



# Taurus Starshare

February 2010



# Global Stock Markets as on 29/01/2010

	Close as on 29/01/10	12 Months		% change Last 12 months
		Low	High	
U.S. Dow Jones Industrials	10067	6547	10725	25.8%
U.S S&P 500	1074	677	1150	30.0%
London FTSE 100	5189	3512	5538	25.0%
Germany Dax	5609	3666	6048	29.3%
Canada TSX	11094	7567	11954	27.6%
Japan Nikkei 225	10198	7055	10982	27.6%
Hong Kong Hang Seng	20122	11345	22944	51.5%
South Korea KOSPI	1602	1019	1722	37.9%
<b>India Sensex 30</b>	<b>16358</b>	<b>8160</b>	<b>17701</b>	<b>73.6%</b>
China Shanghai Composite	2989	2012	3471	50.2%
Brazil Bovespa	65402	36235	70729	35.5%

Source : Bloomberg

## Market wrap- January 2010

- During January 2010 BSE Sensex made a high of 17790 and low of 15982 and ended the month at 16357. Nifty made a high of 5310 and a low of 4776 and ended the month at 4882.
- On monthly basis, Sensex lost 6.34% and Nifty lost 6.13%
- Almost all the sectors with the exception of Consumer Durables (+ve 0.4%) lost anywhere between 2 to 9%. The major losers were Realty (9.2%), Metals (8.2%), Consumer Goods (7.0%), Auto (6.5%).
- The quarterly numbers announced by most of the leading companies were in line with market expectations. IT majors like Infosys, TCS & Wipro announced better than expected numbers & guidance.
- FIIs were net sellers in Indian equities to the extent of Rs 500 crs (USD 94.5 mn) during January 2010.

## Key events in Domestic Markets:

- IIP grew 11.7% YOY in November 2009, a notch above expectations (Consensus :10%)
- Car sales zoomed 40% in December, led by revival in economic growth
- RBI hiked CRR by 75 bps in its January 2010 Monetary Policy Review. CRR hike was higher than expected 50 bps but given ample liquidity will support credit off take without rise in interest rates
- The six core sectors grew 6% in December, which is likely to drive up industrial growth and make up for any loss of farm production to sustain Indian economic growth story

## Key events in International Markets:

- Chinese central bank increased reserve ratio by 0.5%. This decision follows the record 1.3 trillion dollars loans obtained in the first 11 months of 2009
- US economy expanded 5.7% in the fourth quarter of 2009, fastest in 6 years
- IMF has revised 2010 growth projection for world to 3.9% (earlier 3.1%) and India 7.7% (earlier 6.4%). IT has also revised global growth forecast to 4%

# Taurus Equity Schemes – snapshot as on 31/01/10



Name of Scheme	Inception Date	Positioning	Closing AUM Rs in Crs	NAV (Gr)	Benchmark
<b>Taurus Starshare</b>	29/01/94	Multi-cap	167.74	47.42	BSE 200
<b>Taurus Infrastructure Fund</b>	05/03/07	Thematic	27.41	13.24	BSE 200
<b>Taurus Tax Shield</b>	31/03/96	Multi-cap (ELSS)	36.65	30.46	BSE 200
<b>Taurus Ethical Fund</b>	06/04/09	Thematic Multi-cap	15.98	19.78	S&P CNX 500 Shariah
<b>Taurus Discovery Fund</b>	05/09/94	Mid-cap focus	25.15	14.15	CNX Midcap
<b>Taurus Bonanza Fund</b>	28/02/95	Large-cap	35.57	37.87	BSE 100

Taurus Starshare



This **Star** shares  
lot more than  
just its twinkle...



**TAURUS STARSHARE**

An open-end equity scheme with a focus on multi cap stocks

## Investment Strategy :

- An actively managed diversified equity fund
- Predominantly investing in a mix of large, mid-sized and small cap companies
- Will aim to diversify the portfolio by investing in a mix of companies across sectors and themes to maximize returns balance risk
- Investment in companies with superior growth potential with realistically sound business model

## Key Features:

- A diversified open-end equity scheme
- Wealth creation through investment across the segments
- Suitable for individuals having long term outlook and higher tolerance of risk

# Taurus Starshare - performance



Performance as on 31st Jan'10	1 Year	3 Year	5 Year
<b>Taurus Starshare</b>	93.95	3.44	23.57
BSE 200	90.16	6.55	19.42
Rank	79	115	33
Total Funds in Category	214	160	89

Source: Value Research

Absolute Returns (%) for period of 1 yr or less, CAGR for more than 1 yr

Past performance may or may not sustain in future

# Taurus Starshare – portfolio data as on 31/01/10

<b>Top 10 Equity Holdings</b>	
<b>Company Name</b>	<b>% of Net Assets</b>
Rallis India Ltd	4.80
Jain Irrigation Systems	4.35
Castrol India Ltd	3.80
Exide Industries Ltd	3.53
Infosys Technologies Ltd	3.14
Ranbaxy Laboratories	3.03
Lupin Ltd	2.87
Rolta India Ltd	2.79
Coromandel International	2.65
HDFC Ltd	2.61
<b>Total of Top 10 Equity</b>	<b>33.57</b>
Other equities	60.20
<b>Total Equity</b>	<b>93.77</b>

<b>Top 10 Equity Sectors</b>	
<b>Sector Name</b>	<b>% of Net Assets</b>
Software	15.09
Pharmaceuticals	13.85
Consumer Non Durables	9.11
Industrial Products	8.66
Pesticides	6.47
Auto Ancillaries	5.31
Fertilisers	5.12
Banks	4.52
Petroleum Products	3.80
Finance	2.61
<b>Total of Top 10 Sectors</b>	<b>74.54</b>
Other Equity Sectors	19.23
<b>Total</b>	<b>93.77</b>

# Taurus Starshare Fund



## Top 10 Holdings As on January 2010

Companies	FY11E EPS Growth	FY11PE	Reasons to Buy
Rallis India	31.61%	12.21	A strong player in agrochemicals and pesticides. Will benefit from increasing demand of agrochemicals in India
Jain Irrigation	34.53%	16.74	Expected to be get benefitted by increased plan expenditure in the irrigation space.
Castrol India	15.00%	13.59	Consumable within the auto space, solid management, market leaders, recurring business
Exide Industries	17.78%	15.99	Revenue growth to continue on the back of demand from Auto OEMs and recycle market. Increase in lead prices can be passed on to the original customers.
Infosys Technologies	10.58%	21.52	Clarity on the order inflow from BFSI segment will be a huge booster. Expecting a rebound in the IT spending budgets of its clients.
Ranbaxy Ltd	37.99%	21.33	Strong pipeline of Para 4 filings gives revenue visibility going ahead
Lupin Ltd	20.86%	17.93	Strong revenue growth on back of new product launches and branded formulation growth in the US markets
Rolta India	21.08%	11.01	Banking on increased IT spending on defence and nuclear power projects
Coromandel International Ltd	8.51%	9.08	significant improvement in profit margins and getting benefitted from the decontrol in the sector.
HDFC Ltd <b>1</b>	21.05%	21.02	Riding on the current demand in the housing markets. Expect strong loan disbursal on back of increasing supply of affordable housing. Subsidiary valuation remains a Trigger.

## Why Taurus Starshare ?

- Well diversified across sectors & market caps
- Long Track Record.
- Multi cap nature allows Fund Manager to take calls on potential small & mid caps to generate alpha
- Nimbleness to swiftly move across market caps
- Declared dividend of 50% (Record date: 10<sup>th</sup> July 09) & 30% (Record Date : 6<sup>th</sup> Nov. 09)
- Winner of Lipper Funds Award 2008: Best Fund over 3 yrs Equity India

# Strategy Going Ahead

- Indian markets has seen a sharp correction since 15th Jan 2010 on the back of weak global cues which has seen a flight of money from the emerging markets.
- During Q3FY10, Profit growth for the Sensex companies came at 14.6% which is above expectation. We believe year 2010 will be of earning re rating year which will result in re rating of the Indian markets. We also expect the Dec. to March qtr earnings to be robust due to the base effect and lead indicator numbers
- In the forthcoming budget, we expect positive announcement on the agrochemicals, Educations and IT spending which should be taken positive by the markets.
- We believe India remains a preferred investment destination due to...
  - Consistent GDP growth
  - Strong domestic consumption
  - Well balanced economy and astute RBI
- 2010 will be the year of bottom up stock picking. To that extent, we will maintain a mid cap bias in our portfolios
- We continue to maintain an overweight stance on Domestic Consumption (media, FMCG, Auto), Healthcare, Software, gas distribution, Agri & Agri inputs,

# Equity Funds Load Structure



		Load Structure	
Equity Funds except ELSS	Amount of Investment	Entry Load	Exit Load
Taurus Starshare	Any amount	Nil	1.00% if exited before 1 year. Nil after 1 year
Taurus Infrastructure Fund			
Taurus Bonanza Fund			
Taurus Ethical Fund			
Taurus Discovery Fund			
SIP* in all equity Funds except ELSS	Any amount	Nil	1.00% if exited before 1 year. Nil after 1 year
ELSS		Entry Load	Exit Load
Taurus Tax Shield	Any amount	Nil	N.A.
SIP in Taurus Tax Shield	Any amount	Nil	N.A.

# About Taurus Mutual Fund



## Our Schemes

### EQUITY

- Taurus Starshare
- Taurus Bonanza Fund
- Taurus Discovery Fund
- Taurus Infrastructure Fund
- Taurus Ethical Fund
- Taurus Tax Shield (ELSS)

### DEBT

- Taurus Income Fund
- Taurus Ultra Short Term Bond Fund
- Taurus Liquid Fund
- Taurus Gilt Fund
- Taurus FMP Schemes

## Board of Directors of Taurus AMC

- Mr. J. P. Kundra - Former MD, State Bank of India
- Mr. P. Murari - Former Secretary, Govt. of India
- Mr. M.G. Gupta - Former Addl Controller General of Accounts,  
Govt. of India
- Maharaja Jai Singh - belongs to Royal family of Jaipur / Hotelier
- Mr. Lalit Bhasin - Promoter Director
- Mr. Vijay Sood - Ex Investment Banker, HSBC (Asia Pacific)
- Mr. R K Gupta- MD, Former MD-PNB Mutual Fund

# Some Key Management Personnel

S.No.	Name	Designation	Educational Qualifications	No. of years experience
1	Waqar Naqvi	Chief Executive	AICWA, MBA	18
2	Mohit Mirchandani	Head – Equity	MMS, MBA	14
3	Sanjay Parikh	Chief Operations Officer	CA, CFA	18
4	Amit Gupta	Country Head – Retail Sales	MBA	11
5	V. Sasidhar	Head- Customer Service	M.Com	21
6	Nazish Ahmed	Head – Marketing	M.Com, MBA	10

## Fund Manager

1	Pankaj Jain	Fund Manager – Fixed Income	B.E., PGDBM (IIM-B'lore)	5
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## Waqar Naqvi - CEO

- AICWA and MBA
- 18 years of Work Ex
- Worked with Thermax, Apple Finance, Escorts Finance, GE TFS, Birla Sun Life MF
- Headed Domestic Sales, Credit, International Business, Offshore Business, PMS, Considerable Exposure to Product Development

# Head of Equity Investments



## **Mohit Mirchandani**

A commerce graduate, has done his MMS from Mumbai University and MBA (specialising in Finance and Strategy) from Emory University's Goizueta Business School, USA. Mohit brings with him 14 years of work experience with reputed financial institutions across US and India. In his last assignment Mohit was employed in the capacity of VP & Portfolio Manager with ING Investment Managers, where he spent 6 years altogether, the last 3 years being at ING Investment Managers based out of Mumbai and the earlier 3 years based out of the United States.

Apart from ING Investment Managers, Mohit has worked with Apple MF and Coca Cola USA (Research Analyst - Corporate Investments) Mohit's total working career is divided equally between his postings in India and the United States.

At Taurus he is responsible for devising the over all strategy for equity investments and manages Taurus Starshare along with other equity funds.

# Statutory details & Risk factors

**Statutory Details:** Taurus Mutual Fund has been constituted as a Trust under the Indian Trust Act, 1882.

**Sponsor:** HB Portfolio Ltd.

**Trustee:** Taurus Investment Trust Company Limited

**Investment Manager:** Taurus Asset Management Company Limited

## **Scheme Nature & Objective**

**Taurus Starshare** is an open-end equity growth scheme. 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.

**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 scheme's 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 Lakhs made towards setting up of the Mutual Fund. The name of the scheme, does not in any manner indicate the quality of the schemes or its future prospects or returns. There is no guarantee or assurance as to any return on investment of the unit holders. The investments made by the schemes are subject to external risks on transfers, pricing, trading volumes, settlement, etc. of securities. Please refer to the Statement of Additional Information / Scheme Information Document / Key Information Memorandum of the scheme before investing

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