

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

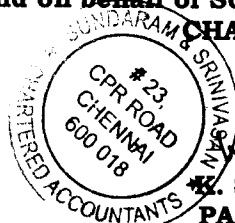
We have audited the attached Balance Sheet of Sundaram BNP Paribas Mutual Fund - **SUNDARAM BNP PARIBAS FIXED INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN D** as at March 31, 2010 and the Revenue Account for the year ended on that date. These financial statements are the responsibility of the management. 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 INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN D** 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 INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN D** for the year ended on March 31, 2010.

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



S. 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	9,773,209	199,957,691
Reserves & Surplus	2	675,587	6,169,824
Current Liabilities & Provisions	3	40,689	643,761
		10,489,485	206,771,276
ASSETS			
Investments	4	9,993,155	203,150,346
Other Current Assets	5	496,330	3,620,930
		10,489,485	206,771,276

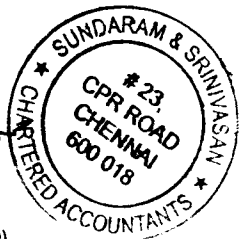
Notes on Accounts

7

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

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 YEAR ENDED 31st MARCH, 2010

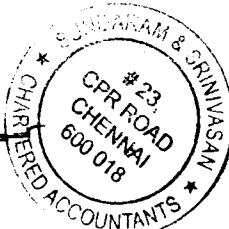
		Amount, Rs			
		Schedule No.	01-04-2009 TO 31-03-2010	16-07-2008 TO 31-03-2009	
REVENUE					
Interest		6	1,557,378	81,120,257	
Other Income			859,041	-	
TOTAL	(A)		2,416,419	81,120,257	81,120,257
EXPENSES					
Net Loss on sale / redemption of investments (Other than inter-scheme transfer/sale)			-	5,441	
Management fee			11,432	281,707	
Trusteeship fee			2,852	71,231	
Commission to Agents			20,178	344,789	
Publicity expenses			36,639	-	
Audit fee			11,316	17,510	
Other operating expenses including Marketing Exp. Rs. NIL , Previous Year Rs. NIL			1,178	87,988	
Custodian charges			5,910	197,866	
Registrar expenses			1,610	175,000	
			91,115	1,181,532	
Less : Amount transferred from load on account of Marketing Expenses			56,817	320,973	
TOTAL	(B)				860,559
SURPLUS / (DEFICIT)	(A-B)				80,259,698
Add/(Less) : Balance in Equalisation Account			(2,693,267)	(8,210,519)	
			(311,146)	72,049,179	
Less: Income Distributed			4,442,481	54,610,525	
Distribution Tax			740,610	11,268,830	
			5,183,091		65,879,355
Surplus /(Deficit) transferred to Balance Sheet					6,169,824

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

7

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	
	Rs.		Rs.	
	151,331,584.70	1,513,315,847	151,331,584.70	1,513,315,847
Initial capital				
Unit Capital				
Opening Capital	19,995,769.10	199,957,691	151,331,584.70	1,513,315,847
Add: Units sold during the year	514,469.17	5,144,692	101,480,533.07	1,014,805,331
Less : Units repurchased during the year	20,510,238.27	205,102,383	252,812,117.80	2,528,121,178
	19,532,917.37	195,329,174	232,816,348.69	2,328,163,487
Units at the end of the Year	977,320.90	9,773,209	19,995,769.11	199,957,691
		9,773,209		199,957,691

SCHEDULE : 2**Reserves & Surplus**

	31/03/2010		31/03/2009	
	Rs.		Rs.	
General Reserve				
Opening Balance	6,169,824		-	
Add /(Less): Transfer from Revenue Account	(5,494,237)		6,169,824	
		675,587		6,169,824
		675,587		6,169,824

SCHEDULE : 3**Current Liabilities & Provisions**

	31/03/2010	31/03/2009
	Rs.	Rs.
Current Liabilities		
Sundry Creditors	39,528	641,286
Others	1,161	2,475
	40,689	643,761

SCHEDULE : 4**Investments**

	31/03/2010	31/03/2009
	Rs.	Rs.
Certificate of Deposits	-	157,861,004
Commercial Papers	-	40,836,432
Others - Reverse Repo / CBLO	9,993,155	4,452,910
	9,993,155	203,150,346

SCHEDULE : 5**Other Current Assets**

	31/03/2010	31/03/2009
	Rs.	Rs.
Balance with banks in Current Accounts	433,373	366,991
Sundry Debtors		
Outstanding and accrued Income	1,364	3,253,939
Others	61,593	
	496,330	3,620,930

SCHEDULE : 6

Interest

	01-04-2009 to 31-03-2010	16-07-2008 to 31-03-2009
	Rs.	Rs.
Interest from banks and others	362,614	1,164,465
Interest on Debentures and Bonds	-	11,629,863
Discounting Charges	1,194,764	68,325,929
	1,557,378	81,120,257

SUNDARAM BNP PARIBAS MUTUAL FUND

SUNDARAM BNP PARIBAS FIXED INCOME INTERVAL FUND - QUARTERLY SERIES - PLAN D

Schedules forming part of the Balance Sheet as at 31-Mar-2010
and the Revenue Account for the Year ended 31-Mar-2010

SCHEDULE 7

All amounts mentioned rupees in lakhs

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

In terms of SEBI circular dated 15th March 2010, on Unit Premium Reserve, the equalisation account has been credited/debited with an appropriate portion (excluding the Unit Premium Reserve and Unrealised Appreciation) of the sale proceeds/repurchase price in respect of units sold / repurchased on or after 15th March 2010. The net balance in this account is transferred to revenue account for the Year

1.6. UNIT PREMIUM RESERVE

In terms of SEBI Circular dated 15th March 2010, on Unit Premium Reserve, when units are sold / repurchased on or after 15th March 2010 a part of the sale price / re-purchase price representing unrealized gains is credited/debited to Unit Premium Reserve. The balance in Unit Premium Reserve will not be utilised for determination of distributable surplus.

2. INVESTMENT MANAGER FEES

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

Description	01.04.09 to 31.03.10	16.07.08 to 31.03.09
Average daily net asset value	285.44	10,038.53
Management fee @ 0.04% of average daily net asset value.(Previous year 0.04%)	0.11	2.82

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 YEAR

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

Description	01.04.09 to 31.03.10	16.07.08 to 31.03.09
PURCHASE VALUE(AMOUNT)	384.22	37,508.05
%	134.61%	373.64%
SALES VALUE (AMOUNT)	2,371.19	35,521.08
%	830.71%	353.85%

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 Year :

Description	01.04.09 to 31.03.10	16.07.08 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 Year	NIL	NIL
% to the asset under management	NIL	NIL

6. INCOME / EXPENDITURE

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

DESCRIPTION	01.04.09 to 31.03.10	16.07.08 to 31.03.09
INCOME	8.47%	11.39%
EXPENDITURE	0.12%	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 31.03.10	16.07.08 to 31.03.09
Sundaram Finance Ltd (Sponsor)	0.01	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

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 31.03.10	16.07.08 to 31.03.09
Opening Balance	8.07	-
Add.: Amount received on Sale / Repurchase of units (net)	1.22	11.28
Less: Amount Adjusted towards Brokerage & Marketing Exp	0.57	3.21
Less: Transferred to Income	8.59	-
Closing Balance	0.13	8.07

11. EQUALISATION ACCOUNT / UNIT PREMIUM RESERVE

In terms of SEBI Circular dated 15th March 2010, when units are sold / repurchased an appropriate portion (excluding Unit premium Reserves and un realized appreciation) of the sale proceeds / re-purchase price is credited / debited to equalisation account as against the policy of crediting/ debiting the entire difference between the sale price/repurchase price and face value of the units to equalisation account followed in the earlier years.

As a result of above change, the surplus transferred to Balance Sheet is higher by Rs.Nil with consequential impact on Unit Premium Reserve and Distributable Income. However this does not have any impact on total Reserve and Surplus and Net Asset Value.

12. PORTFOLIO DISCLOSURE

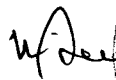
Full portfolio of the scheme is given in Annexure - III

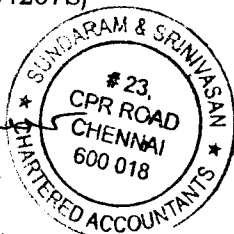
13. MOVEMENT IN UNIT CAPITAL

As Per Schedule-I

Signatures to the schedules 1 to 7 are forming part of the Balance Sheet and the Revenue Account.

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


K Srinivasan
Partner
(M.No : 5809)




For Sundaram BNP Paribas Asset Management Company Ltd


K Ramkumar
Fund Manager

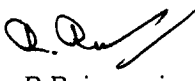

T S Sritharan
Chief Financial Officer



T P Raman
Managing Director

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


K V Ramanathan
Chairman


S Viji
Director


R Rajamani
Director


Francois Mouzay
Director

Place : Chennai

Date : 25th June, 2010

14. HISTORICAL PER UNIT STATISTICS

	2009-10				2008-2009			
	Rs.				Rs.			
(A) Gross income								
(i) income other than profit on sale of investment	2.4725				4.06			
(ii) income from profit on inter scheme sales/transfer of investments	0.0000				0.00			
(iii) income from profit on sale of investment to third parties	0.0000				0.00			
(iv) transfer to revenue account from past year's reserves	0.0000				0.00			
(B) Aggregate of expenses, write off, amortisation and charges	0.0351				0.04			
(C) Net income	2.4374				0.39			
(D) Net unrealised appreciation/(diminution) in value of investments	0.0000				0.00			
	Dividend Option	Growth Option	Inst Dividend Option	Inst Growth Option	Dividend Option	Growth Option	Inst Dividend Option	Inst Growth Option
(E) Net Assets Value	10.0601	11.7124			10.2040	10.7985	10.2045	0.0000
(F) Highest repurchase price	10.4088	11.6425	10.0000		10.2354	10.6843	10.1245	10.5825
Lowest repurchase price	9.9258	10.7226	10.0000		9.9277	9.9921	10.0000	10.2590
Highest ongoing sale price *	10.0000	11.6425			10.0000	10.5825	10.0000	10.2590
Lowest ongoing sale price *	10.0000	10.8258			10.0000	10.0000	10.0000	10.0000
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage	0.12%				0.12%			
(H) Ratio of gross income to average daily net assets by percentage	8.47%				11.39%			

* includes entry load as applicable

15. Computation of Distributable Income

	31.03.10	31.03.09
Net Income as per revenue account	(311,146)	72,049,179
Add : Balance of Undistributed income as at 1st April brought forward	6,169,824	
	5,858,678	72,049,179
Less : Income Distributed during the year	5,183,091	65,879,355
Distributable Income	675,587	6,169,824

16. Previous Years figures have been regrouped wherever necessary to confirm with the current years classification

Annexure - II

Sundaram BNP Paribas Fixed Income Interval Fund - Quarterly Series - Plan D				
Portfolio Statement for the period ended 31st March, 2010				
Particulars	Rating	Quantity	Mkt Value Rs. in Lacs	% of Net Asset
A) Debt Instruments				
a) Listed / awaiting listing on Stock Exchange				
	NIL		-	
b) Privately Placed				
	NIL			
B) Money Market Instruments				
	NIL			
C) Others				
Reverse Repo / CBLO			99.93	100.00%
GRAND TOTAL			99.93	100.00%