



Taurus Tax Shield



**SAVE TAX & GET RETURNS WITH
TAURUS TAX SHIELD**
An open-end equity linked saving scheme

TAURUS TAX SHIELD - An open-end equity linked saving scheme

Taurus Tax Shield

Investment Strategy :

- ✧ This fund is diversified equity fund offering tax savings with long term appreciation.
- ✧ Targeting wealth creation by long term equity investment.
- ✧ Investment across the sectors and capitalisation.
- ✧ Selection of stocks based on long term business prospect and value creation.

Key Features:

- ✧ A 80C approved Tax saving Scheme.
- ✧ An actively managed ELSS scheme.

Taurus Tax Shield - Performance



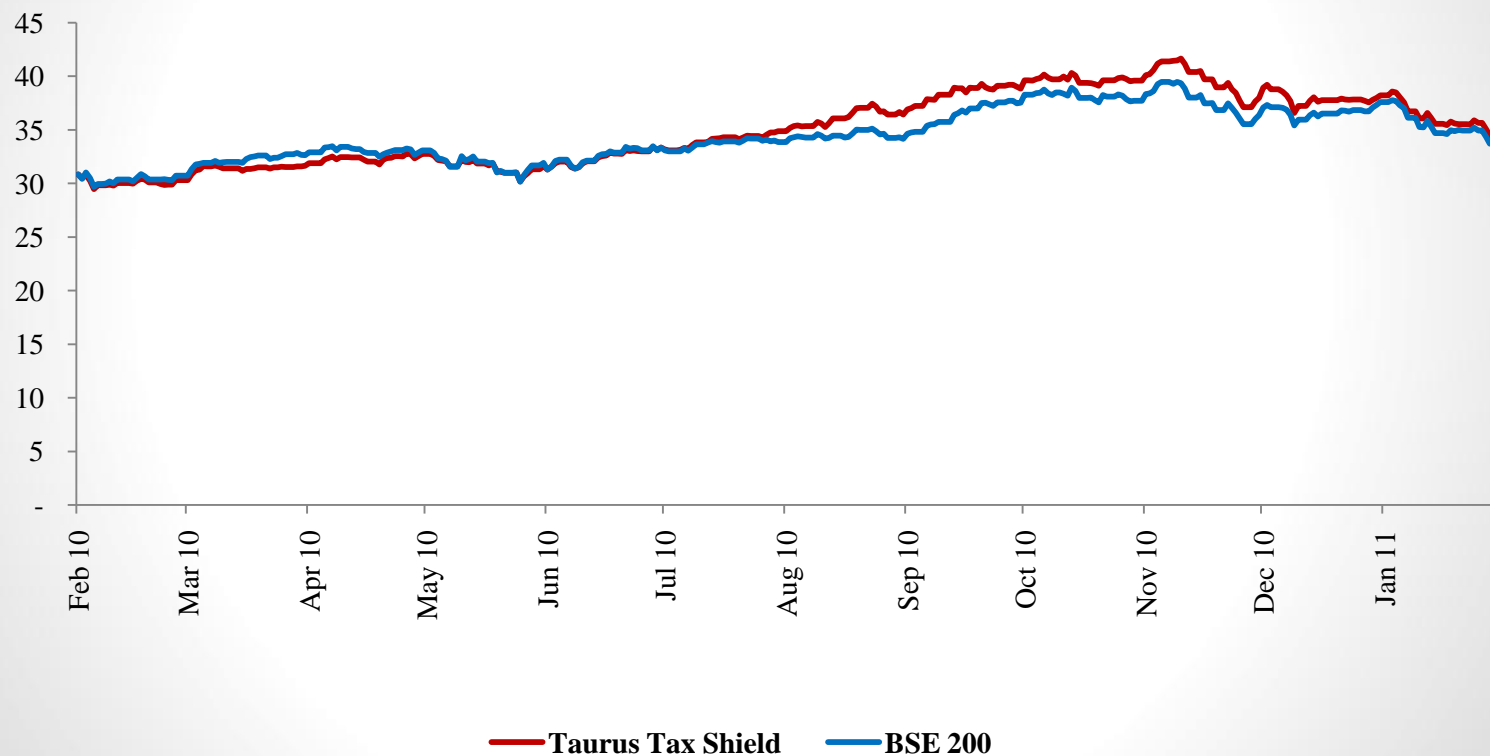
Performance as on 31st Jan'11	1 Year	2 Year	3 Year
Taurus Taxshield	13.10	47.65	5.70
BSE 200	9.93	43.20	0.59

Source – Value Research

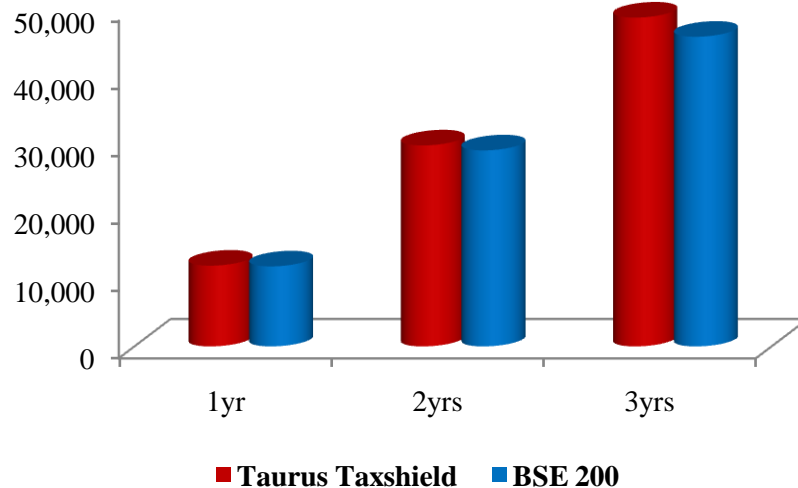
Period 1 year or less – Absolute & Period more than that – CAGR

Past Performance may or may not sustain in future.

Taurus Taxshield – 1 year performance relative to Benchmark



Taurus Taxshield SIP relative to Benchmark



Taurus Taxshield and BSE 200			
Monthly Investment (1st of every month)	1,000	1,000	1,000
No of Months	12	24	36
Total Investment	12,000	24,000	36,000
Value of TTS Investment (31st Jan'11)	11,961	29,773	48,707
Value of Benchmark (31st Jan'11)	11,854	29,037	45,872

Taurus Tax Shield – Portfolio Data as on Jan'11

Top 10 Equity Holdings of Taurus Taxshield	
Company Name	% of Net Asset
Infosys Technologies Ltd	7.25%
Reliance Industries Ltd	5.71%
ITC Ltd	4.44%
Oil & Natural Gas Corporation Ltd	4.40%
Mahindra & Mahindra Ltd	3.96%
Tata Chemicals Ltd	3.87%
ICICI Bank Ltd	3.54%
Housing Development Finance Cor Ltd	3.50%
State Bank Of India	3.47%
Indian Hotels Company Ltd	2.71%
Total of Top 10 Equity	42.85%
Other Equity	45.54%
Total Equity	88.39%

Top 10 Equity Sectors of Taurus Taxshield	
Sector Name	% of Net Asset
Finance	10.88%
Software	9.65%
Banks	9.39%
Auto	8.92%
Petroleum Products	7.44%
Fertilisers	5.66%
Consumer Non Durables	4.44%
Oil	4.40%
Construction Project	4.18%
Media & Entertainment	3.68%
Total Of Top 10 Equity	68.65%
Other Equity Sectors	19.74%
Total	88.39%

Top 10 Holdings of Taurus Taxshield, as on January 2011

Company	FY13PE	EPS growth FY11E - FY13E	Reason to buy
Infosys Technologies Ltd	17	22.30%	Robust demand uptick from BFSI, Healthcare sector is on card, This would lead to price and margin uptick resulting in improved profitability
Reliance Industries Ltd	11	15.20%	Higher utilisation and stable GRMs augur well for the company. EBITDA improvement in the Polyester products should also help the company's bottomline.
ITC Ltd	18	17.00%	Strong pricing power in the cigarette market and traction in the non-cigarette business is positive for the company. Focus on the Agribusiness is also a good diversification strategy for the company.
Oil & Natural Gas Corporation Ltd	9	5.60%	Any news on the diesel price deregulation could pump up the prices. Continued volume growth is key for its revenue growth.
Mahindra & Mahindra Ltd	11	17.10%	Expected strong revenue from high margin tractor business, automotive segment sales are also holding up on healthy rural demand as well as expansion into new product segments
Tata Chemicals Ltd	9	16.00%	Expansion of EBITDA margin, Strong growth in the agri business is reflecting in strong PAT growth.
ICICI Bank Ltd	15	19.80%	Focus on Growth and improvement in the CASA ratio will result in absolute growth in PAT. Listing of key subsidiaries will be the big trigger for the stock.
Housing Development Finance Corporation Ltd	19	16.60%	Largest mortgage player in the domestic market. Asset quality continue to remain at comfortable level.
State Bank Of India	8	25.50%	Strong growth in CASA portfolio and maintance of NIM will lead to sustained ROE number.
Indian Hotels Company Ltd	18	106.20%	Payment of high cost debt through the funds raised from preferential allotment to promoters will improve balance sheet and will be earnings accretive

Why Taurus Tax Shield ?

- ✧ Tax Saving up-to Rs. 30,900/- under Section 80C of Income Tax Act 1961 on an investment of Rs. 1 lac (assuming investor is under maximum tax slab of 30% plus education cess).
- ✧ During FY 09-10, declared 4 dividends: Re 1 per unit on 30th Nov'09, Rs1.50 per unit on 11th Jan'10, Rs 2 per unit on 26th Feb '10 and Rs 2.25 per unit on 26th Mar'10.
- ✧ During FY 10-11 declared a dividend of Rs 2 per unit on 24th Dec'10.
- ✧ Rated as 4-Star Fund by Value Research and Money Control and Platinum Edge by ET Investor Guide.

Scheme Features

Particulars	Features
Nature	Open ended Equity Linked Savings Scheme with 3yr lock-in period
Minimum Application Amount	Rs.500 and multiple of Rs.500 thereof
Load Structure	Entry Load - Nil
	Exit Load - N.A
Choice of Investment	Growth Option
	Dividend Option - Dividend payout and Dividend Reinvestment
Benchmark	BSE 200
Asset Allocation	Equity & Equity related instrument - 80-100%
	Debt Securities - 0-20%
	Money Market Instrument - 0-20%
NAV (as on 31st January 2011)	Growth - 34.45
	Dividend - 18.61
AAUM	Rs. 62.67 Cr
Fund Manager	Mr.Sadanand Shetty

Accolade for Taurus Tax Shield



“Taurus Tax Shield”

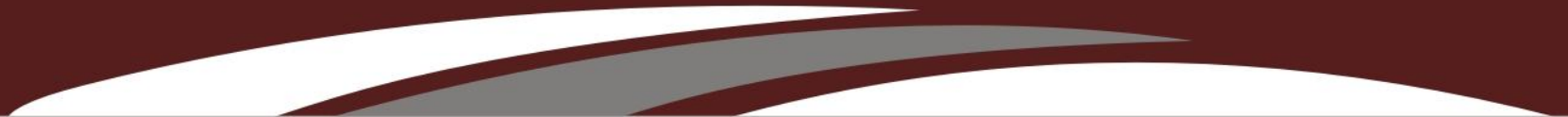
bagged

****India's Best Mutual Fund award for the year 2009 in the
Equity-Tax Planning Category****

At Business world: India's Best Mutual Fund Awards

4 Star* rated ELSS Fund Value Research

Market Wrap



Market Wrap- Jan'11

- ❖ BSE Sensex lost 10.6% during the month and ended at 18327, a loss of 2183 points. Nifty too ended in red at 5505.9, loss of 628 points i.e. negative 10.25%
- ❖ FIIs flow remained negative during the month because of the inflation concern. In total FIIs sold approx Rs.4813crs (\$1053.5mn). The FIIs have sold Rs.5009.3cr (\$1096.8mn) in the secondary market and bought Rs.196.4cr (\$43.20mn) in the primary market
- ❖ On the contrary, Indian Mutual funds were net buyers in the market. During January, Mutual funds bought net Rs.590.8crs worth of equities
- ❖ All the sectoral indices ended in red during the month. Realty lost 22% followed by Auto (-13%), Capital Goods (-12.2%) and Bankex (-9.8%). IT and consumer durable have comparatively done well as they posted loss of 7% and 6% only
- ❖ India's fiscal deficit narrowed by 44.75% year-on-year to INR1.71trn during the first three quarters of the current fiscal on the back of better-than-expected revenue from the sale of spectrum and robust tax collections
- ❖ The latest fortnight, ending 14 Jan'11 Credit growth stands at 23.6% compared with 24.4% the previous fortnight. Deposit growth for the fortnight slipped marginally year –on-year to 16.4% compared with 16.5% the previous fortnight

Key events in Domestic Markets:

- ❖ The Reserve Bank of India (RBI) has increased key policy rates by 25 bps each. The inflation target has been increased to 7% for FY11, while the GDP forecast for FY11 has been kept steady at 8.5% with an upward bias.
- ❖ The industrial production stood at 2.7% in Nov'10, as against 11.3% (upwardly revised from provisional estimate of 10.8%) in Oct'10.
- ❖ India's indirect tax collections grew 42.8% year-on-year to Rs. 2,371.92 bn in Apr-Dec'10 period, as against Rs. 1,661.33 bn in Apr-Dec'09, which is 75.7% of the Budget Estimates for FY11
- ❖ India's WPI rose 8.43% year-on-year in Dec'10, faster than 7.48% increase in Nov'10, and 6.92% in Dec'09. Food inflation too rose marginally to 15.57% for the week ended January 15.

Key events in International Markets:

- ✧ Existing home sales in the US rose sharply in Dec'10, with sales rising for the fifth time in the past six months. The existing home sales rose 12.3% to an annual rate of 5.28 mn in Dec'10, as against 4.7 mn
- ✧ China's growth accelerated to a 9.8 % in the 4Q-10 compared with a 9.6 % in 3Q.
- ✧ Inflation in the euro zone rose to 2.2% in Dec, the highest since Oct 2008 and above the ECB's target of close to but below 2%.
- ✧ Unrest in Egypt has disturbed the oil supply through the Suez canal and this may result in upward movement in the crude price.

Strategy Going Ahead

- Indian Economy is witnessing interest rate risk in the near term but the same is expected to ease out in the first half of FY12
- In line tax collection and other revenues makes us to believe that GOI will maintain the fiscal deficit on the forecasted line. This will bring back the action in the private investment.
- Given some macro headwinds to the India growth story in short term, we maintain a cautious investment strategy as we look for
 - Sustainable consumption demand.
 - Softening on the core inflation and buoyant outlook in Industrial production
 - Improvement in lead indicators like IIP and core industry growth.
 - Any change in money allocation by the FIIs and active buying by domestic institutions



Winning the Game for us means
Winning the Market for you

About Taurus Mutual Fund

Why Taurus Mutual Fund?

It's a fund house on the move...



- Fastest growing Mutual Fund during F.Y. 2009-10. Managing an **AAUM of Rs 2228.5 crs** as on 31/1/2011.
- Product basket comprises of 6 Equity Funds, 1 ELSS, 4 Fixed Income Funds and one Monthly Income Plan besides FMPs'. Launched Taurus Ethical Fund in April 2009 and Taurus Nifty Index Fund & Taurus MIP Advantage in June 2010.
- **Taurus Liquid Fund** and **Taurus Ultra Short Term Bond Fund** rated as **AAAF** by **CRISIL** for credit quality of the portfolio.
- Two equity funds – '**Taurus Tax Shield**' and '**Taurus Infrastructure Fund**' bagged the prestigious **Business World Best Mutual Funds Awards** for the year 2009.
- Professional Service Providers:
 - ✎ Registrar & Transfer Agent : Karvy Computershare Pvt. Ltd
 - ✎ Custodian: HDFC Bank Ltd
 - ✎ Fund Accountant : Deutsche Bank AG

Our Schemes

EQUITY

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

DEBT

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

Board of Directors of Taurus AMC



Mr. J. P. Kundra - Former MD, State Bank of India

Mr. M.G. Gupta - Former Addl Controller General of Accounts, Govt. of India

Maharaja Jai Singh — From the 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

Key Management Personnel

Mr. Waqar Naqvi: Chief Executive (AICWA, MBA, 19 years exp)

Mr. Sanjay Parikh: Chief Operations Officer(CA, CFA, 19 years exp)

Mr. Sadanand Shetty: Sr. Fund Manager-Equity(M.Com, PGDFA, 16 years exp)

Mr. Rahul Pal: Head- Fixed Income (B.Com, C.A., 9 years exp)

Mr. V. Sasidhar : Head-Customer Service (M.Com, 22 years exp)

Mr. Nazish Ahmed : Head- Marketing(M.Com, MBA, 11 years exp)

Mr. Ramesh Kabra : Head- Product Development (B.Sc., M.A. (Eco), 30 years exp)

VP & Senior Fund Manager - Equity



Mr. Sadanand Shetty

Masters in Commerce (specialisation in Banking & Finance), Sadanand has done his PGDFA

He has a total work ex of 16 years. His last assignment was with Kotak Securities as VP & Portfolio Manager -Equity for 5 years & 8 months. He has also worked with Soc Gen in Institutional equities for 4 years, Newscorp owned Indya.com Pvt. Ltd. for 2 years, Principal Capital Markets Ltd. as VP-Investments for 2 years and Capital Markets Publishers Pvt. Ltd. as an analyst for 3 years.

Statutory Details



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 Tax Shield is an open-end equity linked tax saving scheme. Scheme is to provide long term capital appreciation over the life of the scheme through investment pre-dominantly in equity shares, besides tax benefits

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 Lakh made towards setting up of the Mutual Fund. The scheme, Taurus Taxshield, does not in any manner indicate the quality of the scheme , 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 transferring , pricing, trading volumes, settlement, etc. of securities. Please read the Scheme Information Document / Statement of Additional Information / Key Information Memorandum of all schemes before investing.

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****Businessworld India's Best Mutual Funds Awards methodology :**

For Equity Tax Planning category, all funds compliant with Section 80C of the IT Act were included. Data for the past 3 years were considered. Methodology used to rank them is based on risk-adjusted returns but widened to take a composite measure of the returns a fund generates and the risk it takes.

*Detailed methodology of value research rating is available at www.valueresearchonline.com.

Thank You

