

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 C** as at March 31, 2010 and the Revenue Account for the **period** ended on May 04, 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 C** 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 C** for the period ended on May 04, 2009.

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

Place: Chennai
Date: 25th June, 2010


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	-	271,061,758
Reserves & Surplus	2	-	29,385,190
Current Liabilities & Provisions	3	5,515	953,478
		5,515	301,400,426
ASSETS			
Investments	4	-	291,403,274
Other Current Assets	5	5,515	9,997,152
		5,515	301,400,426

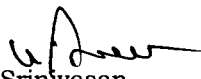
Notes on Accounts

8


As per our Report of even date

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

For
Sundaram BNP Paribas Asset Management Company Ltd

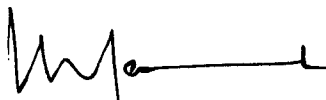

K Srinivasan
Partner
(M.NO : 5809)


K. Ramkumar
Fund Manager


T.S. Sritharan
Chief Financial Officer



T P Raman
Managing Director

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 01-04-2009 TO 04-05-2009

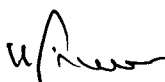
Amount, Rs


	Schedule No.	01-04-2009 to 04-05-2009		01-04-2008 to 31-03-2009	
REVENUE					
Interest	6	1,426,689		30,160,790	
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		-		849,367	
Net profit on inter scheme transfer / sale of investments		-		6,468,776	
Sundry Income		-		300,000	
Net diminution on sale of investments written back		833,970		-	
		2,260,659		37,778,933	
TOTAL (A)			2,260,659		37,778,933
EXPENSES					
Net diminution in value of investment	7	-		833,970	
Loss on inter scheme transfer / sale of investments		105,308		-	
Management fee		11,238		155,914	
Trusteeship fee		2,810		38,979	
Commission to Agents		12,079		590,770	
Publicity expenses		823,372		699,614	
Audit fee		5,823		7,565	
Other operating expenses (Including Marketing Expenses NIL Previous year Rs 24099)		3,851		49,774	
Custodian charges		8,869		53,907	
Registrar expenses		7,293		90,617	
		980,643		2,521,110	
Less : Amount transferred from Load on account of Marketing Expenses		840,518		1,219,523	
			140,125		1,301,587
TOTAL (B)					
SURPLUS / (DEFICIT) (A-B)			2,120,534		36,477,346
Add/(Less) : Balance in Equalisation Account			(31,503,816)		(9,829,627)
			(29,383,282)		26,647,719
Less: Income Distributed		1,518		2,759	
Distribution Tax		390		390	
			1,908		3,149
Surplus /(Deficit) transferred to Balance Sheet			(29,385,190)		26,644,570


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

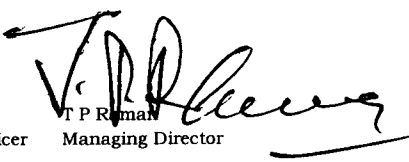
8

For
Sundaram BNP Paribas Asset Management Company Ltd



K Srinivasan
Partner
(M.NO : 5809)



K. Ramkumar
Fund Manager

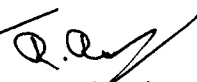

T.S. Sritharan
Chief Financial Officer

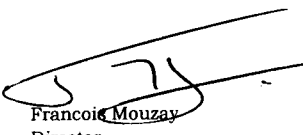

T.P. Raman
Managing Director

For and on Behalf of
Sundaram BNP Paribas Trustee Company Ltd


K V Ramanathan
Chairman


S. Viji
Director


R. Rajamani
Director


Francois Mouzay
Director

Place : Chennai
Date : 25th June 2010

SCHEDULE : 1**Unit Capital**

	31/03/2010		31/03/2009	
	Units	Rs.	Units	Rs.
	Initial capital	41,856,676	418,566,758	41,856,676
Unit Capital				
Opening Capital	27,106,176	271,061,758	41,856,676	418,566,758
Add: Units sold during the Period	-	-	-	-
	27,106,176	271,061,758	41,856,676	418,566,758
Less : Units repurchased during the Period	27,106,176	271,061,758	14,750,500	147,505,000
Units at the end of the Period	-	-	27,106,176	271,061,758
				271,061,758
				(0)

SCHEDULE : 2**Reserves & Surplus**

	31/03/2010		31/03/2009	
	Rs.		Rs.	
General Reserve				
Opening Balance	29,385,190		2,740,620	
Add /(Less): Transfer from Revenue Account	(29,385,190)	(0)	26,644,570	29,385,190
Unrealised appreciation reserve				
Opening Balance	-		172,445	
Add/(Less) Net unrealized appreciation for the year	-		(172,445)	
Unrealised Appreciation Reserve (Schedule 7)		-		-
		-		29,385,190

SCHEDULE : 3**Current Liabilities & Provisions**

	31/03/2010	31/03/2009
	Rs.	Rs.
Current Liabilities		
Sundry Creditors	4,963	951,036
Others	552	2,442
	5,515	953,478

SCHEDULE : 4**Investments**

	31/03/2010	31/03/2009
	Rs.	Rs.
Listed:		
-Debentures/Bonds		119,672,384
Unlisted		
- Securitised Debt	-	52,144,413
Certificate of Deposits	-	108,454,202
Others-Reverse Repo / CBLO	-	11,132,275
	-	291,403,274

SCHEDULE : 5**Other Current Assets**

	31/03/2010	31/03/2009
	Rs.	Rs.
Balance with banks in Current Accounts	-	336,814
Sundry Debtors		
Outstanding and accrued Income	-	9,660,338
Others	5,515	
	5,515	9,997,152

SCHEDULE : 6**Interest**

	01-04-2009 to 04-05-2009	01-04-2008 to 31-03-2009
	Rs.	Rs.
Interest from banks and others	842,575	643,002
Interest on Debentures and Bonds		18,752,000
Discounting Charges	584,114	7,203,780
Deep Discounting charges		3,562,008
	1,426,689	30,160,790

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

	01-04-2009 to 04-05-2009	01-04-2008 to 31-03-2009
Diminution in value of investments\		
Debentures & Bonds listed / awaiting listing in the recognised stock exchange	-	833,970
	-	833,970
Net -(Diminution)/Unrealised appreciation in value of investments transferred to Revenue account	-	(833,970)

SUNDARAM BNP PARIBAS MUTUAL FUND

SUNDARAM BNP PARIBAS FIXED TERM PLAN C

Schedules forming part of the Balance Sheet as at 31-Mar-2010
and the Revenue Account for the Period from 01-Apr-2009 to 04-May-2009

SCHEDULE 8 NOTES ON ACCOUNTS

All amounts mentioned rupees in lakhs

1 SIGNIFICANT ACCOUNTING POLICIES

1.1. INVESTMENTS

Investment transactions are accounted on trade dates at cost including brokerage, stamp duty and other levies. Investments are marked to market. In valuing the Scheme's investments:

a) Government Securities

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

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

b) Other Securities

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

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

1.2. INCOME RECOGNITION

- (i) 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. UNIT PREMIUM RESERVE

The premium on sale / repurchase of units (Load) is credited to unit premium account and has been utilised for meeting the ongoing management expenses of the scheme. Any surplus in this account may 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 04.05.09	01.04.08 to 31.03.09
Average daily net asset value	3,016.22	3,897.87
Management fee @ 0.04% of average daily net asset value.(Previous year 0.04%)	0.11	1.56

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 04.05.09	01.04.08 to 31.03.09
PURCHASE VALUE(AMOUNT)	-	5,388.39
%	0.00%	138.24%
SALES VALUE (AMOUNT)	2,811.05	6,676.78
%	93.20%	171.29%

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 04.05.09	01.04.08 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	1,718.16
% to the asset under management	NIL	57.19%

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 04.05.09	01.04.08 to 31.03.09
INCOME	8.05%	9.69%
EXPENDITURE	0.50%	0.12%

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 04.05.09	01.04.08 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)

NIL

Q.a. Accounting Standard 17 on Segment Reporting

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

Q.b. Accounting Standard 18 on Related Party Disclosures

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

10. LOAD COLLECTED AND UTILISED

Description	01.04.09 to 04.05.09	01.04.08 to 31.03.09
Opening Balance	8.41	-
Add.: Amount received on Sale / Repurchase of units (net)	-	23.60
Less: Amount Adjusted towards Brokerage & Marketing Exp	8.41	12.19
Less: Transferred to Income	-	3.00
Closing Balance	-	8.41

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

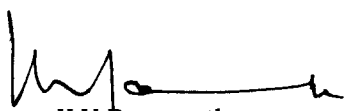

 K Srinivasan
 Partner
 (M.No : 5809)


 K Ramkumar
 Fund Manager


 T S Sritharan
 Chief Financial Officer

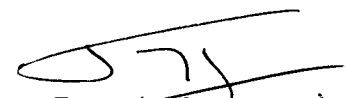

 T P Raman
 Managing Director

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