

ADDENDUM



TAURUS
Mutual Fund

Addendum to the Scheme Information Document / Statement of Additional Information/ Key Information Memorandum of the scheme of Taurus Mutual Fund.

Notice is hereby given that the Board of Trustees of Taurus Mutual Fund have approved the following changes in Taurus Income Fund Scheme w.e.f. April 09, 2010

Change in Name of the Scheme

Old Name	New Name
Taurus Income Fund	Taurus Short Term Income Fund

Scheme Objective:

Existing: To maximize income through basket of debts, bonds, debentures, Government Securities and money market instruments etc. of varying maturities while maintaining safety and liquidity.

Revised: To generate income and capital appreciation with low volatility by investing in a diversified portfolio of short term debt and money market instruments.

Asset Allocation:

Existing Instruments	% of Portfolio		Risk Profile	Revised Instruments	% of Portfolio		Risk Profile
	Min	Max			Min	Max	
Debt Instruments	0%	100%	Medium	Money Mkt Instrument	65%	100%	Low
Money Mkt Instrument	0%	100%	Low	Debt Instrument maturing within 1 year	0%	30%	Low to medium
Securitized Debt & Other Asset	0%	50%	Low to Medium	Debt Instrument with maturity between 1 to 3 years	0%	15%	Medium to High

Money Market Instruments include cash, CBLO, Repo, CPs, CD's, Treasury Bills and Government Securities

Bench Mark Index:

Existing: Crisil Composite Bond Fund Index

Revised: Crisil Short Term Bond Index

Changes in the Investment objective, Asset allocation pattern and Bench Mark Index of the Scheme amount to changes in fundamental attributes of the Scheme as per Regulation 18(15A) of the SEBI(Mutual Funds) Regulations, 1996. The proposed changes will take place with effect from April 9, 2010.

Unitholders who are not in agreement with the proposed changes may redeem their units at applicable NAV or switch to other open-ended schemes of Taurus Mutual Fund without payment of exit load between March 9, 2010 and April 8, 2010 (both days inclusive). A letter in this regard will be dispatched before March 9, 2010.

Redemption Requests, if any may be lodged at any of the Official Point of Acceptance of Taurus Mutual Fund on or before April 8, 2010 (upto 3.00 p.m. on April 8, 2010).

The redemption cheques will be mailed within 10 Business Days of receipt of valid redemption request to those unitholders who choose to exercise their exit option. However, Taurus Mutual Fund would endeavour to dispatch redemption cheques within 3 Business Days from the date of acceptance of the redemption request.

Unitholders may note that no action is required in case they are in agreement with the proposed changes which shall be deemed as acceptance of this change. This offer to exit is merely an option and is not compulsory.

All other terms & conditions of the Scheme will remain unchanged.

This addendum forms an integral part of the Scheme Information Document / Statement of Additional Information and Key Information Memorandum of the scheme of the fund.

Place: Mumbai

For Taurus Asset Management Company Ltd.

Date: March 5, 2010.

Authorised Signatory

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

Trustee: Taurus Investment Trust Company Limited, **Investment Manager:** Taurus Asset Management Company Limited

Risk Factors: All Investments in mutual funds and securities are subject to market risks and the NAV of the Scheme may go up or down depending upon the factors and forces affecting the securities market. There can be no assurance that the Scheme's investment objective will be achieved. The past performance of the Mutual Fund is not indicative of the future performance of the Scheme. The Sponsor is not responsible or liable for any loss resulting from operation of the Scheme beyond the initial contribution of Rs.2 Lacs made towards setting up the Mutual Fund. Taurus Income Fund (now Taurus Short Term Income Fund) is only the name of the Scheme and does not in any manner indicate the quality of the Scheme or its future prospects or returns. There is no guarantee or assurance as to any return on investment of the unitholders. The investments made by the Scheme are subject to external risk on transfers, pricing, trading volumes, settlement risks, etc. of securities. **Please refer to the Scheme Information Document/ Statement of Additional Information/Key Information Memorandum carefully before investing.**

TAURUS ASSET MANAGEMENT COMPANY LIMITED

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