

TAURUS MUTUAL FUND



**ANNUAL REPORT**  
**2003-2004**

**MUTUAL FUND**

TRUSTEE

*Creditcapital Investment Trust Company Ltd.*

INVESTMENT MANAGER

*Creditcapital Asset Management Company Ltd.*

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**TRUSTEES REPORT FOR THE FINANCIAL YEAR 2003-2004**

Dear Unitholders,

We take pleasure in presenting 10<sup>th</sup> Annual Report and Audited Accounts of various schemes of Taurus Mutual Fund for the year ended March 31, 2004.

**ECONOMIC SCENARIO**

The world economic scenario in 2003-04 witnessed a new dimension. While U.S economy remained under pressure, India and China emerged as dominating forces. The Indian Economy accelerated in the 3<sup>rd</sup> quarter driven largely by the robust performance of Agriculture and Manufacturing Sectors. The investment environment in India also improved quite dramatically through 2003 and early 2004. There appears to have emerged a divergence in the investment behaviour of the corporates both in public and private sectors, in the recent years.

However, continuous rise in the international crude price is a cause of concern not only for India but most of the oil importing countries. Another worry factor is significant fall in the US Dollar vis-à-vis major currencies including Indian Rupee. In the year 2003, the rupee recorded the highest gain on the back of sustained robust trade and capital inflow, helped largely by a weakening dollar vis-à-vis major global units, mainly the euro.

The surge in emerging market equity prices since April 2003 triggered a sharp pick-up in the primary market. This increased the investors' appetite for risky assets, which is driven by improved fundamentals and soft monetary policy.

In the Indian stock market, anticipation of some extraordinary corporate performance and sign of a robust year for the economy have driven the institutional and retail investors to fuel rallies in pivotal stocks taking the stock indices to new highs in FY 2003-04. Further, the huge FII inflows in the Indian markets attributable to the attractive valuation of the equities and good yield in the debt market compared with other international investment destinations, added the desired impetus to the whole of capital market.

During the month of February / March 2004, success of disinvestment in some of the large PSUs further generated interest in the primary market.

During the period, India's foreign exchange reserves also swelled mainly on account of export of software and large remittances received from NRIs on account of better investment opportunities in the Indian market.

**THE MUTUAL FUND INDUSTRY – A GLANCE**

Last year proved to be a mixed year for the Mutual Fund Industry in India. Like any other industry, mergers and acquisitions have started in the Mutual Fund Industry. On one side, industry has shown robust growth but also continuing the phase of consolidation. Many new sophisticated products such as Exchange Traded Funds, Fund of Funds, Floating Rate Funds, and International Funds etc. were launched.

The Assets Under Management (AUM) as at year-end have grown by 76% over last year. The Income Funds still have a sizeable holding of 47% in AUM followed by holding of 30% by liquid and money market Funds. Growth and Balance Funds together hold 20% of AUM and balance 3% is held by Gilt and ELSS Funds.

The Indian Mutual Fund Industry has so far not been able to

adequately mobilize investments from semi-urban and rural areas. Efforts need to be made to capture this growing income source and create interest in the minds of investors from the rural and semi-urban areas. The fact is that unitholders of most of the Funds are currently either corporate investors or high net worth investors of big cities. It is a paradoxical situation that the special purpose vehicle, which was designed for the small and retail investor, has been more effectively utilized by the large corporates / investors.

**TAURUS MUTUAL FUND – THE YEAR IN RETROSPECT**

The performance of Taurus Mutual Fund during the year under review has been satisfactory and achievements are given below:

- Launch of Fixed Maturity Plan – I (FMP-I) under Libra Bond Fund.
- Declaration of bonus in the ratio of 1:3 in Bonanza Exclusive Growth Scheme.
- Declaration of two dividends of 11% and 16% in Libra Tax Shield.
- Substantial mobilization in various schemes.

We have taken a proactive approach in our investment strategy particularly in the Equity Schemes, which has started reflecting in improved performance.

**PERFORMANCE OF THE SCHEMES**

The performance of individual schemes during the year is reviewed hereunder: -

**The Starshare**

The scheme was initially launched as a close end equity growth scheme in 1994 and converted as an open-end scheme in 1999. The objective of the scheme is to provide long-term capital appreciation. There is an improvement in the NAV by almost 100% during the year. The Net Asset Value (NAV) per unit as on March 31, 2004 was Rs.10.89 as against Rs.5.42 as on March 31, 2003.

The scheme was carrying large number of unlisted / thinly traded stocks since 1995-96. The performance of these stocks was extremely poor and a drag on the Net Asset Value. Trustees, therefore, decided to sell the entire such stocks and now the portfolio of the scheme is small, well balanced and diversified.

During this period, market also showed more resilience towards midcap stocks. Since portfolio of the scheme is tilted towards midcap stocks, upswing in the NAV was quite evident. With the restructuring of the portfolio, Investors' confidence is building up which is now reflected from fresh inflows in the scheme.

We have also changed the Investment Policy for the scheme and now the entire portfolio is divided in (a) Investment for long term purpose (b) Investment for short and medium term purpose. Keeping this policy in mind, about 20%-30% of the assets of the scheme are being invested for long-term purpose and balance for short-term purpose. Profit booking is now being done on regular basis and funds reinvested in the market to generate better returns.

**Discovery Stock Fund**

During the year under review, the scheme performed largely in tandem with market movement and NAV of the scheme moved in a narrow range. The scheme was converted into open end in



## TAURUS MUTUAL FUND

March 2000 and the name was changed from Newshare to Discovery Stock Fund. The investment objective of the scheme is to identify and select low priced stocks through discovery mechanism, which would include:

- (i) Undervalued stocks offering opportunities for growth potential.
- (ii) Low priced stocks with decent dividend yield
- (iii) Stocks where lower side risk is minimum
- (iv) Stocks of turnaround cases with potential for improvement.

The NAV of the scheme was under pressure due to presence of some unlisted securities and thinly traded stocks in the portfolio, thereby affecting availability of funds for portfolio operations.

Besides, provisions were required to be made on some debt investments in terms of SEBI's guidelines. Trustees have addressed this problem and large number of illiquid securities / thinly traded securities were sold and full provision has been made for the bad debts. Now the present portfolio is small and regularly monitored by the Fund Manager.

We feel that lower NAV and quality portfolio in this scheme may attract large number of investors in future.

During the year, NAV of the scheme improved by more than 65% i.e. from Rs.3.41 as on March 31, 2003 to Rs.5.67 as on March 31, 2004. The portfolio is being regularly restructured and we hope that performance of the scheme will improve further in the current year.

### **Bonanza Exclusive Growth Scheme -Open**

The scheme was launched by the Bank of India Mutual Fund in 1995 as a close-end equity growth scheme and was converted into an open-end scheme in April 1999. The scheme was taken over by Taurus Mutual Fund from the Bank of India Mutual Fund w.e.f. March 27, 2002. This is also an equity oriented growth scheme, the objective being long term capital appreciation. The last NAV of the scheme declared by BOI Mutual Fund was Rs.9.18 per unit as on March 23, 2002. Since then, portfolio restructuring has been done and profit booking is an on-going exercise. The portfolio of the scheme is regularly reshuffled based on market perception about different sectors. The portfolio of the scheme mainly consists of active and fundamentally strong stocks from BSE 200, the benchmark index. The performance of the scheme during the period under review is quite satisfactory.

During the year under review, NAV of the scheme improved by more than 100% i.e. from Rs.9.64 as on March 31, 2003 to Rs.14.63 as on March 31, 2004 after considering the adjustment of bonus. During this period, Trustees also declared bonus in the ratio of 1:3 in this scheme.

### **Libra Tax Shield**

Libra Tax Shield is an open-end equity linked tax saving scheme with income tax benefits under Section 88 of the Income Tax Act, 1961. Funds under the scheme are pre-dominantly invested in equity shares as per the investment objective of the scheme being providing long-term capital appreciation.

In this scheme, investment is normally made for long-term purpose but profit is being booked on regular basis. Investment in this scheme upto Rs.10,000/- per year is entitled for the tax benefit U/s 88 of Income Tax Act. Being an open-end scheme, investment can even be made on monthly/weekly basis. However, the investment will carry lock-in period of 3 years from the date of investment.

With the improvement in the Indian Economy in general and capital market is particular, investment in this scheme may provide better returns as compared to other instruments eligible for tax benefit U/S 88 of I.T Act.

During the year, Trustees declared two dividends of 11% and 16% in this scheme. Therefore, scheme has given an absolute return of around 60% i.e. from Rs.7.71 as on March 31, 2003 to Rs.9.75 as on March 31, 2004.

### **Libra Bond Fund**

The scheme was launched in July, 2001 as an open-end bond scheme with investment objective to maximize income through a basket of debt, bonds, debentures, government securities and money market instruments etc. of varying maturities while maintaining safety and liquidity.

In this scheme, there are two Options for the Investors (a) Growth Option (b) Dividend Option.

The scheme has consistently performed satisfactorily except during certain periods when there were big falls in the bond market.

The initial investment strategy adopted was to invest in securities of long-term maturity, which was later reduced to medium term maturity securities. With more funds coming into the scheme, the strategy is expected to be towards investment in securities of short term, medium and long term maturities so as to maximize returns for the investors.

During the year, Fund launched a Fixed Maturity Plan - I under this scheme for 371 days. The performance of Fixed Maturity Plan - I was quite satisfactory. Therefore, Fund is contemplating to launch another Fixed Maturity Plan during the current year also.

### **Libra Gilt Fund**

The scheme was launched in July 2001 as an open-end gilt scheme with investment objective to provide risk free returns to investors through investment in securities issued by Central Government or State Governments or any security unconditionally guaranteed by Government of India.

In this scheme, there are two options for the investors (a) Growth Option and (b) - Dividend option.

The scheme has performed satisfactorily during the year except during certain period due to volatility in the government securities market.

The investment strategy during the year in the scheme had been to invest in medium to long-term securities and that had yielded good results. However, the investment approach will be flexible so as to maximize returns for the investors. The scheme was launched as No-load scheme.

Libra Leap and Bonanza Equity Linked Saving on Tax Scheme

### **Libra Leap and Bonanza Equity Linked Saving on Tax Scheme 1993 - Redeemed Schemes**

Libra Leap Scheme and Bonanza Equity Linked Saving on Tax Scheme 1993 were pre-maturely redeemed in October 2002. Unitholders who have not yet applied for redemption are being regularly reminded to surrender unit certificates / transaction slips for claiming redemption proceeds. Funds still lying with us in respect of these investors have been kept in Fixed Deposit Accounts with banks as per SEBI Regulations.



## INVESTOR SERVICES

During the year, the Fund put its best foot forward in terms of redressal of investor grievances addressing each and every individual investor complaint. The data, which is given below, is self-explanatory.

| Schemes                              | Investor Complaints       |                          |                           |                         |
|--------------------------------------|---------------------------|--------------------------|---------------------------|-------------------------|
|                                      | Received in Previous Year | Received During the Year | Redressed During the Year | Out-standing 31.03.2004 |
| Taurus the Starshare                 | 203                       | 260                      | 260                       | NIL                     |
| Discovery Stock Fund                 | 95                        | 98                       | 98                        | NIL                     |
| Libra Tax Shield                     | 3                         | 2                        | 2                         | NIL                     |
| Libra Bond Fund                      | 4                         | 1                        | 1                         | NIL                     |
| Libra Gilt Fund                      | NIL                       | 1                        | 1                         | NIL                     |
| BONANZA Exclusive Growth Scheme-Open | 72                        | 35                       | 35                        | NIL                     |
| Total                                | 377                       | 392                      | 392                       | NIL                     |

## Change in Registrar & Transfer Agents

Computer Age Management Services Pvt. Limited has been the Registrar and Transfer Agent for all the schemes. **The Registrar and Transfer Agent is now being changed and M/s. Karvy Computershare Private Limited, Unit Taurus Mutual Fund, 21, Avenue 4, Street No.1, Banjara Hills, Hyderabad 500 034 (Tel No.s 040-23312454, 23320751-52) will be the new R&T Agent w.e.f October 16, 2004. Unitholders are requested to note this change.**

## FUTURE OUTLOOK

During the first three months of financial year 2004-05, there is change in Government of India after the elections were announced by the NDA coalition. With Congress and its allies forming the new Government with the support of left parties, there was knee-jerk reaction in the market. May 17, 2004 would be remembered for a long time by the investors when BSE-30 sensx fell by about 840 points i.e. more than 16% in a single day. However, the subsequent announcement by the new Government that orientation towards reforms shall continue put back market on the rail. Subsequent concessions announced in the Union Budget by the Finance Minister for the capital market restored the confidence of investors in the capital market.

In Taurus Mutual Fund, various steps are being considered not only to increase the assets but also to improve the performance of existing schemes. To achieve this objective, Fund is contemplating to launch new schemes / plans to increase the assets. These schemes will be launched after meeting the various Regulatory Compliances. Consolidation of the business is also under consideration. Fund is also taking pro-active approach in its investment strategy to improve the performance of the existing schemes.

## INTERNAL CONTROL & SYSTEMS

In terms of SEBI's Regulations for Mutual Funds, Creditcapital Asset Management Company Limited (CAMCO) is the Investment Manager for all the schemes of Taurus Mutual Fund and Creditcapital Investment Trust Company Limited (CITCO) is acting as the Trustees.

## The Asset Management Company

CAMCO has been appointed as the Investment Manager of Taurus Mutual Fund by the Trustees in terms of SEBI Regulations for Mutual Funds. As such, CAMCO is responsible for managing the schemes on day-to-day basis and required to take all reasonable steps and exercise due diligence and care in all its investment decisions. The Trustees liability is discharged on CAMCO's performing its duties in good faith and after due diligence and care.

The company has in place an adequate system of internal controls which provide reasonable assurance with regard to maintaining proper financial records, preserving economy and efficiency of operations, safe-guarding assets against unauthorized uses or losses and compliance with applicable laws and regulations etc.

There are six Directors on the Board of the company, out of which four are independent Directors. The Board is assisted by a team of senior officials representing Accounts, Audit, Marketing, Admin, Research and Investment etc.

In an endeavour to attaining the standards of good corporate governance, following committees have been constituted comprising mostly of Independent Directors.

## Investment Committee

Investment Committee meets every month to review the investment / disinvestments made by the Fund based on the in-house research. For this purpose, Committee is obtaining Management Information Reports for all the trade transactions done during the month, movement in the NAVs and performance of various schemes against BSE-200 which has been identified by the Board of Trustees for evaluating the performance of various equity schemes on an on going basis. The Committee also reviews the details of the outstanding corporate actions submitted by the respective custodians of the schemes.

## Audit Committee

The company had constituted an Audit Committee to review the reports of the Internal Auditors as well as Statutory Auditors to discuss their findings, suggestions and other related matters. Audit Committee also reviews the financial results of various schemes and other related matters as referred to by the Board from time to time.

The composition of the Audit Committee and the details of meetings attended by the Directors are given below: -

| S.N | Names of Directors | Category                       | No.of meetings attended during 2003-04 |
|-----|--------------------|--------------------------------|--|
| 1   | Mr. M G Gupta      | Independent, Non executive     | 4                                      |
| 2   | Maharaj Jai Singh  | Independent, Non executive     | 4                                      |
| 3   | Mr. P S Mathur     | Non-independent, Non executive | -                                      |
| 4   | Mr. R K Gupta      | Non-independent, executive     | 2                                      |

## Board of Directors

The Company has a non-executive Chairman complying with SEBI regulations of 50% Independent Directors.

The composition of Board and details of the meetings attended by the Directors are given below -



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| S.N | Names of Directors | Category                       | No. of Board meetings attended during 2003-04 |
|-----|--------------------|--------------------------------|---|
| 1   | Mr. J.P. Kundra    | Independent, Non executive     | 5   |
| 2   | Mr. M.G. Gupta     | Independent, Non executive     | 5   |
| 3   | Mr. P. Murari      | Independent, Non executive     | 5   |
| 4   | Maharaj Jai Singh  | Independent, Non executive     | 2   |
| 5   | Mr. Lalit Bhasin   | Non-independent, Non executive | 4   |
| 6   | Mr. P.S. Mathur*   | Non-independent, Non executive | —   |
| 7   | Mr. R.K. Gupta*    | Non-independent, Executive     | 2   |

\* Mr. P. S. Mathur resigned from the Board w.e.f. 22.01.2004

\* Mr. R. K. Gupta was appointed as Director w.e.f. 23.07.2003

### Trust Company

In terms of the provisions of Trust Deed, Creditcapital Investment Trust Company Limited (CITCO) is the Trustee company who is administering the Mutual Fund and monitoring the operations of the Asset Management Company. The Trustees have also appointed Independent Internal Auditors for all the schemes managed by Taurus Mutual Fund to support the Trustees with a reasonable assurance that the Fund and Investment Manager have complied with the various investment restrictions, reporting requirements and that Fund has adequate internal control systems.

There are seven Directors on the Board of Company out of which five are Independent Directors.

Trustees have also constituted an Audit Committee of the Independent Trustees pursuant to the circular MFD/CIR/010/024/2000 dated January 17, 2000 of SEBI. The scope of the Audit Committee is to periodically review the internal audit systems and the recommendations of the internal and statutory auditors. The Audit Committee also meets internal auditors and statutory auditors of each scheme to discuss their findings, suggestions and other related matters.

The composition of Audit Committee and details of meetings attended by the Directors are given below: -

| S.N | Names of Directors | Category                   | No. of meetings attended during 2003-04 |
|-----|--------------------|----------------------------|---|
| 1   | Mr. G.N. Tandon    | Independent, Non executive | 6                                       |
| 2   | Mr. K.N. Goyal     | Independent, Non executive | 6                                       |
| 3   | Mr. L.K. Malhotra  | Independent, Non executive | 5                                       |

### Board of Directors

The Board of Trustees has a non-executive Chairman complying with the SEBI's Regulations of having 2/3<sup>rd</sup> Independent Directors. The composition of Board of Directors and details of meetings attended by the Directors are given below: -

| S.N | Names of Directors   | Category                       | No. of Board meetings attended during 2003-04 |
|-----|----------------------|--------------------------------|---|
| 1   | Mr. P.K. Kaul        | Independent, Non executive     | 6   |
| 2   | Mr. H.C. Bhasin      | Non-independent, Non executive | 4   |
| 3   | Mr. Harbhajan Singh* | Independent, Non executive     | 3   |
| 4   | Mr. K.N. Malhotra    | Non-independent, Non executive | 5   |

|   |                      |                            |   |
|---|----------------------|----------------------------|---|
| 5 | Mr. K.N. Goyal*      | Independent, Non executive | 6 |
| 6 | Mr. G.N. Tandon      | Independent, Non executive | 5 |
| 7 | Mr. G.S. Dahotre*    | Independent, Non executive | - |
| 8 | Mr. Lalit K Malhotra | Independent, Non executive | 4 |

\* Mr. G. S. Dahotre resigned as Trustee from the Board w.e.f. 22.08.03

\* Mr. Harbhajan Singh was appointed as Director w.e.f. 22.08.03

### SHAREHOLDING PATTERN OF THE AMC

The shareholding pattern of Creditcapital Asset Management Company Ltd. (the Investment Manager of the Fund) as on March 31, 2004 is as under:

| Equity Shareholding (%) |        |
|-------------------------|--------|
| H B Portfolio Ltd.      | 50.00  |
| RRB Securities Ltd.     | 29.87  |
| H B Stockholdings Ltd.  | 10.16  |
| Edinburgh F M           | 9.96   |
| Others                  | 0.01   |
| Total                   | 100.00 |

### DISCLOSURES

- Creditcapital Investment Trust Company Limited are the Trustees of the Taurus Mutual Fund. The Trustees have exclusive ownership of the Trust Fund and are vested with the general power of superintendence, direction and management of the affairs of the Trust. The Trustees need to ensure that the Asset Management Company and the custodians appointed in terms of the Trust Deed fulfill the functions assigned to them from time to time; subject to the Trust Deed, the Mutual Fund Regulations, 1996, and other laws in force.
- The sponsors are not responsible or liable for any loss resulting from the operations of the schemes beyond the initial contribution of Rs.2 lacs each made towards setting up of the Mutual Fund.
- The price and redemption value of the units and income from them can go up as well as down with the fluctuations in the market values of its underlying investments.
- The prospective historical per unit statistics in accordance with para 6 (i) of the 11<sup>th</sup> schedule appear after schedules to the scheme account.
- Full portfolio of the schemes has been published in the newspaper on 30<sup>th</sup> October 2003 and on 28<sup>th</sup> April 2004.
- On written request, present and prospective unitholder / investor can obtain copy of the Trust Deed, the Annual Report (at a price) and the text of the relevant scheme.

### ACKNOWLEDGEMENT

For their continued help, assistance and co-operation, the Trustees express their gratitude to the Securities and Exchange Board of India, AMFI, Registrar & Transfer Agent, Custodians, Banks and the Board of Directors and employees of Creditcapital Asset Management Co. Ltd.

For and on behalf of Board of Trustees

Date : August 28, 2004  
Place : New Delhi

K.N. GOYAL  
Director

# TAURUS MUTUAL FUND



## AUDITORS' REPORT - BONANZA EXCLUSIVE GROWTH SCHEME-OPEN

To the Board of Trustees

**Creditcapital Investment Trust Company Limited**

1. We have audited the attached Balance Sheet of Taurus Mutual Fund - Bonanza Exclusive Growth Scheme-Open as at 31st March 2004 and the Revenue Account for the year ended 31st March 2004 annexed thereto. These financial statements are the responsibility of the Board of Trustees of Taurus Mutual Fund and management of Creditcapital Asset Management Company Ltd (the "management"). Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. 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. The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of the Scheme.

2. In our opinion and to the best of our information and according to the explanations given to us;

i. The Balance Sheet and the Revenue Account together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds)

Regulations, 1996 and amendments thereto, as applicable and give respectively a true and fair view of the state of affairs of Taurus Mutual Fund-Bonanza Exclusive Growth Scheme-Open as on 31st March 2004 and its net Surplus for the year ended on that date.

ii. The Balance Sheet as on 31st March 2004 and the Revenue Account for the year ended on that date, together with the notes thereon, have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable.

iii. The methods used to value

a) Thinly traded/non traded securities in accordance with the guidelines for valuation of securities for Mutual Funds issued by SEBI

b) Unlisted equity shares in accordance with the guidelines for valuation of unlisted equity shares for Mutual Funds issued by SEBI

as on March 31, 2004 as determined by Creditcapital Asset Management Company Ltd as per policies approved by the Board of Trustees of Taurus Mutual Fund read with Note No.14 of Schedule J, are fair and reasonable.

Amit Goel  
Partner

For and on behalf of  
P. Bholusaria & Co.  
Chartered Accountants

Place : New Delhi  
Dated : August 28, 2004

### BALANCE SHEET OF BONANZA EXCLUSIVE GROWTH SCHEME - OPEN AS AT 31ST MARCH 2004

|   | Schedule | As At<br>31.03.2004<br>(Rs.) | As At<br>31.03.2003<br>(Rs.) |
|---|----------|------------------------------|------------------------------|
| <b>LIABILITIES</b>                                  |          |                              |                              |
| Unit Capital  | A        | 268,600,694.61               | 173,702,383.27               |
| Reserves & Surplus                                  | B        | 124,429,067.54               | (6,142,687.68)               |
| Loans   |          | —                            | —                            |
| Current Liabilities and Provisions                  | C        | 2,981,735.47                 | 1,208,523.48                 |
|   |          | <b>396,011,497.62</b>        | <b>168,768,219.07</b>        |
| <b>ASSETS</b>                                       |          |                              |                              |
| Investments   | D        | 353,408,110.62               | 165,479,940.90               |
| Deposits  | E        | 20,955,000.00                | 27,000.00                    |
| Other Current Assets                                | F        | 21,648,387.00                | 3,261,278.17                 |
| Fixed Assets  |          | —                            | —                            |
| Deferred Revenue Expenditure                        |          | —                            | —                            |
|   |          | <b>396,011,497.62</b>        | <b>168,768,219.07</b>        |
| Significant Accounting Policies & Notes to Accounts | J        |                              |                              |

### REVENUE ACCOUNT OF BONANZA EXCLUSIVE GROWTH SCHEME - OPEN FOR THE YEAR ENDED 31ST MARCH 2004

|   | Schedule | For the Year<br>ended<br>31.03.2004<br>(Rs.) | For the Year<br>ended<br>31.03.2003<br>(Rs.) |
|---|----------|--|--|
| <b>INCOME</b>   |          |  |  |
| Dividend  |          | 5,991,903.20                                 | 6,327,888.35                                 |
| Interest  | G        | 1,273,352.25                                 | 2,298,488.28                                 |
| Profit on sale/ redemption<br>of investments (Net)                            |          | —  | —  |
| - inter-scheme  |          | —  | —  |
| - others  |          | 68,816,015.02                                | 2,895,820.44                                 |
| Miscellaneous Income  | H        | 30,794.10                                    | 19,200.00                                    |
| Provisions no longer<br>required written back                                 |          | 1,375,694.40                                 | —  |
| Net change in unrealised<br>gain/loss in value of Investments                 |          | 145,755,601.26                               | 16,848,820.87                                |
|   |          | <b>223,243,360.23</b>                        | <b>28,390,217.94</b>                         |
| <b>EXPENSES</b>   |          |  |  |
| Management, Trusteeship Fees,<br>Administrative<br>& Other Operating expenses | I        | 5,772,451.67                                 | 4,110,764.90                                 |
| Loss on sale/ redemption of<br>investments (Net)                              |          | —  | —  |
| - inter-scheme  |          | —  | —  |
| - others  |          | —  | —  |
|   |          | <b>5,772,451.67</b>                          | <b>4,110,764.90</b>                          |
| Surplus / ( Deficit ) for the year  |          | 217,470,908.56                               | 24,279,453.04                                |
| Opening Balance in Revenue  |          | 12,055,735.73                                | (14,555,384.61)                              |
| Reserve Brought Forward   |          | (77,502,103.86)                              | —  |
| Amount capitalized by way<br>of issue of Bonus Units                          |          | —  | —  |
| Transfer from Income  |          | 31,537,954.94                                | 2,331,667.30                                 |
| Equalisation Account  |          | —  | —  |
| <b>Balance transferred to<br/>Revenue Reserve</b>                             |          | <b>183,562,495.37</b>                        | <b>12,055,735.73</b>                         |
| Significant Accounting Policies<br>& Notes to Accounts                        | J        |  |  |

Schedules referred to above form an integral part of the Balance Sheet and Revenue Account

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

For and on behalf of  
P. Bholusaria & Co.  
Chartered Accountants

Amit Goel  
Partner

For Creditcapital Investment Trust Company Limited

K.N.Goyal  
Director

G.N.Tandon  
Director

For and on behalf of Creditcapital Asset Management Co. Ltd.

J.P.Kundra  
Director

M.G.Gupta  
Director

Deepa Varshnei  
Vice President  
(Accounts)

R K Gupta  
Fund Manager

Place : New Delhi  
Date : August 28, 2004



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## SCHEDULES FORMING PART OF BALANCE SHEET & REVENUE ACCOUNT OF BONANZA EXCLUSIVE GROWTH SCHEME-OPEN

Amount in Rupees

|   | As at<br>31.03.2004    | As at<br>31.03.2003    |
|---|------------------------|------------------------|
| <b>SCHEDULE 'A' : UNIT CAPITAL</b>  |                        |                        |
| 26,860,069.461 units (Previous Year<br>17,370,238.327 units)                      | 268,600,694.61         | 173,702,383.27         |
| of Rs.10/- each fully paid up   | <u>268,600,694.61</u>  | <u>173,702,383.27</u>  |
| <b>SCHEDULE 'B' : RESERVES &amp; SURPLUS</b>                                      |                        |                        |
| <b>Unit Premium Reserve</b>   |                        |                        |
| Balance at the commencement of the year   | (18,198,423.41)        | —                      |
| Discount / Premium on units repurchased/sold during the year                      | (9,397,049.48)         | (14,866,756.11)        |
| Transferred to Income Equalisation Account  | (31,537,954.94)        | (2,331,667.30)         |
|   | <u>(59,133,427.83)</u> | <u>(18,198,423.41)</u> |
| <b>Revenue Reserve</b>  |                        |                        |
| Balance at the commencement of the year   | 12,055,735.73          | (14,555,384.61)        |
| Surplus/(Deficit) for the year  | 217,470,908.56         | 24,279,453.04          |
| Amount capitalized by way of issue of Bonus Units                                 | (77,502,103.86)        | —                      |
| Transferred from Income Equalisation Account                                      | 31,537,954.94          | 2,331,667.30           |
|   | <u>183,562,495.37</u>  | <u>124,429,067.54</u>  |
|   | <u>124,429,067.54</u>  | <u>(6,142,687.68)</u>  |
| <b>SCHEDULE 'C' : CURRENT LIABILITIES AND PROVISIONS</b>                          |                        |                        |
| <b>Current Liabilities</b>  |                        |                        |
| Sundry Creditors  | 371,027.01             | 198,417.62             |
| Net Payable to other schemes  | 508,284.86             | —                      |
| Audit fee payable   | 128,081.00             | 124,359.00             |
| Excess Dividend Received Payable to CAMCO Ltd (Including Management Fees Payable) | 494,706.00             | 132,787.42             |
| Redemption Warrants payable   | 381,780.00             | 496,252.00             |
| Tax deducted at source payable  | 53,728.00              | 28,234.00              |
| Loan Payable  | 988,868.80             | 127,757.21             |
| Custodian Fee Payable   | 39,789.66              | 85,046.09              |
|   | <u>2,981,735.47</u>    | <u>1,208,523.48</u>    |
|   | <u>2,981,735.47</u>    | <u>1,208,523.48</u>    |
| <b>SCHEDULE 'D' : INVESTMENTS</b>   |                        |                        |
| (Refer Note 1(b) of schedule J)   |                        |                        |
| Equity Shares   | 348,651,216.62         | 160,526,583.90         |
| Debentures/Bonds (Privately Placed)   | —                      | 378,525.00             |
| Debentures/Bonds (Listed/ Awaiting Listing)                                       | 4,756,894.00           | 4,574,832.00           |
|   | <u>353,408,110.62</u>  | <u>165,479,940.90</u>  |
| <b>SCHEDULE 'E' : DEPOSITS</b>  |                        |                        |
| Deposits with Scheduled Banks   |                        |                        |
| Call Money Deposits   | 20,955,000.00          | 27,000.00              |
|   | <u>20,955,000.00</u>   | <u>27,000.00</u>       |
| <b>SCHEDULE 'F' : OTHER CURRENT ASSETS</b>  |                        |                        |
| Balance with Banks in:  |                        |                        |
| Current Accounts  | 17,250,123.64          | 1,411,876.09           |
| Contract for sale of investment   | 7,245,265.90           | 7,085,980.00           |
| Less: Provision for doubtful receivables  | (5,495,000.00)         | (5,495,000.00)         |
| Accrued Interest on debentures/bonds  | 128,348.95             | 339,734.57             |
| Less: Provision for doubtful Interest   | —                      | (88,975.00)            |
| Accrued interest on Call deposits   | 2,497.00               | 6.00                   |
| Debenture Redemption Receivable   | 23,750,000.00          | 23,750,000.00          |
| Less: Provision for doubtful receivables  | (23,750,000.00)        | (23,750,000.00)        |
| Amount due from brokers and others  | 44,169.00              | 91,175.60              |
| Less: Provision for doubtful receivables  | (44,169.00)            | (91,175.60)            |
| Tax Deducted at Source on Income  | 761.51                 | 761.51                 |
| Margin Money for Derivative Trading   | 2,516,390.00           | —                      |
| Net Receivable from other schemes   | —                      | 6,895.00               |
|   | <u>21,648,387.00</u>   | <u>3,261,278.17</u>    |

|  | For the year ended<br>31.03.2004 | For the year ended<br>31.03.2003 |
|--|----------------------------------|----------------------------------|
| <b>SCHEDULE 'G' : INTEREST ON</b>  |                                  |                                  |
| Debentures/Bonds   | 598,872.11                       | 672,085.28                       |
| Call Money   | 674,480.14                       | 1,626,403.00                     |
|  | <u>1,273,352.25</u>              | <u>2,298,488.28</u>              |
| <b>SCHEDULE 'H' : MISCELLANEOUS INCOME</b>   |                                  |                                  |
| Interest & other income received on doubtful receivables                                   |                                  |                                  |
|  | 30,794.10                        | —                                |
| Commission/Excess Dividend received above 3 years written back                             |                                  |                                  |
|  | —                                | 19,200.00                        |
|  | <u>30,794.10</u>                 | <u>19,200.00</u>                 |
| <b>SCHEDULE 'I' : MANAGEMENT, TRUSTEESHIP, ADMINISTRATIVE AND OTHER OPERATIVE EXPENSES</b> |                                  |                                  |
| Management Fee   | 3,782,936.54                     | 2,688,804.00                     |
| Registrar Charges  | 675,694.62                       | 284,113.89                       |
| Custodian Fee  | 496,089.84                       | 610,138.64                       |
| Trusteeship Fee  | 108,000.00                       | 100,000.00                       |
| Printing & Stationary  | 129,375.00                       | 47,804.80                        |
| Postage & Courier Charges  | 185,291.78                       | 77,233.95                        |
| Other Operating Expenses   | 124,653.08                       | 111,240.98                       |
| Advertisement Expenses   | 135,410.81                       | 60,178.64                        |
| Auditors Remuneration  | 135,000.00                       | 131,250.00                       |
|  | <u>5,772,451.67</u>              | <u>4,110,764.90</u>              |
|  | <u>5,772,451.67</u>              | <u>4,110,764.90</u>              |

### Perspective Historical Per Unit Statistics

Amount in Rupees

|   | As At<br>31.3.2004 | As At<br>31.3.2003 | As At<br>31.3.2002 |
|---|--------------------|--------------------|--------------------|
| <b>Per Unit Particulars</b>   |                    |                    |                    |
| <b>A) Face Value</b>  | 10.00              | 10.00              | 10.00              |
| <b>B) Net Asset Value</b>   | 14.63              | 9.64               | 9.27               |
| <b>C) Gross Income</b>  |                    |                    |                    |
| i) Income other than Profit on sale of investment                         | 0.32               | 0.50               | 0.59               |
| ii) Income from Profit on inter scheme sale/transfer of investments (net) | —                  | —                  | —                  |
| iii) Income from Profit on sale of investment to third party) (net)       | 2.56               | 0.17               | 0.40               |
| iv) Net change in Unrealised gain/loss in value of investments            | 5.43               | 0.97               | 1.99               |
| v) Transfer to Revenue Account from past years' reserve                   | —                  | —                  | —                  |
| vi) Gross Income [Total of (i) to (v)]                                    | 8.31               | 1.64               | 2.98               |
| <b>D) Total Expenses</b>  |                    |                    |                    |
| i) Aggregate of Expenses, write off, amortisation and charges             | 0.21               | 0.24               | 0.11               |
| ii) Net change in Unrealised gain/loss in value of investments            | —                  | —                  | —                  |
| iii) Total Expenses [Total of (i) and (ii)]                               | 0.21               | 0.24               | 0.11               |
| <b>E) Net Income [(C)-(D)]</b>  | 8.10               | 1.40               | 2.87               |
| <b>F) Unrealised appreciation/(depreciation) in value of Investments</b>  |                    |                    |                    |
|   | 3.73               | (2.62)             | (3.18)             |
| <b>G) (1) Trading Price/NAV</b>   |                    |                    |                    |
| i) Highest during the year  | 18.08              | 10.90              | 9.32               |
| ii) Lowest during the year  | 9.73               | 9.00               | 6.32               |
| <b>(2) Price Earning Ratio</b>  |                    |                    |                    |
|   | NA                 | NA                 | NA                 |
| <b>H) Per unit ratio of expenses to average net assets by %</b>           |                    |                    |                    |
|   | 1.93%              | 1.92%              | 1.99%              |
| <b>I) Per unit ratio of gross income to average net assets by %</b>       |                    |                    |                    |
| (including net change in unrealised gain/loss in value of investments)    | 74.65              | 13.23%             | 37.43%             |

# TAURUS MUTUAL FUND



## AUDITORS' REPORT - LIBRA TAX SHIELD

To the Board of Trustees

### Creditcapital Investment Trust Company Limited

1. We have audited the attached Balance Sheet of Taurus Mutual Fund - Libra Tax Shield Scheme as at 31st March 2004 and the Revenue Account for the year ended 31st March 2004 annexed thereto. These financial statements are the responsibility of the Board of Trustees of Taurus Mutual Fund and management of Creditcapital Asset Management Company Ltd (the "management"). Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. 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. The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of the Scheme.

2. In our opinion and to the best of our information and according to the explanations given to us:

- The Balance Sheet and the Revenue Account together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds)

Regulations, 1996 and amendments thereto, as applicable, and also give respectively a true and fair view of the state of affairs of Taurus Mutual Fund - Libra Tax Shield Scheme as on 31st March 2004 and its net Surplus for the year ended on that date.

ii. The Balance Sheet as on 31st March 2004 and the Revenue Account for the year ended on that date, together with the notes thereon, have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable.

iii. The methods used to value

a) Thinly traded/non traded securities in accordance with the guidelines for valuation of securities for Mutual Funds issued by SEBI

b) Unlisted equity shares in accordance with the guidelines for valuation of unlisted equity shares for Mutual Funds issued by SEBI

as on March 31, 2004 as determined by Creditcapital Asset Management Company Ltd as per policies approved by the Board of Trustees of Taurus Mutual Fund read with Note No.14 of Schedule J, are fair and reasonable.

Amit Goel

Partner

For and on behalf of

P. Bholusaria & Co.

Chartered Accountants

Place : New Delhi

Dated : August 28, 2004

### BALANCE SHEET OF LIBRA TAX SHIELD AS AT 31ST MARCH 2004

|   | Schedule | As At<br>31.03.2004<br>(Rs.) | As At<br>31.03.2003<br>(Rs.) |
|---|----------|------------------------------|------------------------------|
| <b>LIABILITIES</b>                                  |          |                              |                              |
| Unit Capital  | A        | 34,537,018.08                | 34,403,203.71                |
| Reserves & Surplus                                  | B        | (866,495.17)                 | (7,887,103.00)               |
| Loans   |          | —                            | —                            |
| Current Liabilities and Provisions                  | C        | 140,819.62                   | 412,737.15                   |
|   |          | <b>33,811,342.53</b>         | <b>26,928,837.86</b>         |
| <b>ASSETS</b>                                       |          |                              |                              |
| Investments   | D        | 31,267,853.81                | 23,409,321.00                |
| Deposits  | E        | 1,336,000.00                 | 1,200,000.00                 |
| Other Current Assets                                | F        | 1,207,488.72                 | 2,319,516.86                 |
| Fixed Assets  |          | —                            | —                            |
| Deferred Revenue Expenditure                        |          | —                            | —                            |
|   |          | <b>33,811,342.53</b>         | <b>26,928,837.86</b>         |
| Significant Accounting Policies & Notes to Accounts | J        |                              |                              |

### REVENUE ACCOUNT OF LIBRA TAX SHIELD FOR THE YEAR ENDED 31ST MARCH 2004

|   | Schedule | For the Year<br>ended<br>31.03.2004<br>(Rs.) | For the Year<br>ended<br>31.03.2003<br>(Rs.) |
|---|----------|--|--|
| <b>INCOME</b>   |          |  |  |
| Dividend  |          | 423,498.50                                   | 376,420.25                                   |
| Interest  |          | 524,871.01                                   | 431,831.00                                   |
| Profit on sale/ redemption of investments (Net)                         | G        | —  | —  |
| - inter-scheme  |          | —  | —  |
| - others  |          | 8,344,275.80                                 | 3,171,016.56                                 |
| Provision no longer required written back                               |          | 1,955.00                                     | —  |
| Net change in unrealised gain/loss in value of Investments              |          | 7,467,622.66                                 | —  |
|   |          | <b>16,762,222.97</b>                         | <b>3,979,267.81</b>                          |
| <b>EXPENSES</b>   |          |  |  |
| Management, Trusteeship Fees, Administrative & Other Operating expenses | H        | 919,803.43                                   | 604,271.78                                   |
| Net change in unrealised gain/loss in value of Investments              |          | —  | 2,719,878.64                                 |
| Initial issue costs of sponsoring the fund                              |          | 21,327.00                                    | 21,327.00                                    |
| Loss on sale of investment (Net)  |          | —  | —  |
| - inter-scheme  |          | —  | —  |
| - others  |          | —  | —  |
|   |          | <b>941,130.43</b>                            | <b>3,345,477.42</b>                          |
| Surplus / (Deficit)   |          | <b>15,821,092.54</b>                         | <b>633,790.39</b>                            |
| Less: Dividend/Income Distribution during the Year                      |          | (9,192,032.84)                               | —  |
|   |          | <b>6,629,059.70</b>                          | <b>633,790.39</b>                            |
| Opening Balance in revenue reserve brought forward                      |          | (7,687,299.81)                               | (8,326,884.36)                               |
| Transfer from Income Equalisation Account                               |          | 224,700.95                                   | 5,794.16                                     |
| <b>Balance transferred to Revenue Reserve</b>                           |          | <b>(833,539.16)</b>                          | <b>(7,687,299.81)</b>                        |
| Significant Accounting Policies & Notes to Accounts                     | J        |  |  |

Schedules referred to above form an integral part of the Balance Sheet and Revenue Account

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

For and on behalf of  
P. Bholusaria & Co.  
Chartered Accountants

For Creditcapital Investment Trust Company Limited

For and on behalf of Creditcapital Asset Management Co. Ltd.

Amit Goel  
Partner

K.N.Goyal  
Director

G.N.Tandon  
Director

J.P.Kundra  
Director

M.G.Gupta  
Director

Deepa Varshnei  
Vice President  
(Accounts)

R K Gupta  
Fund Manager

Place : New Delhi

Date : August 28, 2004





# TAURUS MUTUAL FUND

## SCHEDULES FORMING PART OF BALANCE SHEET & REVENUE ACCOUNT OF LIBRA TAX SHIELD

Amount in Rupees

|   | As at<br>31.03.2004  | As at<br>31.03.2003 |
|---|----------------------|---------------------|
| <b>SCHEDULE 'A' : UNIT CAPITAL</b>  |                      |                     |
| 3,453,701,808 units (Previous Year<br>3,440,320,371 units)<br>of Rs.10/- each fully paid up | <b>34,537,018.08</b> | 34,403,203.71       |
|   | <b>34,537,018.08</b> | 34,403,203.71       |
| <b>SCHEDULE 'B' : RESERVES &amp; SURPLUS</b>  |                      |                     |
| <b>Unit Premium Reserve</b>   |                      |                     |
| Balance at the commencement of the year   | (199,803.19)         | (189,488.00)        |
| Discount / Premium on units repurchased/sold during the year                                | 391,548.13           | (4,521.03)          |
| Transferred to Income Equalisation Account  | (224,700.95)         | (5,794.16)          |
|   | (32,956.01)          | (199,803.19)        |
| <b>Revenue Reserve</b>  |                      |                     |
| Balance at the commencement of the year   | (7,687,299.81)       | (8,326,884.36)      |
| Surplus/(Deficit) for the year  | 15,821,092.54        | 633,790.39          |
| Less : Dividend/Income Distribution during the year   | (9,192,032.84)       | —                   |
| Transfer from Income Equalisation Account   | 224,700.95           | 5,794.16            |
|   | (833,539.16)         | (866,495.17)        |
|   | (866,495.17)         | (7,887,103.00)      |

### SCHEDULE 'C' : CURRENT LIABILITIES AND PROVISIONS

|  | As at<br>31.03.2004 | As at<br>31.03.2003 |
|--|---------------------|---------------------|
| <b>Current Liabilities</b>                         |                     |                     |
| Sundry creditors                                   | 57,472.97           | 20,532.25           |
| Payable to other schemes(net)                      | 506.21              | —                   |
| Contract for Purchase of Investments               | —                   | 255,650.00          |
| Excess Dividend Received                           | 6,175.00            | 6,175.00            |
| Payable to CAMCO Ltd (Including Mgmt. Fee payable) | 54,795.76           | 47,635.33           |
| Tax deducted at source payable                     | 5,918.00            | 4,590.00            |
| Audit Fee Payable                                  | 10,246.00           | 9,949.00            |
| Custodian Fee Payable                              | 3,203.81            | 43,475.47           |
| Load Payable                                       | 2,501.87            | 24,730.10           |
|  | <b>140,819.62</b>   | 412,737.15          |

### SCHEDULE 'D' : INVESTMENTS

|  | As at<br>31.03.2004  | As at<br>31.03.2003 |
|--|----------------------|---------------------|
| (Refer Note 1(b) of schedule J)              |                      |                     |
| Equity Shares                                | 27,968,583.81        | 20,092,568.40       |
| Debentures / Bonds Listed / awaiting Listing | 3,299,270.00         | 3,316,752.60        |
|  | <b>31,267,853.81</b> | 23,409,321.00       |

### SCHEDULE 'E' : DEPOSITS

|                               | As at<br>31.03.2004 | As at<br>31.03.2003 |
|-------------------------------|---------------------|---------------------|
| Deposits with Scheduled Banks | 1,336,000.00        | 1,200,000.00        |
| Call money Deposits           | 1,336,000.00        | 1,200,000.00        |

### SCHEDULE 'F' : OTHER CURRENT ASSETS

|   | As at<br>31.03.2004 | As at<br>31.03.2003 |
|---|---------------------|---------------------|
| Balance with Banks in Current Accounts            | 755,058.60          | 280,811.42          |
| Contract for sale of investment                   | 311,220.00          | 1,851,278.50        |
| Dividend Receivable                               | —                   | 1,500.00            |
| Less : Provision for doubtful dividend receivable | —                   | (1,500.00)          |
| Accrued interest on debentures/bonds              | 137,082.12          | 136,219.11          |
| Accrued interest on Call deposits                 | 159.00              | 250.00              |
| Stamps in Hand                                    | —                   | 45,121.50           |
| Tax deducted at Source on income                  | 15,292.00           | 15,292.00           |
| Less: Provision for doubtful receivables          | (11,323.00)         | 3,969.00            |
| Other Current Assets                              | 3,969.00            | (11,323.00)         |
|   | <b>1,207,488.72</b> | 2,319,516.86        |

### SCHEDULE 'G' : INTEREST

|                  | For the year ended<br>31.03.2004 | For the year ended<br>31.03.2003 |
|------------------|----------------------------------|----------------------------------|
| Debentures/Bonds | 315,863.01                       | 315,000.00                       |
| Call Money       | 209,008.00                       | 116,831.00                       |
|                  | <b>524,871.01</b>                | 431,831.00                       |

### SCHEDULE 'H' : MANAGEMENT, TRUSTEESHIP, ADMINISTRATIVE AND OTHER OPERATIVE EXPENSES

|   | For the year ended<br>31.03.2004 | For the year ended<br>31.03.2003 |
|---|----------------------------------|----------------------------------|
| Management Fee  | 493,704.58                       | 352,037.00                       |
| Custodian Fee   | 84,495.87                        | 26,753.76                        |
| Trusteeship Fee   | 108,000.00                       | 100,000.00                       |
| Advertisement Expenses  | 65,139.03                        | 8,673.53                         |
| Registrar Charges   | 79,191.81                        | 41,492.76                        |
| Printing & Stationary   | 28,863.45                        | 8,038.21                         |
| Postage & Courier charges   | 33,340.13                        | 13,269.27                        |
| Legal & Professional Charges  | 52,061.51                        | 34,697.25                        |
| SEBI Fees   | 6,475.00                         | 5,860.00                         |
| Other Operating Expenses  | —                                | 960.00                           |
| Auditors Remuneration   | 10,800.00                        | 10,500.00                        |
| Less: Expenses in excess of 2.5% recoverable from Credit Capital Asset Management Company Limited | (42,287.95)                      | —                                |
|   | <b>919,803.43</b>                | 604,271.78                       |

### Perspective Historical Per Unit Statistics

Amount in Rupees

|   | As at<br>31.3.2004 | As at<br>31.3.2003 | As at<br>31.3.2002 |
|---|--------------------|--------------------|--------------------|
| <b>Per Unit Particulars</b>   |                    |                    |                    |
| <b>A) Face Value</b>  | 10.00              | 10.00              | 10.00              |
| <b>B) Net Asset Value</b>   | 9.75               | 7.71               | 7.52               |
| <b>C) Gross Income</b>  |                    |                    |                    |
| i) Income other than Profit on sale of investment                         | 0.28               | 0.23               | 0.26               |
| ii) Income from Profit on inter.scheme sale/transfer of investments (net) | —                  | —                  | —                  |
| iii) Income from Profit on sale of investment to third party) (net)       | 2.41               | 0.92               | (0.15)             |
| iv) Net change in Unrealised gain/loss in value of investments            | 2.16               | —                  | 0.59               |
| v) Transfer to Revenue Account from past years' reserve                   | —                  | —                  | —                  |
| vi) Gross Income [Total of (i) to.(v)]                                    | 4.85               | 1.15               | 0.70               |
| <b>D) Total Expenses</b>  |                    |                    |                    |
| i) Aggregate of Expenses, write off, amortisation and charges             | 0.27               | 0.18               | 0.18               |
| ii) Net change in Unrealised gain/loss in value of investments            | —                  | 0.79               | —                  |
| iii) Total Expenses [Total of (i) and (ii)]                               | 0.27               | 0.97               | 0.18               |
| <b>E) Net Income [(C)-(D)]</b>  | 4.58               | 0.18               | 0.52               |
| <b>F) Unrealised appreciation/(depreciation) in value of Investments</b>  |                    |                    |                    |
| <b>G) (1) Trading Price/NAV</b>   |                    |                    |                    |
| i) Highest during the year  | 14.80              | 9.21               | 11.73              |
| ii) Lowest during the year  | 7.81               | 7.01               | 7.52               |
| <b>(2) Price Earning Ratio</b>  | NA                 | NA                 | NA                 |
| <b>H) Per unit ratio of expenses to average net assets by %</b>           |                    |                    |                    |
|   | 2.50%              | 2.20%              | 2.50%              |
| <b>I) Per unit ratio of gross income to average net assets by %</b>       |                    |                    |                    |
| (including net change in unrealised gain/loss in value of investments)    | 45.56%             | 14.48%             | 12.63%             |



## AUDITORS' REPORT - TAURUS THE STARSHARE

To the Board of Directors

### Creditcapital Investment Trust Company Limited

- We have audited the attached Balance Sheet of Taurus Mutual Fund - Taurus the Starshare Scheme as at March 31, 2004 and the revenue account of the scheme for the year ended on that date annexed thereto both of which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- We conducted our audit in accordance with auditing standards generally accepted 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 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, **except in respect of items referred to in para 7 below.**
- The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of Taurus Mutual Fund - Taurus the Starshare Scheme.
- The accounts have been prepared in accordance with accounting policies approved by the Directors, which are principally in accordance with the Ninth Schedule to the SEBI (Mutual Funds) Regulations, 1996 and amendments thereto.

### 6. The methods used to value:

- Thinly traded/non-traded securities in accordance with the guidelines for valuation of securities by SEBI,
- Unlisted securities in accordance with the guidelines for valuation of investments in unlisted equity shares by SEBI, as on 31<sup>st</sup> March 2004 as determined by the Creditcapital Asset Management Company Limited as per the policies approved by the Board of Trustees of Taurus Mutual Fund read with Note No. 14 of Schedule J, are fair and reasonable.

### 7. Certain accounts are pending reconciliation at the year end. (Refer Note No. 10 of Notes on Accounts) Impact, if any, of the above, on the financial statements is not presently ascertainable.

- In our opinion and to the best of our information and according to the explanations given to us and **subject to our comments in para 7 above**, the said accounts read together with the notes forming part of accounts thereon, give a true and fair view:
  - in the case of the Balance Sheet of the state of affairs of Taurus Mutual Fund - Taurus The Starshare Scheme as at March 31, 2004, and
  - in the case of Revenue Account of the excess of income over expenditure of Taurus Mutual Fund - Taurus The Starshare Scheme for the year ended March 31, 2004.

Place : New Delhi  
Date : August 28, 2004

for N.M. Rajji & Co.  
Chartered Accountants  
S.N. Shivakumar  
Partner

### BALANCE SHEET OF TAURUS THE STARSHARE AS AT 31ST MARCH 2004

|   | Schedule | As At<br>31.03.2004<br>(Rs.) | As At<br>31.03.2003<br>(Rs.) |
|---|----------|------------------------------|------------------------------|
| <b>LIABILITIES</b>                                  |          |                              |                              |
| Unit Capital  | A        | 646,845,564.03               | 739,845,868.85               |
| Reserves & Surplus                                  | B        | 57,244,092.87                | 338,470,454.72               |
| Loans   |          | —                            | —                            |
| Current Liabilities and Provisions                  | C        | 4,116,955.99                 | 1,659,429.27                 |
|   |          | <b>708,206,612.89</b>        | <b>403,034,843.40</b>        |
| <b>ASSETS</b>                                       |          |                              |                              |
| Investments   | D        | 663,290,229.86               | 385,146,021.35               |
| Deposits  | E        | 7,754,000.00                 | 7,568,000.00                 |
| Other Current Assets                                | F        | 37,162,383.03                | 10,320,822.05                |
| Fixed Assets  |          | —                            | —                            |
| Deferred Revenue Expenditure                        |          | —                            | —                            |
|   |          | <b>708,206,612.89</b>        | <b>403,034,843.40</b>        |
| Significant Accounting Policies & Notes to Accounts | J        |                              |                              |

### REVENUE ACCOUNT OF TAURUS THE STARSHARE FOR THE YEAR ENDED 31ST MARCH 2004

|   | Schedule | For the Year<br>ended<br>31.03.2004<br>(Rs.) | For the Year<br>ended<br>31.03.2003<br>(Rs.) |
|---|----------|--|--|
| <b>INCOME</b>   |          |  |  |
| Dividend  |          | 15,308,333.60                                | 9,473,344.90                                 |
| Interest  | G        | 3,578,983.95                                 | 4,833,508.12                                 |
| Profit on sale/ redemption of investments (Net)                         |          |  |  |
| - inter-scheme  |          | —  | —  |
| - others  |          | 66,339,348.74                                | —  |
| Miscellaneous Income  | H        | 223,309.28                                   | 870,685.08                                   |
| Provisions no longer required written back                              |          | 216,852.65                                   | 553,564.15                                   |
| Net change in unrealised gain/loss in value of investments              |          | 356,100,349.38                               | 23,948,145.52                                |
|   |          | <b>441,767,177.60</b>                        | <b>39,679,247.77</b>                         |
| <b>EXPENSES</b>   |          |  |  |
| Management, Trusteeship Fees, Administrative & Other Operating expenses | I        | 14,779,101.23                                | 10,906,563.65                                |
| Loss on sale/ redemption of investments (Net)                           |          |  |  |
| - inter-scheme  |          | —  | —  |
| - others  |          | —  | 50,472,104.30                                |
| Provision for doubtful income   |          | —  | 14,301.55                                    |
|   |          | <b>14,779,101.23</b>                         | <b>61,392,969.50</b>                         |
| Surplus / (Deficit) for the period                                      |          | <b>426,988,076.37</b>                        | <b>(21,713,721.73)</b>                       |
| Opening Balance in Revenue Reserve Brought Forward                      |          | <b>(730,101,480.73)</b>                      | <b>(714,122,900.83)</b>                      |
| Transfer from Income Equalisation Account                               |          | 39,886,742.28                                | 5,735,141.83                                 |
| <b>Balance transferred to Revenue Reserve</b>                           |          | <b>(263,226,662.08)</b>                      | <b>(730,101,480.73)</b>                      |
| Significant Accounting Policies & Notes to Accounts                     | J        |  |  |

Schedules referred to above form an integral part of the Balance Sheet & Revenue Account as per our attached report of even date

For N.M. Rajji & Co. For Creditcapital Investment Trust Company Limited  
Chartered Accountants

S.N. Shivakumar Partner K.N. Goyal Director G.N. Jandon Director

Place : New Delhi Date : August 28, 2004

For and on behalf of Creditcapital Asset Management Co. Ltd.

J.P. Kundra Director M.G. Gupta Director Deepa Varshnei Vice President R.K. Gupta Fund Manager (Accounts)



# TAURUS MUTUAL FUND

## SCHEDULES FORMING PART OF BALANCE SHEET & REVENUE ACCOUNT OF TAURUS THE STARSHARE

Amount in Rupees

|  | As at<br>31.03.2004     | As at<br>31.03.2003     |
|--|-------------------------|-------------------------|
| <b>SCHEDULE 'A' : UNIT CAPITAL</b>   |                         |                         |
| 64,684,556.403 units<br>(previous yr. 73,984,586.885 units)<br>of Rs.10/- each fully paid up | 646,845,564.03          | 739,845,868.85          |
|  | <u>646,845,564.03</u>   | <u>739,845,868.85</u>   |
| <b>SCHEDULE 'B' : RESERVES &amp; SURPLUS</b>   |                         |                         |
| <b>Unit Premium Reserve</b>  |                         |                         |
| Balance at the commencement of the year  | 391,631,026.01          | 394,502,218.15          |
| Discount / Premium on units repurchased/sold during the year                                 | (91,273,528.79)         | 2,863,949.69            |
| Transferred to Income Equalisation Account   | (39,886,742.26)         | (5,735,141.83)          |
|  | <u>320,470,754.95</u>   | <u>391,631,026.01</u>   |
| <b>Revenue Reserve</b>   |                         |                         |
| Balance at the commencement of the year  | (730,101,480.73)        | (714,122,900.83)        |
| Surplus/(Deficit) for the year   | 426,988,076.37          | (21,713,721.73)         |
| Transferred from Income Equalisation Account   | 39,886,742.26           | 5,735,141.83            |
|  | <u>(263,226,662.09)</u> | <u>(730,101,480.73)</u> |
|  | <u>57,244,092.87</u>    | <u>(338,470,454.72)</u> |
|  | <u>57,244,092.87</u>    | <u>(338,470,454.72)</u> |
| <b>SCHEDULE 'C' : CURRENT LIABILITIES AND PROVISIONS</b>                                     |                         |                         |
| <b>Current Liabilities</b>   |                         |                         |
| Sundry Creditors   | 479,146.78              | 165,393.31              |
| Contract for Purchase of Investments   | 1,117,477.50            | —                       |
| Excess Dividend Received   | 203,424.10              | 420,744.58              |
| Payable to CAMCO Ltd (Including Mgmt Fees Payable)   | 1,464,634.76            | 469,683.19              |
| Tax deducted at source payable   | 118,219.00              | 69,553.60               |
| Load payable   | 400,107.98              | 58,318.97               |
| Audit Charges Payable  | 153,696.00              | 149,231.00              |
| Custodian Fee Payable  | 243,257.87              | 336,505.22              |
|  | <u>4,116,955.99</u>     | <u>1,659,429.27</u>     |
|  | <u>4,116,955.99</u>     | <u>1,659,429.27</u>     |
| <b>SCHEDULE 'D' : INVESTMENTS</b>  |                         |                         |
| Equity Shares  | 632,863,434.36          | 343,609,110.15          |
| Warrants   | —                       | 391,951.00              |
| Debentures/Bonds (Privately Placed)  | 5,452,232.50            | 5,432,399.50            |
| Debentures (Listed/Awaiting listing)   | 11,065,813.00           | 17,155,080.70           |
| Government Securities  | 13,908,950.00           | 18,567,500.00           |
|  | <u>663,290,229.86</u>   | <u>385,146,021.35</u>   |
| <b>SCHEDULE 'E' : DEPOSITS</b>   |                         |                         |
| Deposits with Scheduled Banks  |                         |                         |
| Fixed Deposits   | 1,000,000.00            | 7,400,000.00            |
| Call Money Deposits  | 6,754,000.00            | 168,000.00              |
|  | <u>7,754,000.00</u>     | <u>7,568,000.00</u>     |
| <b>SCHEDULE 'F' : OTHER CURRENT ASSETS</b>   |                         |                         |
| Balance with Banks in Current Accounts   |                         |                         |
| Contract for sale of investment  | 12,001,261.51           | 1,624,985.00            |
| Less: Provision for doubtful receivables   | (41,112.50)             | (43,972.50)             |
| Dividend Receivable  | 2,363.09                | 63,577.55               |
| Less: Provision for doubtful dividend receivable   | (2,363.00)              | (63,577.55)             |
| Accrued interest on Debentures/Government Securities   | 13,754,910.40           | 14,229,532.54           |
| Less: Provision for doubtful interest  | (12,415,938.46)         | (12,415,938.48)         |
| Accrued interest on Call deposits  | 805.00                  | 35.00                   |
| Debenture Redemption Receivable  | 96,259,393.00           | 96,259,393.00           |
| Less: Provision for doubtful receivables   | (96,259,393.00)         | (96,259,393.00)         |
| Amount due from brokers, schemes and others  | 802,559.97              | —                       |
| Tax Deducted at Source on Income   | 584,043.27              | 584,043.27              |
| Less: Provision for Doubtful receivables   | (570,323.27)            | (570,323.27)            |
| Margin Money for Derivative Trading  | 2,742,906.99            | —                       |
| Other Current Assets   | 1,453.80                | 28,229.30               |
|  | <u>37,162,383.03</u>    | <u>10,320,822.05</u>    |

|  | For the year ended<br>31.03.2004 | For the year ended<br>31.03.2003 |
|--|----------------------------------|----------------------------------|
| <b>SCHEDULE 'G' : INTEREST ON</b>  |                                  |                                  |
| Fixed Deposits   | 28,514.81                        | 46,014.41                        |
| Debentures/Bonds/<br>Government Securities   | 3,140,089.94                     | 3,468,318.71                     |
| Call Money   | 410,380.00                       | 1,319,174.00                     |
|  | <u>3,578,984.75</u>              | <u>4,833,508.12</u>              |
| <b>SCHEDULE 'H' : MISCELLANEOUS INCOME</b>   |                                  |                                  |
| Excess Dividend received above three years written back                                    | 217,320.48                       | 870,685.08                       |
| Other Income   | 5,968.80                         | —                                |
| (Refer Notes to Accounts No.18)  | <u>223,309.28</u>                | <u>870,685.08</u>                |
| <b>SCHEDULE 'I' : MANAGEMENT, TRUSTEESHIP, ADMINISTRATIVE AND OTHER OPERATIVE EXPENSES</b> |                                  |                                  |
| Management Fee   | 8,608,757.69                     | 5,813,209.00                     |
| Registrar Charges  | 3,568,615.36                     | 2,842,360.59                     |
| Custodian Fee  | 750,804.40                       | 581,344.45                       |
| Trusteeship Fee  | 106,060.00                       | 100,000.00                       |
| Brokerage Expenses   | —                                | 380,338.11                       |
| Advertisement Expenses   | 162,147.37                       | 214,729.71                       |
| Printing & Stationery  | 286,886.80                       | 208,153.25                       |
| Postage & Courier Charges  | 710,429.79                       | 294,192.15                       |
| Legal & Professional charges   | 261,122.11                       | 88,565.75                        |
| SEBI Annual Fees   | 136,175.00                       | 129,700.00                       |
| Auditors Remuneration  | 162,000.00                       | 157,500.00                       |
| Other Operating Expenses   | 1,168.00                         | 16,482.64                        |
|  | <u>14,778,101.23</u>             | <u>10,906,563.65</u>             |
|  | <u>14,778,101.23</u>             | <u>10,906,563.65</u>             |

| Perspective Historical Per Unit Statistics                                    | Amount in Rupees   |                    |                    |
|---|--------------------|--------------------|--------------------|
|   | As at<br>31.3.2004 | As at<br>31.3.2003 | As at<br>31.3.2002 |
| <b>Per Unit Particulars</b>   |                    |                    |                    |
| A) Face Value   | 10.00              | 10.00              | 10.00              |
| B) Net Asset Value  | 10.89              | 5.42               | 5.80               |
| <b>C) Gross Income</b>  |                    |                    |                    |
| i) Income other than Profit on sale of investment                             | 0.30               | 0.21               | 0.28               |
| ii) Income from Profit on inter scheme sale/<br>transfer of investments (net) | —                  | —                  | —                  |
| iii) Income from Profit on sale of investment<br>to third party (net)         | 1.03               | (0.68)             | (2.02)             |
| iv) Net change in Unrealised gain/loss in value<br>of investments             | 5.50               | 0.32               | 1.68               |
| v) Transfer to Revenue Account from past years' reserve                       | —                  | —                  | —                  |
| vi) Gross Income [Total of (i) to (v)]  | 6.83               | (0.15)             | (0.06)             |
| <b>D) Total Expenses</b>  |                    |                    |                    |
| i) Aggregate of Expenses, write off, amortisation<br>and charges              | 0.23               | 0.15               | 0.15               |
| ii) Net change in Unrealised gain/loss in value<br>of investments             | —                  | —                  | —                  |
| iii) Total Expenses [Total of (i) and (ii)]                                   | 0.23               | 0.15               | 0.15               |
| <b>E) Net Income [(C)-(D)]</b>  |                    |                    |                    |
|   | 6.60               | (0.30)             | (0.21)             |
| <b>F) Unrealised appreciation/(depreciation)<br/>in value of Investments</b>  |                    |                    |                    |
|   | (0.11)             | (4.81)             | (5.09)             |
| <b>G) (1) Trading Price/NAV</b>   |                    |                    |                    |
| i) Highest during the year  | 13.43              | 7.14               | 6.00               |
| ii) Lowest during the year  | 5.47               | 5.52               | 4.30               |
| <b>(2) Price Earning Ratio</b>  |                    |                    |                    |
|   | NA                 | NA                 | NA                 |
| <b>H) Per unit ratio of expenses to average<br/>net assets by %</b>           |                    |                    |                    |
|   | 2.29%              | 2.40%              | 2.50%              |
| <b>I) Per unit ratio of gross income to average<br/>net assets by %</b>       |                    |                    |                    |
|   | 68.83%             | 8.74%              | 34.83%             |
| (including net change in unrealised<br>gain/loss in value of investments)     |                    |                    |                    |



## AUDITORS' REPORT - DISCOVERY STOCK FUND

To The Board of Directors

### Creditcapital Investment Trust Company Limited

- We have audited the attached Balance Sheet of Taurus Mutual Fund - Discovery Stock Fund Scheme as at March 31, 2004 and the revenue account of the scheme for the year ended on that date annexed thereto both of which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- We conducted our audit in accordance with auditing standards generally accepted 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 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, **except in respect of items referred to in para 7 below.**
- The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of Taurus Mutual Fund - Discovery Stock Fund Scheme.
- The accounts have been prepared in accordance with accounting policies approved by the Directors, which are principally in accordance with the Ninth Schedule to the SEBI (Mutual Funds) Regulations, 1996 and amendments thereto.

- The methods used to value:
  - Thinly traded/non-traded securities in accordance with the guidelines for valuation of securities by SEBI,
  - Unlisted securities in accordance with the guidelines for valuation of investments in unlisted equity shares by SEBI, as on 31<sup>st</sup> March 2004 as determined by the Creditcapital Asset Management Company Limited as per the policies approved by the Board of Trustees of Taurus Mutual Fund read with Note No. 14 of Schedule J, are fair and reasonable.
- Certain accounts are pending reconciliation at the year-end. (Refer Note No. 10 of Notes on Accounts) Impact, if any, of the above, on the financial statements is not presently ascertainable.**
- In our opinion and to the best of our information and according to the explanations given to us and **subject to our comments in para 7 above**, the said accounts read together with the notes forming part of the accounts thereon, give a true and fair view:
  - in the case of the Balance Sheet of the state of affairs of Taurus Mutual Fund - Discovery Stock Fund Scheme as at March 31, 2004, and
  - in the case of Revenue Account of the excess of Income over expenditure of Taurus Mutual Fund - Discovery Stock Fund Scheme for the year ended March 31, 2004.

For N.M. Rajji & Co.  
Chartered Accountants  
S.N. Shivakumar  
Partner

Place : New Delhi  
Dated : August 28, 2004

### BALANCE SHEET OF DISCOVERY STOCK FUND AS AT 31ST MARCH 2004

|   | Schedule | As at<br>31.03.2004<br>Rs. | As at<br>31.03.2003<br>Rs. |
|---|----------|----------------------------|----------------------------|
| <b>LIABILITIES</b>                                  |          |                            |                            |
| Unit Capital  | A        | 275,924,441.73             | 354,461,829.98             |
| Reserves & Surplus                                  | B        | (119,418,992.01)           | (233,538,423.58)           |
| Loans   |          | —                          | —                          |
| Current Liabilities and Provisions                  | C        | 998,021.82                 | 2,789,152.59               |
| <b>TOTAL</b>  |          | <b>157,503,471.54</b>      | <b>123,712,558.99</b>      |
| <b>Assets</b>                                       |          |                            |                            |
| Investments   | D        | 147,946,058.96             | 103,419,888.82             |
| Deposits  | E        | 1,531,000.00               | 9,579,000.00               |
| Other Current Assets                                | F        | 8,026,412.58               | 10,713,670.17              |
| Fixed Assets  |          | —                          | —                          |
| Deferred Revenue Expenditure                        |          | —                          | —                          |
| <b>TOTAL</b>  |          | <b>157,503,471.54</b>      | <b>123,712,558.99</b>      |
| Significant Accounting Policies & Notes to Accounts | J        |                            |                            |

### REVENUE ACCOUNT OF DISCOVERY STOCK FUND FOR THE YEAR ENDED 31ST MARCH 2004

|   | Schedule | For the year<br>ended<br>31.03.2004<br>RS. | For the year<br>ended<br>31.03.2003<br>RS. |
|---|----------|--|--|
| <b>INCOME</b>   |          |  |  |
| Dividend  |          | 3,659,225.75                               | 3,271,601.50                               |
| Interest  | G        | 470,674.40                                 | 494,428.70                                 |
| Profit on sale/ redemption of investments (Net)                         |          | —  | —  |
| - inter-scheme  |          | —  | —  |
| - others  |          | 21,042,272.13                              | —  |
| Miscellaneous Income  | H        | 10,663.52                                  | 96,292.00                                  |
| Provision no longer required written back                               |          | —  | 5,427,873.88                               |
| Net change in unrealised gain/loss in value of Investments              |          | 59,991,372.56                              | 37,380,670.00                              |
|   |          | <b>85,174,208.36</b>                       | <b>46,670,866.08</b>                       |
| <b>EXPENSES</b>   |          |  |  |
| Management, Trusteeship Fees, Administrative & Other Operating Expenses | I        | 3,753,870.60                               | 3,000,077.00                               |
| Loss on sale/ redemption of investments (Net)                           |          | —  | —  |
| - inter-scheme  |          | —  | 55,106,772.37                              |
| - others  |          | —  | —  |
|   |          | <b>3,753,870.60</b>                        | <b>58,106,849.37</b>                       |
| Surplus / ( Deficit ) for the period                                    |          | <b>81,420,337.76</b>                       | <b>(11,435,983.29)</b>                     |
| Opening Balance in Revenue Reserve Brought Forward                      |          | (437,793,346.45)                           | (377,251,573.73)                           |
| Transfer from Income Equalisation Account                               |          | 58,489,396.87                              | (49,105,789.43)                            |
| <b>Balance Transferred to Revenue Reserve</b>                           |          | <b>(297,883,611.82)</b>                    | <b>(437,793,346.45)</b>                    |
| Significant Accounting Policies & Notes to Accounts                     | J        |  |  |

Schedules referred to above form an integral part of the Balance Sheet & Revenue Account

As per our attached report of even date

For N.M. Rajji & Co.  
Chartered Accountants

For Creditcapital Investment Trust Company Limited

For and on behalf of Creditcapital Asset Management Co. Ltd.

S.N. Shivakumar  
Partner

K.N.Goyal  
Director

G.N.Tandon  
Director

J.P.Kundra  
Director

M.G.Gupta  
Director

Deepa Varshnei  
Vice President  
(Accounts)

R K Gupta  
Fund Manager

Place : New Delhi  
Date : August 28, 2004



# TAURUS MUTUAL FUND

## SCHEDULES FORMING PART OF BALANCE SHEET & REVENUE ACCOUNT OF DISCOVERY STOCK FUND

Amount in Rupees

|  | As at<br>31.03.2004     | As at<br>31.03.2003     |
|--|-------------------------|-------------------------|
| <b>SCHEDULE 'A': UNIT CAPITAL</b>  |                         |                         |
| 27,592,444.173 units<br>(previous yr. 35,446,182.998 units)<br>of Rs.10/- each fully paid up | <u>275,924,441.73</u>   | <u>354,461,829.98</u>   |
|  | <u>275,924,441.73</u>   | <u>354,461,829.98</u>   |
| <b>SCHEDULE 'B': RESERVES &amp; SURPLUS</b>  |                         |                         |
| <b>Unit Premium Reserve</b>  |                         |                         |
| Balance at the commencement of the year  | 204,254,922.87          | 185,511,307.80          |
| Discount / Premium on units Repurchased/Sold during the year                                 | 32,699,093.81           | (30,362,174.36)         |
| Transfer to Income Equalisation Account  | (58,489,396.87)         | 49,105,789.43           |
|  | <u>178,464,619.81</u>   | <u>204,254,922.87</u>   |
|  | 178,464,619.81          | 204,254,922.87          |
| <b>Revenue Reserve</b>   |                         |                         |
| Balance at the commencement of the year  | (437,793,346.45)        | (377,251,573.73)        |
| Surplus/(Deficit) for the year   | 81,420,337.76           | (11,435,983.29)         |
| Transfer from Income Equalisation Account  | 58,489,396.87           | (49,105,789.43)         |
|  | <u>(297,883,611.82)</u> | <u>(437,793,346.45)</u> |
|  | (119,418,992.01)        | (233,538,423.58)        |
| <b>SCHEDULE 'C': CURRENT LIABILITIES AND PROVISIONS</b>                                      |                         |                         |
| <b>Current Liabilities</b>   |                         |                         |
| Sundry Creditors   | 299,145.31              | 257,320.88              |
| Contract for Purchase of Investments   | —                       | 1,923,860.93            |
| Excess Dividend Received   | 9,491.00                | 2,480.00                |
| Load Payable   | 378,163.40              | 266,346.14              |
| Tax deducted at source payable   | 27,139.00               | 21,828.00               |
| Audit Fee Payable  | 128,081.00              | 124,359.00              |
| Custodian Fee Payable  | 14,354.11               | 48,034.64               |
| Unit Redemption Payable  | 143,848.00              | 144,923.00              |
|  | <u>998,021.82</u>       | <u>2,789,152.59</u>     |
|  | 998,021.82              | 2,789,152.59            |
| <b>SCHEDULE 'D': INVESTMENTS</b>   |                         |                         |
| Equity Shares  | 142,251,473.96          | 97,904,308.82           |
| Debentures/Bonds (Privately Placed)  | 2,712,085.00            | 2,703,080.00            |
| Debentures/Bonds (Listed/ Awaiting Listing)  | —                       | 2,812,500.00            |
| Government Securities  | 2,982,500.00            | —                       |
|  | <u>147,946,058.96</u>   | <u>103,419,888.82</u>   |
| <b>SCHEDULE 'E': DEPOSITS</b>  |                         |                         |
| Deposits with Scheduled Banks  |                         |                         |
| Fixed Deposits   | —                       | 3,000,000.00            |
| Call Money Deposits  | 1,531,000.00            | 6,579,000.00            |
|  | <u>1,531,000.00</u>     | <u>9,579,000.00</u>     |
| <b>SCHEDULE 'F': OTHER CURRENT ASSETS</b>  |                         |                         |
| Balance with Banks in Current Accounts   |                         |                         |
| Contract for sale of investment  | 5,981,485.24            | 10,370,714.33           |
| Accrued Interest   | 1,671,648.82            | —                       |
| Less: Provision for doubtful Interest  | 2,964,346.21            | 2,948,315.09            |
| Debenture Redemption Receivable  | (2,817,123.17)          | 147,223.04              |
| Less: Provision for doubtful receivables   | 15,000,000.00           | (2,817,123.17)          |
| Stamps in Hand   | (15,000,000.00)         | —                       |
| Tax Deducted at Source on Income   | —                       | 20,229.50               |
| Less: Provision for Doubtful Receivables   | 152,635.11              | 152,635.11              |
| Receivable from CAMCO Ltd (Net of Mgmt Fees Payable)   | (152,614.11)            | 21.00                   |
|  | <u>226,034.48</u>       | <u>191,513.42</u>       |
|  | 8,026,412.58            | 10,713,670.17           |

|   | For the year ended<br>31.03.2004 | For the year ended<br>31.03.2003 |
|---|----------------------------------|----------------------------------|
| <b>SCHEDULE 'G': INTEREST ON</b>  |                                  |                                  |
| Fixed Deposits  | 3,082.30                         | 513.70                           |
| Debentures  | 336,748.10                       | 232,500.00                       |
| Call Money  | 130,844.00                       | 470,674.40                       |
|   | <u>470,674.40</u>                | <u>494,428.70</u>                |
|   | 470,674.40                       | 494,428.70                       |
| <b>SCHEDULE 'H': MISCELLANEOUS INCOME</b>   |                                  |                                  |
| Excess Dividend received above three years written back                                     | 1,783.52                         | 96,292.00                        |
| Other Income (Refer Notes to Account No.18)   | 8,890.00                         | —                                |
|   | <u>10,663.52</u>                 | <u>96,292.00</u>                 |
|   | 10,663.52                        | 96,292.00                        |
| <b>SCHEDULE 'I': MANAGEMENT, TRUSTEESHIP, ADMINISTRATIVE AND OTHER OPERATIVE EXPENSES</b>   |                                  |                                  |
| Management Fees   | 1,966,591.32                     | 1,502,309.00                     |
| Registrar Charges   | 1,257,681.92                     | 1,017,784.77                     |
| Custodian Fees/Charges  | 143,841.04                       | 102,522.37                       |
| Trusteeship Fees  | 108,000.00                       | 100,000.00                       |
| Advertisement Expenses  | 72,098.18                        | 87,995.39                        |
| Printing & Stationary   | 117,317.20                       | 87,635.78                        |
| Postage & Courier Chargee   | 290,517.68                       | 120,557.54                       |
| Legal & Professional Fees   | 114,692.04                       | 65,630.25                        |
| SEBI Annual Fees  | 66,675.00                        | 53,150.00                        |
| Auditors Remuneration   | 135,000.00                       | 131,250.00                       |
| Other Operating Expenses  | —                                | 2,804.04                         |
| Less: Expenditure in excess of 2.5% limit, borne by Creditcapital Asset Management Co. Ltd. | 4,272,414.38                     | 3,271,639.14                     |
|   | <u>518,543.78</u>                | <u>271,562.14</u>                |
|   | 3,753,870.80                     | 3,000,077.00                     |

### Perspective Historical Per Unit Statistics

|   | As at<br>31.3.2004 | As at<br>31.3.2003 | As at<br>31.3.2002 |
|---|--------------------|--------------------|--------------------|
| <b>Per Unit Particulars</b>   |                    |                    |                    |
| <b>A) Face Value</b>  | 10.00              | 10.00              | 10.00              |
| <b>B) Net Asset Value</b>   | 5.67               | 3.41               | 3.85               |
| <b>C) Gross Income</b>  |                    |                    |                    |
| i) Income other than Profit on sale of investment                         | 0.15               | 0.26               | 0.25               |
| ii) Income from Profit on inter scheme sale/transfer of Investments (net) | —                  | —                  | —                  |
| iii) Income from Profit on sale of investment to third party (net)        | 0.76               | (1.55)             | (0.04)             |
| iv) Net change in Unrealised gain/loss in value of investments            | 2.18               | 1.05               | —                  |
| v) Transfer to Revenue Account from past years' reserve                   | —                  | —                  | —                  |
| vi) Gross Income [Total of (i) to (v)]                                    | 3.09               | (0.24)             | 0.21               |
| <b>D) Total Expenses</b>  |                    |                    |                    |
| i) Aggregate of Expenses, write off, amortisation and charges             | 0.14               | 0.08               | 0.25               |
| ii) Net change in Unrealised gain/loss in value of investments            | —                  | —                  | 1.09               |
| iii) Total Expenses [Total of (i) and (ii)]                               | 0.14               | 0.08               | 1.34               |
| <b>E) Net Income [(C)-(D)]</b>  | 2.95               | (0.32)             | (1.13)             |
| <b>F) Unrealised appreciation/(depreciation) in value of investments</b>  |                    |                    |                    |
|   | (1.38)             | (2.95)             | (4.83)             |
| <b>G) (1) Trading Price/NAV</b>   |                    |                    |                    |
| i) Highest during the year  | 7.94               | 4.76               | 5.26               |
| ii) Lowest during the year  | 3.43               | 3.38               | 3.11               |
| <b>(2) Price Earning Ratio</b>  |                    |                    |                    |
|   | NA                 | NA                 | NA                 |
| <b>H) Per unit ratio of expenses to average net assets by %</b>           |                    |                    |                    |
|   | 2.50%              | 2.50%              | 2.50%              |
| <b>I) Per unit ratio of gross income to average net assets by %</b>       |                    |                    |                    |
| (including net change in unrealised gain/loss in value of investments)    | 56.72%             | 38.89%             | 6.13%              |



## AUDITORS' REPORT - LIBRA GILT FUND

To,  
The Board of Directors  
Creditcapital Investment Trust Company Limited

- We have audited the attached Balance Sheet of Taurus Mutual Fund - Libra Gilt Fund Scheme as at March 31, 2004 and the revenue account of the scheme for the year ended on that date annexed thereto both of which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- We conducted our audit in accordance with auditing standards generally accepted 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 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.
- The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of Taurus Mutual Fund - Libra Gilt Fund Scheme.

- The accounts have been prepared in accordance with accounting policies approved by the Directors, which are principally in accordance with the Ninth Schedule to the SEBI (Mutual Funds) Regulations, 1996 and amendments thereto.
- The methods used to value thinly traded/non-traded securities as on 31<sup>st</sup> March 2004 in accordance with the guidelines for valuation of securities by SEBI as determined by the Creditcapital Asset Management Company Limited as per the policies approved by the Board of Trustees of Taurus Mutual Fund are fair and reasonable.
- In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes forming part of accounts thereon, give a true and fair view:
  - In the case of the Balance Sheet of the state of affairs of Taurus Mutual Fund - Libra Gilt Fund Scheme as at March 31, 2004, and
  - In the case of Revenue Account of the excess of income over expenditure of Taurus Mutual Fund - Libra Gilt Fund Scheme for the year ended March 31, 2004.

for N.M. Rajji & Co.  
Chartered Accountants

Place : New Delhi  
Dated : August 28, 2004

S.N. Shivakumar  
Partner

### BALANCE SHEET OF LIBRA GILT FUND AS AT 31ST MARCH 2004

|   | Schedule | As at<br>31-03-2004<br>Rs. | As at<br>31-03-2003<br>Rs. |
|---|----------|----------------------------|----------------------------|
| <b>LIABILITIES</b>                                    |          |                            |                            |
| Unit Capital  | A        | 4,314,189.13               | 21,595,852.04              |
| Reserves & Surplus                                    | B        | 1,132,116.12               | 3,321,453.92               |
| Loans   |          | -                          | -                          |
| Current Liabilities and Provisions                    | C        | 587,837.56                 | 109,814.61                 |
|   |          | <b>6,034,142.81</b>        | <b>25,027,120.57</b>       |
| <b>ASSETS</b>   |          |                            |                            |
| Investments   | D        | 5,203,750.00               | 5,150,000.00               |
| Deposits  | E        | 488,000.00                 | 19,467,000.00              |
| Other Current Assets                                  | F        | 344,392.61                 | 410,120.57                 |
| Fixed Assets  |          | -                          | -                          |
| Deferred Revenue Expenditure                          |          | -                          | -                          |
|   |          | <b>6,034,142.81</b>        | <b>25,027,120.57</b>       |
| Significant Accounting Policies and notes to Accounts | J        |                            |                            |

### REVENUE ACCOUNT OF LIBRA GILT FUND FOR THE YEAR ENDED 31ST MARCH 2004

|   | Schedule | For the year<br>ended<br>31.03.2004<br>Rs. | For the year<br>ended<br>31.03.2003<br>Rs. |
|---|----------|--|--|
| <b>INCOME</b>   |          |  |  |
| Interest  | G        | 811,243.41                                 | 553,236.82                                 |
| Profit on sale/redemption of investments (Net)                          |          | -  | -  |
| - inter-scheme  |          | -  | -  |
| - others  |          | 21,499.99                                  | 148,350.00                                 |
| Net change in unrealised gain/loss in value of investments              |          | 12,500.00                                  | -  |
|   |          | <b>845,243.40</b>                          | <b>701,586.82</b>                          |
| <b>EXPENSES</b>   |          |  |  |
| Management, Trusteeship Fees, Administrative & Other Operating expenses | H        | 238,360.15                                 | 153,357.91                                 |
| Net change in unrealised gain/loss in value of investments              |          | -  | 120,000.00                                 |
|   |          | <b>238,360.15</b>                          | <b>273,357.91</b>                          |
| Surplus / ( Deficit )   |          | <b>606,883.25</b>                          | <b>428,228.91</b>                          |
| Opening Balance in Revenue Reserve brought forward                      |          | 9,884,485.38                               | 267,086.03                                 |
| Transfer to Income Equalisation Account                                 |          | 155,038,539.41                             | 9,189,170.44                               |
| Funds available for appropriation                                       |          | <b>165,529,908.04</b>                      | <b>9,884,485.38</b>                        |
| Significant Accounting Policies & Notes to Accounts                     | J        |  |  |

Schedules referred to above form an integral part of the Balance Sheet & Revenue Account

As per our attached report of even date

For N.M. Rajji & Co.  
Chartered Accountants

For Creditcapital Investment Trust Company Limited

For and on behalf of Creditcapital Asset Management Co. Ltd.

S.N. Shivakumar  
Partner

K.N.Goyal  
Director

G.N.Tandon  
Director

J.P.Kundra  
Director

M.G.Gupta  
Director

Deepa Varshnei  
Vice President  
(Accounts)

R K Gupta  
Fund Manager

Place : New Delhi  
Date : August 28, 2004



# TAURUS MUTUAL FUND

## SCHEDULES FORMING PART OF BALANCE SHEET & REVENUE ACCOUNT OF LIBRA GILT FUND

Amount in Rupees

|   | As at<br>31.03.2004 | As at<br>31.03.2003  |
|---|---------------------|----------------------|
| <b>SCHEDULE 'A' : UNIT CAPITAL</b>  |                     |                      |
| (I) Libra Gilt Fund- Dividend Plan  |                     |                      |
| 9039,433 units (Previous Year 12,531,697 units)                                       |                     |                      |
| of Rs. 10 each fully paid up  | 90,394.33           | 125,316.97           |
| (II) Libra Gilt Fund - Growth Plan 422379,480 units (Previous Year 2147053,507 units) |                     |                      |
| of Rs. 10 each fully paid up  | 4,223,794.80        | 21,470,535.07        |
|   | <u>4,314,189.13</u> | <u>21,595,852.04</u> |
|   | <u>4,314,189.13</u> | <u>21,595,852.04</u> |

|  | As at<br>31.03.2004     | As at<br>31.03.2003   |
|--|-------------------------|-----------------------|
| <b>SCHEDULE 'B' : RESERVES &amp; SURPLUS</b>                 |                         |                       |
| Unit Premium Reserve   |                         |                       |
| Balance at the commencement of the year                      | (6,563,031.46)          | (3,436.55)            |
| Discount / Premium on units repurchased/sold during the year | (2,796,221.05)          | 2,829,575.63          |
| Transfer from Income Equalisation Account                    | (155,039,539.41)        | (9,189,170.44)        |
|  | <u>(164,397,791.92)</u> | <u>(6,563,031.46)</u> |
| Revenue Reserve  |                         |                       |
| Balance at the commencement of the year                      | 9,894,485.36            | 267,086.03            |
| Surplus/(Deficit) for the year                               | 606,883.25              | 426,228.91            |
| Transfer to Income Equalisation Account                      | (155,039,539.41)        | (9,189,170.44)        |
|  | <u>165,929,829.04</u>   | <u>9,894,485.36</u>   |
|  | <u>1,132,116.12</u>     | <u>3,321,453.92</u>   |
|  | <u>1,132,116.12</u>     | <u>3,321,453.92</u>   |

|  | As at<br>31.03.2004 | As at<br>31.03.2003 |
|--|---------------------|---------------------|
| <b>SCHEDULE 'C' : CURRENT LIABILITIES AND PROVISIONS</b> |                     |                     |
| Current Liabilities                                      |                     |                     |
| Sundry creditors   | 7,172.63            | 6,639.54            |
| Custodian Charges payable                                | 1,080.00            | 8,076.76            |
| Audit fee payable  | 10,248.00           | 9,948.00            |
| Payable to CAMCO Ltd (Including Mgmt. Fee payable)       | 14,480.67           | 21,169.49           |
| Tax Deducted payable                                     | 1,670.00            | 3,175.00            |
| Load Payable   | 953,809.26          | 60,804.82           |
|  | <u>987,657.56</u>   | <u>109,814.61</u>   |

|   | As at<br>31.03.2004 | As at<br>31.03.2003 |
|---|---------------------|---------------------|
| <b>SCHEDULE 'D' : INVESTMENTS</b>           |                     |                     |
| Debentures/Bonds (Listed/ Awaiting Listing) |                     |                     |
|   | 5,209,780.00        | 5,166,000.00        |
| Government Securities                       | 5,209,780.00        | 5,166,000.00        |
|   | <u>5,209,780.00</u> | <u>5,166,000.00</u> |

|                                | As at<br>31.03.2004 | As at<br>31.03.2003  |
|--------------------------------|---------------------|----------------------|
| <b>SCHEDULE 'E' : DEPOSITS</b> |                     |                      |
| Deposits with Scheduled Banks  |                     |                      |
| Call money Deposits            | 466,000.00          | 19,467,000.00        |
|                                | <u>466,000.00</u>   | <u>19,467,000.00</u> |

|  | As at<br>31.03.2004 | As at<br>31.03.2003 |
|--|---------------------|---------------------|
| <b>SCHEDULE 'F' : OTHER CURRENT ASSETS</b>           |                     |                     |
| Balance with Banks in                                |                     |                     |
| Current Accounts                                     | 299,202.17          | 228,429.58          |
| Net receivable from scheme                           | 4,000.00            | —                   |
| Accrued Interest on Debentures/Government Securities | 41,132.64           | 177,636.99          |
| Accrued interest on Call deposits                    | 58.00               | 4,054.00            |
|  | <u>344,392.81</u>   | <u>410,120.57</u>   |

|   | For the year ended<br>31.03.2004 | For the year ended<br>31.03.2003 |
|---|----------------------------------|----------------------------------|
| <b>SCHEDULE 'G' : INTEREST</b>          |                                  |                                  |
| Debentures/Bonds/ Government Securities |                                  |                                  |
|   | 471,480.55                       | 150,210.82                       |
| Call Money                              | 329,732.95                       | 403,026.00                       |
|   | <u>811,213.41</u>                | <u>553,236.82</u>                |

|  | For the year ended<br>31.03.2004 | For the year ended<br>31.03.2003 |
|--|----------------------------------|----------------------------------|
| <b>SCHEDULE 'H' : MANAGEMENT, TRUSTEESHIP, ADMINISTRATIVE AND OTHER OPERATIVE EXPENSES</b> |                                  |                                  |
| Management Fee   | 144,746.82                       | 91,393.00                        |
| Registrar Charges  | 16,846.99                        | 5,333.61                         |
| Trusteeship fees   | 10,800.00                        | —                                |
| Custodian Fees   | 19,824.94                        | 14,376.76                        |
| Advertisement Expenses   | 2,883.02                         | 943.38                           |
| Legal & Professional Charges   | 24,447.89                        | 22,175.00                        |
| Printing & Stationary  | 656.65                           | 809.21                           |
| Postage and Courier  | 1,811.23                         | 1,360.95                         |
| Auditors Remuneration  | 10,800.00                        | 10,500.00                        |
| SEBI Annual Fees   | 4,050.00                         | 600.00                           |
| Brokerage Expenses   | —                                | 4,640.00                         |
| Bank Charges   | —                                | 1,225.00                         |
|  | <u>238,360.15</u>                | <u>153,357.91</u>                |
|  | <u>238,360.15</u>                | <u>153,357.91</u>                |

### Perspective Historical Per Unit Statistics

|   | As at<br>31.3.2004 | As at<br>31.3.2003 | As at<br>31.3.2002 |
|---|--------------------|--------------------|--------------------|
| <b>Per Unit Particulars</b>   |                    |                    |                    |
| A) Face Value   | 10.00              | 10.00              | 10.00              |
| B) Net Asset Value- Growth Option   | 12.63              | 11.54              | 11.00              |
| - Dividend Option   | 12.30              | 11.21              | 10.67              |
| C) Gross Income   |                    |                    |                    |
| i) Income other than Profit on sale of investment   | 1.88               | 0.25               | 0.71               |
| ii) Income from Profit on sale of investment of investments (net)   | —                  | —                  | —                  |
| iii) Income from Profit on sale of investment to third party) (net)   | 0.05               | 0.07               | 0.79               |
| iv) Net change in Unrealised gain/loss in value of investments  | 0.03               | —                  | 0.34               |
| v) Transfer to Revenue Account from past years' reserve   | —                  | —                  | —                  |
| vi) Gross Income [Total of (i) to (v)]  | 1.96               | 0.32               | 1.84               |
| D) Total Expenses   |                    |                    |                    |
| i) Aggregate of Expenses, write off, amortisation and charges   | 0.55               | 0.07               | 0.34               |
| ii) Net change in Unrealised gain/loss in value of investments  | —                  | 0.05               | —                  |
| iii) Total Expenses [Total of (i) and (ii)]   | 0.55               | 0.12               | 0.34               |
| E) Net Income [(C)-(D)]   | 1.41               | 0.20               | 1.50               |
| F) Unrealised appreciation/(depreciation) in value of Investments   | 0.03               | —                  | 0.34               |
| G) (1) Trading Price/NAV  |                    |                    |                    |
| i) Highest during the year- Growth Option   | 12.63              | 11.54              | 11.14              |
| - Dividend Option   | 12.30              | 11.21              | 11.11              |
| ii) Lowest during the year- Growth Option   | 11.54              | 10.55              | 9.98               |
| - Dividend Option   | 11.21              | 10.23              | 9.98               |
| (2) Price Earning Ratio   | NA                 | NA                 | NA                 |
| H) Per unit ratio of expenses to average net assets by%   | 1.77%              | 1.73%              | 2.25%              |
| I) Per unit ratio of gross income to average net assets by % (including net change in unrealised gain/loss in value of investments) | 6.29%              | 7.94%              | 11.96%             |



**AUDITORS' REPORT-LIBRA BOND FUND**

To,  
The Board of Directors  
**Creditcapital Investment Trust Company Limited**

- 1) We have audited the attached Balance Sheet of Taurus Mutual Fund – Libra Bond Fund Scheme as at March 31, 2004 and the revenue account of the scheme for the year ended on that date annexed thereto both of which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) 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.
- 4) The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of Taurus Mutual Fund – Libra Bond Fund Scheme.

- 5) The accounts have been prepared in accordance with accounting policies approved by the Directors, which are principally in accordance with the Ninth Schedule to the SEBI (Mutual Funds) Regulations, 1996 and amendments thereto.
- 6) The methods used to value thinly traded/non-traded securities as on 31<sup>st</sup> March 2004 in accordance with the guidelines for valuation of securities by SEBI as determined by the Creditcapital Asset Management Company Limited as per the policies approved by the Board of Trustees of Taurus Mutual Fund are fair and reasonable.
- 7) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes forming part of the accounts thereon, give a true and fair view:
  - i) in the case of the Balance Sheet of the state of affairs of Taurus Mutual Fund - Libra Bond Fund Scheme as at March 31, 2004, and
  - ii) in the case of Revenue Account of the excess of income over expenditure of Taurus Mutual Fund - Libra Bond Fund Scheme for the year ended March 31, 2004.

for N.M. Rajji & Co.  
Chartered Accountants

Place : New Delhi  
Dated : August 28, 2004

S.N. Shivakumar  
Partner

**BALANCE SHEET OF LIBRA BOND FUND AS AT 31ST MARCH 2004**

|   | Schedule | As at<br>31.03.2004<br>RS. | As at<br>31.03.2003<br>RS. |
|---|----------|----------------------------|----------------------------|
| <b>LIABILITIES</b>                                    |          |                            |                            |
| Unit Capital  | A        | 9,491,178.23               | 5,064,837.39               |
| Reserves & Surplus                                    | B        | 1,995,450.98               | 620,833.81                 |
| Loans   |          | —                          | —                          |
| Current Liabilities and Provisions                    | C        | 18,121,855.12              | 88,112.91                  |
|   |          | <b>29,608,484.33</b>       | <b>5,773,784.11</b>        |
| <b>ASSETS</b>   |          |                            |                            |
| Investments   | D        | 9,682,771.00               | 1,106,246.00               |
| Deposits  | E        | 1,538,000.00               | 4,359,000.00               |
| Other Current Assets                                  | F        | 18,387,713.33              | 308,538.11                 |
| Fixed Assets  |          | —                          | —                          |
| Deferred Revenue Expenditure                          |          | —                          | —                          |
|   |          | <b>29,608,484.33</b>       | <b>5,773,784.11</b>        |
| Significant Accounting Policies and Notes to Accounts | J        |                            |                            |

**REVENUE ACCOUNT OF LIBRA BOND FUND FOR THE YEAR ENDED 31ST MARCH 2004**

|   | Schedule | For the year<br>ended<br>31.03.2004<br>Rs. | For the year<br>ended<br>31.03.2003<br>Rs. |
|---|----------|--|--|
| <b>INCOME</b>   |          |  |  |
| Interest  | G        | 1,404,859.25                               | 1,748,942.28                               |
| Profit on sale/ redemption<br>of investments (Net)<br>- inter-scheme<br>- others  |          | 194,459.92                                 | 152,294.55                                 |
| Net change in unrealised<br>gain/loss in value of Investments   |          | 75,781.00                                  | —  |
|   |          | <b>1,675,100.17</b>                        | <b>1,901,236.83</b>                        |
| <b>EXPENSES</b>   |          |  |  |
| Management, Trusteeship Fees, Admin-<br>istrative & Other Operating expenses<br>Net change in unrealised gain/loss<br>in value of Investments | H        | 551,110.14                                 | 430,167.91                                 |
|   |          | —  | 170,890.00                                 |
|   |          | <b>551,110.14</b>                          | <b>601,057.91</b>                          |
| Surplus / ( Deficit )   |          | 1,123,990.03                               | 1,300,178.92                               |
| Opening Balance in Revenue<br>Reserve brought forward   |          | 6,272,526.65                               | 634,246.01                                 |
| Transfer from Income<br>Equalisation Account  |          | 94,008,381.32                              | 4,338,101.72                               |
| <b>Funds available for appropriation</b>  |          | <b>101,404,898.00</b>                      | <b>6,272,526.65</b>                        |
| Significant Accounting Policies<br>and Notes to Accounts  | J        |  |  |

Schedules referred to above form an integral part of the Balance Sheet & Revenue Account

As per our attached report of even date

For N.M. Rajji & Co.  
Chartered Accountants

For Creditcapital Investment Trust Company Limited

For and on behalf of Creditcapital Asset Management Co. Ltd.

S.N. Shivakumar,  
Partner

K.N.Goyal  
Director

G.N.Tandon  
Director

J.P.Kundra  
Director

M.G.Gupta  
Director

Deepa Varshnei  
Vice President  
(Accounts)

R K Gupta  
Fund Manager

Place : New Delhi  
Date : August 28, 2004





# TAURUS MUTUAL FUND

## SCHEDULES FORMING PART OF BALANCE SHEET & REVENUE ACCOUNT OF LIBRA BOND FUND.

Amount In Rupees

|   | As at<br>31.03.2004    |                     | As at<br>31.03.2003   |                     |
|---|------------------------|---------------------|-----------------------|---------------------|
| <b>SCHEDULE 'A' : UNIT CAPITAL</b>  |                        |                     |                       |                     |
| (I) Libra Bond Fund- Dividend Plan 53,028.438 units (Previous Year 168,461.389 units) of Rs. 10 each fully paid up  | 530,284.38             |                     | 1,684,613.89          |                     |
| (II) Libra Bond Fund - Growth Plan 896,089.385 units (Previous Year 338,022.350 units) of Rs. 10 each fully paid up | 8,960,893.85           | 9,491,178.23        | 3,380,223.50          | 5,064,837.39        |
|   |                        | <u>9,491,178.23</u> |                       | <u>5,064,837.39</u> |
| <b>SCHEDULE 'B' : RESERVES &amp; SURPLUS</b>  |                        |                     |                       |                     |
| <b>Unit Premium Reserve</b>   |                        |                     |                       |                     |
| Balance at the commencement of the year   | (5,651,692.84)         |                     | (116,767.41)          |                     |
| Discount / Premium on units repurchased/sold during the year  | 250,827.14             |                     | (1,196,823.71)        |                     |
| Transfer to Income  |                        |                     |                       |                     |
| Equalisation Account  | <u>(94,008,381.32)</u> |                     | <u>(4,338,101.72)</u> |                     |
|   | <u>(99,409,447.02)</u> |                     | <u>(5,651,692.84)</u> |                     |
| <b>Revenue Reserve</b>  |                        |                     |                       |                     |
| Balance at the commencement of the year   | 6,272,526.65           |                     | 634,246.01            |                     |
| Surplus/(Deficit) for the year  | 1,123,990.03           |                     | 1,300,178.92          |                     |
| Transfer from Income  |                        |                     |                       |                     |
| Equalisation Account  | <u>94,008,381.32</u>   |                     | <u>4,338,101.72</u>   |                     |
|   | <u>101,404,898.00</u>  | <u>1,995,450.98</u> | <u>6,272,526.65</u>   | <u>620,833.61</u>   |
|   |                        | <u>1,995,450.98</u> |                       | <u>620,833.61</u>   |
| <b>SCHEDULE 'C' : CURRENT LIABILITIES AND PROVISIONS</b>  |                        |                     |                       |                     |
| <b>Current Liabilities</b>  |                        |                     |                       |                     |
| Sundry creditors  | 15,579,324.29          |                     | 11,380.98             |                     |
| Custodian Charges payable   | 247.42                 |                     | 20,977.13             |                     |
| Load payable  | 2,378,471.25           |                     | 36,022.21             |                     |
| Audit charges payable   | 10,246.00              |                     | 9,949.00              |                     |
| Other Liabilities   | 6,872.00               |                     | 1,872.00              |                     |
| Payable to CAMCO Ltd (Including Mgmt. Fee payable)  | 138,285.16             |                     | 5,713.59              |                     |
| Tax deducted payable  | 8,409.00               |                     | 2,198.00              |                     |
|   | <u>18,121,855.12</u>   |                     | <u>88,112.91</u>      |                     |
| <b>SCHEDULE 'D' : INVESTMENTS</b>   |                        |                     |                       |                     |
| Debentures/Bonds (Listed Awaiting Listing)  | 8,566,600.00           |                     | —                     |                     |
| Debentures/Bonds privately placed   | 1,116,171.00           |                     | 1,106,246.00          |                     |
|   | <u>9,682,771.00</u>    |                     | <u>1,106,246.00</u>   |                     |
| <b>SCHEDULE 'E' : DEPOSITS</b>  |                        |                     |                       |                     |
| Deposits with Scheduled Banks   | 1,538,000.00           |                     | 4,359,000.00          |                     |
| Call money Deposits   | 1,538,000.00           |                     | 4,359,000.00          |                     |
|   | <u>1,538,000.00</u>    |                     | <u>4,359,000.00</u>   |                     |
| <b>SCHEDULE 'F' : OTHER CURRENT ASSETS</b>  |                        |                     |                       |                     |
| Balance with Banks in Current Accounts  | 17,990,618.13          |                     | 189,915.22            |                     |
| Accrued Interest on Debentures/ Government Securities   | 366,912.20             |                     | 95,065.89             |                     |
| Accrued interest on Call deposits   | 183.00                 |                     | 908.00                |                     |
| Tax deducted at source on Income  | —                      |                     | 12,619.00             |                     |
|   | <u>18,387,713.33</u>   |                     | <u>308,538.11</u>     |                     |

|   | For the year ended<br>31.03.2004 |                     | For the year ended<br>31.03.2003 |                     |
|---|----------------------------------|---------------------|----------------------------------|---------------------|
| <b>SCHEDULE 'G' : INTEREST</b>  |                                  |                     |                                  |                     |
| Debentures/Bonds/ Government Securities   | 698,587.25                       |                     | 981,486.28                       |                     |
| Call Money  | 706,272.00                       | 1,404,859.25        | 767,456.00                       | 1,748,942.28        |
|   |                                  | <u>1,404,859.25</u> |                                  | <u>1,748,942.28</u> |
| <b>SCHEDULE 'H' : MANAGEMENT, TRUSTEESHIP ADMINISTRATIVE AND OTHER OPERATIVE EXPENSES</b> |                                  |                     |                                  |                     |
| Management Fee  | 389,938.92                       |                     | 263,148.00                       |                     |
| Registrar Charges   | 68,480.06                        |                     | 29,846.26                        |                     |
| Trusteeship fees  | 10,800.00                        |                     | —                                |                     |
| Custodian Charges   | 18,425.53                        |                     | 33,307.84                        |                     |
| Advertisement Expenses  | 2,604.59                         |                     | 1,888.57                         |                     |
| Legal & Professional Charges  | 23,534.37                        |                     | 22,302.00                        |                     |
| Printing & Stationary   | 7,357.35                         |                     | 1,920.18                         |                     |
| Auditors Remuneration   | 10,800.00                        |                     | 10,500.00                        |                     |
| Brokerage Expenses  | —                                |                     | 60,287.16                        |                     |
| SEBI Annual Fees  | 950.00                           |                     | 1,200.00                         |                     |
| Postage & Courier   | 18,219.33                        |                     | 5,767.90                         | 430,167.91          |
|   |                                  | <u>551,110.14</u>   |                                  | <u>430,167.91</u>   |

### Perspective Historical Per Unit Statistics

Amount In Rupees

|   | As at<br>31.3.2004 | As at<br>31.3.2003 | As at<br>31.3.2002 |
|---|--------------------|--------------------|--------------------|
| <b>Per Unit Particulars</b>   |                    |                    |                    |
| A) Face Value   | 10.00              | 10.00              | 10.00              |
| B) Net Asset Value- Growth Option   | 12.12              | 11.33              | 10.95              |
| - Dividend Option   | 11.77              | 11.01              | 10.64              |
| <b>C) Gross Income</b>  |                    |                    |                    |
| i) Income other than Profit on sale of investment                         | 1.48               | 3.45               | 0.58               |
| ii) Income from Profit on inter scheme sale/transfer of investments (net) | —                  | —                  | —                  |
| iii) Income from Profit on sale of investment to third party (net)        | 0.20               | 0.30               | 0.46               |
| iv) Net change in Unrealised gain/loss in value of investments            | 0.08               | —                  | 0.39               |
| v) Transfer to Revenue Account from past years' reserve                   | —                  | —                  | —                  |
| vi) Gross Income [Total of (i) to (v)]                                    | 1.76               | 3.75               | 1.43               |
| <b>D) Total Expenses</b>  |                    |                    |                    |
| i) Aggregate of Expenses, write off, amortisation and charges             | 0.58               | 0.85               | 0.28               |
| ii) Net change in Unrealised gain/loss in value of investments            | —                  | 0.33               | —                  |
| iii) Total Expenses [Total of (i) and (ii)]                               | 0.58               | 1.18               | 0.28               |
| E) Net Income [(C)-(D)]   | 1.18               | 2.57               | 1.15               |
| <b>F) Unrealised appreciation/(depreciation) in value of investments</b>  |                    |                    |                    |
| G) (1) Trading Price/NAV  | 0.19               | 0.21               | 0.39               |
| i) Highest during the year- Growth Option                                 | 12.12              | 11.99              | 11.23              |
| - Dividend Option   | 11.78              | 11.64              | 11.04              |
| ii) Lowest during the year- Growth Option                                 | 11.34              | 10.89              | 10.00              |
| - Dividend Option   | 11.01              | 10.40              | 10.00              |
| (2) Price Earning Ratio   | NA                 | NA                 | NA                 |
| <b>H) Per unit ratio of expenses to average net assets by %</b>           |                    |                    |                    |
|   | 1.52%              | 1.69%              | 2.25%              |
| <b>I) Per unit ratio of gross income to average net assets by %</b>       |                    |                    |                    |
| (including net change in unrealised gain/loss in value of investments)    | 4.61%              | 7.45%              | 11.60%             |

# TAURUS MUTUAL FUND



## AUDITORS' REPORT-LIBRA BOND FUND FIXED MATURITY PLAN - 1

To,  
The Board of Directors  
Creditcapital Investment Trust Company Limited

- We have audited the attached Balance Sheet of Taurus Mutual Fund - Libra Bond Fund Scheme (Fixed Maturity Plan - 1) as at March 31, 2004 and the revenue account of the scheme for the period ended March 31, 2004 annexed thereto both of which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- We conducted our audit in accordance with auditing standards generally accepted 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 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.
- The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of Taurus Mutual Fund - Libra Bond Fund Scheme (Fixed Maturity Plan - 1).

- The accounts have been prepared in accordance with accounting policies approved by the Directors, which are principally in accordance with the Ninth Schedule to the SEBI (Mutual Funds) Regulations, 1996 and amendments thereto.
- The methods used to value thinly traded/non-traded securities as on 31<sup>st</sup> March 2004 in accordance with the guidelines for valuation of securities by SEBI as determined by the Creditcapital Asset Management Company Limited as per the policies approved by the Board of Trustees of Taurus Mutual Fund are fair and reasonable.
- In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes forming part of the accounts thereon, give a true and fair view:
  - In the case of the Balance Sheet of the state of affairs of Taurus Mutual Fund - Libra Bond Fund Scheme (Fixed Maturity Plan - 1) as at March 31, 2004, and
  - In the case of Revenue Account of the excess of income over expenditure of Taurus Mutual Fund - Libra Bond Fund Scheme (Fixed Maturity Plan - 1) for the period ended March 31, 2004.

for N.M. Rajji & Co.  
Chartered Accountants  
S.N. Shivakumar  
Partner

Place : New Delhi  
Dated : August 28, 2004

### BALANCE SHEET OF LIBRA BOND FUND FIXED MATURITY PLAN-1 AS AT 31ST MARCH 2004

|   | Schedule | As at<br>31.03.2004<br>Rs. |
|---|----------|----------------------------|
| <b>LIABILITIES</b>                                    |          |                            |
| Unit Capital  | A        | 93,900,000.00              |
| Reserves & Surplus                                    | B        | 38,357,225.11              |
| Loans   |          | —                          |
| Current Liabilities and Provisions                    | C        | 320,056.46                 |
|   |          | <u>132,577,281.57</u>      |
| <b>ASSETS</b>   |          |                            |
| Investments   | D        | 111,874,128.40             |
| Deposit   |          | —                          |
| Other Current Assets                                  | E        | 20,703,153.17              |
| Fixed Assets  |          | —                          |
| Deferred Revenue Expenditure                          |          | —                          |
|   |          | <u>132,577,281.57</u>      |
| Significant Accounting Policies and Notes to Accounts | J        |                            |

### REVENUE ACCOUNT OF LIBRA BOND FUND FIXED MATURITY PLAN-1 FOR THE YEAR ENDED 31ST MARCH 2004

|  | Schedule | For the period<br>ended<br>31.03.2004<br>Rs. |
|--|----------|--|
| <b>INCOME</b>  |          |  |
| Interest   | F        | 4,661,341.16                                 |
| Profit on sale/ redemption of investments (Net)<br>- inter-scheme          |          | —  |
| - others   |          | 33,502,197.90                                |
| Net change in unrealised gain/loss<br>in value of Investments              |          | <u>1,820,578.40</u>                          |
|  |          | <u>38,774,117.46</u>                         |
| <b>EXPENSES</b>  |          |  |
| Management, Trusteeship Fees, Administrative<br>& Other Operating expenses | G        | 1,416,892.35                                 |
|  |          | <u>1,416,892.35</u>                          |
| Surplus / ( Deficit )  |          | <u>38,357,225.11</u>                         |
| Balance transferred to Revenue Reserve                                     |          | <u>38,357,225.11</u>                         |
| Significant Accounting Policies and Notes to Accounts                      | J        |  |

Schedules referred to above form an integral part of the Balance Sheet & Revenue Account

As per our attached report of even date

For N.M. Rajji & Co.  
Chartered Accountants

S.N. Shivakumar  
Partner

For Creditcapital Investment Trust Company Limited

K.N.Goyal  
Director

G.N.Tandon  
Director

For and on behalf of Creditcapital Asset Management Co. Ltd.

J.P.Kundra  
Director

M.G.Gupta  
Director

Deepa Varshni  
Vice President  
(Accounts)

R K Gupta  
Fund Manager

Place : New Delhi  
Date : August 28, 2004



# TAURUS MUTUAL FUND

## SCHEDULES FORMING PART OF BALANCE SHEET & REVENUE ACCOUNT AS ON 31ST MARCH 2004 OF LIBRA BOND FUND FIXED MATURITY PLAN - I

|  |               | Amount in Rupees |  |
|--|---------------|------------------|--|
|  |               | As at 31.03.2004 |  |
| <b>SCHEDULE 'A' : UNIT CAPITAL</b>   |               |                  |  |
| Libra Bond Fund - FMP 1  |               |                  |  |
| 9,390,000.000 units (Previous Year Nil units) of Rs. 10 each fully paid up                 | 93,900,000.00 |                  | 93,900,000.00                          |
|  |               |                  | <u>93,900,000.00</u>                   |
| <b>SCHEDULE 'B' : RESERVES &amp; SURPLUS</b>   |               |                  |  |
| <b>Revenue Reserve</b>   |               |                  |  |
| Surplus/(Deficit) for the period   | 38,357,225.11 |                  | 38,357,225.11                          |
|  |               |                  | <u>38,357,225.11</u>                   |
| <b>SCHEDULE 'C' : CURRENT LIABILITIES AND PROVISIONS</b>                                   |               |                  |  |
| <b>Current Liabilities</b>   |               |                  |  |
| Custodian Charges payable  |               |                  | 81,965.19                              |
| Payable to CAMCO Ltd (Including Mgmt. Fee payable)   |               |                  | 225,767.27                             |
| Tax deducted payable   |               |                  | 12,324.00                              |
|  |               |                  | <u>320,056.46</u>                      |
| <b>SCHEDULE 'D' : INVESTMENTS</b>  |               |                  |  |
| Debentures/Bonds(Listed Awaiting Listing)  |               |                  |  |
|  |               |                  | 73,556,528.40                          |
| Government Securities  |               |                  | 38,317,600.00                          |
|  |               |                  | <u>111,874,128.40</u>                  |
| <b>SCHEDULE 'E' : OTHER CURRENT ASSETS</b>   |               |                  |  |
| Balance with Banks in Current Accounts   | 15,570,218.60 |                  |  |
| Accrued Interest on Debentures/Government Securities                                       | 5,132,934.57  |                  | 20,703,153.17                          |
|  |               |                  | <u>20,703,153.17</u>                   |
|  |               |                  | <b>For the Period ended 31.03.2004</b> |
| <b>SCHEDULE 'F' : INTEREST</b>   |               |                  |  |
| Debentures/Bonds/Government Securities   | 4,661,341.16  |                  | 4,661,341.16                           |
|  |               |                  | <u>4,661,341.16</u>                    |
| <b>SCHEDULE 'G' : MANAGEMENT, TRUSTEESHIP, ADMINISTRATIVE AND OTHER OPERATIVE EXPENSES</b> |               |                  |  |
| Management Fee   | 944,504.70    |                  |  |
| Custodian Charges  | 444,550.65    |                  |  |
| Advertisement Expenses   | 20,493.00     |                  |  |
| Printing & Stationary  | 7,280.00      |                  |  |
| Other expenses   | 64.00         |                  | 1,416,892.35                           |
|  |               |                  | <u>1,416,892.35</u>                    |

| Perspective Historical Per Unit Statistics  |  | Amount in Rupees |
|---|--|------------------|
|   |  | As At 31.3.2004  |
| <b>Per Unit Particulars</b>   |  |                  |
| A) Face Value   |  | 10.00            |
| B) Net Asset Value  |  | 14.09            |
| <b>C) Gross Income</b>  |  |                  |
| i) Income other than Profit on sale of investment   |  | 0.49             |
| ii) Income from Profit on inter scheme sale/transfer of investments (net)   |  | —                |
| iii) Income from Profit on sale of investment to third party) (net)   |  | 3.58             |
| iv) Net change in Unrealised gain/loss in value of investments  |  | 0.16             |
| v) Transfer to Revenue Account from past years' reserve   |  | —                |
| vi) Gross Income [Total of (i) to (v)]  |  | 4.23             |
| <b>D) Total Expenses</b>  |  |                  |
| i) Aggregate of Expenses, write off, amortisation and charges   |  | 0.15             |
| ii) Net change in Unrealised gain/loss in value of investments  |  | —                |
| iii) Total Expenses [Total of (i) and (ii)]   |  | 0.15             |
| E) Net income [(C)-(D)]   |  | 4.08             |
| F) Unrealised appreciation/depreciation in value of Investments   |  | 0.16             |
| <b>G) (1) Trading Price/NAV</b>   |  |                  |
| i) Highest during the year  |  | 14.09            |
| ii) Lowest during the year  |  | 10.00            |
| (2) Price Earning Ratio   |  | NA               |
| H) Per unit ratio of expenses to average net assets by %  |  | 1.23%            |
| I) Per unit ratio of gross income to average net assets by % (including net change in unrealised gain/loss in value of investments) |  | 34.47%           |

## SCHEDULE 'J' : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### 1. Significant Accounting Policies

#### a) Method of Accounting

The Scheme maintains its books of accounts on accrual basis.

#### b) Portfolio Valuation

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

I. Quoted 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/Thinly traded/Unlisted shares are valued at fair value as determined in good faith by Board of Asset Management Company Ltd. in accordance with the guidelines for valuation of securities for mutual funds as issued by SEBI and approved by the Board of Trustees. For Non-traded/thinly traded, Fair Value has been determined as lower of last traded price or value as per SEBI formula.

III. 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 Yield to Maturity based on yield matrix released by CRISIL in accordance with the SEBI 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.

IV Investments in Central Government Securities

\*Central Government Securities are valued at the prices released by CRISIL in accordance with the SEBI regulations.

\*State Government Securities are valued on Yield to Maturity based on yield matrix released by CRISIL adjusted with addition of 50 basis point.

#### c) Securities Transactions

I. Investment transactions are accounted on trade dates for equity and value date for debt securities. The cost of acquisition includes the cost of purchase, stamp duty 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.

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

#### d) Recognition of revenue and treatment of expenses

I. Dividend is recognized on ex-dividend dates of the respective scrips. Dividend on unquoted investments is recognized on date of declaration. Interest is accrued on day-to-day basis, except for debt classified as non-performing assets, on which interest is recognized on receipt basis, in line with applicable regulations.

II. If the interest is not received till after the expiry of the 1<sup>st</sup> 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.

III. The net unrealized gain/loss in the value of investments on account of change in market value is recognized in the Revenue Account. However, unrealized gain is excluded for calculating distributable income.

IV. Common expenses of the Fund have been allocated in proportion to the corpus 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. Initial issue expenses are treated as deferred revenue expenses and are amortized over the life of the Scheme in case of schemes launched as close-ended and are borne by the asset management company in case of schemes launched as open ended.

VII. Brokerage and incidental expenses incurred in connection with the collection / redemption of the units are adjusted against entry and exit load payable.

#### 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. Similarly the discount/premium on sale of units is debited/credited to unit premium reserve.

#### f) Income Equalisation Account

In case of open-ended schemes, on sale/purchase of units an appropriate part of the proceeds are credited/debited to Income Equalization account. The net balance of the same is transferred to the Revenue Account.

#### 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 Dividend and Growth Plans.

II. For calculating the net asset values of Dividend and Growth Plans, the amount of sale/repurchase 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.

### Notes to Accounts

2. The Schemes have paid management fees to Creditcapital Asset Management Company Limited



calculated @ 1.25% plus service tax of the average weekly Net Assets except in Libra Bond Fund and Libra Gilt Fund, where management fees has been charged @ 1%.

3. Fixed Maturity plan - J was launched under Libra Bond Fund on 26<sup>th</sup> June 2003 for a period of 371 days maturing on 1<sup>st</sup> July 2004.
4. In Libra Bond Fund and Libra Gilt Fund Trusteeship fee of Rs 10000/- plus service tax (Previous Year Nil) has been charged to the scheme during the year. No Trusteeship fee has been charged during the year in Libra Bond Fund FMP 1.
5. In Discovery Stock Fund, the Brand image expenses incurred by Credit Capital Asset Management Co. Ltd were to be reimbursed by the scheme over 5 years w.e.f. 31<sup>st</sup> March 1995, subject to the expenditure limit of 2.5% of average net assets. The period had been extended to 10 years. A balance of Rs 10,22,749.89 is still outstanding in the books of CAMCO, which will be accounted for by the scheme in the remaining period subject to the expenditure limit of 2.5% of average net assets.
6. Registration and other initial expenses incurred by the erstwhile HB Asset Management Co. Ltd before the launch of Libra Tax Shield were to be reimbursed by the scheme on the basis of higher of 0.05% of corpus or 1/10th of the expense. Accordingly Rs. 21,327/- (P.Y. Rs. 21,327/-) has been debited to the Revenue Account of the scheme and a balance of Rs. 52,301.00 (Previous year Rs. 73,628.00) is still outstanding as receivable from the scheme in the books of CAMCO.
7. The scheme Bonanza Exclusive Growth-Open was taken over by Taurus Mutual Fund from BOI Mutual Fund w.e.f. March 25, 2002. Debt Securities taken over from BOI Mutual Fund and held in physical form were pending change of name from BOI Mutual Fund to Taurus Mutual fund as on 31<sup>st</sup> March, 2004.
8. Contract for sale of investments in Bonanza Exclusive Growth Scheme includes Rs. 54,95,000/- (Previous Year Rs. 54,95,000/-) outstanding for more than one year for which deliveries were not given, as the matter is sub-judicial. However provision of Rs. 54,95,000/- (Previous Year Rs. 54,95,000/-) has already been made against the same in the books of accounts in the earlier years. The matter pertains to the period prior to take over of the scheme by Taurus Mutual Fund from BOI Mutual Fund.
9. In certain instances, tax had been incorrectly deducted on dividend and interest income of the scheme. Under section 10(23D) of the Income Tax Act, 1961, income of the Mutual Fund is exempt from tax. The fund is following up for recovery. However, full provision has been made in the books of accounts of the respective schemes against tax deducted on source upto 31<sup>st</sup> March 2002.
10. The bank account for redemption of units is pending reconciliation in Starshare and Discovery Stock Fund. Efforts are being made to reconcile the same and necessary adjustments will be carried out in due course.
11. In Bonanza Exclusive Growth scheme, during the year reconciliation of repurchase/warrants payable pertaining to the period prior to takeover of scheme from BOI Mutual fund was carried out as per the information and records provided by BOI Asset Management Company the erstwhile management Company. Consequent upon the reconciliation, the resultant difference of Rs 29,296/- has been transferred/credited to Bonanza Equity Linked Saving on Tax Scheme, the other scheme taken over from BOI Mutual fund.
12. In Starshare, Investments include Rs. 53,472.50 (Previous year Rs. 255,650.60) being the market value of scrips pending registration / under objection for more than one year as at March 31, 2004. These cases are being pursued and are expected to be resolved. However Rs. 53,472.50 (Previous year 255,650.60) has been provided for in the books of accounts.
13. The scheme being open ended, corpus of the scheme changes on daily basis due to frequent sales and purchase. Earlier the common expenses of the Fund were being charged to the schemes on prorata basis based on the corpus of the respective schemes at the beginning of the year. However, from the year 2003-04, these common expenses have been charged on prorata basis based on the month-end corpus of the respective schemes. This has resulted in the following increase/decrease in profit and equivalent amount of increase/(decrease) in expenses:
 

| Scheme                   | Effect on profit (Rs.) |
|--------------------------|------------------------|
| Taurus the Starshare     | (3536.06)              |
| Discovery Stock Fund     | 205980.98              |
| Libra Tax Shield         | (3955.76)              |
| Bonanza Exclusive Growth | (187603.17)            |
| Libra Bond Fund          | (89609.79)             |
| Libra Gilt fund          | 58722.82               |

In the opinion of the Management, this change has been done to ensure equitable distribution of expenses over the various schemes.
14. During the year, fair valuation method in respect of valuation of Non traded/Thinly traded shares (Refer Accounting Policy 1(b)(ii)) has been changed from value as per SEBI formula to lower of last traded price or value as per SEBI formula. This has resulted in decrease in NAV per unit on 31<sup>st</sup> March, 2004 as under:
 

| Scheme               | (Rs.) |
|----------------------|-------|
| Taurus the Starshare | 0.13  |
| Discovery Stock Fund | 0.07  |
| Libra Tax Shield     | 0.20  |

In the opinion of the management, considering the principle of prudence and true spirit of SEBI guidelines for valuation of securities, the change has been done to value the shares at a price, which is closer to the market (realizable) value and such change in good faith, is fair & reasonable.
15. Illiquid securities at fair value as % of NAV as on 31<sup>st</sup> March, 2004
 

| Scheme               | Fair Value (Amt in Lacs) | % of NAV |
|----------------------|--------------------------|----------|
| Taurus the Starshare | 211.73                   | 3.00     |
| Discovery Stock Fund | 146.28                   | 9.35     |
| Libra Tax Shield     | 2.49                     | 0.74     |

## 16. Non Performing Assets as on 31<sup>st</sup> March, 2004

| Scheme                              | Book Value (Amt in Lacs) | Market Value/Fair Value (Amt in Lacs) |
|-------------------------------------|--------------------------|---------------------------------------|
| Taurus the Starshare-Equity         | 356.39                   | 121.00                                |
| Taurus the Starshare-Debentures     | 940.69                   | Nil                                   |
| Discovery Stock Fund-Equity         | 327.57                   | 72.91                                 |
| Discovery Stock Fund-Debentures     | 280.00                   | Nil                                   |
| Libra Tax Shield-Equity             | 57.84                    | 24.02                                 |
| Bonanza Exclusive Growth-Debentures | 237.50                   | Nil                                   |

- Equity shares have been considered as non-performing where no dividend has been received/declared for more than two years from the date of investment as at the end of the accounting year.
- Non performing debentures includes debentures that are overdue for redemption.

## 17. Unrealised appreciation as on 31<sup>st</sup> March 2004 included in Revenue Reserve is as under:

| Scheme                   | Appreciation (Amt in Lacs) |
|--------------------------|----------------------------|
| Taurus the Starshare     | 2428.73                    |
| Discovery Stock Fund     | 415.01                     |
| Libra Tax Shield         | 18.88                      |
| Bonanza Exclusive Growth | 1350.71                    |
| Libra Bond Fund          | 1.82                       |
| Libra Gilt Fund          | 0.20                       |

18. During the Previous year, in terms of the approval by the respective Boards of Creditcapital Asset Management Company Ltd and Creditcapital Investment Trust Company Ltd (CITCO), investments in certain illiquid securities were sold to CITCO with the agreement that, profit, if any, arising in future from sale of these securities would be shared in the ratio of 4:1 between the scheme and CITCO. Accordingly, Rs 5988.80 has been received by Starshare and Rs 8880/- by Discovery Stock fund from CITCO towards sale of the illiquid securities in the Financial Year 2003-2004 and grouped under the head Miscellaneous Income.
19. Details of unclaimed dividend/redemption as on 31<sup>st</sup> March 2004 are as under:
 

| Scheme                          | Unclaimed Amount (Rs.) | No. of Unitholders |
|---------------------------------|------------------------|--------------------|
| Libra Leap Dividend - Feb. 2000 | 1,010.00               | 1                  |
| Libra Leap - Redemption         | 2,696,069.12           | 382                |
| Bonanza Tax Saving - Redemption | 7,357,717.30           | 2871               |
| Bonanza Tax Saving - Dividend   | 295,740.00             | 265                |
| Genshare - Redemption           | 3,087,716.00           | 216                |
20. Details of holdings over 25% of the NAV of the scheme is as under:
 

| Scheme                          | No. of unit holders | % of NAV |
|---------------------------------|---------------------|----------|
| Libra Tax Shield                | 3                   | 86.85    |
| Bonanza Exclusive Growth scheme | 1                   | 26.82    |
| Libra Gilt Fund                 | 1                   | 52.72    |
| Libra Bond Fund FMP1            | 2                   | 95.85    |
21. The schemes have 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. At 31<sup>st</sup> March 2004, none of the schemes held investments in companies, which had invested more than 5% of the NAV of any scheme of the fund, or their subsidiaries, as at that date.
23. There has been no transaction with the associates in terms of regulation 25(7) of SEBI Regulations, 1996.
24. During the year the services of the sponsor, its associates/ employees were not utilised nor any brokerage or commission paid therefor.
25. There are no underwriting commitments.
26. There is no contingent liability on partly paid equity shares.
27. None of the schemes has any exposure Foreign Securities/ADRS/GDRS.
28. The exposure in derivatives as on 31<sup>st</sup> March 2004 is as under:
 

| Scheme    | Name of Equity Stock Future | Contract Price (Rs.) | No. of Contracts | No. of Units |
|-----------|-----------------------------|----------------------|------------------|--------------|
| Starshare | ONGC April 2004             | 47,98,061.01         | 20               | 6000         |

During the year, the schemes Starshare and Bonanza Exclusive Growth scheme traded in several derivative securities and resultant gain of Rs 47,768/- and Rs 16,390/- is included in profit on sale/redemption of investments as shown in Revenue Account of the respective schemes. As on 31<sup>st</sup> March 2004 an amount of Rs 2,742,906.99 and 2,516,390/- was recoverable by the schemes respectively being the margin money paid for derivative trading.
29. During the year dividend was distributed in Libra Tax shield to the unitholders as under:
 

| Record Date | Rate |
|-------------|------|
| 26/9/2003   | 11%  |
| 27/2/2004   | 16%  |
30. In Bonanza Exclusive Growth Scheme 7,750,210.386 units were issued as bonus by way of capitalization of profits/reserves in the ratio 1:3 to the unitholders holding units in the scheme as on ex-bonus date i.e. 8.10.2003.
31. The Previous year's figures have been regrouped or rearranged wherever necessary.
32. Full annual report of each scheme is available at the Head Office of the Fund and a copy thereof shall be made available to the unitholder on payment of a nominal fee.
33. On request unit holders can obtain a copy of the Annual Report of the Asset Management Company.
34. These results have been taken on record by the Trustees at their meeting held at New Delhi on 28<sup>th</sup> August 2004.
35. A full portfolio of investments of the Schemes are attached herewith as Annexure I.



## AUDITORS' REPORT - LIBRA LEAP

To the Board of Trustees

**Creditcapital Investment Trust Company Limited**

1. We have audited the attached Balance Sheet of Taurus Mutual Fund - Libra Leap Scheme as at 31st March 2004 and the Revenue Account for the year ended 31st March 2004 annexed thereto. These financial statements are the responsibility of the Board of Trustees of Taurus Mutual Fund and management of Creditcapital Asset Management Company Ltd (the "management"). Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. 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. The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of the Scheme.

2. Reference is invited to Note No. 3 of Schedule I regarding valuation of securities which has however no impact on the unit capital redemption amount payable as explained in the said note.

3. Subject to our remarks in Para 2 above and Para 4 below, in our opinion and to the best of

our information and according to the explanations given to us:

i. The Balance Sheet and the Revenue Account together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable and also give respectively a true and fair view of the state of affairs of Taurus Mutual Fund- Libra Leap Scheme as on 31st March 2004 and its net Surplus for the year ended on that date.

ii. The Balance Sheet as on 31st March 2004 and the Revenue Account for the year ended on that date read together with the notes thereon have been prepared generally in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable.

4. All the investments including thinly traded/non traded and unlisted securities are being carried in these accounts at the valuation made in accordance with the guidelines for valuation of securities of mutual funds issued by SEBI as on the date of termination of the Scheme on 16<sup>th</sup> October, 2002 (Refer Note No. 3 of Schedule I). The impact thereof on the surplus for the year and investment is unascertained.

Amit Goel  
Partner  
For and on behalf of  
P. Bholusaria & Co.  
Chartered Accountants

Place : New Delhi  
Date : August 28, 2004

### BALANCE SHEET OF LIBRA LEAP ON 31ST MARCH 2004

|   | Schedule | As At<br>31.03.2004<br>(Rs.) | As At<br>31.03.2003<br>(Rs.) |
|---|----------|------------------------------|------------------------------|
| <b>LIABILITIES</b>                                  |          |                              |                              |
| Unit Capital  | A        | —                            | —                            |
| Reserves & Surplus                                  | B        | 999,156.55                   | 932,423.15                   |
| Loans   |          | —                            | —                            |
| Current Liabilities and Provisions                  | C        | 4,388,493.61                 | 5,452,729.10                 |
|   |          | <b>5,387,650.16</b>          | <b>6,385,152.25</b>          |
| <b>ASSETS</b>                                       |          |                              |                              |
| Investments   | D        | 5,258,240.93                 | 5,258,240.93                 |
| Deposits  | E        | —                            | 900,000.00                   |
| Other Current Assets                                | F        | 129,409.23                   | 226,911.32                   |
| Fixed Assets  |          | —                            | —                            |
| Deferred Revenue Expenditure                        |          | —                            | —                            |
|   |          | <b>5,387,650.16</b>          | <b>6,385,152.25</b>          |
| Significant Accounting Policies & Notes to Accounts | I        |                              |                              |

### REVENUE ACCOUNT OF LIBRA LEAP ON 31ST MARCH 2004

|   | Schedule | For the Year<br>ended<br>31.03.2004<br>(Rs.) | For the Period<br>ended<br>31.03.2003<br>(Rs.) |
|---|----------|--|--|
| <b>INCOME</b>   |          |  |  |
| Dividend  |          | 55,750.00                                    | 119,293.65                                     |
| Interest  | G        | 9,625.45                                     | 21,803.00                                      |
| Profit on sale/ redemption<br>of investments                                  |          |  |  |
| - inter-scheme  |          | —  | 6,869,811.87                                   |
| - others  |          | —  | —  |
| Provisions no longer<br>required written back                                 |          | 46,656.91                                    | —  |
| Miscellaneous Income  |          | 900.17                                       | —  |
| Net change in unrealised<br>gain/loss in value of Investments                 |          | —  | 134,971,484.13                                 |
|   |          | <b>112,932.53</b>                            | <b>141,982,392.65</b>                          |
| <b>EXPENSES</b>   |          |  |  |
| Management, Trusteeship Fees,<br>Administrative & Other<br>Operating expenses | H        | 46,199.13                                    | 24,668.59                                      |
| Loss on sale of investments   |          | —  | 126,818,303.33                                 |
| - inter-scheme  |          | —  | 14,206,997.58                                  |
| - others  |          | —  | —  |
|   |          | <b>46,199.13</b>                             | <b>141,049,969.50</b>                          |
| Surplus / ( Deficit )   |          | <b>66,733.40</b>                             | 932,423.15                                     |
| Opening Balance in revenue<br>reserve brought forward                         |          | 932,423.15                                   | —  |
| <b>Balance transferred to<br/>Revenue Reserve</b>                             |          | <b>999,156.55</b>                            | 932,423.15                                     |
| Significant Accounting Policies<br>& Notes to Accounts                        | I        |  |  |

Schedules referred to above form an integral part of the Balance Sheet and Revenue Account

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

For and on behalf of  
P. Bholusaria & Co.  
Chartered Accountants

Amit Goel  
Partner

For Creditcapital Investment Trust Company Limited

K.N. Goyal  
Director

G.N. Tandon  
Director

For and on behalf of Creditcapital Asset Management Co. Ltd.

J.P. Kundra  
Director

M.G. Gupta  
Director

Deepa Varshnei  
Vice President  
(Accounts)

R K Gupta  
Fund Manager

Place : New Delhi  
Date : August 28, 2004

# TAURUS MUTUAL FUND



## SCHEDULES FORMING PART OF BALANCE SHEET & REVENUE ACCOUNT OF LIBRA LEAP

Amount in Rupees

|  | As at<br>31.03.2004                      | As at<br>31.03.2003                        |
|--|--|--|
| <b>SCHEDULE 'A': UNIT CAPITAL</b>  |  |  |
| Nil units (previous year Nil) units of Rs. 10 each fully paid up   | —  | —  |
| <b>SCHEDULE 'B': RESERVES &amp; SURPLUS</b>  |  |  |
| Revenue Reserve (As per Annexed Account)   | 999,156.55                               | 932,423.15                                 |
|  | <u>999,156.55</u>                        | <u>932,423.15</u>                          |
| <b>SCHEDULE 'C': CURRENT LIABILITIES AND PROVISIONS</b>  |  |  |
| <b>Current Liabilities</b>   |  |  |
| Sundry Creditors   | 121,047.77                               | 117,238.94                                 |
| Unit capital redemption payable  | 2,696,069.12                             | 4,636,115.88                               |
| Excess Dividend Received   | 6,352.50                                 | 6,352.50                                   |
| Tax deducted at Source payable   | 968.00                                   | 25.00                                      |
| Payable to CAMCO Ltd (Including Mgmt. Fee payable)   | 1,549,573.27                             | 547,085.33                                 |
| Audit Fee Payable  | 10,800.00                                | 50,595.00                                  |
| Custodian Fee Payable  | 3,682.95                                 | 84,306.45                                  |
| Unclaimed Dividend   | —  | 1,010.00                                   |
|  | <u>4,388,493.61</u>                      | <u>5,452,729.10</u>                        |
| <b>SCHEDULE 'D': INVESTMENTS</b>   |  |  |
| (Refer Note 1(b) of schedule I)  |  |  |
| Equity Shares  | 5,258,240.93                             | 5,258,240.93                               |
| Debentures/Bonds - Privately Placed  | —  | —  |
| Debenture/Bonds - (Listed/Awaiting listing)  | —  | —  |
| Government Securities  | —  | —  |
|  | <u>5,258,240.93</u>                      | <u>5,258,240.93</u>                        |
| <b>SCHEDULE 'E': DEPOSITS</b>  |  |  |
| Deposits with Scheduled Banks  | —  | 900,000.00                                 |
|  | —  | <u>900,000.00</u>                          |
| <b>SCHEDULE 'F': OTHER CURRENT ASSETS</b>  |  |  |
| Balance with banks in current accounts   | 120,510.23                               | 107,046.10                                 |
| Accrued interest on Fixed deposits   | —  | 21,803.00                                  |
| Stamps in Hand   | —  | 54,834.00                                  |
| Tax deducted at Source on Income   | 20,919.00                                | 20,919.00                                  |
| Less: Provision for doubtful receivables   | (12,020.00)                              | (12,020.00)                                |
| Other Current Assets   | 8,899.00                                 | 8,899.00                                   |
|  | <u>129,409.23</u>                        | <u>226,911.32</u>                          |
|  | <b>For the year ended<br/>31.03.2004</b> | <b>For the Period ended<br/>31.03.2003</b> |
| <b>SCHEDULE 'G': INTEREST</b>  |  |  |
| Fixed Deposits   | 9,625.45                                 | 9,625.45                                   |
|  | <u>9,625.45</u>                          | <u>21,803.00</u>                           |
|  |  | <u>21,803.00</u>                           |
| <b>SCHEDULE 'H': MANAGEMENT, TRUSTEESHIP, ADMINISTRATIVE AND OTHER OPERATIVE EXPENSES</b>  |  |  |
| Management Fee   | 18,893.00                                | 12,440.00                                  |
| Legal & Professional Charges   | 14,700.00                                | —  |
| Other Operating Expenses   | 1,806.13                                 | 1,428.59                                   |
| Auditors Remuneration  | 10,800.00                                | 10,800.00                                  |
|  | <u>46,199.13</u>                         | <u>24,668.59</u>                           |
|  |  | <u>24,668.59</u>                           |
| <b>SCHEDULE 'I': SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS</b>   |  |  |
| <b>1. Significant Accounting Policies</b>  |  |  |
| a) <b>Method of Accounting</b>   |  |  |
| These accounts are prepared on 'winding up' basis.   |  |  |
| b) <b>Portfolio Valuation</b>  |  |  |
| Investments held are primarily thinly traded/non-traded or non-performing assets and are included at their market value/fair value arrived at in accordance with the guidelines for valuation of securities for mutual funds issued by SEBI and approved by the Board of Trustees as of 16 <sup>th</sup> October 2002, the date of termination/winding up of the scheme. |  |  |

### c) Recognition of revenue and treatment of expenses

- Dividend is recognized on ex-dividend dates of the respective scrips. Dividend on unquoted investments is recognized on date of declaration. Interest is accrued on day-to-day basis.
- Profit or loss on sale or redemption of investments is computed by applying the weighted average cost of investments sold.

### Notes to Accounts

- With a view to reducing operational costs of the Fund as a whole and optimizing returns, the Unitholders of the Scheme were given option vide Offer dated 26<sup>th</sup> September, 2002 to switch over to 'Bonanza Exclusive Growth scheme - Open' or to exit from the Scheme at the NAV as on 16<sup>th</sup> October, 2002, the date fixed for termination/winding up of the Scheme. During the year 195598.211 Units have been claimed and executed. At the year end 278,519.537 units (No. of Unit holders : 392) of a value of Rs. 2,696,069.12 are unclaimed.
- Since the scheme has been terminated and accounts have been prepared on winding up basis, the value of the undisposed securities including Non Traded/ Thinly Traded and Unlisted securities is stated in these accounts at the valuation made as on 16<sup>th</sup> October 2002 (i.e. date of termination/winding up) by CAMCO under policies approved by CITCO in accordance with the guidelines for valuation of securities for Mutual Funds issued by SEBI. In the opinion of the management, such valuation as on 31<sup>st</sup> March 2004, in good faith, are fair and reasonable and this will have no impact on the unit capital redemption amount payable to unitholders whose redemption amount is unclaimed. No further provision for diminution/appreciation in the value of investments is required as the net loss, if any, on the disposal of these securities, as well as the other deficit, if any, after the date of termination i.e. 16<sup>th</sup> October 2002, would be met by CAMCO or as may be decided by the Trustees in the manner so as to have no adverse impact on the unitholders whose redemption amount is still unclaimed. The net gain, if any, on the disposal of these securities will be utilized/distributed to the benefit of the unitholders in accordance with the SEBI guidelines.
- As at 31<sup>st</sup> March, 2004 the details of Investments are as under:

|                         | As at March 31, 2004<br>Market / Fair Value<br>Rs. | As at March 31, 2003<br>Market / Fair Value<br>Rs. |
|-------------------------|--|--|
| Equities:               | 5,258,240.93                                       | 5,258,240.93                                       |
| Debentures /Bonds:      | —  | —  |
| Listed/Awaiting Listing | —  | —  |
| Privately Placed        | —  | —  |
| Government Securities:  | —  | —  |

- Illiquid securities at fair value aggregated to Rs. 42.94 lacs as on 31<sup>st</sup> March 2004 (Previous Year Rs 42.94 Lacs).
- The aggregate carrying value and market value of non performing investments as on 31<sup>st</sup> March 2004 is as under:

|                         | As on 31 <sup>st</sup> March 2004 |                                   | As on 31 <sup>st</sup> March 2003 |                                   |
|-------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|                         | Book Value<br>(Rs.)               | Market Value/<br>Fair Value (Rs.) | Book Value<br>(Rs.)               | Market Value/<br>Fair Value (Rs.) |
| Equity Shares*          | 14,956,083.78                     | 3,578,445.93                      | 14,956,083.78                     | 3,578,445.93                      |
| Debentures:-            |                                   |                                   |                                   |                                   |
| Listed/Awaiting Listing | Nil                               | Nil                               | Nil                               | Nil                               |
| Privately Placed        | Nil                               | Nil                               | Nil                               | Nil                               |

- \* Equity shares have been considered as non-performing where no dividend has been received/declared for more than two years from the date of investment as at the end of the accounting period.

- Total value of investments falling under each major industry group and exceeding 5% of the total investments in each major classification as on 31<sup>st</sup> March 2004, are as under:

|                                  | Market / Fair Value | % of Classification |
|----------------------------------|---------------------|---------------------|
| Equities:                        |                     |                     |
| IT Consulting & Services         | 3,578,445.93        | 68.05               |
| Trading Companies & distributors | 1,082,160.00        | 20.58               |
| Diversified financial Services   | 597,635.00          | 11.37               |
| Total                            | <u>5,258,240.93</u> | <u>100.00</u>       |

- There has been no transaction with the associates in terms of regulation 25(7) of SEBI Regulations, 1996.
- The Scheme has paid/provided Management Fee of Rs.18,893/- (Previous period Rs 12,440/-) to Creditcapital Asset Management Company Ltd. calculated at 0.50% plus service tax of the weekly average redemption amount payable.
- In certain instances, tax has been incorrectly deducted in the earlier years on dividend and interest income of the scheme. Under section 10(23D) of the Income Tax Act, 1961, income of the Mutual Fund is exempt from tax. Such tax deducted aggregates Rs. 20,919.00 (previous period Rs. 20,919.00). The Fund is following up for recovery. Rs. 12,020.00 has been provided for in the books of accounts in the earlier years as doubtful receivable.
- In view of the termination/winding up of the Scheme, disclosure requirements relating to value of purchases, sales, income and expenditure as an annualized percentage of average weekly NAV and other similar information is not applicable.
- Unclaimed Dividend of Rs 1,010/- has been transferred to Investor Education and Protection Fund during the year.
- Figures of the current period are from 1<sup>st</sup> April, 2003 to 31<sup>st</sup> March, 2004 and the previous period were from 17<sup>th</sup> October, 2002 to 31<sup>st</sup> March, 2003. In view of the termination/winding up of the Schemes undertaken and the different periods to which the figures pertain, the current period figures are not comparable with those of the previous period.
- A full portfolio of investments of the Scheme is attached herewith as Annexure-1.



# TAURUS MUTUAL FUND

## AUDITORS' REPORT - BONANZA EQUITY LINKED SAVING ON TAX SCHEME-1993

To the Board of Trustees

### Creditcapital Investment Trust Company Limited

1. We have audited the attached Balance Sheet of Taurus Mutual Fund - Bonanza Equity Linked Saving on Tax Scheme 1993 as at 31st March 2004 and the Revenue Account for the year ended 31st March 2004 annexed thereto. These financial statements are the responsibility of the Board of Trustees of Taurus Mutual Fund and management of Creditcapital Asset Management Company Ltd (the "management"). Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. 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. The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of the Scheme.

2. Reference is invited to Note No. 3 of Schedule I regarding valuation of securities which has however no impact on the unit capital redemption amount payable as explained in the said note

3. Subject to our remarks in Para 2 above and Para 4 below, in our opinion and to the best of our information and according to the explanations given to us;

- The Balance Sheet and the Revenue Account together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable and also give respectively a true and fair view of the state of affairs of Taurus Mutual Fund-Bonanza Equity Linked-Saving on Tax Scheme 1993 as on 31st March 2004 and its net Surplus for the year ended on that date.
- The Balance Sheet as on 31st March 2004 and the Revenue Account for the year ended on that date read together with the notes thereon have been prepared generally in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable.

4. All the investments including thinly traded/non traded and unlisted securities are being carried in these accounts at the valuation made in accordance with the guidelines for valuation of securities of mutual funds issued by SEBI as on the date of termination of the Scheme on 16<sup>th</sup> October, 2002 (Refer Note No. 3 of Schedule I). The impact thereof on the surplus for the year and investment is unascertained

Amit Goel  
Partner  
For and on behalf of  
P. Bholusaria & Co.  
Chartered Accountants

Place : New Delhi  
Dated : August 28, 2004

### BALANCE SHEET OF BONANZA EQUITY LINKED SAVING ON TAX SCHEME 1993 AS AT 31ST MARCH 2004

|   | Schedule | As At<br>31.03.2004<br>(Rs.) | As At<br>31.03.2003<br>(Rs.) |
|---|----------|------------------------------|------------------------------|
| <b>LIABILITIES</b>                                  |          |                              |                              |
| Unit Capital  | A        | —                            | —                            |
| Reserves & Surplus                                  | B        | 1,254,419.24                 | 360,081.11                   |
| Loans   |          | —                            | —                            |
| Current Liabilities and Provisions                  | C        | 7,720,284.83                 | 14,242,088.50                |
|   |          | <b>8,974,704.07</b>          | <b>14,602,169.61</b>         |
| <b>ASSETS</b>                                       |          |                              |                              |
| Investments   | D        | 302,880.81                   | 1,400,139.80                 |
| Deposits  | E        | 8,312,210.58                 | 12,047,070.00                |
| Other Current Assets                                | F        | 359,612.68                   | 1,154,959.81                 |
| Fixed Assets  |          | —                            | —                            |
| Deferred Revenue Expenditure                        |          | —                            | —                            |
|   |          | <b>8,974,704.07</b>          | <b>14,602,169.61</b>         |
| Significant Accounting Policies & Notes to Accounts | I        |                              |                              |

### REVENUE ACCOUNT OF BONANZA EQUITY LINKED SAVING ON TAX SCHEME 1993 FOR THE YEAR ENDED 31ST MARCH 2004

|  | Schedule | For the Year<br>ended<br>31.03.2004<br>(Rs.) | For the Period<br>ended<br>31.03.2003<br>(Rs.) |
|--|----------|--|--|
| <b>INCOME</b>  |          |  |  |
| Dividend   |          | —  | 64,800.00                                      |
| Interest   | G        | 603,376.42                                   | 308,769.19                                     |
| Profit on sale/ redemption<br>of investments                       |          |  |  |
| - inter-scheme   |          | —  | 274,197.00                                     |
| - others   |          | —  | —  |
| Provisions no longer<br>required written back                      |          | —  | 118,285.28                                     |
| Provision for Depreciation in<br>value of investments written back |          | 2,423,399.82                                 | 10,182,948.70                                  |
|  |          | <b>3,026,776.24</b>                          | <b>10,949,000.17</b>                           |
| <b>EXPENSES</b>  |          |  |  |
| Management, Trusteeship Fees,<br>Administrative & Other            | H        | 150,444.95                                   | 98,236.86                                      |
| Operating expenses   |          |  |  |
| Loss on sale/ redemption of<br>investments                         |          | —  | —  |
| - inter-scheme   |          | —  | —  |
| - others   |          | 1,952,865.91                                 | 10,490,682.20                                  |
|  |          | <b>2,103,310.86</b>                          | <b>10,588,919.06</b>                           |
| Surplus / ( Deficit ) for the period                               |          | <b>923,465.38</b>                            | <b>360,081.11</b>                              |
| Opening Balance in Revenue<br>Reserve Brought Forward              |          | 360,081.11                                   | —  |
| Prior Period Adjustments (Net)                                     |          | (29,127.25)                                  | —  |
| <b>Balance transferred to<br/>Revenue Reserve</b>                  |          | <b>1,254,419.24</b>                          | <b>360,081.11</b>                              |
| Significant Accounting Policies<br>& Notes to Accounts             | I        |  |  |

Schedules referred to above form an integral part of the Balance Sheet and Revenue Account

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

For and on behalf of  
P. Bholusaria & Co.  
Chartered Accountants

Amit Goel  
Partner

For Creditcapital Investment Trust Company Limited

K.N. Goyal  
Director

G.N. Tandon  
Director

For and on behalf of Creditcapital Asset Management Co. Ltd.

J.P. Kundra  
Director

M.G. Gupta  
Director

Deepa Varshnei  
Vice President  
(Accounts)

R K Gupta  
Fund Manager

Place : New Delhi  
Date : August 28, 2004

# TAURUS MUTUAL FUND



## SCHEDULES FORMING PART OF BALANCE SHEET OF BONANZA EQUITY LINKED SAVING ON TAX SCHEME-1993

|   | Amount in Rupees                 |                                    |
|---|----------------------------------|------------------------------------|
|   | As at<br>31.03.2004              | As at<br>31.03.2003                |
| <b>SCHEDULE 'A': UNIT CAPITAL</b>   |                                  |                                    |
| Nil units (previous yr. Nil units)<br>of Rs.10/- each fully paid up                       | —                                | —                                  |
| <b>SCHEDULE 'B': RESERVES &amp; SURPLUS</b>   |                                  |                                    |
| Revenue Reserve (As per Annexed Account)  | 1,254,419.24                     | 360,081.11                         |
|   | <u>1,254,419.24</u>              | <u>360,081.11</u>                  |
| <b>SCHEDULE 'C': CURRENT LIABILITIES AND PROVISIONS</b>                                   |                                  |                                    |
| <b>Current Liabilities</b>  |                                  |                                    |
| Sundry Creditors  | 49,466.90                        | 139,070.15                         |
| Unit capital redemption payable   | 7,270,177.64                     | 13,662,920.14                      |
| Payable to CAMCO Ltd<br>(Including Mgmt. Fee payable)                                     | 14,250.00                        | —                                  |
| Payable to other schemes (net)  | —                                | 41,224.22                          |
| Repurchase Warrants payable   | 47,701.00                        | 49,346.50                          |
| Tax deducted at source payable  | 907.00                           | 234.00                             |
| Audit Fee payable   | 10,800.00                        | 77,595.00                          |
| Incentive payable   | 31,216.25                        | 30,025.00                          |
| Unclaimed Dividend  | 295,740.00                       | 241,037.50                         |
| Custodian Fee Payable   | 26.04                            | 635.99                             |
|   | <u>7,720,284.83</u>              | <u>14,242,088.50</u>               |
|   | <u>7,720,284.83</u>              | <u>14,242,088.50</u>               |
| <b>SCHEDULE 'D': INVESTMENTS</b>  |                                  |                                    |
| Equity Shares   | 302,880.81                       | 1,400,139.80                       |
| Debentures (Listed/Awaiting listing)  | —                                | —                                  |
| Government Securities   | —                                | —                                  |
|   | <u>302,880.81</u>                | <u>1,400,139.80</u>                |
| <b>SCHEDULE 'E': DEPOSITS</b>   |                                  |                                    |
| Deposits with Scheduled Banks   | 8,312,210.58                     | 12,047,070.00                      |
|   | <u>8,312,210.58</u>              | <u>12,047,070.00</u>               |
| <b>SCHEDULE 'F': OTHER CURRENT ASSETS</b>   |                                  |                                    |
| Balance with Banks in Current Accounts  | 185,184.84                       | 293,163.28                         |
| Contract for sale   | —                                | 394,641.72                         |
| Accrued Interest on Fixed Deposits  | 149,143.09                       | 291,853.00                         |
| Tax Deducted at Source on Income  | 78.75                            | 1,319.18                           |
| Receivable from other schemes (net)   | 25,206.00                        | —                                  |
| Receivable from CAMCO<br>(Net of Mgmt. fees payable)                                      | —                                | 173,982.63                         |
|   | <u>359,612.68</u>                | <u>1,154,959.81</u>                |
|   | <u>359,612.68</u>                | <u>1,154,959.81</u>                |
|   | For the year ended<br>31.03.2004 | For the Period ended<br>31.03.2003 |
| <b>SCHEDULE 'G': INTEREST ON</b>  |                                  |                                    |
| Fixed Deposits  | 603,376.42                       | 299,333.86                         |
| Debentures  | —                                | 9,041.33                           |
| Call Money  | —                                | 394.00                             |
|   | <u>603,376.42</u>                | <u>308,769.19</u>                  |
|   | <u>603,376.42</u>                | <u>308,769.19</u>                  |
| <b>SCHEDULE 'H': MANAGEMENT, TRUSTEESHIP, ADMINISTRATIVE AND OTHER OPERATIVE EXPENSES</b> |                                  |                                    |
| Management Fee  | 56,143.00                        | 34,295.00                          |
| Registrar Charges   | 43,678.60                        | 9,258.10                           |
| Custodian Fee   | 1,424.35                         | 9,287.26                           |
| Printing & Stationary   | 6,800.00                         | —                                  |
| Postage & Courier Charges   | 18,650.00                        | —                                  |
| Other Operating Expenses  | 12,949.00                        | 3,788.00                           |
| Advertisement Expenses  | —                                | 3,808.50                           |
| Auditors Remuneration   | 10,800.00                        | 37,800.00                          |
|   | <u>150,444.95</u>                | <u>98,236.86</u>                   |
|   | <u>150,444.95</u>                | <u>98,236.86</u>                   |

## SCHEDULE 'I': SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### 1. Significant Accounting Policies

#### a) Method of Accounting

These accounts are prepared on 'winding up basis'.

#### b) Portfolio Valuation

Investments held are primarily thinly traded/non-traded or non-performing assets and are included at their market value/fair value arrived at in accordance with the guidelines for valuation of securities for mutual funds issued by SEBI and approved by the Board of Trustees as of 16<sup>th</sup> October 2002, the date of termination/winding up of the scheme.

### c) Recognition of revenue and treatment of expenses

- Dividend is recognized on ex-dividend dates of the respective scrips. Dividend on unquoted investments is recognized on date of declaration. Interest is accrued on day-to-day basis.
- Profit or loss on sale or redemption of investments is computed by applying the weighted average cost of investments sold.

### Notes to Accounts

- With a view to reducing operational costs of the Fund as a whole and optimizing returns, the Unitholders of the Scheme were given option vide Offer dated 28<sup>th</sup> September, 2002 to switch over to 'Libra Tax Shield' or to exit from the Scheme at the NAV as on 16<sup>th</sup> October, 2002, the date fixed for termination/winding up of the Scheme. During the year 1,156,100 Units have been claimed and executed. At the year end 1,308,150 units (No. of Unit holders : 2871) of a value of Rs.7,270,177.64 are unclaimed.
- Since the scheme has been terminated and accounts have been prepared on winding up basis, the value of the undisposed securities including Non Traded/ Thinly Traded and Un-listed securities is stated in these accounts at the valuation made as on 16<sup>th</sup> October 2002 (i.e. date of termination/winding up) by CAMCO under policies approved by CITCO in accordance with the guidelines for valuation of securities for Mutual Funds issued by SEBI. In the opinion of the management, such valuation as on 31<sup>st</sup> March 2004, in good faith, are fair and reasonable and this will have no impact on the unit capital redemption amount payable to unitholders whose redemption amount is unclaimed. No further provision for diminution/appreciation in the value of investments is required as the net loss, if any, on the disposal of these securities, as well as the other deficit, if any, after the date of termination i.e. 16<sup>th</sup> October 2002, would be met by CAMCO or as may be decided by the Trustees in the manner so as to have no adverse impact on the unitholders whose redemption amount is still unclaimed. The net gain, if any, on the disposal of these securities will be utilized/distributed to the benefit of the unitholders in accordance with the SEBI guidelines.
- As at 31<sup>st</sup> March, 2004 the details of Investments are as under:

|   | As on 31 <sup>st</sup> March 2004 |                                   | As on 31 <sup>st</sup> March 2003 |                                   |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|   | Book Value<br>(Rs.)               | Market Value/<br>Fair Value (Rs.) | Book Value<br>(Rs.)               | Market Value/<br>Fair Value (Rs.) |
| Equities:   |                                   |                                   |                                   |                                   |
| Debentures /Bonds:  |                                   |                                   |                                   |                                   |
| Listed/Awaiting Listing   | 302,880.81                        |                                   | 1,400,139.80                      |                                   |
| Privately Placed  | Nil                               | Nil                               | Nil                               | Nil                               |
| Illiquid securities at fair value aggregated to Rs. 3.03 lacs as on 31 <sup>st</sup> March 2004 (Previous Year Rs 6.07 lacs). |                                   |                                   |                                   |                                   |
| The aggregate carrying value and market value of non performing investments as on 31 <sup>st</sup> March 2004 is as under:    |                                   |                                   |                                   |                                   |
|   |                                   |                                   |                                   |                                   |

\*Equity shares have been considered as non-performing where no dividend has been received/declared for more than two years from the date of investment as at the end of the accounting Period.

- Total value of investments falling under each major industry group and exceeding 5% of the total investments in each major classification as on 31<sup>st</sup> March 2004, are as under:
- |                       | As on 31 <sup>st</sup> March 2004 |               | As on 31 <sup>st</sup> March 2003 |      |
|-----------------------|-----------------------------------|---------------|-----------------------------------|------|
|                       | Market/Fair Value                 | % of          | Market Value                      | % of |
| Equities:             |                                   |               |                                   |      |
| Textiles              | 120,630.81                        | 39.83         |                                   |      |
| Healthcare Facilities | 182,250.00                        | 60.17         |                                   |      |
| Total                 | <u>302,880.81</u>                 | <u>100.00</u> |                                   |      |

- There has been no transaction with the associates in terms of regulation 25(7) of SEBI Regulations, 1996.
- The Scheme has paid/provided Management Fee of Rs.56,143/- (Previous Period 34,295/-) to Credit Capital Asset Management Company Ltd. calculated at 0.50% plus service tax of the weekly average redemption amount payable.
- In view of the termination/winding up of the Scheme, disclosure requirements relating to value of purchases, sales, income and expenditure as an annualized percentage of average weekly NAV and other similar information is not applicable.
- During the year reconciliation of repurchase warrants payable, unclaimed dividend and incentive payable pertaining to the period prior to takeover of scheme from BOI Mutual fund was carried out as per the information and records provided by BOI Asset Management Company the erstwhile management Company. Consequent upon the reconciliation, the net difference of Rs 29,127.25 has been charged in the Revenue Account as prior period adjustment.
- Figures of the current period are from 1<sup>st</sup> April, 2003 to 31<sup>st</sup> March, 2004 and the previous period were from 17<sup>th</sup> October, 2002 to 31<sup>st</sup> March, 2003. In view of the termination/winding up of the Schemes undertaken and the different periods to which the figures pertain, the current period figures are not comparable with those of the previous period.
- A full portfolio of investments of the Scheme is attached herewith as Annexure-I.



# TAURUS MUTUAL FUND



## ANNEXURE I PORTFOLIO AS ON 31/03/2004

### STARSHARE

| Sl. No.      | Name of the Instrument            | Quantity  | Mkt Value Rs. In Lacs |
|--------------|-----------------------------------|-----------|-----------------------|
| 1            | Equity- Listed / Awaiting Listing |           |                       |
| 1            | JAIPRAKASH ASSOCIATES LTD         | 1,697,081 | 1960.98               |
| 2            | CROMPTON GREAVES                  | 583,961   | 899.59                |
| 3            | BALLARPUR INDUSTRIES              | 659,321   | 436.47                |
| 4            | CEAT                              | 1,004,609 | 364.67                |
| 5            | RELIANCE ENERGY                   | 25,556    | 195.96                |
| 6            | T I S C O                         | 50,580    | 193.97                |
| 7            | INDIAN RAYON INDUSTRIES           | 80,519    | 152.14                |
| 8            | RELIANCE INDUSTRIES               | 26,783    | 144.11                |
| 9            | CIPLA                             | 12,109    | 141.87                |
| 10           | CANARA BANK                       | 94,000    | 135.92                |
| 11           | JAGSONPAL PHARMA                  | 123,242   | 131.87                |
| 12           | ALPS INDUSTRIES                   | 302,010   | 120.50                |
| 13           | RANBAXY LABORATORIES              | 12,598    | 118.64                |
| 14           | ZEE TELEFILMS                     | 81,000    | 108.70                |
| 15           | SURYA ROSHNI                      | 541,043   | 102.26                |
| 16           | AHLUWALIA CONTRACTS               | 240,000   | 95.40 **@             |
| 17           | RAYMOND                           | 51,596    | 92.77                 |
| 18           | MARAL OVERSEAS                    | 582,602   | 92.64                 |
| 19           | VISUALSOFT TECHNOLOGIES           | 61,085    | 89.09                 |
| 20           | NEW DELHI TELEVISION              | 312,500   | 85.31 #               |
| 21           | ALOK INDUSTRIES                   | 170,000   | 87.30                 |
| 22           | DR REDDYS LABORATORIES            | 7,704     | 75.03                 |
| 23           | O N G C                           | 8,199     | 68.91                 |
| 24           | T E L C O                         | 12,998    | 63.13                 |
| 25           | ELDER PHARMA                      | 47,999    | 62.21                 |
| 26           | M T N L                           | 44,440    | 56.97                 |
| 27           | ASHOK LEYLAND                     | 21,255    | 53.90                 |
| 28           | N I I T                           | 27,000    | 48.57                 |
| 29           | PADMALYA TELEFILMS                | 78,622    | 43.95                 |
| 30           | S R F                             | 101,999   | 35.75                 |
| 31           | PILANI INVESTMENTS                | 10,000    | 31.02 **              |
| 32           | VXL INSTRUMENTS                   | 87,555    | 21.80 @               |
| 33           | WELLWIN INDUSTRIES                | 85,983    | 7.67                  |
| 34           | MARUTI UDYOG                      | 1,200     | 5.96                  |
| 35           | RAM INFORMATICS                   | 81,165    | 3.80 @                |
| 36           | GRASIM INDUSTRIES                 | 50        | 0.00                  |
| <b>Total</b> |                                   |           | <b>6,328.63</b>       |

| Sl. No.  | Name of the Instrument           | Quantity | Mkt Value Rs. In Lacs |
|--|----------------------------------|----------|-----------------------|
| <b>Debt Instruments- Listed/Awaiting Listing</b> |                                  |          |                       |
| 1  | IDBI OMNI REGULAR RETURN BOND II | 50       | 50.61                 |
| 2  | ICICI SAFETY BOND (JUNE SERIES)  | 500      | 27.62                 |
| 3  | 10% HUDCO 2012                   | 3        | 17.62                 |
| 4  | IDBI REGULAR INCOME BOND         | 200      | 10.98                 |
| 5  | 9% HLL SECURED                   | 58,850   | 3.83                  |
| <b>Total</b>                                     |                                  |          | <b>110.66</b>         |

| Sl. No.                                   | Name of the Instrument | Quantity | Mkt Value Rs. In Lacs |
|---|------------------------|----------|-----------------------|
| <b>Debt Instruments- Privately Placed</b> |                        |          |                       |
| 1   | NCRPB 9.55% BONDS      | 5        | 27.40                 |
| 2   | 9.30 % PFC BONDS       | 25       | 27.12                 |
| <b>Total</b>                              |                        |          | <b>54.52</b>          |

| Sl. No.                      | Name of the Instrument | Quantity | Mkt Value Rs. In Lacs |
|------------------------------|------------------------|----------|-----------------------|
| <b>Government Securities</b> |                        |          |                       |
| 1                            | 11.03% GOI 2012        | 50,000   | 69.63                 |
| 2                            | 9.85% CG 2015          | 50,000   | 69.46                 |
| <b>Total</b>                 |                        |          | <b>139.09</b>         |

**Total Market Value/Fair Value** **6632.90**

### LIBRA BOND FUND

| Sl. No.  | Name of the Instrument | Quantity | Mkt Value Rs. In Lacs |
|--|------------------------|----------|-----------------------|
| <b>Debt Instruments- Listed/Awaiting Listing</b> |                        |          |                       |
| 1  | 7.90% HUDCO BONDS 2013 | 8        | 85.67                 |
| <b>Total</b>                                     |                        |          | <b>85.67</b>          |
| <b>Debt Instruments- Privately Placed</b>        |                        |          |                       |
| 1  | GE CAPITAL SERVICE     | 1        | 11.16                 |
| <b>Total</b>                                     |                        |          | <b>11.16</b>          |
| <b>Total Market Value/Fair Value</b>             |                        |          | <b>96.83</b>          |

### LIBRA GILT FUND

| Sl. No.                      | Name of the Instrument | Quantity | Mkt Value Rs. In Lacs |
|------------------------------|------------------------|----------|-----------------------|
| <b>Government Securities</b> |                        |          |                       |
| 1                            | 6.25% GOI 2018         | 25,000   | 26.81                 |
| 2                            | 60.01% GOI 2028        | 25,000   | 25.23                 |
| <b>Total</b>                 |                        |          | <b>52.04</b>          |

### DISCOVERY STOCK FUND

| Sl. No.                                  | Name of the Instrument           | Quantity | Mkt Value Rs. In Lacs |
|--|----------------------------------|----------|-----------------------|
| <b>Equity- Listed / Awaiting Listing</b> |                                  |          |                       |
| 1  | JAIPRAKASH ASSOCIATES LTD        | 346,326  | 400.18                |
| 2  | BALLARPUR INDUSTRIES             | 237,026  | 156.91                |
| 3  | POLARIS SOFTWARE                 | 65,000   | 114.01                |
| 4  | I P C L                          | 50,827   | 92.51                 |
| 5  | S R F                            | 263,645  | 92.41                 |
| 6  | NEW DELHI TELEVISION             | 312,500  | 85.31 #               |
| 7  | GAIL INDIA                       | 38,429   | 81.89                 |
| 8  | MARAL OVERSEAS                   | 369,531  | 58.76                 |
| 9  | CENTURION BANK                   | 514,499  | 50.16 @               |
| 10                                       | AKSHAY SOFTWARE TECHNOLOGIES     | 300,000  | 38.22 #               |
| 11                                       | ALPS INDUSTRIES                  | 119,500  | 47.66                 |
| 12                                       | I F C I                          | 270,000  | 26.54                 |
| 13                                       | ZEE TELEFILMS                    | 19,569   | 26.26                 |
| 14                                       | CEAT                             | 71,493   | 25.95                 |
| 15                                       | STEEL AUTHORITY OF INDIA         | 75,000   | 24.23                 |
| 16                                       | GTL                              | 27,000   | 21.80                 |
| 17                                       | GUJARAT INDUSTRIES POWER COMPANY | 40,000   | 18.88                 |
| 18                                       | ESSAR SHIPPING                   | 75,000   | 14.10                 |
| 19                                       | RELIANCE CAPITAL                 | 10,000   | 13.15                 |
| 20                                       | ATUL INDUSTRIES                  | 33,154   | 10.82                 |
| 21                                       | SOVKA INFOTEK                    | 150,000  | 8.15 #@               |
| 22                                       | IEC SOFTWARES                    | 170,457  | 6.77 **@              |
| 23                                       | VIKRAM THERMO                    | 129,100  | 3.23 **@              |
| 24                                       | E-Z COMM TRADE TECHNOLOGIES      | 109,619  | 2.77 **@              |
| 25                                       | VICTORY PROJECTS                 | 183,200  | 1.83 **@              |
| <b>Total</b>                             |                                  |          | <b>1422.52</b>        |

| Sl. No.  | Name of the Instrument | Quantity | Mkt Value Rs. In Lacs |
|--|------------------------|----------|-----------------------|
| <b>Debt Instruments- Listed/Awaiting Listing</b> |                        |          |                       |
| 1  | J K DAIRY & FOODS      | 150,000  | 0.00 @                |
| 2  | TANGERINE INFORMATIQUE | 100,000  | 0.00 @                |
| <b>Total</b>                                     |                        |          | <b>0.00</b>           |

| Sl. No.                                   | Name of the Instrument | Quantity | Mkt Value Rs. In Lacs |
|---|------------------------|----------|-----------------------|
| <b>Debt Instruments- Privately Placed</b> |                        |          |                       |
| 1   | 9.30% PFC BONDS        | 25       | 27.12                 |
| <b>Total</b>                              |                        |          | <b>27.12</b>          |

| Sl. No.                      | Name of the Instrument | Quantity | Mkt Value Rs. In Lacs |
|------------------------------|------------------------|----------|-----------------------|
| <b>Government Securities</b> |                        |          |                       |
| 1                            | 7.46% GOI 2017         | 25,000   | 29.83                 |
| <b>Total</b>                 |                        |          | <b>29.83</b>          |

**Total Market/Fair Value** **1478.46**

### LIBRA TAX SHIELD

| Sl. No.                                  | Name of the Instrument              | Quantity | Mkt Value Rs. In Lacs |
|--|-------------------------------------|----------|-----------------------|
| <b>Equity- Listed / Awaiting Listing</b> |                                     |          |                       |
| 1  | ZEE TELEFILMS                       | 35,000   | 46.97                 |
| 2  | RELIANCE CAPITAL                    | 31,000   | 40.75                 |
| 3  | NEYVELI LIGNITE CORPORATION         | 67,000   | 36.75                 |
| 4  | STEEL AUTHORITY OF INDIA            | 90,000   | 29.07                 |
| 5  | HIMACHAL FUTURISTICS COMMUNICATIONS | 194,655  | 23.83                 |
| 6  | HOTLINE GLASS                       | 470,082  | 21.53 @               |
| 7  | ATUL INDUSTRIES                     | 57,532   | 18.78                 |
| 8  | INDIA GLYCOLS                       | 15,808   | 17.23                 |
| 9  | ESSAR SHIPPING                      | 83,486   | 15.70                 |
| 10                                       | INDIAN HOTELS                       | 3,081    | 12.91                 |
| 11                                       | USHA INTERNATIONAL                  | 12,600   | 7.81                  |
| 12                                       | SATYAM COMPUTERS                    | 2,000    | 5.87                  |
| 13                                       | IEC SOFTWARES                       | 62,750   | 2.49 **@              |
| <b>Total</b>                             |                                     |          | <b>278.69</b>         |

| Sl. No.  | Name of the Instrument           | Quantity | Mkt Value Rs. In Lacs |
|--|----------------------------------|----------|-----------------------|
| <b>Debt Instruments- Listed/Awaiting Listing</b> |                                  |          |                       |
| 1  | ICICI SAFETY BONDS (JUNE 2001)   | 200      | 11.05                 |
| 2  | IDBI REGULAR INCOME BOND         | 200      | 10.98                 |
| 3  | ICICI SAFETY BONDS (AUGUST 2001) | 200      | 10.96                 |
| <b>Total</b>                                     |                                  |          | <b>32.99</b>          |

**Total Market/Fair Value** **312.68**

### BONANZA EQUITY LINKED SAVING ON TAX SCHEME

| Sl. No.                                  | Name of the Instrument | Quantity | Mkt Value Rs. In Lacs |
|--|------------------------|----------|-----------------------|
| <b>Equity- Listed / Awaiting Listing</b> |                        |          |                       |
| 1  | ADS DIAGNOSTICS        | 25000    | 1.82 **@              |
| 2  | KSL & INDUSTRIES       | 1121     | 1.20 **@              |
| <b>Total</b>                             |                        |          | <b>3.02</b>           |



**ANNEXURE I PORTFOLIO AS ON 31/3/2004**

**BONANZA EXCLUSIVE GROWTH SCHEME-OPEN**

| Sl. No.  | Name of the Instrument              | Quantity | Mkt Value<br>Rs. In Lacs |
|--|-------------------------------------|----------|--------------------------|
| <b>Equity- Listed / Awaiting Listing</b>         |                                     |          |                          |
| 1  | JAIPRAKASH INDUSTRIES               | 621,266  | 717.87                   |
| 2  | LARSEN & TOUBRO                     | 64,957   | 373.08                   |
| 3  | CROMPTON GREAVES                    | 167,594  | 258.18                   |
| 4  | MAHINDRA & MAHINDRA                 | 46,312   | 215.14                   |
| 5  | STATE BANK OF INDIA                 | 30,787   | 186.48                   |
| 6  | ZEE TELEFILMS                       | 127,750  | 171.44                   |
| 7  | BHARAT EARTH MOVERS                 | 98,087   | 167.68                   |
| 8  | PUNJAB NATIONAL BANK                | 49,146   | 164.10                   |
| 9  | T I S C O                           | 40,000   | 153.40                   |
| 10   | RELIANCE INDUSTRIES                 | 21,000   | 112.99                   |
| 11   | NOVARTIS INDIA                      | 29,593   | 111.99                   |
| 12   | A C C                               | 39,000   | 99.27                    |
| 13   | INDIA GLYCOLS                       | 81,176   | 88.48                    |
| 14   | CEAT                                | 229,708  | 83.38                    |
| 15   | STRIDE ARCOLABS                     | 45,717   | 67.30                    |
| 16   | GOETZ INDIA                         | 85,831   | 66.91                    |
| 17   | I P C L                             | 32,500   | 59.15                    |
| 18   | RELIANCE CAPITAL                    | 41,000   | 53.89                    |
| 19   | INFOSYS TECHNOLOGIES                | 1,088    | 61.26                    |
| 20   | GUJARAT INDUSTRIES POWER COMPANY    | 104,586  | 49.36                    |
| 21   | NALCO                               | 26,000   | 48.14                    |
| 22   | PHILIPS CARBON BLACK                | 57,975   | 42.32                    |
| 23   | PADMALYA TELEFILMS                  | 67,507   | 37.74                    |
| 24   | ABHISHEK INDUSTRIES                 | 227,386  | 26.58                    |
| 25   | HIMACHAL FUTURISTICS COMMUNICATIONS | 216,890  | 26.55                    |
| 26   | VISUALSOFT TECHNOLOGIES             | 10,750   | 15.68                    |
| 27   | PENTAMEDIA GRAPHICS                 | 243,955  | 13.71                    |
| 28   | I F C I                             | 89,000   | 8.75                     |
| 29   | D LINK INDIA LTD                    | 4,000    | 7.01                     |
| 30   | VARDHMAN POLYTEX                    | 13,516   | 6.67                     |
| <b>Total</b>                                     |                                     |          | <b>3486.51</b>           |
| <b>Debt Instruments- Listed/Awaiting Listing</b> |                                     |          |                          |
| 1  | 11.50% IDBI SLR BONDS 2011          | 2,000    | 26.15                    |
| 2  | 7.90% HUDCO BONDS 2013              | 2        | 21.42                    |
| <b>Total</b>                                     |                                     |          | <b>47.57</b>             |
| <b>Total Market/Fair Value</b>                   |                                     |          | <b>3534.08</b>           |

**LIBRA BOND FUND FIXED MATURITY PLAN-1**

| Sl. No.  | Name of the Instrument              | Quantity | Mkt Value<br>Rs. In Lacs |
|--|-------------------------------------|----------|--------------------------|
| <b>Debt Instruments- Listed/Awaiting Listing</b> |                                     |          |                          |
| 1  | 12.50% KIDC BONDS 2013              | 138      | 171.58                   |
| 2  | 10.90% APPFCL BONDS 2013            | 150      | 170.34                   |
| 3  | 9.50% SSNL TAXFREE BONDS 21/10/2009 | 1,250    | 133.14                   |
| 4  | 9.50% SSNL TAXFREE BONDS 30/09/2009 | 100      | 106.51                   |
| 5  | 0% PFC BONDS 2022                   | 200      | 66.20                    |
| 6  | 11.50% MSFC SLR 28/06/2010          | 25       | 29.46                    |
| 7  | 11.50% MSFC SLR 18/01/2010          | 25       | 29.20                    |
| 8  | 11.50% MSFC SLR 26/10/2009          | 25       | 29.13                    |
| <b>Total</b>                                     |                                     |          | <b>735.56</b>            |
| <b>Government Securities</b>                     |                                     |          |                          |
| 1.   | 10.03% GOI 2019                     | 100,000  | 141.48                   |
| 2.   | 12.30% UTTAR PRADESH SDL 2007       | 100,000  | 119.78                   |
| 3  | 12.15% KARNATAKA SDL 2008           | 50,000   | 60.96                    |
| 4  | 12.15% MAHARASHTRA SDL 2008         | 50,000   | 60.96                    |
| <b>Total</b>                                     |                                     |          | <b>383.18</b>            |
| <b>Total Market /Fair Value</b>                  |                                     |          | <b>1118.74</b>           |

**LIBRA LEAP**

| Sl. No.                                  | Name of the Instrument | Quantity | Mkt Value<br>Rs. In Lacs |
|--|------------------------|----------|--------------------------|
| <b>Equity- Listed / Awaiting Listing</b> |                        |          |                          |
| 1  | IEG SOFTWARES          | 57,455   | 10.92 **@                |
| 2  | PILANI INVESTMENTS     | 1,975    | 5.98 **                  |
| 3  | RAM INFORMATICS        | 31,034   | 9.64 @                   |
| 4  | SOVIKA INFOTEK         | 200,000  | 15.22 #@                 |
| 5  | USHA INTERNATIONAL     | 12,000   | 10.82 **                 |
| <b>Total</b>                             |                        |          | <b>52.58</b>             |

Note :

- \*\* Thinly Traded/Non Traded (Illiquid) Shares
- # Unlisted (Illiquid) Shares
- @ Non Performing Assets



**KARVY COMPUTERSHARE PRIVATE LIMITED, REGISTRAR & TRANSFER AGENTS**

**DESIGNATED INVESTER SERVICE CENTRES**

|                   |  |
|-------------------|--|
| <b>AHMEDABAD</b>  | : 201-203 Shail Buildings, Opp. Madhusudan House, Off, C G Road, Near Navrangpura Telephone Exchange, Ahmedabad-380 006, Tel.: 079-26400527, 26400528, 8014772, 8014773 Fax Nos.26565551 |
| <b>CHANDIGARH</b> | : SCO-371-372, First Floor, Above HDFC Bank, Sector 35B, Chandigarh-160 022 Tel.: 0172-5071726, 5071727, 5071728   |
| <b>CHENNAI</b>    | : Flat 2-B, First Floor, Wellington Estate No.: 24 Ethiraj Salai, Commander in Chief Road, Chennai-600 015 Tel.: 044-52028512, 28277383, Fax: 044-52028514                               |
| <b>HYDERABAD</b>  | : 21, Avenue 4, Street No.1, Banjara Hills, Hyderabad-500 034 Tel.: 040- 23312454, Fax: 040-23312946   |
| <b>JAIPUR</b>     | : 108-110, 1st Floor, Anukampa Mansion-II, Opp. Raymond Showroom, MI Road, Jaipur - 302001 Tel.: 0141- 2363321, 2375039 Fax: 0141- 2364660   |
| <b>KOLKATA</b>    | : 49, Jatin Das Road, Kolkata-700 029 Tel.: 033-24659263, 24659267, 24634789 Fax: 033-24635432   |
| <b>LUCKNOW</b>    | : 94, Mahatma Gandhi Marg, Opp. Governor House, Lucknow-226 001 Tel.: 0522- 2236819/20/21/23.  |
| <b>MUMBAI</b>     | : 16-22, Bake House, Ground Floor, Maharashtra Chamber of Commerce Lane, Opp. MSC Bank, Fort, Mumbai - 400 023. Tel.: 022- 56341967, 22833071 Fax: 022-56341966                          |
| <b>NEW DELHI</b>  | : 105-108, Arunachal Building, 19, Barakhambha Road, Connaught Place, New Delhi-110 001 Tel.: 011- 23737194 Fax: 011-23730743  |
| <b>VADODARA</b>   | : 31 -34 Payal Complex, Beside Vadodara Stock Exchange, Opp. Vakal Seva Kendra, Sayajigunj, Vadodara-390 005 Tel.: 0265-222 5210, 222 5168/169, 236 1514 Fax: 0265-236 3207              |

\* Karvy Computershare Pvt. Ltd. appointed as R & T Agent w.e.f. October 16, 2004 in place of Computer Age Management Services Pvt. Ltd.

**CUSTODIANS & BANKERS**

| <b>Custodians</b>                          | <b>Bankers</b>  |
|--|---|
| 1. Citibank, N.A.<br>2. ABN Amro Bank N.V. | 1. HDFC Bank Ltd.<br>2. Citibank N.A.<br>3. ABN Amro Bank, N.V. |

**AUDITORS**

|   |  |
|---|--|
| 1. N.M. Raiji & Co.<br>2. P. Bholusaria & Co. | 1. Thakur Vaidyanath Aiyar & Co.<br>2. Doogar & Associates |
|---|--|

**BOOK-POST**



*If undelivered please return to :*

**TAURUS MUTUAL FUND**

3rd Floor, DCM Building,

Barakhamba Road,

New Delhi - 110 001.