

NOTICE CUM ADDENDUM



Notice cum Addendum to the Common Scheme Information Document (CSID) and Common Key Information Memorandum (CKIM) of Taurus Mutual Fund

Changes in Investment Restrictions

Pursuant to amendment to the SEBI (Mutual Funds) Regulations, 1996 made vide Gazette Notification No. SEBI/LAD-NRO/GN/2015-16/034 dated February 12, 2016 and SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2016/35 dated February 15, 2016, the investment restrictions applicable to debt schemes stand revised as follows:

a) The issuer level exposure limit applicable for investment in debt securities and money market instruments rated not below investment grade stand modified as follows:

A mutual fund scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of Directors of the asset management company:

Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and collateralized borrowing and lending obligations:

Provided further that investment within such limit can be made in mortgaged backed securitised debt which are rated not below investment grade by a credit rating agency registered with SEBI.

b) The paragraph on 'Prudential limits on Portfolio Concentration Risk' stand modified as follows:

The total exposure of debt schemes of mutual funds in a particular sector (excluding investments in Bank CDs, CBLO, G-Secs, TBills, short term deposits of scheduled commercial banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 25% of the net assets of the scheme;

Provided that an additional exposure to financial services sector (over and above the limit of 25%) not exceeding 5% of the net assets of the scheme shall be allowed only by way of increase in exposure to Housing Finance Companies (HFCs);

Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 25% of the net assets of the scheme.

c) The following new investment restrictions pertaining to Group exposure shall apply in debt schemes:

The total exposure of a debt scheme in a Group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Such investment limit may be extended to 25% of the net assets of the scheme with the prior approval of the Board of Trustees.

For this purpose, a Group means a Group as defined under regulation 2 (mm) of SEBI (Mutual Funds) Regulations, 1996 (Regulations) and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

This Addendum forms an integral part of the Common Scheme Information Document (CSID) and Common Key Information Memorandum (CKIM) of Taurus Mutual Fund, as amended from time to time.

For Taurus Asset Management Company Ltd.
(Investment Manager for Taurus Mutual Fund)

Place: **Mumbai**

Date: **March 3, 2016**

Notice cum Addendum No.17/2015-16

Sd/-

Authorised Signatory

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

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