

SUNDARAM & SRINIVASAN

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

AUDITORS REPORT

The Board of Trustees
Sundaram BNP Paribas Mutual Fund
Chennai

We have audited the attached Balance Sheet of Sundaram BNP Paribas Mutual Fund - **SUNDARAM BNP PARIBAS FIXED TERM PLAN 367 DAYS SERIES - 5** as at March 31, 2010 and the Revenue Account for the **period** ended on September 18, 2009. These financial statements are the responsibility of the management. Our responsibility is to express our opinion on these financial statements based on our audit.

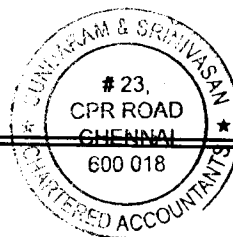
We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence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

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

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. The Balance Sheet and Revenue Account are in agreement with the books of accounts of Sundaram BNP Paribas Mutual Fund.
3. a) The accounts have been prepared in accordance with accounting policies and standards as specified in the Ninth Schedule of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
b) In our opinion, the valuation methods adopted by the fund for valuation of non-traded securities, "in good faith" are fair and reasonable.
4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes forming part of Accounts give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in case of Balance Sheet, of the state of affairs of the aforesaid Schemes of Sundaram BNP Paribas Mutual Fund, **SUNDARAM BNP PARIBAS FIXED TERM PLAN 367 DAYS SERIES - 5** as at March 31, 2010 and
 - b) In the case of Revenue Account of the **Deficit** of Sundaram BNP Paribas Mutual Fund - **SUNDARAM BNP PARIBAS FIXED TERM PLAN 367 DAYS SERIES - 5** for the period ended on September 18, 2009.

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

Place: Chennai
Date: 25th June, 2010



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

BALANCE SHEET AS AT 31st MARCH, 2010

Amount in Rs.

	SCHEDULE NO.	31-Mar-10	31-Mar-09
LIABILITIES			
Unit Capital	1	-	329,442,389
Reserves & Surplus	2	-	19,493,995
Current Liabilities & Provisions	3	3,180	1,712,276
		3,180	350,648,660
ASSETS			
Investments	4	-	332,362,298
Other Current Assets	5	3,180	18,286,362
		3,180	350,648,660

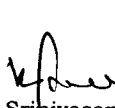
Notes on Accounts

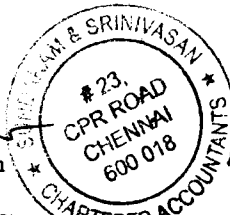
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As per our Report of even date

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

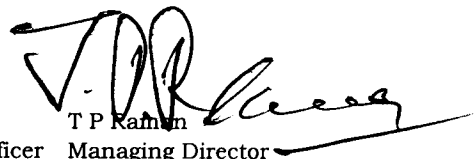
For
Sundaram BNP Paribas Asset Management Company Ltd


K Srihivasan
Partner
(M.NO : 5809)

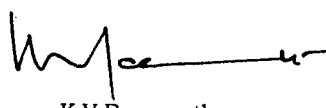



K. Ramkumar
Fund Manager


T.S. Sritharan
Chief Financial Officer

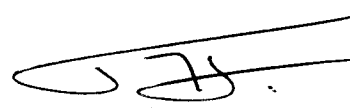

T P Ramani
Managing Director

For and on Behalf of
Sundaram BNP Paribas Trustee Company Ltd


K V Ramanathan
Chairman


S Viji
Director


R. Rajamani
Director


Francois Mouzay
Director

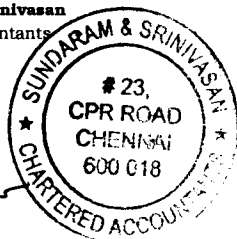
Place : Chennai
Date : 25th June 2010

REVENUE ACCOUNT FOR THE PERIOD FROM 1st APRIL 2009 to 18th September 2009

	Schedule No.	Amount, Rs	
		01/04/2009 to 18/09/2009	05-09-2008 to 31-03-2009
REVENUE			
Interest	6	13,939,316	22,092,773
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		550,161	-
Net profit on inter scheme transfer / sale of investments		2,647,498	-
Net diminution on sale of investments written back		95,446	-
Other Income		876,670	500,000
TOTAL (A)		18,109,091	22,592,773
EXPENSES			
Net diminution in value of investment	7	-	95,446
Net Loss on sale / redemption of investments (Other than inter-scheme transfer/sale)		-	392
Management fee		250,925	291,250
Trusteeship fee		16,828	19,414
Commission to Agents		619,163	685,231
Publicity expenses		17,953	-
Audit fee		7,360	6,443
Other operating expenses (including marketing expenses of Rs. 121,960, Prev Yr. Nil)		155,992	44,061
Custodian charges		26,556	31,447
Registrar expenses		43,091	43,561
		1,137,868	1,217,245
Less : Amount transferred from Load account on account of Marketing expenses		188,345	27,117
TOTAL (B)		949,523	1,190,123
SURPLUS / (DEFICIT) (A-B)		17,159,568	21,402,645
Add/(Less) : Balance in Equalisation Account		(34,439,104)	(1,007,752)
		(17,279,536)	20,394,893
Less: Income Distributed		1,647,973	1,162,664
Distribution Tax		238,340	66,380
		1,886,313	1,229,044
Surplus /(Deficit) transferred to Balance Sheet		(19,165,849)	19,165,849

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

K Srinivasan
Partner
(M.NO : 5809)



For and on Behalf of
Sundaram BNP Paribas Trustee Company Ltd

K V Ramanathan
Chairman

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For
Sundaram BNP Paribas Asset Management Company Ltd

K. Ramkumar
Fund Manager

T.S.Sritharan
Chief Financial Officer

T P Raman
Managing Director

S. G. Jiji
Director

R. Rajamani
Director

Francois Mouzay
Director

Place : Chennai
Date : 25th June 2010

SCHEDULE : 1
Unit Capital

	31/03/2010		31/03/2009	
	Rs.		Rs.	
	UNITS	AMOUNT	UNITS	AMOUNT
Initial capital	43,368,225.82	433,682,258	43,368,225.82	433,682,258
Unit Capital				
Opening Capital	32,944,238.91	329,442,389	43,368,225.82	433,682,258
Add: Units sold during the Period	56,598.63	565,986	16,075.76	160,758
Less : Units repurchased during the Period	33,000,837.54	330,008,375	43,384,301.58	433,843,016
	33,000,837.54	330,008,375	10,440,062.67	104,400,627
Units at the end of the Period	-	-	32,944,238.91	329,442,389
		-		329,442,389

SCHEDULE : 2
Reserves & Surplus

	31/03/2010		31/03/2009	
	Rs.		Rs.	
General Reserve				
Opening Balance	19,165,849	-	-	-
Add /(Less): Transfer from Revenue Account	(19,165,849)	-	19,165,849	19,165,849
Unrealised appreciation reserve				
Opening Balance	328,146	-	-	-
Add/(Less) Net unrealized appreciation for the year	(328,146)	-	328,146	328,146
Unrealised Appreciation Reserve (Schedule 7)		-		328,146
		-		19,493,995

SCHEDULE : 3
Current Liabilities & Provisions

	31/03/2010	31/03/2009
	Rs.	Rs.
Current Liabilities		
Sundry Creditors	-	1,181,242
Distributed Income Payable	2,628	459,100
Others	552	71,934
Provisions		
	3,180	1,712,276

SCHEDULE : 4

Investments

	31/03/2010	31/03/2009
	Rs.	Rs.
Listed:		
Equity Shares	-	-
Preference Shares	-	-
Non-Convertible Debentures/Bonds	-	49,777,986
Unlisted		
Securitized Debt	-	51,138,691
Non-Convertible Debentures	-	49,904,553
Government Securities	-	-
Certificate of Deposits	-	114,176,395
Commercial Papers	-	63,971,980
Others	-	-
Others- Reverse Repo / CBLO	-	3,392,693
	-	332,362,298

SCHEDULE : 5

Other Current Assets

	31/03/2010	31/03/2009
	Rs.	Rs.
Balance with banks in Current Accounts	2,628	335,449
Outstanding and accrued Income	-	17,950,913
Others	552	-
	3,180	18,286,362

SCHEDULE : 6

Interest

	01-04-2009 to 18-09-2009	16-09-2008 to 31-03-2009
	Rs.	Rs.
Interest from banks and others	506,493	410,352
Interest on Debentures and Bonds	4,642,625	6,033,630
Discounting Charges	8,790,198	12,103,267
Deep Discounting Charges	-	3,545,524
	-	-
	13,939,316	22,092,773

SCHEDULE : 7

Net unrealised appreciation/ diminution in value of Investments

	01-04-2009 to 18-09-2009	16-09-2008 to 31-03-2009
	Rs.	Rs.
Appreciation in Value of Investments		
Debentures / Bonds listed / awaiting listing on the recognised stock exchange	-	328,146.00
Appreciation in value of investments	-	328,146.00
Diminution in value of investments \		
Privately placed debentures / Bonds		95,446
Net appreciation/diminition in value of investments	-	232,700

SUNDARAM BNP PARIBAS MUTUAL FUND

SUNDARAM BNP PARIBAS FIXED TERM PLAN 367 DAYS SERIES - 5

Schedules forming part of the Balance Sheet as at 31-Mar-2010
and the Revenue Account for the Period from 01-Apr-2009 to 18-Sep-2009

All amounts mentioned rupees in lakhs

SCHEDULE 8

NOTES ON ACCOUNTS

1 SIGNIFICANT ACCOUNTING POLICIES

1.1. INVESTMENTS

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

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

a) Government Securities

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

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

b) Other Securities

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

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

1.2. INCOME RECOGNITION

- (i) Profit/Loss on sale of investments is recognised on the trade dates based on weighted average cost method.
- (ii) Income on investments is accounted on accrual basis.
- (iii) Other income is accounted on cash basis.

1.3. EXPENSES

Expenses are accounted for on accrual basis.

1.4. LOAD

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

1.5. EQUALISATION ACCOUNT

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

2. INVESTMENT MANAGER FEES

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

Description	01.04.09 to 18.09.09	16.09.08 to 31.03.09
Average daily net asset value	3,570.62	3,596.95
Management fee @ 0.15% of average daily net asset value.(Previous year 0.15%)	2.51	2.91

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

As Per Annexure - I

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

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

Description	01.04.09 to 18.09.09	16.09.08 to 31.03.09
PURCHASE VALUE(AMOUNT)	1,008.13	8,568.52
%	28.23%	238.22%
SALES VALUE (AMOUNT)	4,295.50	5,281.15
%	120.30%	146.82%

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

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

Description	01.04.09 to 18.09.09	16.09.08 to 31.03.09
Aggregate Fair Value of non traded / thinly traded investments valued in "good faith" exceeding 5% of the Net Asset Value as at the end of the Period	NIL	1,543.67
% to the asset under management	NIL	44.24%

6. INCOME / EXPENDITURE

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

DESCRIPTION	01.04.09 to 18.09.09	16.09.08 to 31.03.09
INCOME	10.83%	11.64%
EXPENDITURE	0.57%	0.56%

7. CONTINGENT LIABILITY

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

8. AMOUNT PAID TO SPONSORS / ASSOCIATES

	01.04.09 to 18.09.09	16.09.08 to 31.03.09
Sundaram Finance Ltd (Sponsor)	NIL	NIL
Indus Ind Bank Ltd (Associate)	NIL	NIL

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

(% of total investment within the classification)

Refer Annexure - II

9. a. Accounting Standard 17 on Segment Reporting

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

9. b. Accounting Standard 18 on Related Party Disclosures

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

10. LOAD COLLECTED AND UTILISED

Description	01.04.09 to 18.09.09	16.09.08 to 31.03.09
Opening Balance	10.54	-
Add.: Amount received on Sale / Repurchase of units (net)	0.11	15.81
Less: Amount Adjusted towards Brokerage & Marketing Exp	1.88	0.27
Less: Transferred to Income	8.77	5.00
Closing Balance	-	10.54

In terms of SEBI guidelines dated 30th June 2009, from 1st Aug 2009 out of the exit load charged to the investor, a maximum of 1% of the redemption proceeds is maintained in a separate account which can be used by the AMC to pay commission to the distributor and marketing & selling expenses of the scheme and any balance is credited to the scheme, as against the previous practice of crediting the entire amount to load upto 31st July 2009 under other liabilities (other than the amount utilised for meeting commission to distributor and marketing and selling expenses which was included under unit premium reserve)

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

11. PORTFOLIO DISCLOSURE

NIL

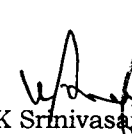
12. MOVEMENT IN UNIT CAPITAL

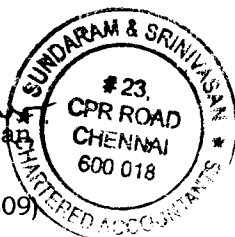
As Per Schedule-I

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


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

For Sundaram BNP Paribas Asset Management Company Ltd


K Srinivasan
Partner
(M.No : 5809)

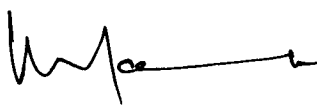



K Ramkumar
Fund Manager


T S Sritharan
Chief Financial Officer



T P Raman
Managing Director

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


K V Ramanathan
Chairman


S Viji
Director


R Rajamani
Director


Francois Mouzay
Director

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

Annexure - II

SUNDARAM BNP PARIBAS FIXED TERM PLAN 367 DAYS SERIES - 5

	% of total investments within the classification
	2008-2009
A) Debt Instruments	
Privately Placed	
FINANCE	100%
Listed / awaiting listing on Stock Exchange	
FINANCE	100%
Securitised Debt	
FINANCE	100%