

**N. M. RAIJI & CO.**

*Chartered Accountants*

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**AUDITORS' REPORT**

**TO THE BOARD OF TRUSTEES  
TAURUS MUTUAL FUND**

We have audited the attached Balance Sheet as at March 31, 2011 and the Revenue Account for the year ended on that date, annexed thereto, of **Taurus Tax Shield Fund** (the scheme) of Taurus Mutual Fund. These financial statements are the responsibility of the Management. Our responsibility is to express an opinion on these financial statements, based on our audit. We report that:

1. Our audit was conducted in accordance with the generally accepted Standards on Auditing in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
3. The Balance Sheet and the Revenue Account are in agreement with the books of account of the Scheme.
4. In our opinion, valuation methods adopted by the scheme for Non Traded Securities, are fair and reasonable and are in accordance with the guidelines for valuation issued by SEBI and have been approved by the Trustees.
5. The accounts have been prepared in accordance with the accounting policies adopted by the trustees of the Fund and as specified in the Ninth Schedule to the SEBI (Mutual Funds) Regulations, 1996.

6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the SEBI (Mutual Funds) Regulations, 1996, and give a true and fair view in accordance with the generally accepted accounting principles in India:
- a. in the case of the Balance Sheet, of the state of affairs of the scheme as at ~~March 31, 2011~~; and
  - b. in the case of the Revenue Account, of the surplus of the scheme for the year ended on that date.

For N. M. Raiji & Co.  
Chartered Accountants  
Firm Regn. No. 108296W



Vinay D. Balse  
Partner  
Membership No. 39434

Place: New Delhi

Date: June 30, 2011

**TAURUS MUTUAL FUND**  
**BALANCE SHEET OF TAURUS TAX SHIELD AS AT MARCH 31, 2011**

	SCHEDULE	AS AT MARCH 31, 2011 AMOUNT (Rs.)	AS AT MARCH 31, 2010 AMOUNT (Rs.)
<b>LIABILITIES</b>			
Unit Capital	A	29,89,93,288	19,24,94,181
Reserves and Surplus	B	38,84,55,942	27,52,82,512
Current Liabilities and Provisions	C	3,30,54,607	3,41,10,791
		72,05,03,837	50,18,87,484
<b>ASSETS</b>			
Investments	D	64,08,81,436	42,75,61,409
Other Current Assets	E	7,96,22,401	7,43,26,075
		72,05,03,837	50,18,87,484
Significant Accounting Policies and Notes to Accounts	H		

Schedules referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For N.M.Raiji & Co.  
Chartered Accountants


  
Vinay D. Balse  
Partner

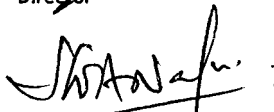
For and on behalf of Taurus Investment Trust Company Limited

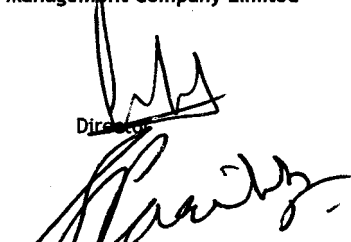
  
Director

  
Director

For and on behalf of Taurus Asset Management Company Limited

  
Director

  
Waqar Naqvi  
Chief Executive Officer

  
Sanjay Parikh  
Chief Operations Officer

  
Sadanand Shetty  
Fund Manager

Place: New Delhi  
Date: June 30, 2011

**TAURUS MUTUAL FUND**  
**REVENUE ACCOUNT OF TAURUS TAX SHIELD FOR THE YEAR ENDED MARCH 31, 2011**

	SCHEDULE	FOR THE YEAR ENDED MARCH 31, 2011 AMOUNT (Rs.)	FOR THE YEAR ENDED MARCH 31, 2010 AMOUNT (Rs.)
<b>INCOME</b>			
Dividend		52,66,766	30,48,673
Interest	F	2,96,128	48,584
Profit on sale/ redemption of investments (Net)		9,53,82,904	9,74,14,466
- others		-	4,31,83,565
Net change in unrealised gain/loss in value		-	501
Miscellaneous Income		10,09,45,798	14,36,95,789
<b>EXPENSES</b>			
Management, Trusteeship Fees, Administrative and Other Operating expenses	G	1,46,64,376	70,80,124
Net change in unrealised gain/loss in value		2,31,58,888	-
Loss on sale/ redemption of investments (Net)		-	1,23,397
- inter-scheme		3,78,23,264	72,03,521
Surplus for the year		6,31,22,534	13,64,92,268
Opening Balance in Revenue Reserve brought forward		22,57,93,736	(2,28,21,733)
Amount available for Appropriation		28,89,16,270	11,36,70,535
Transfer from Income Equalisation Reserve		8,58,75,438	16,56,47,082
Dividend Distribution during the year		(7,57,37,810)	(5,35,23,881)
Balance transferred to Balance Sheet		29,90,53,898	22,57,93,736
Significant Accounting Policies and Notes to Accounts	H		

Schedules referred to above form an integral part of the Revenue Account.

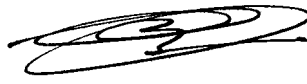
This is the Revenue Account referred to in our report of even date.

For N.M.Rajji & Co.  
Chartered Accountants

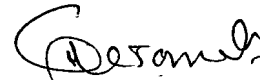


Vinay D. Balse  
Partner

For and on behalf of Taurus Investment Trust Company Limited



Director



Director

For and on behalf of Taurus Asset Management Company Limited



Director

Waqar Naqvi  
Chief Executive Officer



Director

Sanjay Parikh  
Chief Operations Officer



Sadanand Shetty  
Fund Manager

Place: New Delhi  
Date: June 30, 2011



**TAURUS TAX SHIELD**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2011**

		AS AT MARCH 31, 2011 AMOUNT (Rs.)		AS AT MARCH 31, 2010 AMOUNT (Rs.)
<b>SCHEDULE 'A' : UNIT CAPITAL</b>				
<b>a) Initial Capital Issued and Subscribed</b> 35,17,900.000 units of Rs 10 each, fully paid up		3,51,79,000		3,51,79,000
<b>b) Outstanding at the end :</b>				
(I) Taurus Tax Shield - Dividend Plan 2,00,19,846.134 units (previous Year - 1,09,69,229.453 units) of Rs. 10 each, fully paid up	20,01,98,461		10,96,92,294	
(II) Taurus Tax Shield - Growth Plan 98,79,482.654 units (previous Year - 82,80,188.685 units) of Rs. 10 each, fully paid up	9,87,94,827	29,89,93,288	8,28,01,887	19,24,94,181
		29,89,93,288		19,24,94,181
<b>SCHEDULE 'B' : RESERVES AND SURPLUS</b>				
<b>Unit Premium Reserve</b>				
Balance at the commencement of the year	4,94,88,776		7,36,30,972	
Discount / Premium on units repurchased/sold during the year	3,99,13,268		(2,41,42,196)	
Closing balance		8,94,02,044		4,94,88,776
<b>Balance in Revenue Reserve</b> [including unrealised appreciation in value of Investments Rs. 3,70,52,004 (previous year - Rs. 4,83,91,911)]		29,90,53,898		22,57,93,736
		38,84,55,942		27,52,82,512
<b>SCHEDULE 'C' : CURRENT LIABILITIES AND PROVISIONS</b>				
<b>Current Liabilities</b>				
Sundry Creditors		15,59,871		43,64,086
Contracts for purchase of Investments		71,32,422		77,05,612
x deducted at source payable		1,58,391		72,473
Securities Transaction Tax payable		14,340		675
Service Tax Payable		72,892		2,68,100
Payable - Units Redemption		7,20,734		32,973
Dividend Distribution Payable		2,29,27,090		2,16,03,276
Unclaimed Dividend		4,68,867		63,596
		3,30,54,607		3,41,10,791
<b>SCHEDULE 'D' : INVESTMENTS</b> (Refer Note 1(b) of Schedule H )				
Equity Shares		64,08,81,436		42,75,61,409
		64,08,81,436		42,75,61,409

**TAURUS TAX SHIELD**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2011**

	AS AT MARCH 31, 2011 AMOUNT (Rs.)	AS AT MARCH 31, 2010 AMOUNT (Rs.)
<b>SCHEDULE 'E' : OTHER CURRENT ASSETS</b>		
Balance with Banks in Current Accounts	4,97,60,845	3,62,75,546
Contracts for sale of investments	69,10,113	47,50,512
Other Current Assets	6,254	7,719
Receivable from Taurus Asset Management Co. Ltd. (net of Management Fees payable)	17,97,862	97,38,553
Dividend Receivable	6,112	-
Margin Money for Derivative Trading / CBLO	-	89,24,559
Units Subscription Receivable	2,10,97,630	1,45,96,586
Amount due from other schemes	43,585	32,600
	<b>7,96,22,401</b>	<b>7,43,26,075</b>




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**TAURUS TAX SHIELD**  
**SCHEDULES FORMING PART OF REVENUE ACCOUNT FOR THE YEAR ENDING MARCH 31, 2011**

		FOR THE YEAR ENDED MARCH 31, 2011 AMOUNT (Rs.)		FOR THE YEAR ENDED MARCH 31, 2010 AMOUNT (Rs.)
<b>SCHEDULE 'F' : INTEREST</b>				
Certificates of Deposit	2,253		12,926	
Collateralised Borrowing and Lending Obligation (CBLO)	2,93,875	2,96,128	35,658	48,584
		<u>2,96,128</u>		<u>48,584</u>
<b>SCHEDULE 'G' : MANAGEMENT, TRUSTEESHIP, ADMINISTRATIVE AND OTHER OPERATIVE EXPENSES</b>				
Management Fees	80,87,306		29,79,127	
Registrar Charges	12,43,162		8,36,399	
Custodian Fees	1,21,316		47,866	
Trusteeship Fees	1,10,300		1,10,300	
Advertisement and Publicity Expenses	55,23,783		13,32,047	
Brokerage and Commission (net of load utilised)	2,33,535		97,22,145	
Audit Fees	82,725		35,540	
Other Operating Expenses	17,57,523	1,71,59,650	19,33,281	1,69,96,705
Less: Expenses in excess borne by Taurus Asset Management Co. Ltd.		24,95,274		99,16,581
		<u>1,46,64,376</u>		<u>70,80,124</u>

Schedule - H:

Significant Accounting Policies and Notes to Accounts (Annexed to and forming part of Balance Sheet as at March 31, 2011 and Revenue Account for the year ended March 31, 2011).

1 Significant Accounting Policies :

a) Method of Accounting

The Scheme maintains its books of accounts on accrual basis. The accounting policies of the Scheme and its Financial Statements are prepared in accordance with Securities and Exchange Board of India (Mutual Fund) Regulations, 1996 (SEBI).

b) Portfolio Valuation

Investments are valued on "Marked to Market" basis, as per SEBI guidelines principally as stated below:

I. Traded investments in Equity & Equity related securities are valued at the last quoted closing price on the Bombay Stock Exchange and if such quotation is not available, at the quoted price on any other stock exchange. If the security has not been traded on the valuation date, then the security is valued at the last quoted price available on any stock exchange upto 30 days prior to the valuation date.

II. Non-Traded/Thinly traded/Unlisted Equity and Equity related securities, including those not traded within 30 days prior to valuation date, are valued at fair value, as determined "in good faith" by the Board of the Asset Management Company, in accordance with the guidelines for valuation of securities for mutual funds, as issued by SEBI and approved by the Board of the Trustee Company.

III. Traded debt and money market securities, (other than Government Securities of over 91 days to maturity) are valued at the weighted average price at which they are traded on a particular valuation day. Upto July 31, 2010, these were valued based on the closing traded price. A debt security (other than Government Securities) is considered as a thinly traded security if on the valuation date, there are no individual trades in that security in marketable lots (presently Rs. 5 crore) on the principal stock exchange or any other stock exchange.

IV. Non-Traded/Thinly traded debt and money market securities are valued at fair value, as determined "in good faith" by the Board of the Asset Management Company, in accordance with the guidelines for valuation of securities for mutual funds, as issued by SEBI and approved by the Board of the Trustee Company as given below :

i) Non Traded / thinly traded debt and money market securities, including floating rate securities, with residual maturity of upto 91 days, are valued on amortisation basis. Upto July 31, 2010, these securities with residual maturity of upto 182 days were valued on amortisation basis.

ii) Non traded / thinly traded debt and money market securities, including floating rate securities, with residual maturity of over 91 days, are valued at the benchmark yield/ matrix of spread over the risk free benchmark yield obtained from agencies entrusted for the said purpose by AMFI. Upto July 31, 2010, these securities with residual maturity of over 182 days, were valued at the benchmark yield/ matrix of spread over the risk free benchmark yield obtained from agencies entrusted for the said purpose by AMFI.

iii) Non-investment grade performing debt securities are valued at a discount of 25% to the face value.

iv) Non-investment grade non-performing debt securities are valued net of provisions.

V. Investments in Central Government Securities are valued at the prices released by CRISIL, an AMFI approved independent agency, in accordance with the SEBI regulations.

VI. Investments in Collateralised Borrowing and Lending Obligation (CBLO), bills purchased under rediscounting scheme and short-term deposits with banks are valued at cost plus accrual.

VII. Derivatives : The Scheme enters into derivative transactions in equity/ index futures for the purpose of hedging and portfolio balancing. Derivative margin deposit representing margin towards equity derivative contracts entered into by the scheme, is disclosed under 'Other Current Assets'. In the case of Futures, all open positions are valued at future settlement price, as determined by the exchange where it is traded. The Mark to market is considered as unrealised appreciation or depreciation.

c) Investment Transactions

I. Investment transactions are accounted on the trade date for equity and debt securities. The cost of acquisition includes the cost of purchase, stamp duty, securities transaction tax and charges customarily included in the broker's bought note. In respect of privately placed debt instruments, front-end discount is reduced from the cost of investment.

II. Bonus and Right entitlements are recognised on ex- bonus and ex-rights dates respectively.

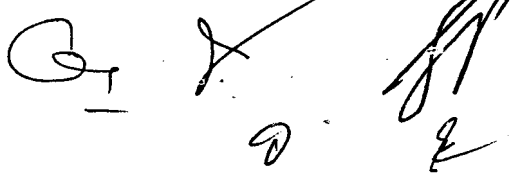
d) Recognition of revenue and treatment of expenses

I. Dividend is recognised on ex-dividend dates of the respective scrips. Dividend on unquoted investments is recognised on date of declaration.

II. Interest is accrued on a day-to-day basis, except for debt classified as non-performing assets, on which interest is recognised on receipt basis, in line with applicable regulations. In respect of interest bearing investments, interest paid at the time of purchase for the period from the last interest due date upto the date of purchase is debited to Interest Recoverable Account and interest received at the time of sale for the period from the last interest due date upto the date of sale is credited to Interest Recoverable Account.

III. If the interest is not received till after the expiry of the 1st quarter from the date the income has fallen due, no further interest accrual is made on that asset. In case of NPAs, provision is made for income accrued & not received within the time period specified by SEBI.

IV. The net unrealised gain/loss in the value of investments is determined separately for each class of investments. Further the change in net unrealised gain/ loss, if any, between two balance sheet dates is recognised in the Revenue Account. However, unrealised gain is excluded for calculating distributable income at the time of dividend distribution.



V. Registrar expenses common to the fund have been allocated in proportion to the monthly number of transactions and other common expenses have been allocated in proportion to the number of unitholders of the respective schemes as at the month-end to which the expenses pertain.

VI. Profit or loss on sale or redemption of investments is computed by comparing the sale price with the weighted average cost of investments sold.

VII. Marketing and incidental expenses incurred in connection with the collection / redemption of the units are charged to the respective scheme and common marketing expenses are allocated to all open ended schemes in proportion to the unitholder folios in each scheme. Expenses incurred in excess of the regulatory limits are adjusted against exit load payable to the extent available. Expenses incurred excess of load available are charged to the AMC.

**e) Unit Re-purchase/ Sale transactions**

Unit repurchase/sale transactions are recorded on the basis of advice received from the Registrar & Transfer agent on a daily basis. The discount/premium on re-purchase is credited/debited to Unit Premium Reserve. Similarly the discount/premium on sale of units is debited/credited to Unit Premium Reserve.

**f) Income Equalisation Reserve**

Pursuant to SEBI circular dated March 15, 2010, in the case of open ended schemes, when units are purchased / sold by the scheme at NAV based price, an amount representing unrealised appreciation per unit is transferred to Unit Premium Reserve. The balance amount of purchase / sale price after reducing the face value of units is transferred to Income Equalisation and net balance of this account is credited or debited to Revenue Account at the year end. The distributable surplus is arrived after excluding both unit premium reserve as well as unrealised appreciation from NAV.

**g) Determination of net asset values**

I. The net asset value of the units of the scheme is determined separately for units issued under the different plans / options.

II. For calculating the net asset values under different plans / options, the amount of sale/repurchase of units under each plan / option are separately accounted for. Further, net income arising from such deployment are allocated daily to the plans / options in proportion to their Net Asset Values.

**h) Entry and Exit Load**

I. No entry load is charged on fresh purchase applications received after August 01, 2009.

II. The Exit Load charged upto 1% is utilised for meeting marketing and incidental expenses. Unutilised amount of load is carried forward to subsequent years unless the same is considered to be in excess by the Trustees. In the event the load is considered to be in excess by the trustees, the same is recognised as an income. Exit Load charged above 1% is recognised as an Income of the scheme immediately.

**Notes to Accounts**

2 Taurus Tax Shield Fund Scheme was launched on January 01, 1996 and closed for subscription on March 31, 1996. Taurus Tax Shield has two plans namely Dividend Plan and Growth Plan. A combined Balance Sheet and Revenue Account is prepared for the scheme.

3 As at the year end, the details of investments are as under:

	March 31, 2011	March 31, 2010
	Market /Fair Value	Market /Fair Value
	Rs.	Rs.
Equity Shares	64,08,81,436	42,75,61,409

4 The unrealised appreciation in the value of investments as on March 31, 2011 is Rs. 3,70,52,004 (previous Year - Rs. 4,83,91,911) and the same is included in Revenue Reserve.

5 Net Asset Value (NAV) per unit as at the year end is as follows :

	March 31, 2011	March 31, 2010
Growth Plan	35.70	31.64
Dividend Plan	16.72	18.76

6 The Dividend declared during the year is as follows :

Record Date	Dividend (Rs per unit)
December 24, 2010	2.00
February 28, 2011	1.25
March 30, 2011	1.25

7 The Scheme has paid management fees aggregating to Rs.80,87,306 (previous year - Rs. 29,79,127) to Taurus Asset management Company Limited, calculated @ 1.25% plus applicable service tax & cess thereon, of the average daily NAV. No management fee has been charged on the investments made by the Asset Management Company in the units of the schemes.

8 The aggregate value of purchases and sales of investments and income and expenditure during the year expressed as a % of average daily net assets is as under:

	March 31, 2011		March 31, 2010	
	Rs.	% as above	Rs.	% as above
Purchases	1,90,01,55,194	323.95	1,85,95,88,974	655.82
Sales	1,72,26,43,130	293.69	1,71,18,51,239	603.72
Income	55,62,894	0.95	30,97,758	1.09
Expenditure	1,46,64,375	2.50	70,80,124	2.50

Note: Income excludes net change in unrealized gain/loss in value of investments, profit on sale thereof and provisions written back. Expenditure excludes net change in unrealized gain/loss in value of investments, loss on sale thereof and initial issue expenses for sponsoring the fund.

9 Movement in unit capital during the year 2010-11 is as under :

	March 31, 2011		March 31, 2010	
	No. of units	Face Value (Rs.)	No. of units	Face Value (Rs.)
Balance at the commencement of the year	1,92,49,418.138	19,24,94,181	89,33,677.500	8,93,36,775
Units sold during the year	1,11,16,680.177	11,11,66,802	1,10,94,062.000	11,09,40,620
Unit repurchased during the year	4,66,769.526	46,67,695	7,78,321.300	77,83,213
Balance at end of the year	2,98,99,328.789	29,89,93,288	1,92,49,418.100	19,24,94,181

10 The income of the Mutual Fund is exempt from income tax, as per Section 10(23D) of the Income Tax Act, 1961. Accordingly, no provision for income tax has been made in the Revenue Account of the Scheme.

11 a) Illiquid securities at fair value aggregated to Nil (previous Year - Rs. 2,760,450) being 0% of net assets (previous year - 0.60%) as on March 31, 2011.

b) The aggregate carrying value and market value of Non performing investments (Debt securities) as on March 31, 2011 is Nil (previous Year - Nil).

12 During the year, the scheme has paid Trusteeship fees aggregating Rs 110,300 (Previous year - Rs 110,300) @ of 0.01% of unit capital as on 1st April of the respective year or Rs. 1 Lakh, whichever is higher, along with the applicable service tax and cess thereon.

13 Total value of investments falling under each major industry group and exceeding 5% of the total investments in each major classification as on March 31, 2011 is as under :

	Market/Fair Value as March 31, 2011	% of Classification as on March 31, 2011
<b>Equities / Equity related instruments</b>		
Banks	11,00,69,336	17.17%
Auto	8,10,40,870	12.65%
Software	6,40,55,901	10.00%
Petroleum Products	5,08,19,348	7.93%
Finance	4,19,28,328	6.54%
Fertilisers	3,84,53,041	6.00%
Consumer Non Durables	3,75,04,676	5.85%
Telecom - Services	3,27,11,250	5.10%
Others	18,42,98,686	28.76%
<b>Total</b>	<b>64,08,81,436</b>	<b>100.00%</b>

All industry classifications where investment is less than 5% of total have been grouped in others.

14 Disclosure under Regulation 25(11) of SEBI (Mutual Fund) Regulation 1996, in respect of investments made by the scheme in companies or their subsidiaries, that have invested more than 5% of net assets of the scheme, is as per Annexure -I.

15 There have been no transactions with the associates, in terms of regulation 25(7) of SEBI Regulations, 1996.

16 There are no underwriting commitments.

17 There is no contingent liability on partly paid equity shares.

18 The scheme has no exposure in Foreign Securities/ADRs/GDRs as on March 31, 2011.

19 Portfolio disclosure for derivative positions pursuant to SEBI Circular no. CIR/IMD/DF/11/2010 dated August 18, 2010, is as per Annexure III.

20 Disclosure under Regulation 25(8) of SEBI (Mutual Fund) Regulations 1996, is as per Annexure -II.

21 The scheme has not subscribed to any issue lead managed by its associate companies, or any issue of equity or debt on private placement basis, where the sponsor or its associates acted as the arranger or manager.

22 There are no unit holders holding over 25% of the NAV of the scheme as at the year end.

23 Unclaimed dividend as on March 31, 2011 is as under :

Unclaimed Amount	No. of Unitholders
4,68,867	127

24 The scheme has taken a personal accident death insurance cover for existing and new unit holders. An amount of - Nil (Previous year - Rs 7,719) has been paid as premium in advance which has been included in other current assets.

25 In accordance with SEBI circulars, SEBI/IMD/CIR No.16/ 193388/2010 dated February 2, 2010 and Cir / IMD / DF / 4 / 2010 dated June 21, 2010 valuation of debt and money market instruments were changed with effect from August 1, 2010. The impact of the change in the basis of valuation of debt and money market instruments on the financial statements is not material.

26 Previous year's figures have been regrouped or rearranged wherever considered necessary.

27 A full portfolio of investments of the Scheme is attached herewith as Annexure IV.

TAURUS MUTUAL FUND

Disclosure under Regulation 26 (11) of SEBI (Mutual Fund) Regulations, 1996

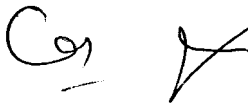


Annexure 4

Investments made by the schemes of Taurus Mutual Fund in Companies or their subsidiaries that have invested more than 6% of the net assets of any scheme

Name of the Company	Scheme Invested by the Company	Investments made by the Schemes of Taurus Mutual Fund in the Company or its subsidiary	Aggregate cost of acquisition during the period ended March 31, 2011 (Rupees in Lakhs)	Outstanding as on March 31, 2011 (Rupees in Lakhs)
ADITYA BIRLA NUVO LTD.	TAURUS LIQUID FUND	TAURUS BONANZA FUND	109.59	-
		TAURUS DISCOVERY FUND	88.82	24.42
		TAURUS STARSHARE	14.95	-
		TAURUS TAX SHIELD	106.47	-
ALKEM LABORATORIES LTD.	TAURUS LIQUID FUND	TAURUS LIQUID FUND	12,000.00	-
		TAURUS ULTRA SHORT TERM BOND FUND	54,000.00	-
CIPLA LTD.	TAURUS LIQUID FUND	TAURUS BONANZA FUND	167.27	49.73
		TAURUS DISCOVERY FUND	30.10	-
		TAURUS ETHICAL FUND	114.04	32.11
		TAURUS NIFTY INDEX FUND	13.54	1.33
		TAURUS STARSHARE	886.83	-
CROMPTON GREAVES LTD.	TAURUS LIQUID FUND	TAURUS TAX SHIELD	198.27	64.21
		TAURUS BONANZA FUND	159.54	37.18
		TAURUS DISCOVERY FUND	82.77	54.59
		TAURUS ETHICAL FUND	28.02	-
		TAURUS INFRASTRUCTURE FUND	136.00	48.45
DABUR INDIA LTD.	TAURUS LIQUID FUND	TAURUS MIP ADVANTAGE	31.24	-
		TAURUS TAX SHIELD	74.00	-
		TAURUS DISCOVERY FUND	59.72	-
		TAURUS ETHICAL FUND	88.02	61.47
ECL FINANCE LIMITED	TAURUS LIQUID FUND	TAURUS STARSHARE	180.99	-
		TAURUS TAX SHIELD	50.11	-
		TAURUS LIQUID FUND	90,377.28	-
		TAURUS SHORT TERM INCOME FUND	467.68	-
EDELWEISS SECURITIES LTD.	TAURUS LIQUID FUND	TAURUS ULTRA SHORT TERM BOND FUND	1,44,890.68	-
		TAURUS FMP 180 DAYS SERIES 1	247.55	-
		TAURUS LIQUID FUND	97,243.81	-
		TAURUS SHORT TERM INCOME FUND	3,287.40	-
FINANCIAL TECHNOLOGIES INDIA LTD	TAURUS LIQUID FUND	TAURUS ULTRA SHORT TERM BOND FUND	79,638.75	-
		TAURUS BONANZA FUND	140.48	-
		TAURUS DISCOVERY FUND	237.80	-
		TAURUS INFRASTRUCTURE FUND	243.43	-
		TAURUS MIP ADVANTAGE	50.20	-
FULLERTON INDIA CREDIT CO. LTD.	TAURUS LIQUID FUND	TAURUS STARSHARE	941.50	-
		TAURUS TAX SHIELD	10.17	-
		TAURUS FIXED MATURITY PLAN 15 MONTHS-SERIES 1	2,574.14	1,188.28
		TAURUS FMP365 SERIES 1	550.82	571.72
		TAURUS LIQUID FUND	8,921.91	-
GRASIM INDUSTRIES LTD.	TAURUS FIXED MATURITY PLAN 15 MONTHS-SERIES 1	TAURUS MIP ADVANTAGE	9,405.83	-
		TAURUS SHORT TERM INCOME FUND	18,768.82	3,752.95
		TAURUS ULTRA SHORT TERM BOND FUND	68,820.99	4,926.90
		TAURUS BONANZA FUND	187.43	120.80
		TAURUS DISCOVERY FUND	9.74	-
HERO HONDA MOTORS LTD.	TAURUS FIXED MATURITY PLAN 15 MONTHS-SERIES 1	TAURUS ETHICAL FUND	1.27	1.28
		TAURUS NIFTY INDEX FUND	89.27	104.08
		TAURUS STARSHARE	88.07	73.84
		TAURUS TAX SHIELD	88.07	-
		TAURUS BONANZA FUND	40.14	-
		TAURUS ETHICAL FUND	49.98	-
		TAURUS INFRASTRUCTURE FUND	75.03	-
HINDALCO INDUSTRIES LTD.	TAURUS FMP 120 DAYS SERIES 2	TAURUS NIFTY INDEX FUND	14.85	1.22
		TAURUS STARSHARE	383.32	-
		TAURUS LIQUID FUND	123.99	28.25
		TAURUS DISCOVERY FUND	14.76	-
		TAURUS ULTRA SHORT TERM BOND FUND	188.14	34.34
		TAURUS LIQUID FUND	4,898.73	-
		TAURUS MIP ADVANTAGE	115.83	-
HOUSING DEVELOPMENT & INFRASTRUCTURE LTD	TAURUS FMP 91 DAYS SERIES B	TAURUS NIFTY INDEX FUND	15.15	2.19
		TAURUS STARSHARE	108.84	58.42
		TAURUS TAX SHIELD	185.38	-
		TAURUS BONANZA FUND	22.02	-
		TAURUS DISCOVERY FUND	5.01	-
		TAURUS TAX SHIELD	23.45	-
		TAURUS STARSHARE	39.97	-
IFCI LIMITED	TAURUS LIQUID FUND	TAURUS DISCOVERY FUND	50.09	-
		TAURUS TAX SHIELD	54.97	-
		TAURUS BONANZA FUND	39.97	-
INDIABULLS FINANCIAL SERVICES LTD	TAURUS LIQUID FUND	TAURUS ULTRA SHORT TERM BOND FUND	15,000.00	-
		TAURUS SHORT TERM INCOME FUND	-	-
INDIAN HOTELS COMPANY LTD.	TAURUS LIQUID FUND	TAURUS ULTRA SHORT TERM BOND FUND	15,000.00	-
		TAURUS BONANZA FUND	158.56	33.43
		TAURUS DISCOVERY FUND	234.01	71.32
		TAURUS INFRASTRUCTURE FUND	139.28	-
		TAURUS MIP ADVANTAGE	120.34	-
		TAURUS STARSHARE	235.01	-
INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LTD.	TAURUS LIQUID FUND	TAURUS TAX SHIELD	313.95	29.83
		TAURUS BONANZA FUND	205.82	15.49
		TAURUS INFRASTRUCTURE FUND	273.83	58.70
		TAURUS MIP ADVANTAGE	134.46	-
		TAURUS NIFTY INDEX FUND	14.25	1.34
		TAURUS STARSHARE	835.96	-
J.M FINANCIAL PRODUCTS PRIVATE LTD.	TAURUS LIQUID FUND	TAURUS TAX SHIELD	121.08	-
		FMP 370 DAY SERIES 3	138.59	-
		TAURUS FIXED MATURITY PLAN 15 MONTHS-SERIES 1	2,454.05	-
		TAURUS FMP365 SERIES 1	474.55	-
		TAURUS LIQUID FUND	40,959.52	-
JAGRAN PRAKASHAN LTD	TAURUS FMP 180 DAYS SERIES 1	TAURUS SHORT TERM INCOME FUND	11,188.62	-
		TAURUS ULTRA SHORT TERM BOND FUND	1,18,091.38	-
		TAURUS DISCOVERY FUND	24.88	27.50
		TAURUS ETHICAL FUND	50.07	-

*[Handwritten signatures and initials]*

JINDAL SAW LTD.	TAURUS LIQUID FUND	TAURUS BONANZA FUND	10.38	-
		TAURUS DISCOVERY FUND	43.73	44.11
		TAURUS ETHICAL FUND	49.68	-
		TAURUS INFRASTRUCTURE FUND	16.07	-
JSW STEEL LTD.	TAURUS LIQUID FUND	TAURUS BONANZA FUND	29.07	-
		TAURUS DISCOVERY FUND	35.57	-
		TAURUS INFRASTRUCTURE FUND	25.03	-
		TAURUS ETHICAL FUND	-	-
J.K. LAKSHMI CEMENT LIMITED	TAURUS FMP 370 DAYS SERIES D	TAURUS LIQUID FUND	1,962.30	-
		TAURUS SHORT TERM INCOME FUND	895.23	-
		TAURUS ULTRA SHORT TERM BOND FUND	1,965.81	-
		TAURUS ETHICAL FUND	-	-
KALPATARU POWER TRANSMISSION LTD	TAURUS FMP 91 DAYS SERIES E	TAURUS ETHICAL FUND	16.24	-
		TAURUS FIXED MATURITY PLAN 370 DAYS - SERIES 2	73.41	-
		TAURUS INFRASTRUCTURE FUND	37.59	-
		TAURUS LIQUID FUND	19,338.17	-
		TAURUS STARSHARE	252.58	-
		TAURUS ULTRA SHORT TERM BOND FUND	66,867.28	-
LAKSHMI VILAS BANK LTD.	TAURUS LIQUID FUND	TAURUS ULTRA SHORT TERM BOND FUND	1,000.00	-
LIC HOUSING FINANCE LTD.	TAURUS LIQUID FUND	TAURUS BONANZA FUND	19.76	-
		TAURUS DISCOVERY FUND	153.90	-
		TAURUS INFRASTRUCTURE FUND	13.05	-
		TAURUS MIP ADVANTAGE	43.60	-
		TAURUS STARSHARE	65.28	-
		TAURUS TAX SHIELD	212.40	-
MARUTI SUZUKI INDIA LTD.	TAURUS LIQUID FUND TAURUS ULTRA SHORT TERM BOND FUND.	TAURUS BONANZA FUND	219.48	-
		TAURUS ETHICAL FUND	101.52	53.30
		TAURUS MIP ADVANTAGE	143.02	34.75
		TAURUS NIFTY INDEX FUND	14.18	1.35
		TAURUS STARSHARE	178.19	160.69
		TAURUS TAX SHIELD	291.55	203.05
NAVA BHARAT VENTURES LIMITED	TAURUS FMP 120 DAYS SERIES 1	TAURUS DISCOVERY FUND	10.53	-
		TAURUS INFRASTRUCTURE FUND	80.27	-
NATIONAL BANK FOR AGRIL & RURAL DEV	TAURUS LIQUID FUND	TAURUS LIQUID FUND	1,597.50	-
		TAURUS ULTRA SHORT TERM BOND FUND	4,705.95	-
PETRONET LNG LTD	TAURUS LIQUID FUND TAURUS ULTRA SHORT TERM BOND FUND.	TAURUS BONANZA FUND	70.71	-
		TAURUS INFRASTRUCTURE FUND	49.57	44.90
		TAURUS STARSHARE	11.57	-
		TAURUS TAX SHIELD	50.08	-
PTC INDIA LIMITED	TAURUS LIQUID FUND	TAURUS BONANZA FUND	22.50	20.83
		TAURUS DISCOVERY FUND	64.15	62.83
		TAURUS ETHICAL FUND	103.92	90.46
		TAURUS INFRASTRUCTURE FUND	90.80	80.13
		TAURUS MIP ADVANTAGE	11.43	-
		TAURUS TAX SHIELD	42.35	41.85
PUNJAB NATIONAL BANK	TAURUS LIQUID FUND	TAURUS BONANZA FUND	19.76	-
		TAURUS FMP 180 DAYS SERIES 1	370.42	-
		TAURUS FMP 91 DAYS SERIES A	1,375.90	-
		TAURUS INFRASTRUCTURE FUND	150.81	-
		TAURUS LIQUID FUND	1,29,077.90	2,444.46
		TAURUS MIP ADVANTAGE	2,428.67	-
		TAURUS NIFTY INDEX FUND	11.09	1.31
		TAURUS SHORT TERM INCOME FUND	4,848.20	-
		TAURUS STARSHARE	7,052.12	536.21
		TAURUS TAX SHIELD	119.55	-
		TAURUS ULTRA SHORT TERM BOND FUND	1,82,414.22	-
RELQARE FINVEST LIMITED	TAURUS LIQUID FUND	FMP 370 DAY SERIES 3	159.27	-
		TAURUS FIXED MATURITY PLAN 15 MONTHS-SERIES 1	3,914.53	1,059.22
		TAURUS FMP 120 DAYS SERIES 1	1,099.21	-
		TAURUS FMP 180 DAYS SERIES A	248.28	-
		TAURUS FMP375 SERIES 1	1,875.53	599.56
		TAURUS LIQUID FUND	92,156.48	2,799.48
		TAURUS MIP ADVANTAGE	2,076.07	-
		TAURUS SHORT TERM INCOME FUND	6,418.11	-
		TAURUS ULTRA SHORT TERM BOND FUND	1,73,090.62	-
		TAURUS ETHICAL FUND	-	-
RELQARE SECURITIES LIMITED	TAURUS LIQUID FUND	TAURUS LIQUID FUND	14,904.64	-
		TAURUS ULTRA SHORT TERM BOND FUND	14,773.49	-
SHRIRAM TRANSPORT FINANCE CO LTD.	TAURUS LIQUID FUND	TAURUS DISCOVERY FUND	74.01	31.84
		TAURUS INFRASTRUCTURE FUND	23.56	-
		TAURUS MIP ADVANTAGE	29.14	-
		TAURUS TAX SHIELD	259.03	34.67
SINTEX INDUSTRIES LTD.	TAURUS SHORT TERM INCOME FUND	TAURUS BONANZA FUND	75.54	-
		TAURUS DISCOVERY FUND	415.94	-
		TAURUS ETHICAL FUND	12.78	-
		TAURUS INFRASTRUCTURE FUND	245.38	-
		TAURUS MIP ADVANTAGE	172.04	-
		TAURUS STARSHARE	825.14	-
		TAURUS TAX SHIELD	501.07	-
TAMILNAD MERCANTILE BANK	TAURUS LIQUID FUND	TAURUS LIQUID FUND	7,346.56	-
TELEVISION EIGHTEEN INDIA LTD.	TAURUS LIQUID FUND	TAURUS BONANZA FUND	31.93	-
		TAURUS DISCOVERY FUND	109.39	-
		TAURUS LIQUID FUND	2,454.86	-
		TAURUS STARSHARE	134.60	-
		TAURUS TAX SHIELD	133.12	-
		TAURUS ULTRA SHORT TERM BOND FUND	2,434.96	-
ULTRATECH CEMENT LTD.	TAURUS FMP 370 DAYS SERIES D TAURUS FMP 91 DAYS SERIES B	TAURUS BONANZA FUND	50.14	-
		TAURUS DISCOVERY FUND	43.96	-
		TAURUS INFRASTRUCTURE FUND	50.27	-
		TAURUS TAX SHIELD	45.10	-
UTV SOFTWARE COMMUNICATIONS LTD.	TAURUS LIQUID FUND	TAURUS BONANZA FUND	17.22	-
		TAURUS DISCOVERY FUND	8.97	-
		TAURUS TAX SHIELD	24.49	-
		TAURUS ULTRA SHORT TERM BOND FUND	2,487.73	-

Taurus Mutual Fund

Details of payments to associate/group companies

Annexure -II

Brokerage paid to associates/related parties/group companies of Sponsor/ AMC for the year ended March 31, 2011.

Name of associate/related parties/group companies of Sponsor/AMC	Nature of Association/Nature of relation	Period covered	Value of transaction (in Rs. Cr & % of total value of transaction of the fund)	Brokerage (Rs. Cr & % of total brokerage paid by the fund)
			Rs. Cr.	%
Not Applicable	Not Applicable	2010-2011	Nil	Nil
Not Applicable	Not Applicable	2009-2010	Nil	Nil

Commission paid to associates/related parties/group companies of sponsor/ AMC for the year ended March 31, 2011.

Name of associate/related parties/group companies of Sponsor/AMC	Nature of Association/Nature of relation	Period covered	Business Given (Rs. Cr. & % of total value of business received by the fund)	Commission paid (Rs. Cr & % of total commission paid by the fund)
			Rs. Cr.	%
Invest Shoppee India Limited	Associate	2010-2011	14.13	0.02%
Invest Shoppee India Limited	Associate	2009-2010	17.09	0.07%
				Rs. Cr.
				0.01
				0.02
				0.10%
				0.35%

Portfolio disclosure for derivative positions pursuant to SEBI Circluar no. CIR/IMD/DF/11/2010 dated August 18, 2010.

**A Hedging Positions through Futures as on March 31, 2011**

Underlying	Long / Short	Futures Price when purchased	Current price of the contract	Margin maintained in Rs. Lakhs
NIL				
Total %age of existing assets hedged through futures : NIL				

For the year ended March 31, 2011 following details specified for hedging transactions through futures which have been squared off/expired:

Total Number of contracts where futures were bought	Total Number of contracts where futures were sold	Gross Notional Value of contracts where futures were bought (in Rs.)	Gross Notional Value of contracts where futures were sold (in Rs.)	Net Profit/(Loss) value on all contracts combined (in Rs.)
-	147	-	3,86,85,959	-6,14,789

**B Other than Hedging Positions through Futures as on March 31, 2011**

Underlying	Long / Short	Futures Price when purchased (Rs)	Current price of the contract (Rs)	Margin maintained (Rs. Lakhs)
NIL				
Total exposure due to futures (non hedging positions) as a %age of net assets : NIL				

For the year ended March 31, 2011 following details specified for non-hedging transactions through futures which have been squared off/expired:

Total Number of contracts where futures were bought	Total Number of contracts where futures were sold	Gross Notional Value of contracts where futures were bought (in Rs.)	Gross Notional Value of contracts where futures were sold (in Rs.)	Net Profit/(Loss) value on all contracts combined (in Rs.)
679	-	18,62,93,097	-	44,06,828

**C Hedging Positions through Put Options as on March 31, 2011**

Underlying	Number of Contracts	Option Price when purchased	Current Option Price
NIL			
Total % age of existing assets hedged through put options - NIL			

For the year ended March 31, 2011 following details specified for hedging transactions through options which have already been exercised/expired :

Scheme Name	Total Number of contracts entered into	Gross Notional Value of contracts (in Rs.)	Net Profit/(Loss) value on all contracts ( in Rs.)
NIL			

**D Other than Hedging Positions through Options as on March 31, 2011**

Underlying	Call / put	Number of contracts	Option Price when purchased	Current Price
NIL				
Total Exposure through options as a %age of net assets : NIL				

For the year ended March 31, 2011 following details specified with regrd to non-hedging transactions through options which have already been exercised/expired :

Scheme Name	Total Number of contracts entered into	Gross Notional Value of contracts (in Rs.)	Net Profit/(Loss) value on all contracts ( in Rs.)
NIL			

**E. Hedging Positions through swaps as on March 31, 2011 - NIL**

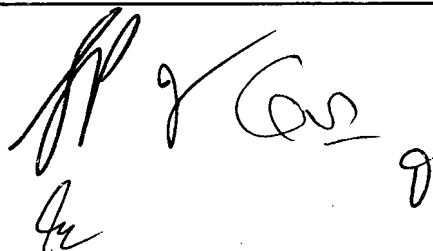
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**PORTFOLIO STATEMENT AS ON MARCH 31, 2011**

**TAURUS TAX SHIELD**

**Annexure IV**

<b>Name of the Instrument</b>	<b>Quantity</b>	<b>Market Value (in Rs. Lakhs)</b>
<b>Equity &amp; Equity related</b>		
<b>(a) Listed/ awaiting listing on Stock Exchange</b>		
Infosys Technologies Ltd.	16,213	524.77
Reliance Industries Ltd.	48,501	508.19
Bharti Airtel Ltd.	91,500	327.11
ITC Ltd.	1,66,615	302.32
Housing Development Finance Corporation Ltd.	42,990	300.46
Oil & Natural Gas Corporation Ltd.	1,03,428	300.04
Tata Chemicals Ltd.	80,387	271.99
State Bank of India	9,226	255.37
ICICI Bank Ltd.	22,233	247.40
HDFC Bank Ltd.	10,105	236.76
Tata Motors Ltd.	18,844	235.08
Mahindra & Mahindra Ltd.	30,015	209.68
Maruti Suzuki India Ltd.	16,070	203.05
Bharat Forge Ltd.	57,852	200.34
GAIL (India) Ltd.	40,445	188.07
Bharat Heavy Electricals Ltd.	8,350	172.08
Bajaj Auto Ltd.	11,138	162.59
Larsen & Toubro Ltd.	8,468	140.00
Bank of Baroda	14,150	136.29
Exide Industries Ltd.	90,000	128.48
HCL Technologies Ltd.	24,299	115.78
Chambal Fertilisers & Chemicals Ltd.	1,43,000	112.54
Axis Bank Ltd.	7,700	108.08
Sterite Industries (India) Ltd.	62,000	107.51
Engineers India Ltd.	30,300	91.92
Vijaya Bank	1,14,000	90.46
Network 18 Media and Investments Ltd.	62,827	84.16
Tata Steel Ltd.	12,104	75.10
Grasim Industries Ltd.	3,000	73.84
Hindustan Unilever Ltd.	25,553	72.72
Cipla Ltd.	20,000	64.21
Hathway Cable and Datacom Ltd.	60,127	58.71
NCC Ltd.	55,753	56.42
PTC India Ltd.	50,000	41.65
Shriram Transport Finance Company Ltd.	4,356	34.67
Apollo Hospitals Enterprise Ltd.	6,941	32.71
Sundaram Fasteners Ltd.	60,413	30.84
Indian Hotels Company Ltd.	35,430	29.83
Mundra Port & Special Economic Zone Ltd.	20,000	27.29
Andhra Bank	17,455	26.35
Max India Ltd.	15,000	23.95
<b>Total</b>		<b>6,408.81</b>



Perspective Historical Per Unit Statistics

Amount in Rupees

	TAURUS TAX SHIELD		
	As at March 31, 2011	As at March 31, 2010	As at March 31, 2009
<b>Per Unit Particulars</b>			
A) Face Value	10.00	10.00	10.00
B) Net Asset Value, per unit			
- Growth Plan	35.70	31.64	16.52
- Dividend Plan	16.72	18.76	13.36 #
C) Gross Income			
i) Income other than Profit on sale of investment	0.19	0.16	0.34
ii) Income from Profit on inter scheme sale/transfer of investments (net)	-	(0.01)	-0.07
iii) Income (net) from Profit on sale of investment to third party) (net)	3.19	5.06	-5.54
iv) Net change in Net Unrealised gain/loss in value of investments	-	2.24	0.04
v) Transfer to Revenue Account from past years' reserve.	-	-	-
vi) Gross Income [Total of (i) to (v)]	3.38	7.45	-5.23
D) Total Expenses			
i) Aggregate of Expenses, write off, amortisation and charges	0.49	0.37	0.37
ii) Net change in Net Unrealised gain/loss in value of investments	0.77	-	-
iii) Total Expenses [Total of (i) and (ii)]	1.27	0.37	0.37
E) Net Income [(C)-(D)]	2.11	7.08	-5.60
F) Unrealised appreciation/(depreciation) in value of investments	0.68	2.27	0.05
G) (1) Trading Price/NAV			
i) Highest during the year - Growth Plan	41.66	33.05	28.72
- Dividend Plan	24.71	25.62	25.08 #
ii) Lowest during the year - Growth Plan	30.19	16.75	14.82
- Dividend Plan	16.72	13.54	12.01 #
(2) Price Earning Ratio	N.A	N.A	N.A
H) Per unit ratio of expenses to average net assets by %	2.50%	2.50%	2.50%
I) Per unit ratio of gross income to average net assets by % (including net changes in unrealised gain/loss in value of investments)	13.26%	50.57%	-35.62%

# Dividend Plan was launched as on August 21, 2008