

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 GLOBAL ADVANTAGE FUND** 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.

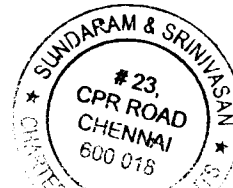
On the basis of the audit as indicated above, we report as follows:-

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 GLOBAL ADVANTAGE FUND** as at March 31, 2010 and
 - b) In the case of Revenue Account of the **Surplus** of Sundaram BNP Paribas Mutual Fund - **SUNDARAM BNP PARIBAS GLOBAL ADVANTAGE FUND** for the year ended on March 31, 2010.

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	1,179,664,417	2,009,741,174
Reserves & Surplus	2	66,127,567	(661,893,601)
Current Liabilities & Provisions	3	19,733,389	35,160,848
		1,265,525,373	1,383,008,421
ASSETS			
Investments	4	1,253,384,723	1,380,563,843
Other Current Assets	5	12,140,650	2,444,578
		1,265,525,373	1,383,008,421

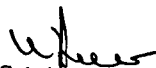
Notes on Accounts


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)

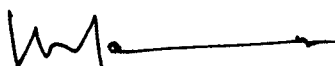


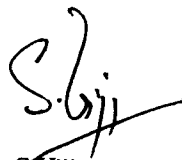

J. Venkatesan
Fund Manager


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

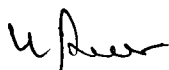
REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

		Amount, Rs				
	Schedule No.	2009 - 2010		2008 - 2009		
REVENUE						
Dividend	6		9,530,469			
Interest			2,254,266		4,326,382	
Unrealised appreciation in value of investments on exchange rate change						280,729,458
Realised gain on foreign exchange transactions						
- On sale of Investments		119,553,956				
- On Settlement of trade		114,822		119,668,778		267,655,679
Other Income			1,100,477		3,335,407	
Diminution in value of investments writtenback			916,395,055		-	
TOTAL (A)			1,048,949,045	1,048,949,045	556,046,926	
EXPENSES						
Net diminution in value of investment	7				739,562,910	
Net Unrealised appreciation in value of investment on exchange rate difference written off			323,160,977			
Unrealised depreciation in value of receivable on exchange rate change			65,233			
Net Loss on sale / redemption of investments (Other than inter-scheme transfer/sale)				58,946,135		530,703,246
Management fee				8,787,242		10,748,822
Trusteeship fee				156,913		191,938
Commission to Agents				1,134,141		5,839,109
Publicity expenses				-		8,030,602
Audit fee				117,707		131,175
Marketing expenses				1,266,097		1,141,867
Custodian charges			310,359		759,670	
Registrar expenses			905,085		1,319,360	
Service tax on AMC Fees			27,175		-	
SEBI Fees			197,807		102,912	
Other Operating Expenses			395,074,871		1,300,177,012	
Less : Amount transferred from Load on account of Marketing Expenses			1,134,141		15,515,112	
TOTAL (B)			393,940,730		1,284,661,900	
SURPLUS / (DEFICIT) (A-B)			655,008,315		(728,614,974)	
Add/(Less) : Balance in Equalisation Account			17,336,156		48,756,935	
			672,344,471		(679,858,039)	
Less: Income Distributed						
Distribution Tax						
Surplus / (Deficit) transferred to Balance Sheet			672,344,471		(679,858,039)	

Notes on Accounts

8

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



K Srinivasan
Partner
(M.NO : 5809)



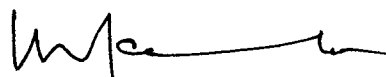
For
Sundaram BNP Paribas Asset Management Company Ltd


Venkatesan
Fund Manager


T.S Srinivasan
Chief Financial Officer

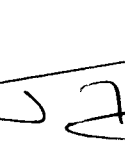

Ramani
Managing Director

For and on Behalf of
Sundaram BNP Paribas Trustee Company Ltd


K V Ramnathan
Chairman


S Vijl
Director


R. Rajanani
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 (301518083.59 units of Rs.10 each)	301,518,084	3,015,180,836	301,518,084	3,015,180,836
Unit Capital				
Opening Capital	200,974,117.33	2,009,741,174	255,149,636.06	2,551,496,361
Add: Units sold during the year	2,983,922.40	29,839,224	7,506,008.20	75,060,082
	203,958,039.73	2,039,580,398	262,655,644.26	2,626,556,443
Less : Units repurchased during the year	85,991,598.05	859,915,981	61,681,526.93	616,815,269
Units at the end of the Year	117,966,441.68	1,179,664,417	200,974,117.33	2,009,741,174
	1,179,664,417		2,009,741,174	

SCHEDULE : 2**Reserves & Surplus**

	31/03/2010		31/03/2009	
	Rs.	Rs.	Rs.	Rs.
Unit Premium Reserve				
Amount Received on Sale / Repurchase of Units (net)	(9,137,230)	(9,137,230)		
General Reserve				
Opening Balance	(661,893,601)		17,964,438	
Add /(Less): Transfer from Revenue Account	672,344,471	10,450,870	(679,858,039)	(661,893,601)
Unrealised appreciation reserve				
Opening Balance	-		-	
Add/(Less) Net unrealized appreciation for the year	64,813,927	64,813,927	-	
Unrealised Appreciation Reserve (Schedule 8)		64,813,927		-
		66,127,567		(661,893,601)

SCHEDULE : 3**Current Liabilities & Provisions**

	31/03/2010	31/03/2009
	Rs.	Rs.
Current Liabilities		
Sundry Creditors	19,667,237	35,087,185
Others	66,152	73,663
	19,733,389	35,160,848

SCHEDULE : 4**Investments**

	31/03/2010	31/03/2009
	Rs.	Rs.
Units of Overseas Mutual Funds	1,147,757,071	1,373,884,479
Investment in Reverse Repo / CBLO	105,627,652	6,679,364
	1,253,384,723	1,380,563,843

SCHEDULE : 5**Other Current Assets**

	31/03/2010	31/03/2009
	Rs.	Rs.
Balance with banks in Current Accounts	4,042,996	2,415,590
Sundry Debtors		
Contract for Sale of Investments	7,011,010	-
Outstanding and accrued Income	14,471	823
Others	1,072,173	28,165
	12,140,650	2,444,578

SCHEDULE : 6

Interest

	01-04-2009 to 31-03-2010	01-04-2008 to 31-03-2009
	Rs.	Rs.
Interest from banks and others	2,254,266	4,326,382
	2,254,266	4,326,382

SCHEDULE : 7

Net unrealised appreciation in value of Investments

	01-04-2009 to 31-03-2010	01-04-2008 to 31-03-2009
	Rs.	Rs.
Appreciation in Value of Investments		
Unrealised appreciation in value of investments on exchange rate change	41,924,592	280,729,458
Unrealised appreciation in value of receivables in exchange rate change	0	0
Unrealised appreciation in value of investments on price variance	64,813,927	-
	106,738,519	280,729,458
Diminution in value of investments		
Diminution in value of investments on account of market movement	-	739,562,910
Privately placed debentures / Bonds		
Debentures & Bonds listed / awaiting listing in the Recognised the recognised stock exchange	-	-
	-	739,562,910
	106,738,519	(458,833,452)

**SUNDARAM BNP PARIBAS MUTUAL FUND -
SUNDARAM BNP PARIBAS GLOBAL ADVANTAGE FUND**
Schedules forming part of the Balance Sheet as at 31st March 2010 and the
Revenue Account for the year ended 31st March 2010

SCHEDULE 8

NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 INVESTMENTS

a) Units of Overseas Mutual Funds

Investments are in the nature of units of overseas mutual funds. These securities are valued at the last disclosed Net asset Value (NAV) at the local currency and converted into Indian Rupee value by applying the RBI reference rate/Cross currency rate through Bloomberg.

b) Money Market Securities

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

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

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 arising on account of the net asset value movement of the overseas mutual fund units is directly transferred to unrealised appreciation reserve and the net diminution arising there from is debited to revenue account.

Foreign Exchange Transactions:

Transactions expressed in currencies other than Indian Rupee are translated into Indian Rupees at the exchange rates applicable on the transaction dates.

Exchange differences arising on settlement of transactions are recognized as income or expense.

Assets and liabilities designated in currencies other than Indian Rupee are translated into Indian Rupee at the exchange rates at the end of each year.

Exchange gain or loss on account of changes in the foreign exchange rates is considered as income or expense in the revenue account. The unrealized appreciation arising on account of changes in foreign exchange rate is reduced for calculating the distributable income.

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 15 March 2010, on Unit Premium Reserve , when units are sold / repurchased on or after 15th March 2010 a part of the sale price / repurchase price representing unrealized gains is credited / debited to Unit Premium Reserve. The balance in Unit Premium Reserve will not be utilized for determination of distributable surplus.

2. INVESTMENT MANAGER FEES

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

Rs. in lakhs

Particulars	01-04-2009 to 31-03-2010	01-04-2008 to 31-03-2009
Average daily net asset value	15691.18	19193.93
Management fee @ 0.56%(Previous period 0.56%) of average daily net asset value	87.87	107.49

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 financial year as a percentage of average daily net asset value is as under:

(Rs. in lakhs)

Period	Purchase Value (Amount)	%	Sales Value (Amount)	%
01.04.09 to 31.03.10	3011.52	19.19%	10829.39	69.02%
01.04.08 to 31.03.09	11616.19	60.52%	16246.10	84.64%

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

Aggregate 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 is Rs. Nil (Previous period Rs. NIL lacs) representing (Previous period NIL %) of Net assets value.

6. INCOME / EXPENDITURE

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

Particulars	01.04.09 to 31.03.10	01.04.08 to 31.03.09
Income	42.49%	24.57%
Expenditure	0.75%	0.75%

7. CONTINGENT LIABILITY

Contingent liability as at 31st March 2010 is NIL (Previous period Nil)

8. AMOUNT PAID TO ASSOCIATES (Rs. In lakhs)

Particulars	01.04.09 to 31.03.10	01.04.08 to 31.03.09
Sundaram Finance Ltd (Sponsor)	0.93	1.15
Sundaram Finance Distribution Ltd (Subsidiary of sponsor)	0.009	0.32
Indus Ind Bank (Associate)	0.02	0.03

9. TOTAL VALUE OF INVESTMENTS (EXCLUDING MONEY MARKET INVESTMENTS) FALLING UNDER EACH MAJOR INDUSTRY GROUP WHICH CONSTITUTES NOT LESS THAN 5% OF THE TOTAL INVESTMENTS IS AS BELOW
(% of total investments within the classification)

	31.03.10	31.03.09
Investments in Overseas Securities		
Units of Mutual Funds	100%	100%

10. LOAD COLLECTED AND UTILISED

Description	01.04.09 to 31.03.10	01.04.08 to 31.03.09
Opening Balance	12.09	103.96
Add.: Amount received on Sale / Repurchase of units (net)	3.73	63.28
Less: Amount Adjusted towards Brokerage & Marketing Exp	11.34	155.15
Less: Transferred to Income	0.24	0.00
Closing Balance	4.24	12.09

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. 0.24 lakhs with consequential impact on the Surplus, Reserves and Surplus, Current Liabilities and Provisions, Net Asset Value and Distributable income.

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.91.37 lakhs with consequential impact on Unit Premium Reserve. However this does not have any impact on total Reserve and Surplus, Distributable Income and Net Asset Value.

11.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.

11.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

12. PORTFOLIO DISCLOSURE

Full portfolio of the scheme is given in **Annexure - II**

13. MOVEMENT IN UNIT CAPITAL

Refer Schedule 1

14. HISTORICAL PER UNIT STATISTICS

	01-04-09 to 31-03-10		01-04-08 to 31-03-09		22-08-07 to 31-03-08	
	Rs.		Rs.		Rs.	
(A) Gross income						
(i) income other than profit on sale of investment	0.11		1.37		0.39	
(ii) income from profit on inter scheme sales/transfer of investments	0.00		0.00		0.00	
(iii) income from profit on sale of investment to third parties	0.51		-2.64		0.68	
(iv) transfer to revenue account from past year's reserves	0.00		0.00		0.00	
(B) Aggregate of expenses, write off, amortisation and charges	0.10		0.07		0.15	
(C) Net income	0.52		-1.34		0.92	
(D) Net unrealised appreciation/(diminution) in value of investments (including Exchange Rate appreciation)	5.58		-2.28		-0.36	
(E) Net Assets Value	Dividend Option	Growth Option	Dividend Option	Growth Option	Dividend Option	Growth Option
	10.5599	10.5598	6.7062	6.7061	10.0247	10.0247
(F) Highest repurchase price	10.8148	10.8146	11.7638	11.9431	11.8248	11.9900
Lowest repurchase price	6.7062	6.6055	5.5358	5.5358	9.4616	9.4617
Highest ongoing sale price *	11.0297	11.0296	12.2713	12.2715	12.3350	12.3353
Lowest ongoing sale price *	6.8022	6.9893	5.5358	5.5358	9.6057	9.6058
(G) Ratio of expenses (excluding deferred revenue expenditure amortised) to average daily net assets by percentage	0.75%		0.75%		0.74%	
(H) Ratio of gross income to average daily net assets by percentage	42.49%		24.57%		14.67%	

* includes entry load as applicable

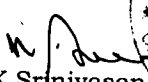
15 Computation of Distributable Income


	31.03.10	31.03.09
Net Income as per revenue account	672344471	-679858039
Add : Balance of Undistributed income as at 1st April brought forward	-1026979170	-66391673
	-354634699	-746249712
Less: Unrealised appreciation in value of investments on exchange rate change	(323,160,977)	280729458
	-31473722	-1026979170
Less : Income Distributed during the year	0	0
	-31473722	0
Add : Unit Premium Reserve	-9137230	0
Distributable Income	-40610952	-1026979170

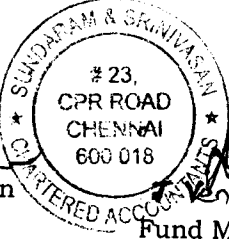
16 Previous year figures have been regrouped/reclassified wherever necessary.

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


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


K Srinivasan
Partner
(M.NO.5809)


K Venkatesan
Fund Manager




for Sundaram BNP Paribas Asset Management
Company Ltd


T.S. Sritharan
Chief Financial officer

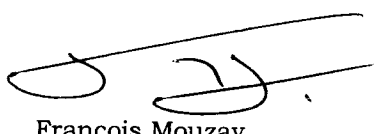

T P Raman
Managing Director

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

SUNDARAM BNP PARIBAS MUTUAL FUND

ANNEXURE II

GLOBAL ADVANTAGE FUND

PORTFOLIO STATEMENT AS ON 31.03.2010

INVESTMENT IN UNITS OF MUTUAL FUND		
	QTY	VALUE RS. IN LACS
OVERSEAS INVESTMENTS		
BLACKROCK-EMERGING EUROPE FUND EUR CL A2	18,146.52	1,018.95
BNP PARIBAS PARVEST GLOBAL RES-INST GRWT	9.81	1,063.05
D B TRACKER EM ASIA	127,850.00	1,940.84
D B TRACKER LATAM	37,752.00	1,023.33
FIDELITY FUNDS - SOUTH EAST ASIA FUND	693,843.55	1,844.44
MARTIN CURRIE GLOBAL RESOURCES FUND	71,089.10	759.24
MORGAN STANLEY ASIAN PROPERTY FUND I CAP	83,041.17	601.26
MORGAN STANLEY GLOBAL PROPERTY FUND CL I	42,326.70	364.74
NEVSKY EASTERN EUROPEAN	22949.089	835.68
PARVEST LATIN AMERICA INSTITUTIONS CAP	3.89	851.82
SCHRODERS EMERGING ASIA	112416.81	1,174.24

11,477.57