

ADDENDUM



Addendum to the Scheme Information Documents/Statement of Additional Information/Key Information Memorandum-cum-Application Form of Schemes of Taurus Mutual Fund

Scheme Name, Nature & Objective: Taurus Liquid Fund is an open - end liquid scheme. Scheme objective is to generate steady and reasonable income, with low risk and high level of liquidity from a portfolio of money market securities and high quality debt.

This information is for the unit holders of Taurus Liquid Fund that the Board of Trustees in their meeting held on 30.06.2011 have approved the change in the expense ratio of the scheme within the maximum permissible limit as specified in regulation 52(6) of SEBI (Mutual Funds) Regulations, 1996 as under:-

Category of Expenses	Expense Ratio (Estimated)	
	Present	Proposed
Investment Management fee to be charged by the AMC	0.25%	1.25%
Fees and expenses of Trustees	0.01%	0.01%
Custodian Fees	0.03%	0.02%
Fees for Services of Registrar	0.07%	0.07%
Audit Fees	0.01%	0.02%
Marketing & Selling expenses including agents commission if any	0.20%	0.80%
Misc. Expenses	0.03%	0.08%
Total	0.60%	2.25%

Subject to the following limits:

- 2.25% on the first ₹100 crs. of average weekly net assets.
- 2.00% on the next ₹300 crs. of average weekly net assets.
- 1.75% on the next ₹300 crs. of average weekly net assets.
- 1.50% on the balance of the average weekly net assets.

The above estimates have been done in good faith and limits of expenses are subject to change inter-se.

In terms of Regulation 18 (15A) of SEBI (Mutual Funds) Regulations 1996, change in expense ratio is a change in the fundamental attribute of the scheme and therefore for effecting the aforesaid change, a letter dated 22/08/2011 had been sent to the unitholders of the above scheme giving them an option to redeem the units upto 21/09/2011 at the prevailing net asset value without any exit load. If any investor desires to redeem the units, the option letter (enclosed with the aforesaid letter) alongwith Transaction Slip duly completed and signed should reach the offices of the Fund upto 21/09/2011. In case any investor desires to continue in the scheme, no action is required to be taken.

The proposed expense ratio for Taurus Liquid Fund stands amended w.e.f. 22/09/2011.

Place: Mumbai

Date: August 23, 2011.

For Taurus Asset Management Company Ltd.

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 Ltd. **Asset Allocation:** Repo/Reverse Repo/CBLO: 0-100%, Money Market Instruments (Mibor Linked Instruments, T-Bills, CPs, CDs) and/or other short term debt instruments (Floating Rate Notes, Short Tenor NCDs, PTCs and G-Secs) upto a maturity of 91 days : 0-100%

Load Structure: Entry Load - NIL, Exit Load: NIL (Switch: Exit Load NIL) **NAV Disclosure:** Daily 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 objectives will be achieved. The past performance of the Scheme 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 ₹2 Lacs made towards setting up the Mutual Fund. Taurus Liquid Fund is only the name of the Scheme and doesn't 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 read the Scheme Information Document, Statement of Additional Information and Key Information Memorandum - cum - Application Form carefully before investing.

TAURUS ASSET MANAGEMENT COMPANY LIMITED

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