
Chennai-600 002

Telephone: (044) 28521181

Fax: (044) 28520456

#### BNP Paribas Asset Management

5, Avenue Kleber,  
75116, Paris, France

#### Investment Manager

#### Sundaram BNP Paribas Asset Management Company Limited

Registered Office:

21 Pattulos Road, Chennai-600 002.

Corporate Office:

Sundaram Towers II Floor

46 Whites Road

Royapettah Chennai 600014

Telephone: (044) 28583362, 28583367

Fax: (044) 28583156

#### Registrar

#### Computer Age Management Services (P) Ltd.,

(Unit: Sundaram BNP Paribas Mutual Fund), Rayala Towers 3, 1st Floor, No.  
158, Anna Salai, Chennai 600 002. Tel: (044) 30212401/02/03/04 / 28521596  
/ 28520516 / 28520788

#### Auditors of Sundaram BNP Paribas Mutual Fund

#### M/s Sundaram & Srinivasan

Chartered Accountants

23 C P Ramaswamy Road

Alwarpet, Chennai – 600 018

Telephone: (044) 24970762

### TRUSTEES

#### Sundaram BNP Paribas Trustee Company Limited

Registered Office:

21 Pattulos Road, Chennai-600 002.

Corporate Office:

Sundaram Towers II Floor

46, Whites Road

Royapettah Chennai 600014

Telephone: (044) 28583362, 28583367

Fax: (044) 28583156

#### Investor Relations Manager

#### S Balasubramanian

Head – Customer Service & Transaction Processing

Sundaram BNP Paribas Asset Management Company Limited

Sudharshan Building Annex, 2nd Floor,

New No. 27, Old no. 14, Whites Road, Royapettah, Chennai - 600 014.

Telephone: (044) 28583362, 28583367

Fax: (044) 28583156

Toll free: 1800 - 425 - 1000.

#### Custodian

#### Standard Chartered Bank

24-25 M. G. Road

Fort, Mumbai 400 0023

#### Legal Counsel

T. K. Bhaskar,

Partner,

HSB Associates,

New No.: 388, Lloyds Road, Chennai.

#### Auditors of Sundaram BNP Paribas Asset Management Company Limited

#### M/s Brahmayya & Co.

Chartered Accountants

48, Masilamani Road, Balaji Nagar, Royapettah, Chennai 600 014.

Ph: 044-28131128

## Sundaram BNP Paribas AMC - Branch Addresses

**Agra:** Block no. 41/4, Shop no.9, 1st floor, Friends Tower, Sanjay Palace Agra 282002. Ph: 09319145256 **Ahmedabad:** 104, Arth Complex, Behind A.K. Patel House, Mithakali Six Roads, Navarangapura, Ahmedabad 380009. Ph: 079-66613337 / 26440442 **Anand:** M/s.Sundaram Direct, F-1/1 Suramya Complex, Opp. C.P. Travel & Tours, Nr. Masada Bakery, Anand- V.V. Road, Anand. Ph: 9327583372 **Bangalore:** 1st Floor, Maangalaya Punarbhav, 132, Brigade Road, Next to Raheja Chancery, Bangalore 560025. Ph: 080-22076707 / 22126850 **Baroda:** 127, 1st floor, Siddharth Complex, Near Express Hotel, R.C.Dutt Road, Alkapuri, Baroda 390007 Ph: 0265-3203204 / 2320671 **Bhavnagar:** C/O Sundaram Finance Limited, G-5 Aristo complex, Opp Madhav Darshan, Near Radha Mandir, Waghavadi Road. Bhavnagar 364001. Ph: '0278-2513494 / 9898666630 **Bhopal:** Plot No. 10&11, 3rd floor, Alankar palace, Bank Street, M.P.Nagar, Bhopal 462011. Ph: 0755-3203306 **Bhubaneswar:** C/o. Sundaram Finance Ltd, 1st Floor, "Aditya Plaza", 102, Bhoumanagar, Unit No. 4, Bhubaneswar 751001. Ph: 0674-3208280 **Calicut:** 3rd Floor, 17/501 R2, Kanchas Building, Rajai Road, Calicut 673001. Ph: 09847582339 **Chandigarh:** SCO-2475-2476, 2nd Floor, Sector 22C, Chandigarh 160022. Ph: 0172-5009166 / 5019166. **Chennai - H.O.:** Sundaram Towers, II Floor 46, Whites Road, Royapettah, Chennai 600014. Ph: 044 - 28583362 / 28569900 **Chennai Sales Office:** O No 9, N No 23 Mootha Centre, Kodambakkam High Road, Chennai 600034. Ph: 044-28237044/45 **Cochin:** Radhika, Opp Axis Bank, Rajaji Road, Cochin - 682035. Ph: 0484-4017747/48 **Coimbatore:** No 41-A, I Floor, West Lokmanya Steet, R.S.Puram, Coimbatore 641002. 0422-4360058 / 2542816 **Dehradun:** C/o. Sundaram Finance Ltd., 57/19, II Floor, Shiva Palace, Rajpur Road, Dehradun 248001. Ph: 0135-3203262 / 09719166626 **Goa:** Shop No.F30, D Block, 1st Floor, Alfran Plaza, Panaji, Goa 403001. Ph No: 98608 17771 **Guwahati:** Kejriwal Bhawan, 2nd Floor, Oppsite Janta Hotel, G.S. Road, Guwahati 781001. Ph: 09954166281 **Hyderabad:** V V Vintage Boulevard, F. No.203, 2nd Floor, Raj Bhavan Road, Somajiguda, Hydrebad 500082. Ph: 040-23393669 / 23390815 / 23397600 **Indore:** 125,Starlit Towers, 29/1 Y.N.Road, Indore 452001. Ph: 0731-3203204 **Jaipur:** 303, 3rd Floor, Brij Anukampa Towers, Ashok Marg, C-Scheme, Jaipur 302011. Ph: 0141-5118364 / 3213853 **Jalandhar:** C/o Sundaram Finance Ltd., 5E, 1st Floor, Session Court Road, Near BMC Chook, Jalandhar 144001. Ph: 09872120037 **Jodhpur:** C/o Sundaram Finance Ltd., 120, I Floor, Mody Arcade, Chopasany Road, Near Bombay Motors, Jodhpur 342003. Ph: 9314613766 **Kanpur:** 2nd Floor, 218, 219 Kan Chambers, 14/113, Civil Lines, Kanpur 208001. Ph: 0512-3018530 / 3013530 **Kolkata:** "Lords Building", 7/1, Lord Sinha Road, Room No: 312, 3rd Floor, Kolkatta 700071. Ph: 033-30580160 / 61 / 62 / 63 / 22816707 / 22835504 **Lucknow:** 210A, 2nd Floor, Saran Chambers-2, 5, Park Road, Lucknow 226001. Ph: 0522-3017882 / 3017882 / 09415109859 **Ludhiana:** SCO - 18, 3rd Floor, No; 307, Feroze Gandhi Market, Opp. Ludhiana Stock Exchange, Ludhiana-141001. Ph: 0161-3018500 / 9876197320 **Madurai:** No: 183C, North Veli Street, Opp: Duke Hotel, Madurai 625001. Ph: 0452-4376801 / 4377478 **Mumbai:** 606, 6th Floor, Dalamal House, Nariman Point, Mumbai 400 021. Ph: 022-22842878 / 22842879 / 22833863 / 22842832 **Nagpur:** C/O Fortune Business Centre, I Floor, 6 Vasant Vihar, W H C Road, Shankar Nagar, Nagpur-440010. Ph: 0712-2558581/ 09822832030 **Nashik:** L-17, Suyojit Sankul, Near Rajiv Gandhi Bhavan, Sharanpur Road, Nashik 422002. Ph: 09326788990 **New Delhi:** 605,6th Floor, Ashoka Estate, 24,Barakhamba Road, New Delhi 110 001. Ph: 011-41515138 / 41515139 **Patna:** 205, Ashiana Hari Niwas, New Dak Bunglow Road, Patna 800001. Ph: 0612-3200593 **Pondicherry:** C/o. Sundaram Home Finance Ltd, 40, Mission Street, Pondicherry 605001. Ph: 09443090091 **Pune:** 1st Floor, Rachana Trade Estate, Erandwane, Opp Swad Hotel, Pune 411004. Ph: 020-30280927 / 28 / 29 / 30 **Raipur:** B 12, Rajeev Nagar, Raipur 492007. Ph: 09893313588 **Rajkot:** C/o. Sundaram Finance Ltd, 2nd Floor, Titan Complex, Above Bank Off India, Near G T Sheth High School, Kalawad Road, Rajkot 360001. Ph: 09825048797 **Salem:** New No.210, Old No 315C, AVK Arcade, Omalur Main Road, Opp, to New Bus Stand, Salem 636004. Ph: 0427-4042827 / 9843081847 **Surat:** L-14, Jolly Plaza, Opp- Athwa Gate Police Station, Athwa Lines, Surat 395001. Ph: 0261-2461384 / 85 **Thrissur:** XXVIII/85/63, Avokaran Arcade, Paturaickal, Thrissur 680022. Mob 09947044699 **Trichy:** Krishna Complex, 1st Floor, 60, Shastry Road, Tennur, Trichy 620017. Ph: 0431-2741509 / 4020828 **Trivandrum:** "Uttaradam", TC 26/1309(4), Above Rohini Tyres, Panavilla Junction, Trivandrum 695001. Ph: 09847089134 **Ujjain:** C/o. Sundaram Direct, 104, Parshana Tower, Sreeganj, Ujjain 456010 Ph: 09826777917 **Varanasi:** Flat no.7, 2nd Floor, Rama Kunj, C-32-22/17 Ram Sing Rana Nagar Colony, Cantt Sgra Road, Varanasi 221002. **Vellore:** First Floor, TKM Complex, 46-51, Katpadi Road, Vellore 632 004. Ph: 09843242336 **Vijayawada:** D.No. 40-10-5, Sree Ramachandra Complex, Benz Circle, Bajaj Showroom Lane, Vijayawada 520010. Ph: 0866-2470778 / 9848032734 **Vizag:** 47-10-10, 2nd Floor, Rednam Regaency, Near Diamond Park, Dwarakanagar, Visakhapatnam 530016. Ph: 0891-3209440 / 98480 35892