



SUNDARAM BNP PARIBAS
MUTUAL



Annual Report 2009-10
Sundaram BNP Paribas Mutual Fund

Board of Directors of the Trustee Company

K.V.Ramanathan Chairman
S.Viji
R.Rajamani
K.V.Krishnamurthy
François Mouzay
Martial Godet (Alternate to Mr. François Mouzay)

Audit committee

R.Rajamani Chairman
K.V.Krishnamurthy
François Mouzay

Statutory Auditors

Sundaram & Srinivasan
Chartered Accountants
23 C P Ramaswamy Road
Alwarpet
Chennai – 600 018

Information Security

Assurance Auditors

M/s. Tejas Brainware Systems (P) Ltd., Chennai

Registered Office

21 Patulous Road
Chennai – 600 002

Annual Report 2009-10

Schemes covered in the report: Sundaram BNP Paribas Fixed Term Plan 367 Days Series IV, Sundaram BNP Paribas Fixed Term Plan 367 Days Series V, Sundaram BNP Paribas Fixed Term Plan 367 Days Series VI, Sundaram BNP Paribas Fixed Term Plan 367 Days Series VII, Sundaram BNP Paribas Fixed Term Plan 367 Days Series VIII, Sundaram BNP Paribas Fixed Term Plan Series XIII (Retail)-30M, Sundaram BNP Paribas Fixed Term Plan 16 Months, Sundaram BNP Paribas FTP Series B 14 months, Sundaram BNP Paribas FTP Series C 14 months, Sundaram BNP Paribas FTP Series D 13 months, Sundaram BNP Paribas FTP Series E 13 months, Sundaram BNP Paribas Fixed Term Plan F 370 days, Sundaram BNP Paribas Fixed Term Plan G 370 days, Sundaram BNP Paribas Fixed Term Plan H (13 Months), Sundaram BNP Paribas Fixed Term Plan I (13 Months), Sundaram BNP Paribas Fixed Term Plan J, Sundaram BNP Paribas Fixed Term Plan K, Sundaram BNP Paribas Fixed Term Plan L, Sundaram BNP Paribas Fixed Term Plan M, Sundaram BNP Paribas Interval Fund - Quarterly Series - Plan A, Sundaram BNP Paribas Interval Fund - Quarterly Series - Plan B, Sundaram BNP Paribas Interval Fund - Quarterly Series - Plan C, Sundaram BNP Paribas Interval Fund - Quarterly Series - Plan D, Sundaram BNP Paribas Interval Fund - Quarterly Series - Plan E, Sundaram BNP Paribas SFTP Series AA, Sundaram BNP Paribas Fixed Term Plan Y, Sundaram BNP Paribas Fixed Term Plan Z, Sundaram BNP Paribas Fixed Term Plan U, Sundaram BNP Paribas Fixed Term Plan P, Sundaram BNP Paribas Fixed Term Plan R, Sundaram BNP Paribas Fixed Term Plan S, Sundaram BNP Paribas Tax Saver '97, Sundaram BNP Paribas Tax Saver '98 and Sundaram BNP Paribas Value Plus.

Investment Manager

Sundaram BNP Paribas Asset Management Company Limited
Sundaram Towers, II Floor, 46 Whites Road, Chennai 600 014 India
www.sundarambnpparibas.in

Sponsors



SUNDARAM FINANCE

Sundaram Finance Limited
21, Patullos Road, Chennai 600 002
Phone : 044 28521181
Fax : 044 28520456
www.sundaramfinance.in



BNP PARIBAS
ASSET MANAGEMENT

BNP Paribas Asset Management
Registered Office: 1, boulevard
Haussmann 75009 Paris
France
www.bnpparibas-am.com

Snapshot on Sponsors, Mutual Fund, Trustee Company and Investment Manager

Sponsors: Sundaram Finance and BNP Paribas Asset Management are the Sponsors of Sundaram BNP Paribas Mutual Fund. Sundaram BNP Paribas Asset Management Company Limited is a joint venture of Sundaram Finance Limited and BNP Paribas Asset Management.

Sundaram Finance: Sundaram Finance is India's leading non-banking finance company with a track record for more than 56 years. A strong player in the commercial vehicle and car finance segments, the Sundaram Finance Group's services range from automobile finance to home loans to mutual fund to insurance. Sundaram Finance now has over 425 offices, with presence in 21 states and 235 districts across the country, employee strength of over 4000 people and stands as one of the most trusted financial services provider in the country. The Sundaram Finance Group remains true to its core values of prudence, fairness, transparency and service excellence. It has an uninterrupted dividend record inception. The public deposit schemes of Sundaram Finance enjoy the highest investment grade rating from CRISIL and ICRA, signifying the degree of safety of depositors' funds. Sundaram Finance's commercial paper – a short-term instrument – also enjoys the highest investment grade rating from CRISIL. Sundaram Finance holds a 50.1% stake in the paid-up equity of Sundaram BNP Paribas Asset Management Company and Sundaram BNP Paribas Trustee Company.

BNP Paribas Asset Management: BNP Paribas Asset Management is BNP Paribas Investment Partners. BNP Paribas Asset Management plays a fundamental role within BNP Paribas Investment Partners. BNP Paribas Asset Management holds a 49.9% stake in the paid-up equity of Sundaram BNP Paribas Asset Management Company and Sundaram BNP Paribas Trustee Company.

BNP Paribas Investment Partners: BNP Paribas Investment Partners brings together the full palette of asset management expertise of the BNP Paribas group. Through a unique platform that offers immediate and simplified access to a broad range of specialist Partner companies BNP Paribas Investment Partners has become a leader in the European asset management industry. At 31 March 2010, assets under management amounted to 542 billion euros, nearly half of which was managed for institutional clients. With over 60 management teams across the world and more than 1,200 professionals, BNP Paribas Investment Partners draws on over half a century of asset management experience and has seen a decade of steady growth through acquisitions and joint-ventures. It has over 4,000 employees operating in 45 countries, the network of Partners provides clients with the most advanced and dedicated expertise in asset management today, blending excellence in client service and innovative solutions.

Sundaram BNP Paribas Mutual Fund: Sundaram BNP Paribas Mutual Fund was set up as a Trust on August 24, 1996. Sundaram BNP Paribas Mutual Fund was registered with SEBI on January 3, 1997. The mutual fund has Sundaram BNP Paribas Trustee Company Limited as a Trustee in accordance with the provisions of the Indian Trusts Act, 1882 and is duly registered under the Indian Registration Act, 1908. After the introduction of BNP Paribas Asset Management as the cosponsor of the Mutual Fund, the Trust Deed has been amended. The amended Trust Deed dated March 31, 2006 has been duly registered with the Sub-Registrar, Chennai, under Serial No. 193 of 2006. The Trustee has entered into an Investment Management Agreement dated August 24, 1996 with Sundaram BNP Paribas Asset Management Company Limited to function as the Investment Manager for all schemes of Sundaram BNP Paribas Mutual Fund.

Sundaram BNP Paribas Trustee Company: The Trustee is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the unit holders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the SEBI Mutual Fund Regulations and the Trust Deed. The Trustee seeks to ensure that the mutual fund and the schemes are managed by the Sundaram BNP Paribas Asset Management, The Investment Manager, in accordance with the Trust Deed, SEBI Regulations, directions and guidelines issued by SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies. The Sponsors - Sundaram Finance and BNP Paribas Asset Management - have appointed Sundaram BNP Paribas Trustee Company Ltd as the Trustee vide an amended Trust Deed dated 31st March 2006.

Sundaram BNP Paribas Asset Management Company: Sundaram BNP Paribas Asset Management, the Investment Manager for Sundaram BNP Paribas Mutual Fund, is a public limited company, incorporated under the Companies Act, 1956. The paid-up capital is Rs.15.33 crore. It is a joint-venture between Sundaram Finance and BNP Paribas Asset Management. A focus on striving for consistent performance, adherence to transparent business practices and an unswerving commitment to investors are in a nutshell the ethos of the company at work. Sundaram BNP Paribas Asset management manages assets of Sundaram BNP Paribas Mutual Fund and also offers customized options through Sundaram BNP Paribas Portfolio Managers. Key strengths are an investment team with a combined experience in research and fund management of more than 175 years, and counting, ensure best-in-class portfolio management expertise for investors in our fund house. Rigorous compliance and risk management enhance comfort levels for our more than 2.34 million investors (in terms of folios). A well-defined bouquet of products caters to a variety of risk, return and liquidity preferences of investors across equity and fixed-income asset classes. Quality customer service is also the prime focus.

Dear Investor

FY 10 has been a tepid year for equity funds and a year of restoration of assets in liquid/fixed-income funds.

Ebb & flow with markets: Hurt by the meltdown of 2008 and Q1 2009, investors continue to be cautious about equity as an asset class. This is in line with trends over the past 20 years when investor flows have tended to ebb and flow with the market trends. This is amply clear from the charts on the next page.

This type of behaviour can hurt investors over the long term, as they typically embrace equity in a big way in late stages of a bull market and shy away in a bearish phase. This effectively means buying more at highs and not buying at lows and selling at lows when exactly the reverse will stand investors in good stead.

Despite a sharp recovery from the lows of October 2008, markets continue to be well off peak levels across the world. This does mean a more prolonged holding period for investors who entered Indian equities in the second half of 2007 and early 2008.

Macro-Backdrop & Investing: The global financial crisis and its effect on economies continue to rumble even after four years from the official recognition of the woes.

The developed world appears set for a protracted period of low growth while emerging markets could grow at a higher pace, if they are able to enhance the domestic orientation. In this regard India is well placed.

In this backdrop, there is a need for investors to adopt a long-term perspective to overcome the effects of short-term volatility and expectations of returns will also have to be moderated, as in our view, it would be unrealistic to expect gains of the magnitude enjoyed by investors during 2003-2007 or from the lows of October 2008.

Owning a diversified portfolio that matches your expectations of return and liquidity as well as your risk preferences and adopting a long-term approach of at least five-to-ten years is the appropriate way to benefit from investments in the financial markets.

We seek your continued support and assure you of our commitment to quality products and services from Sundaram BNP Paribas Mutual Fund.

Mutual Fund Industry Flow-Trends: Gross mobilisation by the mutual fund industry during the year amounted to Rs. 1,00,19,023 crore as compared to Rs. 54,26,353 crore in FY 2009, a growth of 84.6%. The industry also witnessed a gross redemption of Rs. 99,35,942 crore representing 82.2% increase over the previous year's level of Rs. 54,54,650 crore. On a net basis, there was an Inflow of Rs. 83,081 crore in 2009-10; this was a significant improvement over the previous year which witnessed an outflow of Rs.28,297 crore.

Trend in fund house flows: In the year 2009-10, Sundaram BNP Paribas Mutual Fund schemes mobilized a sum of Rs. 60,712 crore representing an increase of 48.04% over the previous year's mobilization of Rs. 41,012 crore.

The gross redemption from the schemes in this period was Rs. 62,113 crore as against the previous year's redemption amount of Rs. 39,871 crore, recording an increase in the redemptions to the tune of 55.78%. On a net basis, Sundaram BNP Paribas Mutual fund schemes witnessed an outflow of Rs. 1,401 crore, in 2009-10, as compared to the net Inflow of Rs. 1,141 crore recorded in the previous year 2008-09. This was mainly on account of outflows in the liquid/other short-term funds.

Assets Under Management: The Average Assets Under Management of Sundaram BNP Paribas Mutual Fund in the year ending March 31, 2010 was Rs. 13,878 crore, as compared to Rs. 9,267 crore for the previous year ending March 31, 2009. This represents a growth of about 50% over the previous year. The closing AUM as on March 31, 2010 was Rs.12,770 crore. This represents a share of 2.08% of the mutual fund industry's assets of Rs. 6,13,979 crore. In equity, the fund house stays in the top 10; this is also true in terms of folios, indicating the retail orientation of Sundaram BNP Paribas Mutual Fund.

Performance of Sundaram BNP Paribas Mutual Fund: During FY 2010, the funds of Sundaram BNP Paribas Mutual Fund managed to stay in line with the trends in the market. The large-cap funds stayed close to the benchmark in

terms of returns. As they adhere to style integrity, they trailed the broad market, which was influenced by mid- and small-cap stocks significantly.

In a year that saw the mid- and small-cap space take off, the funds of Sundaram BNP Paribas Mutual Fund tracking this part of the market outpaced benchmarks (and peer group) by comfortable margins as is evident from the table on Track Record. This, yet again, showcased the class-leading ability of the fund house in the mid- and small-cap spaces.

The culmination was the selection by CRISIL of Sundaram BNP Paribas S.M.I.L.E Fund as the best in the mid- and small-cap category for the CNBC TV18-CRISIL Award. The fund bagged the ICRA Five-Stars Award for performance over a one-year and three-year period.

Sundaram BNP Paribas Select Mid Cap continues to be the highest-rated mid-cap fund by Value Research, a distinction that has been maintained for close to five years now.

Two new thematic funds launched in 2008 to track financial services and entertainment have performed well, benefiting from a conservative approach in 2008. This has helped them to be in the first quartile on a comparison with 320-plus funds, which were available on their launch dates for investors to consider.

Sundaram BNP Paribas Energy Opportunities has participated in the rally completely despite staying true to the theme in portfolio construction. It is an early quartile 2 performer among equity funds from its launch date. This is a creditable performance, especially as opportunities to participate in top performers in the recovery such as infrastructure and financial services stocks were limited for this fund.

Sundaram BNP Paribas Select Focus and Sundaram BNP Paribas Tax Saver – acclaimed and awarding winning funds in 2006, 2007 and 2008 – trailed benchmarks during the year on account of deep cash calls and more conservative portfolio positioning that meant lack of participation in the early stages of the rally since March 2009. The trail has, however, not impaired the impressive credentials over longer time periods of both the funds.

Sundaram BNP Paribas Tax Saver now sports a 10-year plus track record and is a top quartile fund across periods except the latest one year.

On the fixed-income side, Sundaram BNP Paribas Ultra-Short Term maintains a consistent trend and has been a top quartile performer since launch. We have repositioned two of our existing funds. Sundaram BNP Paribas Floating Rate Fund – Short Term Plan is now Sundaram BNP Paribas Flexible Fund – Short Term Plan. Following the shift, the fund has emerged as a top quartile performer and there has been sharp rise in fund size.

Sundaram BNP Paribas Floating Rate Fund – Long-Term Plan has been repositioned as Sundaram BNP Paribas Flexible Fund – Flexible Income Plan, a dynamic fund. Given its low fund size, we are in the process of improving the performance. Small size is a constraint, which we expect to overcome in the years ahead.

During the year, Sundaram BNP Paribas Mutual Fund launched the sixth fund in its Select Thematic Funds umbrella. Sundaram BNP Paribas PSU Opportunities – dedicated to track PSU stocks – received an encouraging response with a fund size of Rs 499 crore mobilised during the New Fund Offer Period.

Annexure A summarizes the performance of the schemes, while Annexure B sets out their objectives and investment policies. Annexure C has the details of the dividends declared under various schemes during the FY 2009-2010. The Revenue Account of the Sundaram BNP Paribas Mutual Fund schemes for the year up to March 31,2010 and the Balance Sheet as of that date are also an integral part of this report.

The fund house continues to invest in building its in-house research skills as well as contemporary trading and monitoring systems for the fund managers, dealers and compliance. This will be the key focus area on a continuous basis, as it is critical to handle investor funds with the optimum skill sets and responsibility.

Outlook: As of March 2010, the Indian markets can be broken into two buckets from a valuation perspective – large-cap stocks that are fairly valued relative to their current level of earnings and mid- and small-cap stocks that are cheap

across several parameters. We think there could be a fairly prolonged time correction for the large-cap stocks rather than absolute price correction. Hence short-term returns may prove to be elusive.

We remain cautious on markets in 2010 in the India context and are fairly confident of its performance in FY 2011 and beyond. Our concern is lower growth and margin compression eroding earnings growth and hence resulting in a correction. We are seeing this trend in the cement and telecom sector and in some other sectors as well. Fresh capacities are also being added and while these industries are confident of maintaining pricing power it will be difficult in an era of lower capacity utilisation.

Hence our central thesis for this year is one of cautious look out for opportunities-identify good companies with robust earnings growth and buy them at attractive prices. There can be no substitute for this common sense.

FII flows will remain volatile on account of the global uncertainties. Indian markets remain very dependent on FII inflows as domestic savings in equities has declined significantly on account of new marketing procedures in mutual funds and insurance policies. While there is a growing consensus on the longer-term prospects of Indian companies, the relatively higher valuation is delaying inflows.

We also remain worried on the amount of equity issuances that will take place globally as companies try to repair their balance sheets. China and India will continue to remain capital hungry markets and any change in risk perception could dent market sentiments sharply.

On a medium-term perspective, we are more optimistic. We think India is becoming a more favoured destination, as money moves from some of the mature markets to India.

Infrastructure development, although slow, will continue to become a larger theme in the private sector. We are also positive on the consumption theme which will play an integral role in economic development as better infrastructure is rolled out. While markets are expensive on a short-term basis, they are not, when adjusted for the growth potential.

We therefore recommend that investors continue to increase their equity exposure during this period of consolidation. Thanks to the slow rate of development in India, the potential for growth is larger and likely for a longer period. That is an opportunity for investors, as corporate profitability will be more secular and remain so longer rather than getting competed away.

The Wise Investor: For a more detailed view of the outlook on markets, global economy and Indian economy, please read The Wise Investor available at www.sundarambnpparibas.in and The Market Outlook. We are happy to inform you that The Wise Investor, a publication of the fund house is now mailed in printed form to 4 lakh investors, reaches another 4 lakh investors by e-mail (the soft copy version is an expanded 36-page version with deeper views and analysis) and is also available online at www.sundarambnpparibas.in.

Investment Approach: As always, we wish to emphasise that realistic expectation of return aligned to long-term trends and long-term horizon is important for wealth creation.

Regulatory framework: The last year has been a period of the most significant changes in the regulatory framework for mutual funds in India. SEBI has been active in tilting the framework in favour of investors in a pronounced manner. A few of the notable initiatives are:

- At the first stage, abolition of entry load for direct investment in the mutual fund and then abolition of entry load as a concept for all investment in mutual funds;
- Introduction of a system of commissions that are paid to distributors by investors and not by the mutual fund;
- Intervention to prevent a hike in exit loads by mutual funds;
- Tightening of the regulations for liquid funds;
- Clarity on calculation of distributable surplus for payment of dividend;
- Enhanced disclosures, especially of portfolio information at the website of the fund house and at www.amfiindia.com
- Publication of information on investor base of different fund houses;

- Enhanced level of distributor-level compliance requirements;

Investor Services: The investor base of the fund house based on number of folios has marginally risen from 2.25 million in 2008-09 to 2.34 million in 2009-10 indicating increased retail participation and continued confidence reposed by investors in the fund management expertise. Sundaram BNP Paribas Asset Management, the investment manager has enhanced the focus on mobilizing funds through the Systematic Investment Plan route. During the year, the Investment Manager opened 11 branches and closed 9 branches, taking the total number of branches to 57 as at the year end. The Investment Manager has enhanced the manpower devoted to customer service as a key thrust area. It is also investing in technology-based service enhancements and an online investment facility is now available at www.sundarambnpparibas.in. As required by SEBI regulations, a summary of dealing with investor grievances and voting policy are attached as part of this report.

Board of Directors: The Board of Directors of the Trustee Company is vested with general power of superintendence, direction and management of the affairs of Sundaram BNP Paribas. Sundaram BNP Paribas Asset Management acts as the Investment Manager of the schemes of Sundaram BNP Paribas Mutual Fund.

The Board of Directors of the Trustee Company monitors and reviews the work of the investment Manager to ensure that functions assigned are carried out in line with the Investment Management Agreement, SEBI Mutual Fund Regulations and other laws in force. During the year under review, six meeting of the of Board of Directors of the Trustee were held.

Audit Committee: The Statutory Auditor, the Internal Auditor, the Concurrent Auditor, the Managing Director, the Compliance Officer & Secretary and the Chief Financial Officer Sundaram BNP Paribas Asset Management are invited to the meetings of the Audit Committee.

During the year, the Audit Committee met four times to review the financial accounts/policies and adequacy of internal control systems; the committee interacted with the Statutory Auditors, Internal Auditors, Concurrent Auditors and the Systems Auditors. Besides, the Committee reviewed audit plans, unaudited/audited financial results of the Schemes, responses to the queries of auditors/regulator and follow-up actions initiated by the management.

Liability and Responsibility of the Sponsor and Trustee Company: The Sponsors – Sundaram Finance and BNP Paribas Asset Management - are not responsible or liable for any loss resulting from the operation of the schemes of the Fund beyond the initial contribution of Rs.1 Lakh for setting up the Fund. The price, redemption value and income of the units can rise or decline based on fluctuations in market value of its underlying investment.

Complete Annual Report: The Full Annual Report of the Trustee is available at www.sundarambnpparibas.in as well as at the Head Office of Sundaram BNP Paribas Paribas Asset Management. Present and prospective investors can obtain a copy of the trust deed, the full Annual Report of the Trustee Fund and Annual Report of the Investment Manager on payment of the stipulated price.

Significant Accounting Policies: Accounting Policies are in accordance with Securities and Exchange Board of India (Mutual Fund) Regulations, 1996.

Unclaimed Dividend & Redemption: The details are available in the respective reports of each scheme.

Appreciation: The Board of Directors of Sundaram BNP Paribas Trustee Company would like to thank the Securities and Exchange Board of India, the Reserve Bank of India and the Association of Mutual Funds in India for their guidance and support. The Trustee Company also thanks the investors, Sponsors, Investment Manager, bankers, channel partners and service providers for their continued support and cooperation.

The Trustee Company places on record its appreciation of the professionalism, dedication and commitment displayed by the management and employees of the Sundaram BNP Paribas Asset Management (Investment Manager).

For and on behalf of the Board of Directors

Place: Chennai

Date: June 25, 2010

K V Ramanathan

Chairman

Annexure A - Investment objective and Performance

Sundaram BNP Paribas Fixed Term Plans

Fund Type: Close-end income scheme

Investment Objective: To generate income through investments in Fixed Income Securities & Money Market Securities. However, there can be no assurance that the investment objective of the scheme will be achieved. The scheme do not guarantee/indicate any returns.

Fund Manager: K Ramkumar

Performance & Outlook: Sundaram BNP Paribas Fixed Term Plans invests in a portfolio of fixed income securities and hence there would be minimum volatility. The portfolio will be designed as though it will be maturing in line with the time profile of the plan. It would provide an edge over Fixed Deposits, with less than one year maturity as the dividend distribution tax will be lower. Tax rates in case of long term capital gains is also lower compared to FDs and indexation benefit may reduce capital gain and will also enhance post tax returns. There would be comfort of asset quality as investments will be made only in high investment grade securities.

Sundaram BNP Paribas Fixed Income Interval funds

Fund Type: Open-end interval income scheme

Investment Objective: To generate income through investments in Fixed Income Securities & Money Market Securities. However, there can be no assurance that the investment objective of the scheme will be achieved. The scheme do not guarantee/indicate any returns.

Fund Manager: K Ramkumar

Performance & Outlook: Sundaram BNP Paribas Interval funds offer an optimal way to capture prevailing market yield. These are Open-End Interval Income Scheme which is available for subscription on a specific transaction period. These schemes will provide comfort in terms of asset quality and access to fund management expertise.

| Scheme | Benchmark | Allotment | One Year Basis | | Since Launch Basis | | Maturity |
|--|-----------------------------------|-----------|----------------|-----------|--------------------|-----------|-----------|
| | | | Returns (%) | | Returns (%) | | |
| | | | Fund | Benchmark | Fund | Benchmark | |
| Sundaram BNP Paribas Fixed Term Plan 367 Days Series IV | CRISIL Short Term Bond Fund Index | 05-Sep-08 | 10.43 | 10.41 | 10.37 | 10.35 | 07-Sep-09 |
| Sundaram BNP Paribas Fixed Term Plan 367 Days Series V | CRISIL Short Term Bond Fund Index | 16-Sep-08 | 10.44 | 10.33 | 10.38 | 10.31 | 18-Sep-09 |
| Sundaram BNP Paribas Fixed Term Plan 367 Days Series VI | CRISIL Short Term Bond Fund Index | 16-Oct-08 | 10.48 | 10.22 | 10.39 | 10.17 | 19-Oct-09 |
| Sundaram BNP Paribas Fixed Term Plan 367 Days Series VII | CRISIL Short Term Bond Fund Index | 01-Dec-08 | 9.07 | 9.12 | 9.05 | 9.54 | 03-Dec-09 |
| Sundaram BNP Paribas Fixed Term Plan 367 Days Series VIII | CRISIL Short Term Bond Fund Index | 30-Mar-09 | 7.24 | 5.88 | 7.24 | 5.99 | 05-Apr-10 |
| Sundaram BNP Paribas Fixed Term Plan Series XIII (Retail)-30M | CRISIL Short Term Bond Fund Index | 28-May-07 | 11.35 | 10.04 | 10.18 | 8.51 | 27-Nov-09 |
| Sundaram BNP Paribas Fixed Term Plan 16 Months | CRISIL Short Term Bond Fund Index | 01-May-08 | 10.22 | 10.59 | 8.63 | 8.73 | 31-Aug-09 |
| Sundaram BNP Paribas FTP Series B 14 months | CRISIL Short Term Bond Fund Index | 15-Feb-08 | 10.77 | 11.14 | 9.35 | 10.03 | 15-Apr-09 |
| Sundaram BNP Paribas FTP Series C 14 months | CRISIL Short Term Bond Fund Index | 05-Mar-08 | 9.53 | 10.83 | 9.87 | 10.62 | 04-May-09 |
| Sundaram BNP Paribas FTP Series D 13 months | CRISIL Short Term Bond Fund Index | 18-Mar-08 | 9.97 | 10.91 | 10.10 | 10.97 | 17-Apr-09 |
| Sundaram BNP Paribas FTP Series E 13 months | CRISIL Short Term Bond Fund Index | 27-Mar-08 | 9.66 | 11.27 | 9.74 | 10.98 | 27-Apr-09 |
| Sundaram BNP Paribas Fixed Term Plan F 370 days | CRISIL Short Term Bond Fund Index | 22-Aug-08 | 10.40 | 10.71 | 10.25 | 10.70 | 27-Aug-09 |
| Sundaram BNP Paribas Fixed Term Plan G 370 days | CRISIL Short Term Bond Fund Index | 01-Sep-08 | 9.91 | 10.41 | 9.96 | 10.34 | 07-Sep-09 |
| Sundaram BNP Paribas Fixed Term Plan H 13 Months | CRISIL Short Term Bond Fund Index | 19-Jun-08 | 19.47 | 11.66 | 18.22 | 10.53 | 20-Jul-09 |
| Sundaram BNP Paribas Fixed Term Plan I 13 Months | CRISIL Short Term Bond Fund Index | 04-Jul-08 | 19.12 | 11.37 | 18.28 | 10.82 | 03-Aug-09 |
| Sundaram BNP Paribas Fixed Term Plan J 15 Months | CRISIL Short Term Bond Fund Index | 07-Aug-08 | 11.23 | 10.24 | 10.36 | 9.76 | 06-Nov-09 |
| Sundaram BNP Paribas Fixed Term Plan K 370 days | CRISIL Short Term Bond Fund Index | 26-Sep-08 | 11.11 | 10.46 | 10.96 | 10.41 | 01-Oct-09 |
| Sundaram BNP Paribas Fixed Term Plan L | CRISIL Short Term Bond Fund Index | 06-Oct-08 | 8.87 | 5.88 | 10.78 | 8.66 | 05-Apr-10 |
| Sundaram BNP Paribas Fixed Term Plan M | CRISIL Short Term Bond Fund Index | 22-Oct-08 | 8.80 | 5.88 | 10.61 | 8.69 | 21-Apr-10 |
| Sundaram BNP Paribas Interval Fund - Quarterly Series - Plan A | CRISIL Liquid Fund Index | 11-Sep-07 | 2.95 | 3.69 | 6.73 | 6.36 | — |
| Sundaram BNP Paribas Interval Fund - Quarterly Series - Plan B | CRISIL Liquid Fund Index | 25-Sep-07 | 3.22 | 3.69 | 7.45 | 6.36 | — |
| Sundaram BNP Paribas Interval Fund - Quarterly Series - Plan C | CRISIL Liquid Fund Index | 12-Nov-07 | 2.35 | 3.69 | 6.31 | 6.39 | — |
| Sundaram BNP Paribas Interval Fund - Quarterly Series - Plan D | CRISIL Liquid Fund Index | 16-Jul-08 | 8.46 | 3.69 | 9.69 | 6.01 | — |
| Sundaram BNP Paribas Interval Fund - Quarterly Series - Plan E | CRISIL Liquid Fund Index | 27-Aug-08 | 2.90 | 3.69 | 5.35 | 5.82 | — |
| Sundaram BNP Paribas FTP Series AA 14 Months | CRISIL Short Term Bond Fund Index | 26-Mar-10 | N.A | N.A | 0.19# | 0.11# | 25-May-11 |
| Sundaram BNP Paribas Fixed Term Plan Y 18 Months | CRISIL Short Term Bond Fund Index | 26-Feb-10 | N.A | N.A | 1.06# | 0.65# | 25-Aug-11 |
| Sundaram BNP Paribas Fixed Term Plan Z 15 Months | CRISIL Short Term Bond Fund Index | 12-Mar-10 | N.A | N.A | 0.72# | 0.30# | 13-Jun-11 |
| Sundaram BNP Paribas Fixed Term Plan U 367 Days | CRISIL Short Term Bond Fund Index | 30-Mar-10 | N.A | N.A | 0.04# | 0.03# | 01-Apr-11 |
| Sundaram BNP Paribas Fixed Term Plan P 367 Days | CRISIL Short Term Bond Fund Index | 30-Sep-09 | N.A | N.A | 3.69# | 2.56# | 05-Apr-10 |
| Sundaram BNP Paribas Fixed Term Plan R 367 Days | CRISIL Short Term Bond Fund Index | 11-Dec-09 | N.A | N.A | 2.32# | 1.45# | 04-Oct-10 |
| Sundaram BNP Paribas Fixed Term Plan S 367 Days | CRISIL Short Term Bond Fund Index | 19-Feb-10 | N.A | N.A | 0.86# | 0.77# | 21-Feb-11 |

Past performance may or may not be sustained in the future; Returns are in percentage and computed on compounded annualised / absolute* basis based on NAV of the Growth Option as on March 31, 2010 and on the scheme maturity date respectively. (*For schemes less than one year); N.A: Not Applicable. # returns are on an absolute basis since launch.

Sundaram BNP Paribas Mutual Fund offers schemes which are subscribed by the retail investors. As the retail investors form the constituents of the schemes, it is considered desirable to put in place a policy to protect the interests of the fund as well as the investors. To achieve these objectives the Voting Policy enable Sundaram BNP Paribas Asset Management to participate and vote at the general meetings of the Investee Companies in whose securities the schemes of the Mutual Fund have invested.

The policy has been approved from the Board of Directors of the Sundaram BNP Paribas Asset Management and Sundaram BNP Paribas Trustee Company that gives a mandate to executives of the Investment Manager to attend and vote at the general meetings of the investee company (s) on behalf of the mutual fund schemes. Whenever the company observed that the investee company has not acted in accordance with the interest of the investors and / or has not followed the generally accepted Governance Standards, the executives of the Investment Manager will participate and vote at the meetings of the investee companies, irrespective of the percentage of holdings by the fund.

The Investment Manager will exercise the proxy votes in the AGMs/EGMs of the investee company (s) in respect of the following matters:

- Corporate governance issues
- Changes in the state of incorporation, merger and other corporate restructuring, and anti-takeover provisions.
- Changes to capital structure, including increases and decreases of capital and preferred stock issuances.
- Stock option plans and other management compensation issues;
- Social and Corporate Responsibility
- Appointment and Removal of Directors.
- Any other issue that may affect the interest of the shareholders and by extension those of investors in the mutual fund's schemes.

Before exercising the voting, a committee of management will review the Annual Reports and recommend to the Managing Director for attending/voting at the meetings.

Authority to Attend and Vote

The Executives and Officers for the Investment Manager are authorised to attend and vote at the meetings of the investee companies.

Note: During the period under review the company did not participate in any AGM/EGM.

General Risk Factors/Statutory Details of Sundaram BNP Paribas Mutual Fund

General Risk Factors: All mutual funds and securities investments are subject to market risks, and there can be no assurance or guarantee that fund's objectives will be achieved. NAV may go up or down, depending on the factors and forces affecting the securities market. Main types are market risk, liquidity risk, credit risk and systemic risks. At times, liquidity of investments may be impaired. There is uncertainty of dividend distribution and risk of capital loss. Past performance of the Sponsor/Asset Management Company/Fund does not indicate the future performance. Investors in the schemes are not being offered any guaranteed or indicated returns. The scheme names do not in any manner indicate either quality or future prospects and returns. **Statutory details: Mutual Fund:** Sundaram BNP Paribas Mutual Fund is a trust under Indian Trusts Act, 1882 Sponsors. Liability for sponsors is limited to Rs 1 lakh. **Sponsors:** Sundaram Finance Ltd & BNP Paribas Asset Management. **Investment Manager:** Sundaram BNP Paribas Asset Management Company Ltd. **Trustee:** Sundaram BNP Paribas Trustee Company Ltd.