

# TAURUS TIMES

MONTHLY REPORT • JULY 2010

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**Statutory Details:** Taurus Mutual Fund has been constituted as a Trust under the Indian Trust Act, 1882. Sponsor: HB Portfolio Limited, Trustee: Taurus Investment Trust Company Limited, Investment Manager: Taurus Asset Management Company Limited

**Risk Factors:** All Investments in mutual funds and securities are subject to market risks and the NAV of the schemes may go up or down depending upon the factors and forces affecting the securities market. There can be no assurance that schemes' investment objectives will be achieved. The past performance of the Mutual Fund is not indicative of the future performance of the schemes. The Sponsor is not responsible or liable for any loss resulting from the operation of the schemes beyond the initial contribution of Rs.2 Lacs made towards setting up of the Mutual Fund. The names of the schemes, do not in any manner indicate the quality of the schemes or their future prospects or returns. There is no guarantee or assurance as to any return on investment of the unitholders. The investments made by the schemes are subject to external risks on transfers, pricing, trading volumes, settlement, etc. of securities. Please refer to the Scheme Information Document/Statement of Additional Information/Key Information Memorandum of all the schemes before investing.

**TAURUS**  
Mutual Fund

# HOUSE OF TAURUS

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# FROM THE CEO'S DESK

Dear Investor,

During the month gone by there was a slew of good news both on the global and domestic front.

Let us first look at the positive developments in the global economy

- (1) The banks in Europe passed the stress test and the worries of a financial collapse receded. The Fiscal austerity measures and the EU bailout package seemed to have worked. UK, Germany, France & some other countries reported better economic numbers. The stock markets which had witnessed a steep fall in the after-math of the euro-zone debt crisis rebounded smartly with MSCI Europe giving a monthly return of over 11%. The Euro also strengthened during the month.
- (2) The fear of double-dip recession in USA took a back seat as better than expected quarter numbers from some of the leading companies saw the stock markets rallying. Home & Auto sales numbers were stabilizing but yet not showing signs of pick-up. It is too early to say whether the fundamentals had improved considerably but the sentiments had definitely changed from pessimism to that of cautious optimism. Treasury yields & inflation in US remained low and Fed was likely to continue with the stimulus package for some more time.
- (3) China sprang yet another surprise with very strong export numbers and as per the latest data it had surpassed Japan as the second largest economy in the world. Shanghai Composite index jumped by over 10% during the month.

If we look at India then during July, Indian stock markets were among the worst performing markets in the world. Sensex & Nifty ended marginally up with a positive bias. Some of the important developments were:

- (1) The corporate quarterly numbers were strong, more or less in line with the expectations.
- (2) RBI maintained its stance of calibrated exit from easy monetary policy by increasing the policy rates twice during the month. Repo rate hiked by 25 bps on both occasions while Reverse repo rate hiked by 25 bps & 50 bps. It was a clear signal from RBI that achieving price stability and containing inflationary pressures was its topmost priority. It is expected that with these measures while liquidity will improve, volatility in the debt markets should go down.
- (3) Monsoon progressed well and by end July it was only 5% below normal. Food price inflation dropped to single digits 9.67% for the first time this year.
- (4) Moody Investor Services raised the rating on India's local currency debt to one notch below investment grade at "Ba1" with a positive outlook. IMF raised India's growth forecast for 2010 from 8.8% to 9.4%.
- (5) FII's continued with their buying spree with net buying of over Rs. 16,600 crs (USD 3.55 bn) of Indian equities during July.

With these developments, we expect the Indian equity markets to do well. If the equity funds mobilization numbers are an indicator, it is evident that while the desired number of new investors are not coming in, the existing investors have been exiting from the equity mutual funds and are moving away to other less rewarding asset classes. The mutual fund distribution network has been shrinking as the regulatory changes have made it less remunerative. The Fund houses with their limited reach are unable to touch base with the investors directly. It is unfortunate that in the process it is the Indian investor at large who may stand to lose out, as he may not be able to fully partake in the Indian growth story and the resultant buoyancy in the equity markets.

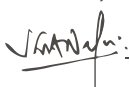
Our schemes continued to perform well during July '10, with all our equity schemes outperforming the respective benchmarks. We successfully launched Taurus MIP Advantage during the month of July and collected close to Rs. 89 crs. We thank all our investors & channel partners who supported us. The combination of three asset classes - Debt, Equity & Gold lends stability to the fund and also increases the potential for superior returns. The Scheme will shortly reopen for ongoing subscriptions and we would urge all those investors who missed out from investing during the NFO to join the Scheme.

With new regulatory guidelines on debt valuations kicking in, we have taken appropriate measures to realign the portfolio of Taurus Ultra Short Term Bond Fund and would endeavour to avoid volatility and give superior risk adjusted returns to our investors.

On this Independence Day, let us celebrate the joy of freedom with our families & friends and resolve to keep the flag of resurgent India flying high.

Jai Hind !!

Yours truly,



Waqar Naqvi  
Chief Executive



# TAURUS STARSHARE - AN OPEN-END EQUITY SCHEME WITH A FOCUS ON MULTI CAP STOCKS

## SCHEME FEATURES

### Investment Objective

The basic objective of the Scheme is to provide long-term capital appreciation. Emphasis will be on sharing growth through appreciation as well as on distribution of income by way of dividend.

### Liquidity

Sale & repurchase on all business days.

### Tax Benefits

Tax-free dividends in the hands of investors, no Gift Tax, no Wealth Tax as per the present Income Tax Act.

PERFORMANCE	Period	Returns (%)	
		NAV	BSE 200*
	1 Year	23.69	19.54
	3 Years	3.32	6.40
	5 Years	19.92	18.43
	Since Inception	10.86	9.63

Past performance may or may not be sustained in future.

### \*Benchmark Index

Note: Returns are calculated on compounded annualised basis for a period of more than one year and absolute basis for a period less than or equal to one year, with reinvestment of dividends/ bonus, if any.

## DIVIDEND HISTORY

Rs. 5 per unit dividend in July 2009  
Rs. 3 per unit dividend in November 2009  
Rs. 5 per unit dividend in March 2010

## PORTFOLIO

As on 31st July 2010

Name of the scrip	% to Net Assets	Name of the scrip	% to Net Assets
Jain Irrigation Systems Ltd.	5.79	Bharat Heavy Electricals Ltd.	2.36
Infosys Technologies Ltd.	4.85	Greaves Cotton Ltd.	2.30
Reliance Industries Ltd.	4.61	Titan Industries Ltd.	2.25
Coromandel International Ltd.	4.57	Larsen & Toubro Ltd.	2.22
ICICI Bank Ltd.	4.56	IRB Infrastructure Developers Ltd.	1.91
Financial Technologies India Ltd	4.28	Motherson Sumi Systems Ltd.	1.70
Mahindra & Mahindra Ltd.	4.25	Navneet Publications (India) Ltd.	1.68
India Infoline Ltd.	3.83	Apollo Hospitals Enterprise Ltd.	1.63
Rallis India Ltd.	3.75	Exide Industries Ltd.	1.60
Pantaloon Retail (India) Ltd.	3.26	AIA Engineering Ltd.	1.45
Tata Motors Ltd.	3.16	Unitech Ltd.	1.45
Infrastructure Development Finance Co.Ltd.	3.13	HCL Technologies Ltd.	1.11
Housing Development Finance Cor Ltd	3.10	Onmobile Global Limited	0.99
ITC Ltd.	3.09	Cipla Ltd.	0.61
Oil & Natural Gas Corporation Ltd.	3.07	Thermax India Ltd.	0.55
Kotak Mahindra Bank Ltd.	2.97	<b>Total - Equity</b>	<b>94.15</b>
Tata Steel Ltd.	2.86	Cash & Others	5.85
DLF Limited	2.76	<b>TOTAL</b>	<b>100.00</b>
State Bank of India	2.43		

**Fund Manager's Comment:** Conscious efforts were taken to reduce the turnover. Cash levels were maintained at comfortable level. Among the top 10 stocks, Jain Irrigation and coromandel international outperformed the market while RIL underperformed the market. Key Addition is India Infoline and Tata Motors. Government thrust on deregulation and infrastructure is clearly visible which may result into huge business opportunities for every player in the industry. We believe some of the mid cap companies with good management and strong balance sheet size are all set to get benefited. The onset of monsoon is also favourable for them. We continue to maintain our positive stance on the consumption linked sectors.

## FUND DATA

As on 31st July 2010

Date of Allotment: Jan 29, 1994.

Dividend Option introduced on Jan 1, 2009.

Net Asset Value (NAV) Rs.: 38.66 (D), 54.91 (G) per unit.

AAUM: Rs. 169.02 Cr.

Minimum Application Amount: Rs. 5000/- & multiples of Rs. 1000/ thereof.

Sharpe Ratio: 1.01 Standard Deviation: 17.58 Alpha: 6.26

Beta: 0.66

(The above measures have been calculated by taking month end NAV for 1 year period from 31st July, 2009 to 31st July, 2010.)

NAV Calculation: All business days.

Fund Manager: Mr. Sadanand Shetty

Registrar & Transfer Agent: M/s. Karvy Computershare Private Ltd.

## LOAD STRUCTURE

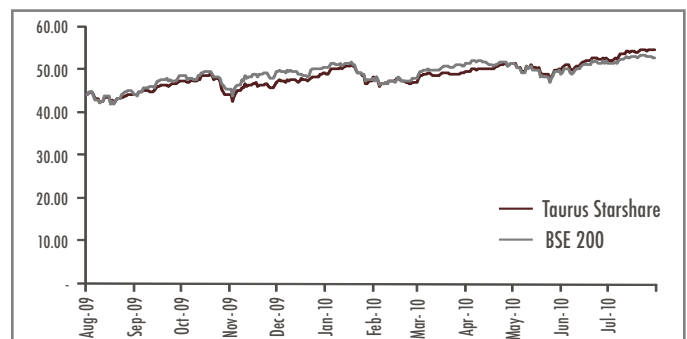
Entry Load - NIL

Exit Load - Up to any amount (Including SIP application):

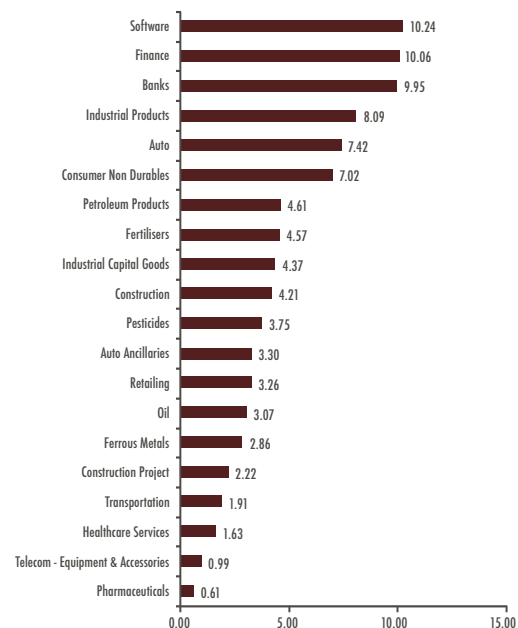
- 1% if exited before 1 year
- Nil if exited after 1 year

Switch: Equity to Equity-Exit Load Nil, Equity to Debt-Relevant exit load applicable as mentioned above, Equity to ELSS-Relevant exit load applicable as mentioned above.

## NAV movement in the last one year vis-a-vis BSE 200



## EQUITY SECTOR ALLOCATION



**RISK FACTOR:** Mutual Fund investments are subject to market risks. Please read the Scheme Information Document carefully before investing.

# TAURUS INFRASTRUCTURE FUND - AN OPEN-END EQUITY THEMATIC SCHEME



Best Turnaround Fund  
by Businessworld for the year 2009-10

## SCHEME FEATURES

### Investment Objective

To provide capital appreciation and income distribution to unitholders by investing pre-dominantly in equity and equity related securities of the companies belonging to infrastructure sector, it's related industries inclusive of suppliers of capital goods, raw materials and other supportive services to infrastructure companies and balance in debt and money market instruments.

### Liquidity

Sale and repurchase on all business days.

### Tax Benefits

Tax-free dividends in the hands of investors, no Gift Tax, no Wealth Tax as per the present Income Tax Act.

PERFORMANCE	Period	Returns (%)	
		NAV	BSE 200*
	1 Year	23.03	19.54
	3 Years	7.19	6.40
	Since Inception	11.79	13.73

Past performance may or may not be sustained in future.

### \*Benchmark Index

Note: Returns are calculated on a compounded annualised basis for a period of more than one year and absolute basis for a period less than or equal to one year, with reinvestment of dividends/ bonus, if any.

## PORTFOLIO

As on 31st July 2010

Name of the scrip	% to Net Assets	Name of the scrip	% to Net Assets
Jain Irrigation Systems Ltd.	6.00	Hindustan Dorr Oliver Ltd	2.99
Hindustan Zinc Ltd.	5.86	GMR Infrastructure Limited	2.18
Tata Steel Ltd.	5.64	Infrastructure Development Finance Co.Ltd.	2.09
Greaves Cotton Ltd.	5.42	GVK Power & Infrastructure Ltd.	2.02
Financial Technologies India Ltd.	5.07	Cairn India Limited	1.99
Mundra Port & Special Eco Zone Ltd.	4.77	Kirloskar Oil Engines Ltd	1.97
Mcnally Bharat Engineering Co Ltd.	4.72	Larsen & Toubro Ltd.	1.96
Exide Industries Ltd.	4.68	Ashok Leyland Ltd.	1.60
Apollo Tyres Ltd.	4.43	Allied Digital Services Limited	1.34
Hindalco Industries Ltd.	4.29	Crompton Greaves Ltd.	1.22
Reliance Infrastructure Limited	4.25	Bharat Heavy Electricals Ltd.	1.13
IRB Infrastructure Developers Ltd.	4.18	Bajaj Electricals Limited	0.74
Apollo Hospitals Enterprise Ltd.	4.06	<b>Total - Equity</b>	<b>95.22</b>
AIA Engineering Ltd.	3.72	Cash & Others	4.78
Power Finance Corporation Limited	3.59	<b>TOTAL</b>	<b>100.00</b>
Mercator Lines Limited	3.30		

**Fund Manager's Comment:** The fund continued to fare well in the Infrastructure and diversified equity category. Efforts were taken during the month to bring down the turn-over ratios.

Cash was maintained at comfortable levels. Key includes Mcnally Bharat and GVK power. The 11th five year plan is coming to end which is expected to result in huge order flows for the infrastructure companies. We continue to remain invested in the companies with revenue visibility and strong balance sheet quality with high return ratios.

## FUND DATA

As on 31st July 2010

Date of Allotment: Mar 5, 2007.

Net Asset Value (NAV) Rs.: 14.66 (D), 14.62 (G) per unit.

AAUM: Rs. 26.67 Cr.

Minimum Application Amount: Rs. 5000/- & multiples of Rs. 1000/ thereof.

Sharpe Ratio: 1.22 Standard Deviation: 18.14 Alpha: 10.72

Beta: 0.65

(The above measures have been calculated by taking month end NAV for 1 year period from 31st July, 2009 to 31st July, 2010.)

NAV Calculation: All business days.

Fund Manager: Mr. Sadanand Shetty

Registrar & Transfer Agent: M/s. Karvy Computershare Private Ltd.

## LOAD STRUCTURE

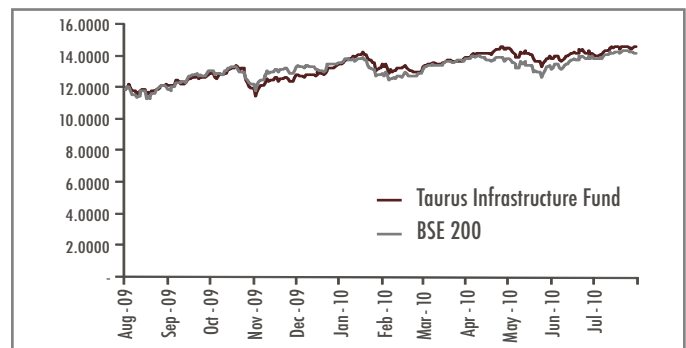
Entry Load - NIL

Exit Load - Up to any amount (Including SIP application):

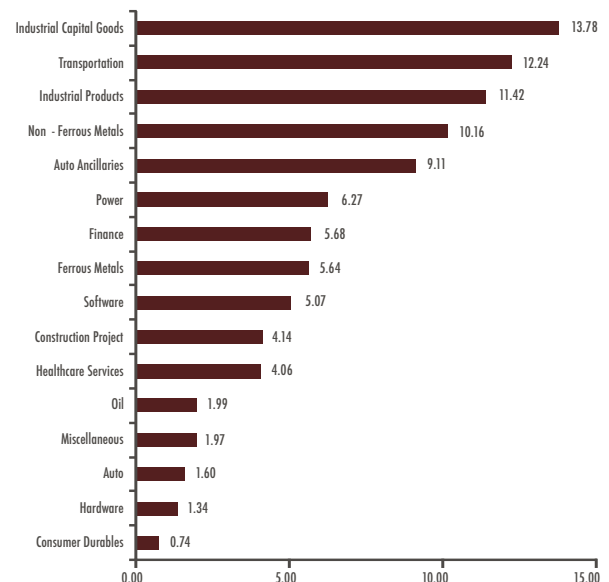
- 1% if exited before 1 year
- Nil if exited after 1 year

Switch: Equity to Equity-Exit Load Nil, Equity to Debt-Relevant exit load applicable as mentioned above, Equity to ELSS-Relevant exit load applicable as mentioned above.

## NAV movement in the last one year vis-a-vis BSE 200



## EQUITY SECTOR ALLOCATION



**RISK FACTOR:** Mutual Fund investments are subject to market risks. Please read the Scheme Information Document carefully before investing.

# TAURUS ETHICAL FUND - AN OPEN-END EQUITY ORIENTED SCHEME

## SCHEME FEATURES

### Investment Objective

To provide capital appreciation and income distribution to unitholders through investment in a diversified portfolio of equities, which are based on the principles of Shariah.

### Liquidity

Sale & repurchase on all business days.

### Tax Benefits

Tax free dividends in the hands of Investor, No Gift Tax, No Wealth Tax as per the present Income Tax Act.

PERFORMANCE	Period	Returns (%)	
		NAV	S&P CNX 500 Shariah Index*
	3 Months	6.01	1.39
	6 Months	17.64	8.35
	1 Year	40.40	17.59
	Since Inception	89.82	52.74

Past performance may or may not be sustained in future.

### \*Benchmark Index

Note: Returns are calculated on a compounded annualised basis for a period of more than one year and absolute basis for a period less than or equal to one year, with reinvestment of dividends/bonus, if any.

### DIVIDEND HISTORY

Rs. 2 per unit dividend in Feb. 2010, Re. 1 per unit dividend in September 2009, Rs. 1.5 per unit dividend in July 2009.

## PORTFOLIO

As on 31st July 2010

Name of the scrip	% to Net Assets	Name of the scrip	% to Net Assets
Rallis India Ltd.	8.06	IPCA Laboratories Limited	3.63
Divi's Laboratories Ltd.	6.99	Thermax India Ltd.	3.41
Navneet Publications (India) Ltd.	6.18	Reliance Infrastructure Limited	3.25
Hindustan Zinc Ltd.	5.75	Exide Industries Ltd.	3.15
Apollo Hospitals Enterprise Ltd.	5.55	GVK Power & Infrastructure Ltd	2.75
Jain Irrigation Systems Ltd.	4.94	Motherson Sumi Systems Ltd.	2.66
Titan Industries Ltd.	4.78	Tech Mahindra Ltd.	2.19
Bharat Electronics Ltd.	4.52	Gujarat Gas Co. Ltd.	1.08
Greaves Cotton Ltd.	4.35	Kirloskar Oil Engines Ltd	0.40
IRB Infrastructure Developers Ltd	3.91	<b>Total - Equity</b>	<b>85.08</b>
Mundra Port & Special Eco Zone Ltd	3.83	Cash & Others	14.92
Reliance Industries Ltd.	3.72	<b>TOTAL</b>	<b>100.00</b>

**Fund Manager's Comment:** A concentrated portfolio has helped since inception of the fund and we will continue to adopt the same strategy especially in the wake of limited universe available for investing. Among the top 10 holdings, Rallis India and Hindustan Zinc outperformed and Divis Lab underperformed the market. Given the limited universe of the investment the stock selection is the key factor in the performance. We continue to invest in the companies with strong cash generation model and high asset turnover ratio.

## FUND DATA

As on 31st July 2010

Date of Allotment: April 6, 2009

Net Asset Value (NAV) Rs.: 17.44 (D), 23.27 (G), 23.26 (B) per unit.

AAUM: Rs. 24.43 Cr.

Minimum Application Amount: Rs. 5000/- & multiples of Re. 1/- thereof.

Sharpe Ratio: 1.98 Standard Deviation: 16.52 Alpha: 22.47

Beta: 0.58

(The above measures have been calculated by taking month end NAV for 1 year period from 31st July, 2009 to 31st July, 2010.)

NAV Calculation: All business days.

Fund Manager: Mr. Sadanand Shetty

Registrar & Transfer Agent: M/s. Karvy Computershare Private Ltd.

## LOAD STRUCTURE

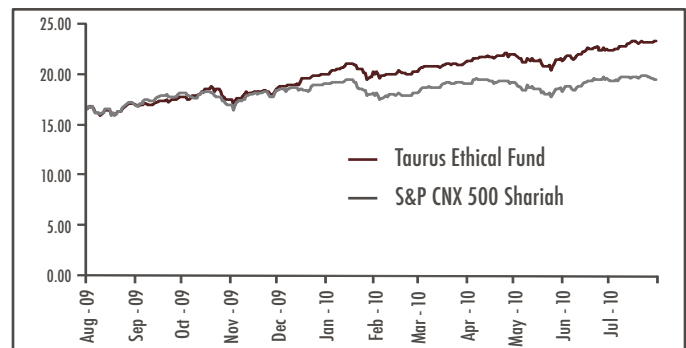
Entry Load - NIL

Exit Load - Up to any amount (Including SIP application):

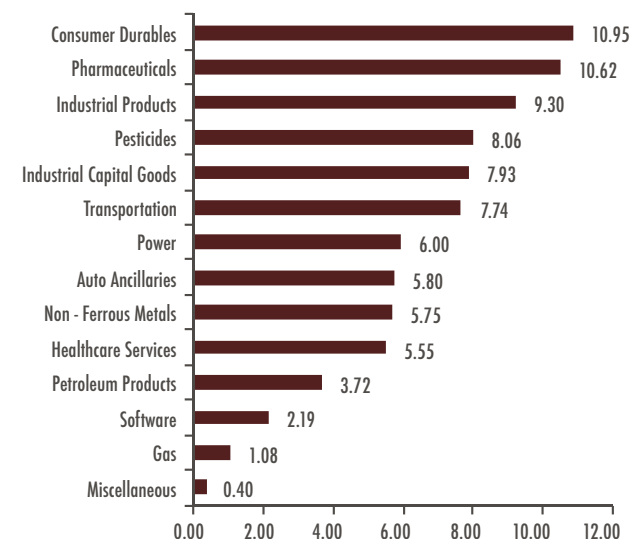
- 1% if exited before 1 year
- Nil if exited after 1 year

Switch: Equity to Equity-Exit Load Nil, Equity to Debt-Relevant exit load applicable as mentioned above, Equity to ELSS-Relevant exit load applicable as mentioned above.

## NAV movement in the last one year vis-a-vis S&P CNX 500 Shariah



## EQUITY SECTOR ALLOCATION



**RISK FACTOR:** Mutual Fund investments are subject to market risks. Please read the Scheme Information Document carefully before investing.

# TAURUS TAX SHIELD - AN OPEN-END EQUITY LINKED SAVING SCHEME (ELSS)



Best Equity Tax Planning Fund  
by Businessworld for the year 2009-10

## SCHEME FEATURES

### Investment Objective

To provide long term capital appreciation over the life of the scheme through investment pre-dominantly in equity shares, besides tax benefits.

### Liquidity

Sale on all business days. As per Income Tax Laws, the redemption facility is available after a lock-in period of 3 years from the date of investment.

### Tax Benefits

As per Section 80C of the Income Tax Act, an individual or a HUF is allowed deduction from income to an amount upto a maximum of Rs. 1 Lakh by investment in the scheme. Tax-free dividends in the hands of investors.

### Personal Accident Death Insurance Cover

Available to individual / HUF investors upto five times of investment subject to a maximum of Rs. 5 Lakhs.

PERFORMANCE	Period	Returns (%)	
		NAV	BSE 200*
	1 Year	26.78	19.54
	3 Years	18.48	6.40
	5 Years	14.23	18.43
	Since Inception	12.33	14.07

Past performance may or may not be sustained in future.

### \*Benchmark Index

Note: Returns are calculated on a compounded annualised basis for a period of more than one year and absolute basis for a period less than or equal to one year, with reinvestment of dividends/bonus, if any.

## DIVIDEND HISTORY

Growth plan: Rs. 3.5 per unit in Dec. 2005, Rs. 1.6 per unit in Feb. 2004, Rs. 1.1 per unit in Sept. 2003, Dividend plan: Rs. 2.25 per unit in Mar. 2010, Rs. 2 per unit in Feb. 2010, Rs. 1.5 per unit in Jan. 2010, Re. 1 per unit in Nov. 2009, Re. 1 per unit in Mar. 2009, Re. 1 per unit in Jan. 2009, Re. 1 per unit in Dec. 2008.

## PORTFOLIO

As on 31st July 2010

Name of the scrip	% to Net Assets	Name of the scrip	% to Net Assets
State Bank of India	5.06	Jain Irrigation Systems Ltd.	1.99
Reliance Industries Ltd.	4.76	Tata Steel Ltd.	1.94
LIC Housing Finance Ltd.	4.17	Indiabulls Real Estate Limited	1.93
Mahindra & Mahindra Ltd.	4.10	Kotak Mahindra Bank Ltd.	1.93
ITC Ltd.	3.22	Housing Development Finance Cor Ltd.	1.90
Allahabad Bank	3.21	Divi's Laboratories Ltd.	1.82
Bajaj Auto Limited	3.15	Bharat Heavy Electricals Ltd.	1.82
Larsen & Toubro Ltd.	3.10	United Spirits Ltd.	1.76
Titan Industries Ltd.	3.05	Pantaloon Retail (India) Ltd.	1.67
Infosys Technologies Ltd.	3.02	Apollo Hospitals Enterprise Ltd.	1.53
Reliance Capital Ltd.	2.93	Union Bank of India	1.32
Spicejet Limited	2.92	Voltas Ltd.	1.22
Shriram Transport Finance Co Ltd.	2.67	Exide Industries Ltd.	1.16
Greaves Cotton Ltd.	2.63	Power Finance Corporation Limited	1.07
IRB Infrastructure Developers Ltd.	2.60	Rallis India Ltd.	1.06
Onmobile Global Limited	2.53	Tata Power Co. Ltd.	0.96
ICICI Bank Ltd.	2.46	Sun TV Network Limited	0.92
Oil & Natural Gas Corporation Ltd.	2.42	Reliance Infrastructure Limited	0.89
Bharat Petroleum Corporation Ltd.	2.26	<b>Total - Equity</b>	<b>93.31</b>
Aurobindo Pharma Ltd.	2.09	Cash & Others	6.69
Network 18 Media And Investments Ltd.	2.06	<b>TOTAL</b>	<b>100.00</b>
Unitech Ltd.	2.01		

**Fund Manager's Comment:** The fund continues to be in the top quartile in the 3 years time-frame in the ELSS category. The number of stock reduced to 40. The fund continues to be well-diversified with exposure to a large number of sectors and stocks. Among the top 10 stocks, M&M, LIC housing finance Outperformed the market while RIL underperformed the market. Key Addition include Spice Jet and Allahabad bank. The Indian economy is on firm footing as far as the long term scenario is concerned. GOI's increase plan expenditure and thrust to agriculture will be a major driver for this continuation. We continue to believe on the domestic demand growth and increasing in the discretionary expenditure. We remain overweight on sectors dependent on the domestic demand.

**RISK FACTOR:** Mutual Fund investments are subject to market risks. Please read the Scheme Information Document carefully before investing.

## FUND DATA

As on 31st July 2010

Date of Allotment: Mar 31, 1996.

Dividend Option introduced on May 6, 2008.

Net Asset Value (NAV) Rs.: 20.67 (D), 34.88 (G) per unit.

AAUM: Rs. 53.51 Cr.

Minimum Application Amount: Rs. 500/- & multiples of Rs. 500/ thereof.

Sharpe Ratio: 1.06 Standard Deviation: 19.35 Alpha: 6.79

Beta: 0.78

(The above measures have been calculated by taking month end NAV for 1 year period from 31st July, 2009 to 31st July, 2010.)

NAV Calculation: All business days.

Fund Manager: Mr. Sadanand Shetty

Registrar & Transfer Agent: M/s. Karvy Computershare Private Ltd.

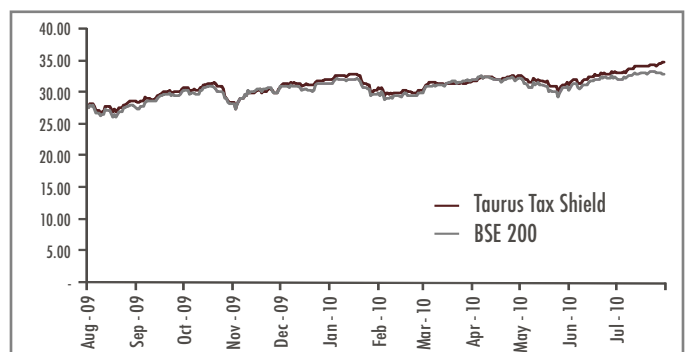
## LOAD STRUCTURE

Entry Load - NIL

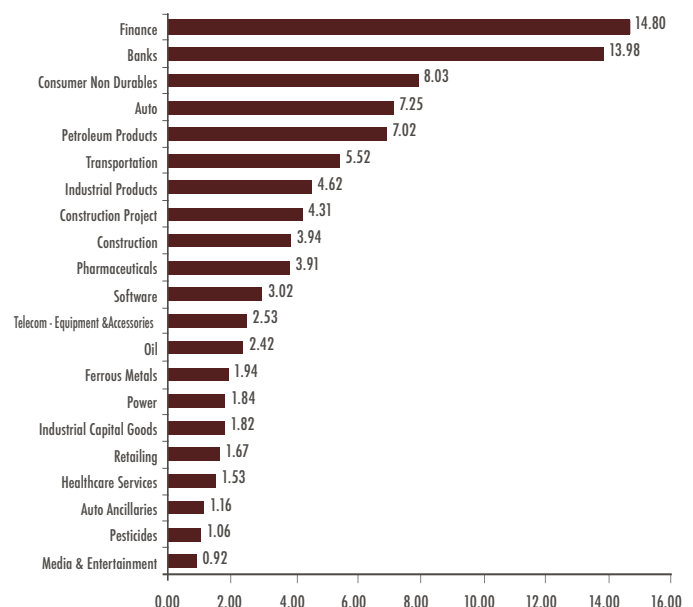
Exit Load - Up to any amount (Including SIP application): NA

Switch: Equity to Equity-Exit Load Nil, Equity to Debt-Relevant exit load applicable as mentioned above, Equity to ELSS-Relevant exit load applicable as mentioned above.

## NAV movement in the last one year vis-a-vis BSE 200



## EQUITY SECTOR ALLOCATION



# TAURUS NIFTY INDEX FUND - AN OPEN-ENDED INDEX LINKED EQUITY SCHEME

## SCHEME FEATURES

### Investment Objective

The investment objective of the scheme is to replicate the S&P CNX Nifty Index by investing in securities of the CNX Nifty Index in the same proportion/weightage.

### Liquidity

Sale & repurchase on all business days.

### Tax Benefits

Tax-free dividends in the hands of investors, no Gift Tax, no Wealth Tax as per the present Income Tax Act.

PERFORMANCE	Period	Returns (%)	
		NAV	S&P CNX Nifty Index
	Since Inception	1.68	0.27

Past performance may or may not be sustained in future.

### \*Benchmark Index

Note: Returns are calculated on compounded annualised basis for a period of more than one year and absolute basis for a period less than or equal to one year, with reinvestment of dividends/bonus, if any.

## PORTFOLIO

As on 31st July 2010

Name of the scrip	% to Net Assets	Name of the scrip	% to Net Assets
Reliance Industries Ltd.	11.15	Maruti Suzuki India Ltd.	1.04
Infosys Technologies Ltd.	8.79	Reliance Infrastructure Limited	1.02
ICICI Bank Ltd.	6.60	Cairn India Limited	0.94
Larsen & Toubro Ltd.	6.20	Punjab National Bank	0.94
ITC Ltd.	5.27	Jaiprakash Associates Ltd.	0.89
Housing Development Finance Cor Ltd.	5.00	Sun Pharmaceutical Industries Ltd.	0.87
HDFC Bank Ltd.	4.88	Kotak Mahindra Bank Ltd.	0.86
State Bank of India	4.23	Reliance Communications Ltd.	0.78
Tata Consultancy Services Ltd.	2.78	Steel Authority of India Ltd.	0.78
Oil & Natural Gas Corporation Ltd.	2.74	Unitech Ltd.	0.73
Bharat Heavy Electricals Ltd.	2.53	DLF Limited	0.71
Bharti Airtel Ltd.	2.45	Siemens Ltd.	0.68
Axis Bank Limited	2.19	Ambuja Cements Limited	0.63
Tata Steel Ltd.	2.14	Reliance Capital Ltd.	0.57
Sterlite Industries Ltd.	1.84	ACC Ltd.	0.56
Mahindra & Mahindra Ltd.	1.84	HCL Technologies Ltd.	0.56
Tata Motors Ltd.	1.76	Bharat Petroleum Corporation Ltd.	0.54
Hindustan Unilever Ltd.	1.72	ABB Ltd.	0.54
NTPC Ltd.	1.66	Ranbaxy Laboratories Ltd.	0.44
Jindal Steel & Power Ltd.	1.57	Reliance Power Limited	0.39
Tata Power Co. Ltd.	1.42	Power Grid Corporation Ltd.	0.38
Hindalco Industries Ltd.	1.36	Idea Cellular Limited	0.36
Wipro Ltd.	1.35	Suzlon Energy Ltd.	0.27
Gail (India) Ltd.	1.29	<b>Total - Equity</b>	<b>101.66</b>
Infrastructure Development Finance Co. Ltd.	1.21	Cash & Others	-1.66
Cipla Ltd.	1.08	<b>TOTAL</b>	<b>100.00</b>
Hero Honda Motors Ltd.	1.05		

**Fund Manager's Comment:** The performance of the scheme closely remains in line with the performance of the Nifty Index. Strong monsoon season, Increased growth outlook by RBI and re rating by major rating agencies are huge positive for the economy and we believe the same will be reflected in the corporate performance. Nifty being consist of good companies from across the sector is well poised to reap this benefit. We believe the fund is well equipped to become a capital appreciation tool for the investors who are looking to add diversification to their investment portfolio.

## FUND DATA

As on 31st July 2010

Date of Allotment: June 19, 2010

Net Asset Value (NAV) Rs.: 10.17 (D), 10.17 (G) per unit.

AAUM: Rs. 6.82 Cr.

Minimum Application Amount: Rs. 5000/- & in multiples of Rs. 1000/ thereof.

NAV Calculation: All business days.

Fund Manager: Mr. Sadanand Shetty

Registrar & Transfer Agent: M/s. Karvy Computershare Private Ltd.

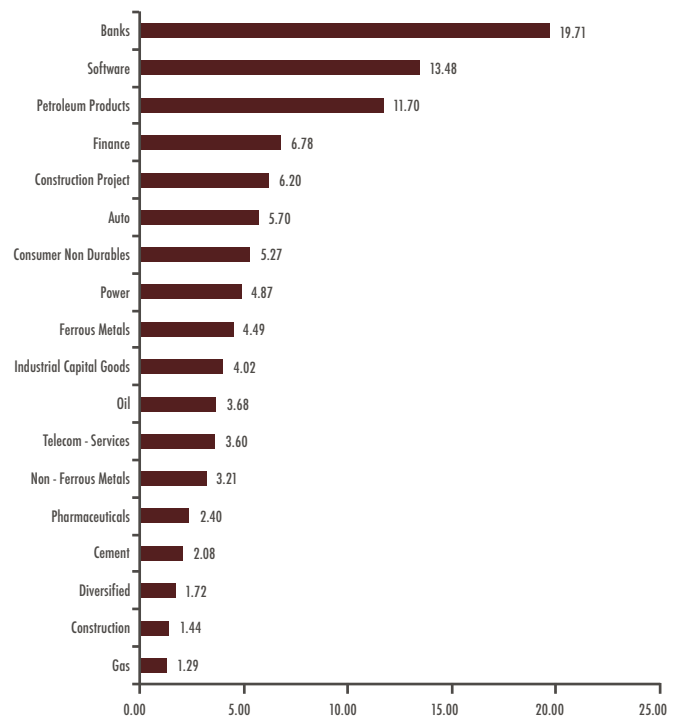
## LOAD STRUCTURE

Entry Load - NIL

Exit Load - 1% if redeemed/switched out within 15 days from the date of allotment. Nil after 15 days.

SIP Exit Load- 1% redeemed/ switched out within 15 days from the date of allotment. Nil after 15 days. Applicable to each installment.

## EQUITY SECTOR ALLOCATION



# TAURUS BONANZA FUND - AN OPEN-END EQUITY SCHEME WITH A LARGE CAP FOCUS

## SCHEME FEATURES

### Investment Objective

Taurus Bonanza Fund is an open-end growth scheme. The investment objective is to provide investors long-term capital appreciation. Investments shall be primarily in Equity and Equity related instruments that offer scope for long-term capital appreciation. The Fund will also be invested in debt and money market instruments.

### Liquidity

Sale & repurchase on all business days.

### Tax Benefits

Tax-free dividends in the hands of investors, no Gift Tax, no Wealth Tax as per the present Income Tax Act.

PERFORMANCE	Period	Returns (%)	
		NAV	BSE 100*
	1 Year	15.30	16.93
	3 Years	0.43	6.09
	5 Years	15.14	18.58
	Since Inception	12.29	12.02

Past performance may or may not be sustained in future.

### \*Benchmark Index

Note: Returns are calculated on a compounded annualised basis for a period of more than one year and absolute basis for a period less than or equal to one year, with reinvestment of dividends/bonus, if any.

Bonus in the ratio of 1:3 in October 2003. Dividend - Rs. 2.5 per unit in July, 2006 from growth option

## PORTFOLIO

As on 31st July 2010

Name of the scrip	% to Net Assets	Name of the scrip	% to Net Assets
Infosys Technologies Ltd.	6.30	Thermax India Ltd.	2.62
Reliance Industries Ltd.	5.61	Pantaloons Retail (India) Ltd.	2.60
ICICI Bank Ltd.	4.42	Grasim Industries Ltd.	2.55
ITC Ltd.	4.14	Tata Consultancy Services Ltd.	2.39
Mahindra & Mahindra Ltd.	4.13	Ranbaxy Laboratories Ltd.	2.09
Housing Development Finance Cor Ltd	4.10	Tata Steel Ltd.	1.98
DLF Limited	3.80	Kotak Mahindra Bank Ltd.	1.97
State Bank of India	3.62	GMR Infrastructure Limited	1.92
Larsen & Toubro Ltd.	3.57	Piramal Healthcare Limited	1.89
United Spirits Ltd.	3.54	Greaves Cotton Ltd.	1.88
Divi's Laboratories Ltd.	3.47	Sun Pharmaceutical Industries Ltd.	1.59
Reliance Capital Ltd.	3.30	Gujarat State Petronet Ltd	1.04
HDFC Bank Ltd.	3.26	Maruti Suzuki India Ltd.	0.99
Oil & Natural Gas Corporation Ltd.	3.26	Tata Power Co. Ltd.	0.60
Tata Motors Ltd.	3.13	<b>Total - Equity</b>	<b>94.38</b>
Bharat Heavy Electricals Ltd.	2.96	Cash & Others	5.62
Reliance Infrastructure Limited	2.89	<b>TOTAL</b>	<b>100.00</b>
Financial Technologies India Ltd.	2.77		

**Fund Manager's Comment:** The process of building-up a core portfolio continued during the month. The churn ratio of the portfolio continued to be low during the month. On MoM basis, the trend of declining churn ratio continues. Total number of scheme reduced to 32 from 33. Among the top 10 stocks, M&M and DLF outperformed the market while RIL underperformed the market. Key addition included Tata Motors and Tata Steel.

## FUND DATA

As on 31st July 2010

Date of Allotment: Feb 28, 1995.

Dividend Option introduced on May 6, 2008.

Net Asset Value (NAV) Rs.: 41.53 (D), 41.26 (G) per unit.

AAUM: Rs. 35.00 Cr.

Minimum Application Amount: Rs. 5000/- & multiples of Rs.1000/- thereof.

Sharpe Ratio: 0.63 Standard Deviation: 19.86 Alpha: -1.91

Beta: 0.82

(The above measures have been calculated by taking month end NAV for 1 year period from 31st July, 2009 to 31st July, 2010.)

NAV Calculation: All business days.

Fund Manager: Mr. Sadanand Shetty

Registrar & Transfer Agent: M/s. Karvy Computershare Private Ltd.

## LOAD STRUCTURE

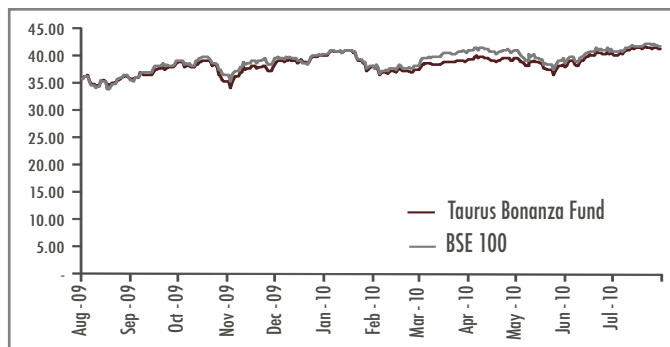
Entry Load - NIL

Exit Load - Up to any amount (Including SIP application):

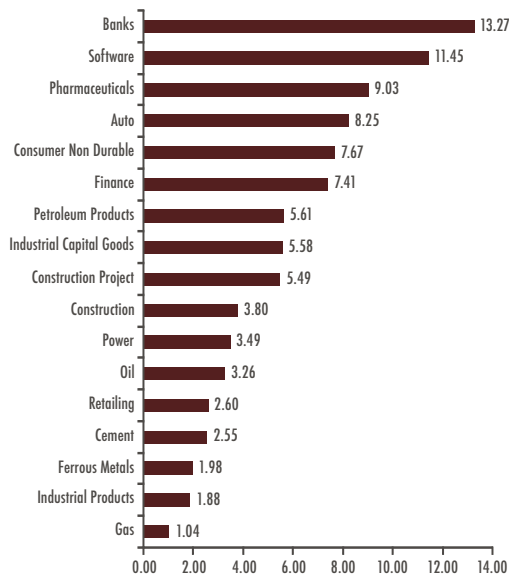
- 1% if exited before 1 year
- Nil if exited after 1 year

Switch: Equity to Equity-Exit Load Nil, Equity to Debt-Relevant exit load applicable as mentioned above, Equity to ELSS-Relevant exit load applicable as mentioned above.

## NAV movement in the last one year vis-a-vis BSE 100



## EQUITY SECTOR ALLOCATION



**RISK FACTOR:** Mutual Fund investments are subject to market risks. Please read the Scheme Information Document carefully before investing.

# TAURUS DISCOVERY FUND - AN OPEN-END EQUITY FUND WITH MID CAP AND SMALL CAP FOCUS

## SCHEME FEATURES

### Investment Objective

The primary objective of the Scheme is to identify and select low priced stocks through price discovery mechanism, which would broadly include: • To capitalise on available opportunity on growth potential offered by undervalued penny stocks. • Such stocks being low priced and if dividend paying, decent dividend yield will give desired cushion in the volatile capital market. • Lower side risk is minimum in such investments. • Many of such cases where investment will be made, may be turnaround cases, therefore, greater potential for improvement in NAV.

### Liquidity

Sale & repurchase on all business days.

### Tax Benefits

Tax-free dividends in the hands of investors, no Gift Tax, no Wealth Tax as per the present Income Tax Act.

PERFORMANCE	Period	Returns (%)	
		NAV	CNX Midcap Index*
	1 Year	31.99	41.56
	3 Years	(4.60)	10.85
	5 Years	4.18	19.79
	Since Inception	3.05	8.78

Past performance may or may not be sustained in future.

### \*Benchmark Index

Note: Returns are calculated on a compounded annualised basis for a period of more than one year and absolute basis for a period less than or equal to one year, with reinvestment of dividends/bonus, if any.

## PORTFOLIO

As on 31st July 2010

Name of the scrip	% to Net Assets	Name of the scrip	% to Net Assets
India Infoline Ltd.	5.40	Thermax India Ltd.	3.19
Piramal Glass Ltd.	4.92	Voltas Ltd.	3.06
Kotak Mahindra Bank Ltd.	4.83	Onmobile Global Limited	2.96
Financial Technologies India Ltd	4.79	Titan Industries Ltd.	2.35
Aurobindo Pharma Ltd.	4.75	Greaves Cotton Ltd.	2.33
Bombay Dyeing & Manufacturing Co. Ltd.	4.56	Rallis India Ltd.	2.31
Motherson Sumi Systems Ltd.	4.34	Exide Industries Ltd.	2.15
Network 18 Media And Investments Lt	4.14	Pantaloon Retail (India) Ltd.	2.00
Mercator Lines Limited	4.13	Dena Bank	1.56
United Spirits Ltd.	4.08	Federal Bank Ltd.	1.50
LIC Housing Finance Ltd.	4.07	Reliance Capital Ltd.	1.36
Piramal Healthcare Limited	3.59	Kirloskar Oil Engines Ltd	0.33
Allahabad Bank	3.42	<b>Total - Equity</b>	<b>91.86</b>
Divi's Laboratories Ltd.	3.32	Cash & others	8.14
IRB Infrastructure Developers Ltd.	3.21	<b>TOTAL</b>	<b>100.00</b>
Jain Irrigation Systems Ltd.	3.20		

**Fund Manager's Comment:** During the month, the fund adopted a more focussed approach with reduced stock count. Also, the fund was brought more in-line with the benchmark index. The benefits of the same will be felt in the coming months. Among the top holdings, Piramal Glass, Mothersun Sumi outperformed the market. Key Addition includes Piramal Glass and kotak Mahindra Bank Ltd. The mid cap and small sector continue to remain resilient on back of the all round improvement in the general economy. The Q1FY11 results have also fuelled the optimism into the same. We believe in the present market condition, Stock selection is the key for strong return generation and we believe there is still lot of value companies to be picked up in the Mid cap and small cap sector.

## FUND DATA

As on 31st July 2010

Date of Allotment: Sep 5, 1994.

Net Asset Value (NAV) Rs.: 16.15 (D), 16.13 (G) per unit.

AAUM: Rs. 24.62 Cr.

Minimum Application Amount: Rs. 5000/- & multiples of Rs.1000/- thereof.

Sharpe Ratio: 1.05 Standard Deviation: 19.75 Alpha: 7.28

Beta: 0.77

(The above measures have been calculated by taking month end NAV for 1 year period from 31st July, 2009 to 31st July, 2010.)

NAV Calculation: All business days.

Fund Manager: Mr. Sadanand Shetty

Registrar & Transfer Agent: M/s. Karvy Computershare Private Ltd.

## LOAD STRUCTURE

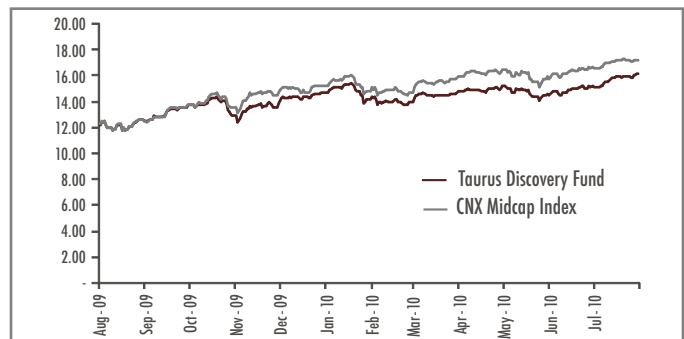
Entry Load - NIL

Exit Load - Up to any amount (Including SIP application):

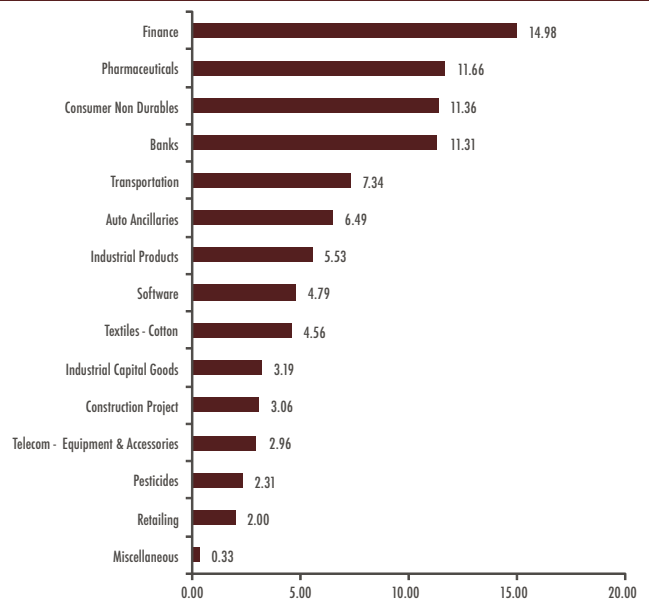
- 1% if exited before 1 year
- Nil if exited after 1 year

Switch: Equity to Equity-Exit Load Nil, Equity to Debt-Relevant exit load applicable as mentioned above, Equity to ELSS-Relevant exit load applicable as mentioned above.

## NAV movement in the last one year vis-a-vis CNX Midcap Index



## EQUITY SECTOR ALLOCATION



**RISK FACTOR:** Mutual Fund investments are subject to market risks. Please read the Scheme Information Document carefully before investing.

# TAURUS ULTRA SHORT TERM BOND FUND - AN OPEN-END DEBT SCHEME

## SCHEME FEATURES

### Investment Objective

To generate returns with higher liquidity and low volatility from a portfolio of money market and debt instruments. However, there is no assurance that the investment objective of the scheme will be realised.

### Liquidity

Sale & repurchase on all business days.

### Tax Benefits for Dividend Distribution

	Individuals	Corporate	NRI
<b>Short Term Bond Fund</b>	12.5%+ 7.5% surcharge+ 3% cess	20%+ 7.5% surcharge+ 3% cess	12.5%+ 7.5% surcharge+ 3% cess
<b>Total Tax</b>	13.841%	22.145%	13.841%
<b>Money Market and Liquid Schemes</b>	25%+ 7.5% surcharge+ 3% cess	25%+ 7.5% surcharge+ 3% cess	25%+ 7.5% surcharge+ 3% cess
<b>Total Tax</b>	27.681%	27.681%	27.681%

PERFORMANCE	Period	Returns (%)			Crisil Liquid Fund Index*
		NAV			
	Retail	Institutional	Super Institutional		
	3 Months	1.30	1.32	1.35	1.13
	6 Months	2.47	2.52	2.58	2.11
	1 Year	4.81	4.89	5.05	3.54
	Since Inception	5.39	5.53	5.74	4.86

The past performance may or may not be sustained in future.

### \*Benchmark Index:

Note: (1) Returns are calculated on a compounded annualised basis for a period of more than one year and absolute basis for a period less than or equal to one year, with reinvestment of dividends/bonus, if any.

## LOAD STRUCTURE

Entry Load	Exit Load
NIL	<ul style="list-style-type: none"> <li>• Retail Plan: Nil</li> <li>• Institutional Plan: Nil</li> <li>• Super Institutional Plan: Nil</li> </ul>

Switch: Exit Load NIL.

**Fund Manager's Comment:** Liquidity situation remained tight throughout the month of July, with LAF figures showing a negative of Rs 55k Cr in the banking system. The net system, though, turned marginally positive towards the end of the month, with the maturity of T-Bills and G-Sec. The money market yields further hardened across the board by around 30-35 bps. This was mainly on account of lack of buying interest by MFs on account of new valuation guidelines for money market instruments to be implemented from 2nd Aug 2010.

The interest rates may come down for short tenor papers, as the overnight rates are likely to be around 4.50%-5.00% and MF industry may see bigger inflows due to better system liquidity. We would keenly watch the impact of introduction of new valuation guidelines on the short end rates and realign the portfolio to be prepared for the new market conditions.



## FUND DATA

As on 31st July 2010

CRISIL Rated AAfF Fund, CARE Rated AAfF Fund

Date of Allotment: December 1, 2008.

Net Asset Value (NAV):

Retail Rs.: 1,001.5387 (D), 1,091.1453 (G), 1,001.3528 (W) per unit.

Institutional Rs.: 1,001.5376 (D), 1,093.6977 (G), 1,001.3476 (W) per unit.

Super Institutional Rs.: 1,001.5374 (D), 1,097.2039 (G) per unit.

Average Maturity Period: 0.30 years.

AAUM: Rs. 1,265.74 Cr.

Retail: Sharpe Ratio: 13.13 Standard Deviation: 0.08 Alpha: 1.06

Institutional: Sharpe Ratio: 13.63 Standard Deviation: 0.08 Alpha: 1.14

Super Institutional: Sharpe Ratio: 14.88 Standard Deviation: 0.09 Alpha: 1.34

Minimum Application Amount:

Retail Plan: Rs. 5,000/- per application and thereafter in multiples of Rs. 1,000/- thereof

Institutional Plan: Rs. 1 cr. per application and thereafter in multiples of Rs. 1000/- thereof.

Super Institutional Plan: Rs. 5 crs. per application and thereafter in multiples of Rs. 1000/- thereof.

Additional Subscription Amount:

Retail Plan: Rs. 1,000/- per application and thereafter in multiples of Rs. 1,000/-.

Institutional Plan: Rs. 1 lakh per application and thereafter in multiples of Rs. 1000/-.

Super Institutional Plan: Rs. 1 lakh per application and thereafter in multiples of Rs. 1000/-.

Fund Manager: Mr. Rahul Pal & Mr. Pankaj Jain (Co - Fund Manager)

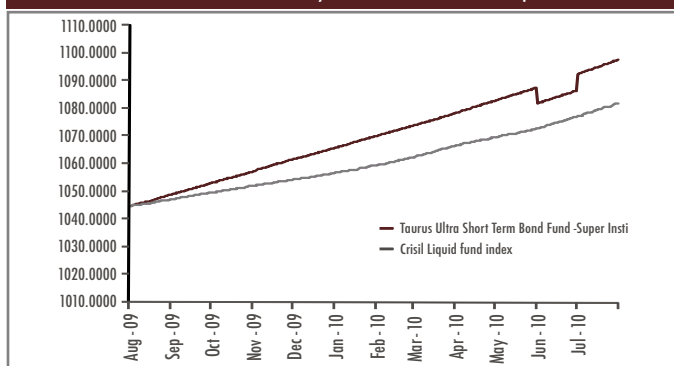
Registrar & Transfer Agent: M/s. Karvy Computershare Private Ltd.

## PORTFOLIO

As on 31st July 2010

Name of the scrip	% to Net Assets	Name of the scrip	% to Net Assets
CD's	Rating	Housing Dev Fin Corpn Ltd.	A1+ 2.07
State Bank of Patiala	P1+ 11.55	Raymond Ltd.	PR1+ 2.05
Punjab National Bank	PR1+ 8.29	Fullerton India Credit Co Ltd.	A1+ 1.98
Allahabad Bank	P1+ 6.26	Birla Global Finance Co Ltd.	A1+ 1.73
ICICI Bank Ltd	A1+ 4.14	Religare Finvest Ltd.	A1+ 1.04
Central Bank of India	P1+ 2.09	<b>TOTAL CP's</b>	<b>36.32</b>
State Bank of Hyderabad	A1+ 2.09	NCD's	Rating
Canara Bank	P1+ 2.08	Deccan Chronicle Holdings Ltd.	PR1+ 8.45
Bank of Baroda	A1+ 2.06	Kesoram Industries Ltd.	PR1+ 5.46
Yes bank Ltd	A1+ 2.05	Kalpataru Power Transmission Ltd.	PR1+ 2.10
<b>TOTAL CD's</b>	<b>40.61</b>	Naman Finance & Invst Pvt Ltd.	A1+ 2.10
CP's	Rating	Religare Finvest Ltd.	A1+ 2.10
Shree Renuka Sugars Ltd.	A1+ 4.17	Usha Martin Ltd.	PR1+ 2.10
Religare Finvest Ltd.	A1+ 4.16	India Infoline Invest Ser Ltd.	A1+ 2.10
Future Capital Holdings Ltd.	PR1+ 4.16	Kotak Mahindra Prime Ltd.	P1+ 2.09
Religare Securities Ltd.	P1+ 4.16	Fullerton India Credit Co Ltd.	LAA+ 1.66
JM Financial Products Pvt Ltd.	P1+ 3.90	<b>TOTAL NCD's</b>	<b>28.16</b>
Indiabulls Securities Ltd.	P1+ 2.71	CBLO Transaction	1.12
ICICI Home Finance Ltd.	A1+ 2.09	Cash & Cash Receivables	-6.21
IVRCL Infrastructures Projects Ltd. F1+(IND)	2.08	<b>TOTAL</b>	<b>100.00</b>

## NAV movement in the last one year vis-a-vis Crisil Liquid Fund Index



Face Value changed from Rs.10 to Rs.1000 w.e.f. 20th Feb., 2010. Historical NAV adjusted as per new Face value of Rs. 1000

RISK FACTOR: Mutual Fund investments are subject to market risks. Please read the Scheme Information Document carefully before investing.

# TAURUS LIQUID FUND - AN OPEN-END LIQUID SCHEME

## SCHEME FEATURES

### Investment Objective

To generate steady and reasonable income, with low risk and high level of liquidity from a portfolio of money market securities and high quality debt.

### Liquidity

Sale & repurchase on all business days.

### Tax Benefits

Tax free dividends in the hands of investors, no Gift Tax, no Wealth Tax as per the present Income Tax Act.

PERFORMANCE	Period	Returns (%)	
		NAV	Crisil Liquid Fund Index*
	3 Months	1.28	1.13
	6 Months	2.30	2.11
	1 Year	3.97	3.54
	3 Years	5.03	6.10
	Since Inception	5.40	6.43

The past performance may or may not be sustained in future.

### \*Benchmark Index:

Note: Returns are calculated on a compounded annualised basis for a period of more than one year and absolute basis for a period less than or equal to one year, with reinvestment of dividends/bonus, if any.

## PORTFOLIO

As on 31st July 2010

Name of the scrip	Rating	% to Net Assets
<b>CD's</b>		
Punjab National Bank	PR1+	24.84
State Bank of Patiala	A1+	8.35
State Bank of Hyderabad	A1+	8.33
Axis Bank Ltd	P1+	8.28
<b>CP's</b>		
ECL Finance Ltd.	A1+	16.66
Indiabulls Securities Ltd.	P1+	14.17
Religare Finvest Ltd.	A1+	8.34
Future Capital Financial Service Ltd.	PR1+	8.30
CBLO Transaction		0.73
Cash & Cash Receivables		2.00
<b>TOTAL</b>		<b>100.00</b>

**Fund Manager's Comment:** Liquidity situation remained tight throughout the month of July, with LAF figures showing a negative of Rs 55k Cr in the banking system. The net system, though, turned marginally positive towards the end of the month, with the maturity of T-Bills and G-Sec. The money market yields further hardened across the board by around 30-35 bps. This was mainly on account of lack of buying interest by MFs on account of new valuation guidelines to be implemented from 2nd Aug 2010.

The interest rates may come down for short tenor papers, as the overnight rates are likely to be around 4.50%-5.00% and MF industry may see bigger inflows due to better system liquidity. We would keenly watch the impact of introduction of new valuation guidelines on the short end rates and realign the portfolio to be prepared for the new market conditions.



## FUND DATA

As on 31st July 2010

### CRISIL Rated AA Af Fund

Institutional and Super Institutional plan introduced w.e.f. 26th Sep, 2008

**Date of Allotment:** Aug 31, 2006.

**Net Asset Value (NAV) Rs.:** 1,001.1914 (D), 1,228.7516 (G) per unit.

**Institutional Rs.:** 1,026.2045 (G) per unit.

**Super Institutional Rs.:** 1,000.0113 (D), 1,005.1690 (G) per unit.

**Average Maturity Period:** 0.15 years.

**AAUM:** Rs. 370.36 Cr.

**Minimum Application Amount:**

**Retail Plan:** Rs. 5,000/- per application and thereafter in multiples of Rs. 1,000/- thereof.

**Institutional Plan:** Rs. 1 cr. per application and thereafter in multiples of Rs. 1000/- thereof.

**Super Institutional Plan:** Rs. 5 crs. per application and thereafter in multiples of Rs. 1000/- thereof.

**Additional Subscription Amount:**

**Retail Plan:** Rs. 1,000/- per application and thereafter in multiples of Rs. 1,000/-.

**Institutional Plan:** Rs. 1lakh per application and thereafter in multiples of Rs. 1000/-.

**Super Institutional Plan:** Rs. 1lakh per application and thereafter in multiples of Rs. 1000/-.

**Sharpe Ratio:** 0.29 **Standard Deviation:** 0.12 **Alpha:** 0.04

(The above measures have been calculated by taking month end NAV for 1 year period from 31st July, 2009 to 31st July, 2010.)

**NAV Calculation:** All business days.

**Fund Manager:** Mr. Pankaj Jain

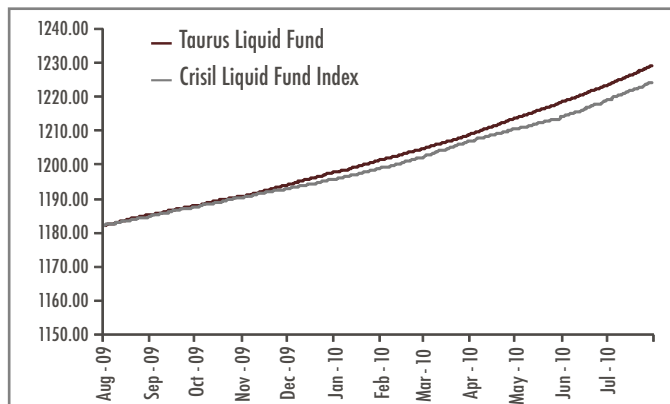
**Registrar & Transfer Agent:** M/s. Karvy Computershare Private Ltd.

## LOAD STRUCTURE

Entry Load	Exit Load
NIL	NIL

Switch: Exit Load NIL.

## NAV movement in the last one year vis-a-vis Crisil Liquid Fund Index



Face Value changed from Rs.10 to Rs.1000 w.e.f. 20th Feb., 2010. Historical NAV adjusted as per new Face value of Rs. 1000

**RISK FACTOR:** Mutual Fund investments are subject to market risks. Please read the Scheme Information Document carefully before investing.

# TAURUS SHORT TERM INCOME FUND - AN OPEN-END BOND SCHEME

(formerly known as Taurus Income Fund)

## SCHEME FEATURES

### Investment Objective

To generate income and capital appreciation with low volatility by investing in a diversified portfolio of short term debt and money market instruments.

### Liquidity

Sale & repurchase on all business days.

### Tax Benefits

Tax-free dividends in the hands of investors, no Gift Tax, no Wealth Tax as per the present Income Tax Act.

PERFORMANCE	Period	Returns (%)	
		NAV	Crisil Short Term Bond Fund Index*
	6 Months	1.86	2.15
	1 Year	3.68	4.44
	3 Years	3.46	7.19
	5 Years	3.51	6.71
	Since Inception	5.30	5.79

Past performance may or may not be sustained in future.

\*Benchmark index changed from 9th April, 2010.

Note: Returns are calculated on a compounded annualised basis for a period of more than one year and absolute basis for a period less than or equal to one year, with reinvestment of dividends/ bonus, if any.

## DIVIDEND HISTORY

Rs. 12 per unit dividend in July 2010.

Re. 0.30 per unit dividend in February 2002.

**Fund Manager's Comment:** The Indian corporate bond yields too went up following the G-Sec Yields. There was an upward shift of the yield curve by 30-35 bps across maturities. The short end of the curve went up as liquidity remained dry for major portion of the month and base rate coming into effect from 1st July. Markets also saw selling pressure by MF participants and investors moved from Short Term funds to liquid category, due to the proposed valuation guidelines for money market instruments from 2nd August.

For the month of August, we believe the flows may come back to MFs, due to low overnight rates, uncertainty of monetary policy being over and improved liquidity in the banking system. The focus for our investment still would remain short tenor money market instruments, as we see the 1-3 years rates remain tight till the end of the September quarter.

## FUND DATA

As on 31st July 2010

Date of Allotment: Aug 18, 2001.

Net Asset Value (NAV) Rs.: 1,528.1706 (D), 1,587.6946 (G) per unit.

AAUM: Rs. 188.14 Cr.

Minimum Application Amount: Rs. 5000/- & multiples of Rs. 1000/- thereof.

NAV Calculation: All business days.

Fund Manager: Mr. Rahul Pal & Mr. Pankaj Jain (Co - Fund Manager)

Registrar & Transfer Agent: M/s. Karvy Computershare Private Ltd.

## LOAD STRUCTURE

Entry Load - NIL

Exit Load - Up to any amount (Including SIP application):

- 0.25% if exited before 1 month
- Nil if exited after 1 month

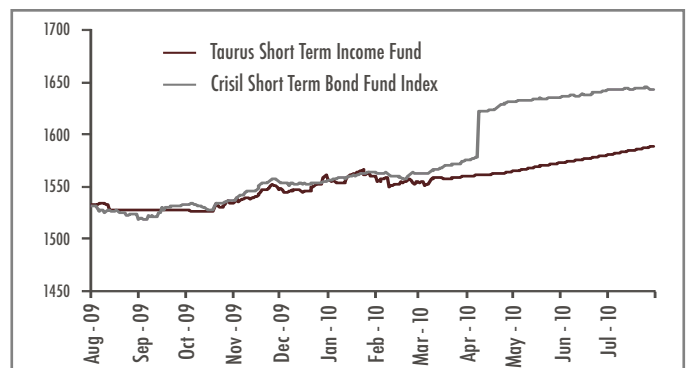
Switch: Debt to debt/Equity - relevant exit load applicable as mentioned above.

## PORTFOLIO

As on 31st July 2010

Name of the scrip		% to Net Assets
<b>CD's</b>		
State Bank of Patiala	P1+	22.75
Corporation Bank	P1+	11.37
Dhanalaxmi Bank	PR1+	11.34
Canara Bank	P1+	11.26
IDBI Bank Ltd.	A1+	4.45
<b>CP's</b>		
Tata Motors Ltd.	P1+	6.78
India Infoline Ltd	A1+	5.77
Future Capital Holdings	PR1+	5.51
India Infoline Ltd.	A1+	4.39
<b>NCD's</b>		
Fullerton India Credit Co Ltd	LAA+	13.79
CBLO Transaction		2.99
Cash & Cash Receivables		-0.39
<b>TOTAL</b>		<b>100.00</b>

## NAV movement in the last one year vis-a-vis Crisil Short Term Bond Fund Index



Face Value changed from Rs.10 to Rs.1000 w.e.f. 26th Apr., 2010. Historical NAV adjusted as per new Face value of Rs. 1000

# TAURUS GILT FUND - AN OPEN-END GILT SCHEME

## SCHEME FEATURES

### Investment Objective

To provide risk free returns to the investors even for a shorter duration through investment in securities issued by Central Government or State Government or any security unconditionally guaranteed by Government of India. Investment will also be made in repos and reverse repos.

### Liquidity

Sale & repurchase on all business days.

### Tax Benefits

Tax-free dividends in the hands of investors, no Gift Tax, no Wealth Tax as per the present Income Tax Act.

PERFORMANCE	Period	Returns (%)	
		NAV	I-Sec Composite Index
	6 Months	0.68	2.76
	1 Year	1.32	4.15
	3 Years	2.57	7.80
	5 Years	1.65	7.27
	Since Inception	3.81	6.90

Past performance may or may not be sustained in future.

Note: Returns are calculated on a compounded annualised basis for a period of more than one year and absolute basis for a period less than or equal to one year, with reinvestment of dividends/bonus, if any.

Rs. 0.30 per unit dividend declared in the scheme in February 2002.

**Fund Manager's Comment:** G-Sec market turned bearish in July, mainly due to tough stance of RBI against the high inflation expectations. RBI raised benchmark rates twice during the month, with Repo rates being risen by 50 bps and Reverse Repo rates being 75 bps cumulatively. The 10 years Benchmark paper rose by 25 bps to 7.80%. For the month of August, the traders would keep a watch on the IIP and WPI numbers to be announced mid-month, which will predominantly decide the course of G-Sec markets. The 10 years benchmark G-Sec yields may hover around 7.70%-7.95% for the month of August.

## FUND DATA

As on 31st July 2010

Date of Allotment: Aug 18, 2001.

Net Asset Value (NAV) Rs.: 13.7002 (D), 13.9810 (G) per unit.

AAUM: Rs. 0.01 Cr.

Minimum Application Amount: Rs. 5000/- & multiples of Rs. 1000/- thereof.

Sharpe Ratio: -6.24 Standard Deviation: 0.34 Alpha: -2.13

(The above measures have been calculated by taking month end NAV for 1 year period from 31st July, 2009 to 31st July, 2010.)

NAV Calculation: All business days.

Fund Manager: Mr. Pankaj Jain.

Registrar & Transfer Agent: M/s. Karvy Computershare Private Ltd.

## LOAD STRUCTURE

Entry Load - NIL

Exit Load - Up to any amount (Including SIP application):

- 1% if exited before 1 year
- Nil if exited after 1 year

Switch: Debt to debt/Equity - relevant exit load applicable as mentioned above.

## PORTFOLIO

As on 31st July 2010

Name of the scrip	% to Net Assets
CBLO Transaction	89.82
Cash & Cash Receivables	10.18
<b>TOTAL</b>	<b>100.00</b>

## NAV movement in the last one year vis-a-vis I Sec Composite Index

