

Notice - cum - Addendum to the Scheme Information Document, Statement of Additional Information & Key Information Memorandum - cum - Application Form of all the existing open ended schemes of Taurus Mutual Fund.

1. Option to hold units in De-materialised (DEMAT) mode

Securities Exchange Board of India (SEBI) vide their circular CIR/IMD/DF/9/2011 dated May 19, 2011, has issued instructions to give investors the option of holding units of Mutual Fund in Demat Mode

This is to announce that with effect from October 1, 2011 units of the following open-ended schemes of Taurus Mutual Fund can also be held in De-materialised (DEMAT) mode

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| 1) Taurus Starshare | 9) Taurus Dynamic Income Fund |
| 2) Taurus Ethical Fund | 10) Taurus Short Term Income Fund |
| 3) Taurus Infrastructure Fund | 11) Taurus Gilt Fund |
| 4) Taurus Bonanza Fund | 12) Taurus Ultra Short Term Bond Fund
(except Daily & Weekly Div) |
| 5) Taurus Discovery Fund | 13) Taurus Liquid Fund
(except Daily, Weekly & Fortnightly Div) |
| 6) Taurus Nifty Index Fund | |
| 7) Taurus Tax Shield | |
| 8) Taurus MIP Advantage | |

Investors/Unit Holders are provided with an option to hold their Units in DEMAT form while subscribing to the Units of the above schemes of TMF. Such Unit Holders are required to have a beneficiary account with a Depository Participant (DP) registered with NSDL/CDSL. The DP can process only Redemption request of units held in demat form.

In case, the unitholder desires to hold the units in DEMAT or Re-materialized (REMAT) mode at a later date, the request for conversion of units held in non-DEMAT into DEMAT mode or vice-versa should be submitted along with a DEMAT/REMAT Request Form to their DP.

During the de-materialisation and re-materialisation process, NO financial and non-financial transactions are allowed.

2. Consolidated Account Statement (CAS)

Securities Exchange Board of India (SEBI) vide their CIR/IMD/DF/16/2011 dated September 08, 2011 has issued instructions that Common Account Statement for each calendar month to be send to the investor/s those who have transacted during the month.

The investor whose transaction** has been accepted by the AMC/Mutual Fund on or after **October 1, 2011** shall receive the following:

- On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of email and/or SMS within 5 Business Days from the date of receipt of transaction request will be sent to the Unit holders registered e-mail address and/or mobile number.
- Thereafter, a consolidated account statement (CAS)^ for each calendar month to the Unit holder(s) in whose folio(s) transaction**(s) has/have taken place during the month on or before 10th of the succeeding month shall be sent by mail/e-mail.

^Consolidated Account Statement (CAS) shall contain details relating to all the transactions** carried out by the investor across all schemes of all mutual funds during the month and holding at the end of the month including transaction charges paid to the distributor.

****The word 'transaction' shall include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan and bonus transactions.**

- For the purpose of sending CAS, common investors across mutual funds shall be identified by their Permanent Account Number (PAN).
- In case of a specific request received from the Unit holders, the AMC/Fund will provide the account statement to the investors within 5 Business Days from the receipt of such request.
- In the event the account has more than one registered holder, the first named Unit holder shall receive the CAS/account statement.
- The CAS shall not be received by the Unit holders for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN.

Further, the CAS detailing holding across all schemes of all mutual funds at the end of every six months (i.e. September/ March), shall be sent by mail/e-mail on or before 10th day of succeeding month, to all such Unit holders in whose folios no transaction has taken place during that period. The half yearly consolidated account statement will be sent by e-mail to the Unit holders whose e-mail address is available, unless a specific request is made to receive in physical.

The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective DPs periodically.

This addendum forms an integral part of the Scheme Information Document, Statement of Additional Information and Key Information Memorandum - cum - Application Form of the Schemes of Taurus Mutual Fund.

Place: **Mumbai**

For **Taurus Asset Management Company Ltd.**

Date: **October 1, 2011.**

Authorised Signatory

Statutory Details: Taurus Mutual Fund has been constituted as a Trust under the Indian Trust Act, 1882. **Sponsor:** HB Portfolio Limited **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 schemes may go up or down depending upon the factors and forces affecting the securities market. There can be no assurance that schemes investment objectives will be achieved. The past performance of the Mutual Fund is not indicative of the future performance of the schemes.** The Sponsor is not responsible or liable for any loss resulting from the operation of the schemes beyond the initial contribution of ₹2 Lacs made towards setting up of the Mutual Fund. **The names of the scheme, do not in any manner indicate the quality of the schemes or their future prospects or returns. There is no guarantee or assurance as to any return on investment of the unitholders.** The investments made by the schemes are subject to external risks on transfers, pricing, trading volumes, settlement, etc. of securities. **Please read the Scheme Information Document, Statement of Additional Information & Key Information Memorandum - cum - Application Form carefully before investing.**

TAURUS ASSET MANAGEMENT COMPANY LIMITED

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