

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, 2010 and the Revenue Account for the period ended on that date, annexed thereto of **Taurus Fixed Maturity Plan – 15 Months Series 1** (the scheme) of the 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 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 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 for Non Traded Securities, adopted by the scheme are fair and reasonable and are in accordance with the guidelines for valuation issued by SEBI and 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 Balance Sheet, of the state of affairs of the scheme as at March 31, 2010; and
 - b. in the case of Revenue Account, of the surplus of the scheme for the period ended on that date.

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



Vinay D. Balse
Partner
Membership No. 39434

Place: Mumbai

Date: June 30, 2010

TAURUS MUTUAL FUND

BALANCE SHEET OF TAURUS FIXED MATURITY PLAN 15 MONTHS - SERIES 1 AS AT MARCH 31, 2010

	SCHEDULE	AS AT MARCH 31, 2010 AMOUNT (RS.)
LIABILITIES		
Unit Capital	A	470,531,956
Reserves and Surplus	B	5,795,978
Current Liabilities and Provisions	C	250,340
		476,578,274
ASSETS		
Investments	D	467,456,794
Other Current Assets	E	9,121,480
		476,578,274
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 and on behalf of
N.M. Rajji & Co.
Chartered Accountants


Vinay D. Balse
Partner



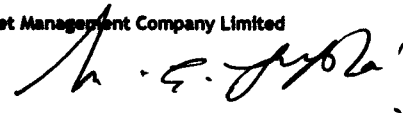
For and on behalf of Taurus Investment Trust Company Limited

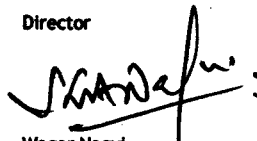

Director


Director

For and on behalf of Taurus Asset Management Company Limited

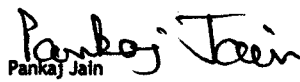

Director


Director


Waqar Naqvi
Chief Executive Officer


Sanjay Parikh
Chief Operations Officer

Place: Mumbai
Date: June 30, 2010


Pankaj Jain
Fund Manager

TAURUS MUTUAL FUND
REVENUE ACCOUNT OF TAURUS FIXED MATURITY PLAN 15 MONTHS - SERIES 1 FOR THE PERIOD
ENDED MARCH 31, 2010

	SCHEDULE	FOR THE PERIOD ENDED MARCH 31, 2010 AMOUNT (RS.)
INCOME		
Interest	F	4,621,693
Profit on sale/ redemption of investments (Net)		
- others		486,390
Net change in unrealised gain/loss in value of Investments		852,258
		5,960,341
EXPENSES		
Management, Trusteeship Fees, Administrative and Other Operating expenses	G	164,363
		164,363
Surplus for the period		5,795,978
Balance transferred to Balance Sheet		5,795,978
Significant Accounting Policies and Notes to Accounts	H	

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

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

For and on behalf of
N.M. Rajji & Co.
 Chartered Accountants

Vinay D. Balse
 Partner



For and on behalf of Taurus Investment Trust Company Limited

[Signature]
 Director

[Signature]
 Director

For and on behalf of Taurus Asset Management Company Limited

[Signature]
 Director

[Signature]
 Director

[Signature]
 Waqar Naqvi
 Chief Executive Officer

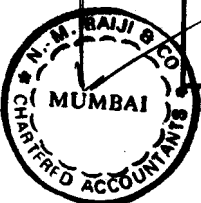
[Signature]
 Sanjay Parikh
 Chief Operation Officer

[Signature]
 Pankaj Jain
 Fund Manager

Place: Mumbai
 Date: June 30, 2010

TAURUS FIXED MATURITY PLAN 15 MONTHS - SERIES 1
SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

		AS AT MARCH 31, 2010 AMOUNT (RS.)
SCHEDULE 'A' : UNIT CAPITAL		
a) Initial Capital Issued and Subscribed 47,053,195.584 units of Rs 10 each fully paid up		470,531,956
b) Outstanding at the end :		
(I) Taurus Fixed Maturity Plan 15 Months - Series 1 - Retail Growth Plan 15,64,086.538 units of Rs. 10 each fully paid up	15,640,865	
(II) Taurus Fixed Maturity Plan 15 Months - Series 1 - Retail Dividend Plan 96,500.000 units of Rs. 10 each fully paid up	965,000	
(III) Taurus Fixed Maturity Plan 15 Months Series 1 - Institutional Growth 4,53,92,609.046 units of Rs. 10 each fully paid up	453,926,091	
		470,531,956
		470,531,956
SCHEDULE 'B' : RESERVES AND SURPLUS		
Unit Premium Reserve		
Balance at the commencement of the year	-	
Discount / Premium on units repurchased/sold during the period	-	
Closing Balance		
Balance in Revenue Reserve [Including unrealised appreciation in value of Investments Rs. 852,258.60]		5,795,978
		5,795,978
SCHEDULE 'C' : CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors		314
Bank overdraft as per books		80,178
Payable to Taurus Asset Management Co. Ltd. (Including Management Fees Payable)		151,343
Tax Deducted at Source payable		13,987
Audit Fees, payable		1,490
Custodian Fees Payable		3,028
		250,340
SCHEDULE 'D' : INVESTMENTS		
(Refer Note 1(b) of schedule H)		
Debentures/Bonds (Listed/ Awaiting Listing)		225,911,294
Certificates of Deposit		96,935,639
Collateralised Borrowing and Lending Obligation (CBLO)		2,419,093
Commercial Papers		142,190,768
		467,456,794
SCHEDULE 'E' : OTHER CURRENT ASSETS		
Accrued Interest		9,086,184
Other Current Assets		35,296
		9,121,480



TAURUS FIXED MATURITY PLAN 15 MONTHS - SERIES 1
SCHEDULES FORMING PART OF THE REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2010

		FOR THE PERIOD ENDED MARCH 31, 2010 AMOUNT (RS.)
SCHEDULE 'F' : INTEREST		
Collateralised Borrowing and Lending Obligation (CBLO)	45,493	
Certificates of Deposit	99,154	
Zero Coupon Bonds	508,035	
Non Convertible Debentures	1,551,699	
Commercial Papers	2,417,312	4,621,693
		4,621,693
SCHEDULE 'G' : MANAGEMENT, TRUSTEESHIP, ADMINISTRATIVE AND OTHER OPERATIVE EXPENSES		
Management Fees	137,265	
Registrar Charges	13,799	
Custodian Fee	4,452	
Audit Fees	1,655	
Listing Fees	17,648	
Other Operating Expenses	2,741	177,560
Less : Expenditure in excess borne by Taurus Asset Management Co. Ltd.		13,197
		164,363



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Schedule - H:

Significant Accounting Policies and Notes to Accounts (Annexed to and forming part of Balance Sheet as at March 31, 2010 and Revenue Account for the year ended March 31, 2010).

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 the Mutual Fund Regulations, 1996 of the Securities and Exchange Board of India ('SEBI').

b) Portfolio Valuation

Investments in securities are valued on "Marked to Market" basis, principally as stated below:

(I) Quoted debt investments are valued at the quoted price on Bombay stock exchange and if such quotation is not available, at 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 valuation date.

(II) Non traded and thinly traded debt security

Those securities which are upto or having residual period of upto 182 days to maturity are valued on the basis of amortisation i.e. cost plus accrued interest till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instruments.

The securities of over 182 days of maturity are valued as under:

- * Investment grade debt securities are valued on a Yield to Maturity basis based on the yield matrix released by an approved independent agency in accordance with the SEBI/AMFI regulations.
- * Non-investment grade performing debt securities are valued at a discount of 25% to the face value.
- * Non-investment grade non-performing debt securities are valued net of provisions.

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

(IV). Investments in Collateralised Borrowing and Lending Obligation (CBLO) are valued at cost plus accrual. Other money market instruments are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instruments).

c) Investment Transactions

Investment transactions are accounted on trade date for debt securities. The cost of acquisition includes the cost of purchase, stamp duty, security 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 cost of investment.

d) Recognition of revenue and treatment of expenses

I. Interest is accrued on 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.

II. 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.

III. 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.

IV. 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.

V. Profit and loss on sale or redemption of investments is computed by applying the weighted average cost of such investments.

VI. Marketing and incidental expenses incurred in connection with the collection / redemption of the units are adjusted against entry and exit load payable to the extent available. The expenses in excess of load available are charged to Revenue Account.



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e) Unit Re-purchase/ Sale transactions

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

f) 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.

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



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Notes to Accounts

2 Taurus FMP 15 Month Series -1 is a close ended scheme which was launched on February 04, 2010. The scheme closed for subscription on February 08, 2010. The scheme seeks to generate income through minimum volatility through investments in a portfolio of debt (including securitised debt) and money market instruments. The scheme has Retail Plan and Institutional 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, 2010
	Market / Fair Value
	(Rs)
Debentures/Bonds:	
Listed / Awaiting Listing	225,911,294
Certificate Of Deposit	96,935,639
Commercial Paper	142,190,768
Collateralised Borrowing & Lending Obligation (CBLO)	2,419,093

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

	March 31, 2010
Retail - Dividend Plan	10.1199
Retail - Growth Plan	10.1199
Institutional - Growth Plan	10.1233

5 The Scheme has not declared any dividend during the year.

6 The Scheme has paid management fees aggregating to Rs. 137,265 to Taurus Asset Management Company Limited calculated @ 0.19% plus applicable service tax and 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 scheme.

7 Unrealised appreciation as on March 31, 2010 is Rs. 852,258 and the same is included in Revenue Reserve.

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 :

	Rs.	% as above
Purchases	1,684,160,090	2548.56
Sales	1,111,922,799	1682.62
Income	4,621,693	6.99
Expenditure	164,363	0.25

Note: Income excludes net change in unrealised gain/loss in value of investments, profit on sale thereof and provisions written back. Expenditure excludes net change in unrealised gain/loss in value of investments and loss on sale thereof.

9 Movement in unit capital during the year 2009-10 is as under:

	No. of units	Face Value (Rs.)
Balance at the commencement of the year	Nil	Nil
Units issued during new fund offer	47,053,195.584	470,531,956
Unit repurchased during the year	Nil	Nil
Balance as on March 31, 2010	47,053,195.584	470,531,956

10 During the year, the scheme has not paid any Trusteeship fees as unit capital as on 1st April of the scheme was nil.

11 No provision for taxation is required as the fund is a recognised Mutual Fund u/s 10(23D) of the Income Tax Act, 1961.

12 The disclosure under regulation 25(11) of SEBI (Mutual Fund) Regulation 1996 in respect of investment 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.

13 There has been no transaction with the associates in terms of regulation 25(7) of SEBI (Mutual Fund) Regulations, 1996.



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14 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, 2010, is as under :

	Market / Fair Value as on March 31, 2010	% of Classification as on March 31, 2010
Listed/Awaiting Listing Debentures/Bonds		
Finance	70,059,282	40.05%
Non Banking Finance Company	53,348,432	31.50%
Ferrous Metals	51,512,694	29.45%
Total	174,920,408	100.00%
Privately Placed Debentures/Bonds		
Finance	50,990,886	100.00%
Commercial Papers		
Finance	142,190,769	100.00%
Certificates of Deposit		
Banks	96,935,639	100.00%
(CBLO)	2,419,093	100.00%
Total	467,456,794	

15 There are no underwriting commitments.

16 The scheme has no exposure in Derivatives/Foreign Securities/ADRS/GDRS as on March 31, 2010.

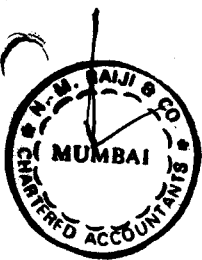
17 During the year the services of the sponsor, its associates / employees were not utilised nor any brokerage or commission paid therefor.

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

19 There are no unitholders holding over 25% of the NAV of the scheme as at the year end.

20 The financial statements are prepared for the period February 04, 2010 to March 31, 2010. As these are the first financial statements of the scheme, there are no comparatives figures for the previous year.

21 A full portfolio of investments of the Scheme is attached herewith as Annexure II.



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TAURUS FIXED MATURITY PLAN 15 MONTHS-SERIES 1

Disclosure under Regulation 25 (11) of SEBI (Mutual Fund) Regulations, 1996

Annexure -I

Investments made by the schemes of Taurus Mutual Fund in Companies or their subsidiaries that have invested more than 5% of the net assets of any scheme

Name of the Company	Name of the scheme in which company has invested more than 5% of net assets	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, 2010 (Rupees in Lakhs)	Outstanding as on March 31, 2010 (Rupees in Lakhs)
GRASIM INDUSTRIES LTD.	TAURUS FIXED MATURITY PLAN 15 MONTHS-SERIES 1	TAURUS BONANZA FUND.	99.34	-
		TAURUS DISCOVERY FUND	9.74	-
		TAURUS TAX SHIELD.	24.15	-
HERO HONDA MOTORS LTD.	TAURUS FIXED MATURITY PLAN 15 MONTHS-SERIES 1	TAURUS BONANZA FUND.	40.14	-
		TAURUS INFRASTRUCTURE FUND	75.03	-
		TAURUS STARSHARE	231.33	-
		TAURUS TAX SHIELD.	29.52	-



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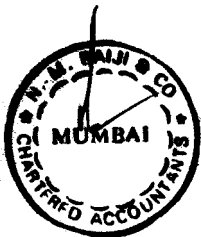
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Portfolio Statement as on March 31, 2010

Name of the Instrument	Quantity	Market Value (in Rs. Lakhs)
Debt Instruments		
(a) Listed/ awaiting listing on Stock Exchange		
Non Convertible Debentures		
7.45% Tata Capital Ltd. (09/05/2011) **	700,000	700.59
9.80% Tata Steel Ltd. (07/05/2011) **	300,000	515.13
Zero Coupon Bonds.		
Fullerton India Credit Company Ltd. (05/04/2011) **	500,000	533.48
Sub Total		1,749.20
(b) Privately placed/ Unlisted		
Non Convertible Debentures		
9.00% Bajaj Auto Finance Ltd. (29/04/2011) ** #	500,000	509.91
Sub Total		509.91
Total		2,259.11
MONEY MARKET INSTRUMENTS		
Certificate of Deposit		
Yes Bank Ltd. (22/10/2010) ** #	1,000,000	969.36
Sub Total		969.36
Commercial Paper		
Reliance Capital Ltd. (30/03/2011) ** #	1,000,000	931.03
Birla Global Finance Ltd. (12/07/2010) ** #	500,000	490.88
Sub Total		1,421.91
CBLO/REPO		24.19
Sub Total		24.19
Total		2,415.46
GRAND TOTAL		4,674.57

** Non Traded Security, # Unlisted Security



TAURUS FIXED MATURITY PLAN 15 MONTHS - SERIES 1

Perspective Historical Per Unit Statistics

Amount in Rupees

	As at March 31, 2010
Per Unit Particulars	
A) Face Value	10.0000
B) Net Asset Value, per unit	
- Retail Growth Plan	10.1199
- Retail Dividend Plan	10.1199
- Institutional Growth Plan	10.1233
C) Gross Income	
i) Income other than Profit on sale of investment	0.10
ii) Income from Profit on inter scheme sale/transfer of investments (net)	-
iii) Income from Profit on sale of investment to third party (net)	0.01
iv) Net change in Unrealised gain/loss in value of investments	0.02
v) Transfer to Revenue Account from past years' reserve.	
vi) Gross Income [Total of (i) to (v)]	0.13
D) Total Expenses	
i) Aggregate of Expenses, write off, amortisation and charges	0.00
ii) Net change in Unrealised gain/loss in value of investments	
iii) Total Expenses [Total of (i) and (ii)]	0.00
E) Net Income [(C)-(D)]	0.12
F) Unrealised appreciation/(depreciation) in value of investments	0.02
G) (1) Trading Price/NAV	
i) Highest during the year - Retail Growth Plan	10.1199
- Retail Dividend Plan	10.1199
- Institutional Growth Plan	10.1233
ii) Lowest during the year - Retail Growth Plan	10.0000
- Retail Dividend Plan	10.0000
- Institutional Growth Plan	10.0000
(2) Price Earning Ratio	N.A
H) Per unit ratio of expenses to average net assets by %	0.25%*
I) Per unit ratio of gross income to average net assets by %	9.02%*
(including net changes in unrealised gain/loss in value of investments)	
* Percentage of Income and Expenditure have been given on annualised basis	



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