

AUDITORS REPORT

The Board of Trustees
Sundaram BNP Paribas Mutual Fund
Chennai

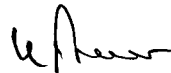
We have audited the attached Balance Sheet of Sundaram BNP Paribas Mutual Fund - **SUNDARAM BNP PARIBAS FIXED TERM PLAN H** as at March 31, 2010 and the Revenue Account for the **period** ended on July 20, 2009. These financial statements are the responsibility of the management. Our responsibility is 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 H** 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 H** for the period ended on July 20, 2009.

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



K. SRINIVASAN
PARTNER (M.No : 5809)

Place: Chennai
Date: 25th June, 2010



BALANCE SHEET AS AT 31st MARCH, 2010

Amount in Rs.

	SCHEDULE NO.	31-Mar-10	31-Mar-09
LIABILITIES			
Unit Capital	1	-	897,772,781
Reserves & Surplus	2	-	63,482,049
Current Liabilities & Provisions	3	71,450	1,444,019
		71,450	962,698,849
ASSETS			
Investments	4	-	912,238,826
Other Current Assets	5	71,450	50,460,023
		71,450	962,698,849

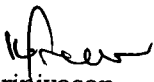
Notes on Accounts

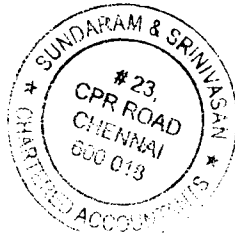
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As per our Report of even date


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

For
Sundaram BNP Paribas Asset Management Company Ltd


K Srinivasan
Partner
(M.NO : 5809)

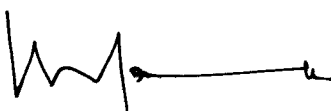



K. Ramkumar
Fund Manager


T.S. Sriharan
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 20.07.2009				
	Schedule No.	Amount, Rs		Amount, Rs
		01.04.2009 to 20.07.2009		19-06-2008 to 31-03-2009
REVENUE				
Interest	6	25,763,339		79,506,889
Other Income		1,124,079		500,000
Net profit on transfer / sale of investments (Other than inter-scheme transfer/sale)		-		790,629
Net profit on inter scheme transfer / sale of investments		1,329,385		-
Net diminution on sale of investments written back		536,553		-
TOTAL (A)		28,753,356	28,753,356	80,797,518
EXPENSES				
Net diminution in value of investment	7	-		536,553
Loss on inter scheme transfer / sale of investments		-		2,883,883
Management fee		653,378		1,761,467
Trusteeship fee		29,698		80,368
Commission to Agents		223,551		1,482,932
Publicity expenses		17,248		367,974
Audit fee		6,486		10,244
Other operating expenses (Including Marketing Expenses Rs.32864/- Previsou year Rs.51439)		117,822		273,779
Custodian charges		17,725		45,038
Registrar expenses		69,940		181,976
Less : Amount transferred from Load on account of Marketing Expenses		1,135,848		7,624,214
		56,310		1,337,648
TOTAL (B)			1,079,538	6,286,566
SURPLUS / (DEFICIT) (A-B)			27,673,818	74,510,952
Add/(Less) : Balance in Equalisation Account			(81,534,183)	(5,207,638)
			(53,860,365)	69,303,314
Less: Income Distributed		8,028,534		4,861,025
Distribution Tax		1,593,150		960,240
			9,621,684	5,821,265
Surplus /(Deficit) transferred to Balance Sheet			(63,482,049)	63,482,049

Notes on Accounts

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As per our Report of even date

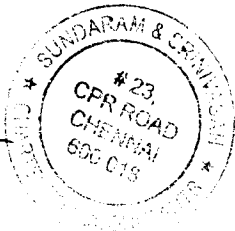
For

Sundaram & Srinivasan

Chartered Accountants

(FRN.: 004207S)

K Srinivasan
Partner
(M.NO : 5809)



For

Sundaram BNP Paribas Asset Management Company Ltd

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 Ramapathan
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
	109,051,564.25	1,090,515,643	109,051,564.25	1,090,515,643
Initial capital				
Unit Capital				
Opening Capital	89,777,278.08	897,772,781	109,051,564.25	1,090,515,643
Add: Units sold during the Period	532,643.13	5,326,431	318,545.14	3,185,451
	90,309,921.21	903,099,212	109,370,109.39	1,093,701,094
Less : Units repurchased during the Period	90,309,921.21	903,099,212	19,592,831.31	195,928,313
Units at the end of the Period	-	-	89,777,278.08	897,772,781
		-		897,772,781

SCHEDULE : 2**Reserves & Surplus**

	31/03/2010		31/03/2009	
	Rs.		Rs.	
General Reserve				
Opening Balance	63,482,049		-	
Add /(Less): Transfer from Revenue Account	(63,482,049)	-	63,482,049	
		-		63,482,049
		-		63,482,049

SCHEDULE : 3**Current Liabilities & Provisions**

	31/03/2010	31/03/2009
	Rs.	Rs.
Current Liabilities		
Sundry Creditors	70,898	1,424,807
Others	552	19,212
	71,450	1,444,019

SCHEDULE : 4**Investments**

	31/03/2010	31/03/2009
	Rs.	Rs.
Listed		
Non-Convertible Debentures	-	67,825,278
Unlisted	-	179,509,498
- Securitised Debt	-	271,849,918
Certificate of Deposits	-	158,544,999
Commercial Papers	-	231,646,548
Others - Reverse Repo / CBLO	-	2,862,585
	-	912,238,826

SCHEDULE : 5**Other Current Assets**

	31/03/2010	31/03/2009
	Rs.	Rs.
Balance with banks in Current Accounts	71,450	1,656,893
Outstanding and accrued Income	-	48,803,130
	71,450	50,460,023

SCHEDULE : 6**Interest**

	01.04.2009 to 20.07.2009	19-06-2008 to 31-03-2009
	Rs.	Rs.
Interest from banks and others	493,254	837,836
Interest on Debentures and Bonds	12,591,430	34,505,630
Discounting Charges	12,678,655	22,964,113
Deep Discounting charges	-	21,199,310
	25,763,339	79,506,889

SCHEDULE : 7**Net unrealised appreciation/(Diminution) in value of Investments**

	01.04.2009 to 20.07.2009	19-06-2008 to 31-03-2009
	Rs.	Rs.
Diminution in value of investments		
Debentures & Bonds listed / awaiting listing in the Recognised the recognised stock exchange	-	536,553
	-	536,553
Net -Diminution in value of investments	-	(536,553)

SUNDARAM BNP PARIBAS MUTUAL FUND

SUNDARAM BNP PARIBAS FIXED TERM PLAN H

Schedules forming part of the Balance Sheet as at 31-Mar-2010
and the Revenue Account for the Period from 01-Apr-2009 to 20-Jul-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 20.07.09	19.06.08 to 31.03.09
Average daily net asset value	9,765.84	10,256.81
Management fee @ 0.22% of average daily net asset value.(Previous year 0.22%)	6.53	17.61

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 20.07.09	19.06.08 to 31.03.09
PURCHASE VALUE(AMOUNT)	7,779.28	23,842.84
%	79.66%	232.46%
SALES VALUE (AMOUNT)	16,878.41	14,743.71
%	172.83%	143.75%

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 20.07.09	19.06.08 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	678.25
% to the asset under management	NIL	7.06%

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 20.07.09	19.06.08 to 31.03.09
INCOME	9.68%	10.05%
EXPENDITURE	0.36%	0.36%

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 20.07.09	19.06.08 to 31.03.09
Sundaram Finance Ltd (Sponsor)	0.03	0.05
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 – V

10. LOAD COLLECTED AND UTILISED

Description	01.04.09 to 20.07.09	19.06.08 to 31.03.09
Opening Balance		
Add.: Amount received on Sale / Repurchase of units (net)	11.79	-
Less: Amount Adjusted towards Brokerage & Marketing Exp	0.01	30.16
Less: Transferred to Income	0.56	13.37
Closing Balance	11.24	5.00
	-	11.79

11. PORTFOLIO DISCLOSURE

NIL

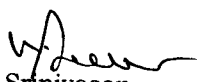
12. MOVEMENT IN UNIT CAPITAL

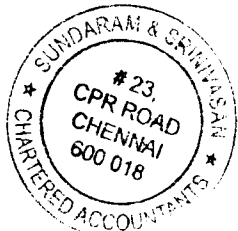
As Per Schedule-I


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

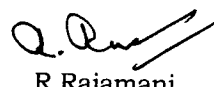

T S Sritharan
Chief Financial Officer



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**