



**CONFIDENTIAL**

Ref. no.: MS/FSR/TAMCL/2009-10/29

April 08, 2009

**Mr. Waqar Naqvi**  
Chief Executive Officer  
**Taurus Asset Management Company Limited**  
305, Regent Chambers, 208,  
Jammalal Bajaj Marg,  
Nariman Point, Mumbai 400 021.  
Phone: 91 22 2282 6847

Dear Mr. Naqvi,

**Assignment of CRISIL credit quality rating for the Taurus Liquid Fund of Taurus Asset Management Company Limited**

CRISIL, after due consideration, has assigned the 'AAAF' (pronounced 'Triple A f') rating to the captioned Bond Fund. This rating indicates that the Fund's portfolio holdings would provide **very strong** protection against losses from credit defaults. Kindly note that the rating has been assigned subject to the acceptance of the enclosed warranties by your Company.

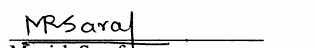
As per our Rating Agreement, CRISIL would disseminate the rating through its publications and keep the rating under surveillance over the life of the fund. CRISIL reserves the right to suspend, withdraw or revise the ratings assigned to the captioned fund at any time, on the basis of new information, or unavailability of information or other circumstances which CRISIL believes may have an impact on the rating.

Should you require any clarifications, please do not hesitate to get in touch with us.

With warm regards,

Yours sincerely,

  
Suman Chawdhury  
Head – Financial Sector Ratings

  
Manish Saraf  
Manager – Financial Sector Ratings

*Disclaimer: A CRISIL credit quality rating on a bond fund reflects CRISIL's current opinion on the degree of protection offered by the rated instrument from losses related to credit defaults. It does not constitute an audit by CRISIL of the fund house, the scheme, or companies in the scheme's portfolio. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell or hold the rated scheme: it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL reserves the right to suspend, withdraw or revise its rating at any time, on the basis of any new information or unavailability of information or any other circumstances, which CRISIL believes may have an impact on the rating. For the latest rating information on any instrument of any company rated by CRISIL, please contact CRISIL RATING DESK at CRISILratingdesk@crisil.com or at (+91 22) 6691 3001 – 09.*



#### List of Warranties for Taurus Liquid Fund

1. The Asset Management Company (AMC) shall make its best efforts to maintain the credit score applicable for the assigned rating at all times for which the rating is outstanding.
2. The AMC shall submit to CRISIL the monthly portfolio of the Fund providing details of the securities held in each rating category, money market instruments, other assets and counter party exposures including swaps, derivative contracts etc and such other information as may be required by CRISIL for carrying out the surveillance of the rated scheme.
3. In case the AMC needs to invest in securities not rated by CRISIL, the AMC will as far and as early as possible seek CRISIL's view prior to the investment. In case the AMC is not able to seek CRISIL's view prior to investment in non-CRISIL rated securities, then the AMC shall as far as possible send to CRISIL in two working days from the date of investment, the offer document and all other information as may be required by CRISIL. CRISIL shall evaluate the security and assign credit score to such security.
4. CRISIL will take an internal view in case of investments in securities that are not rated by CRISIL. If the Fund's credit score exceeds the credit score stipulated for maintaining the assigned rating, the AMC shall bring back the Fund's credit score within the credit score limit applicable to the assigned rating, within a maximum period of 15 calendar days from CRISIL intimating the breach of the warranty.
5. The following disclaimer shall form part of any dissemination of the rating for the Fund. "The assigned rating AAaf is valid only for "Taurus Liquid Fund". The rating of CRISIL is not an opinion of the Asset Management Company's willingness or ability to make timely payments to the investor. The rating is also not an opinion on the stability of the NAV of the Fund, which could vary with market developments."
6. If any security in the Fund's portfolio is downgraded, the revised credit score shall be applicable to the security. In case the revised credit score results in the credit score of the Fund exceeding the credit score applicable to the assigned rating, the AMC shall within a period of 30 calendar days from the date of downgrade, bring back the credit score within the limit applicable to the assigned rating.
7. The AMC agrees and undertakes to provide true, adequate and timely information to CRISIL so as to enable the latter to assign the initial rating and to carry out surveillance of the graded scheme after the rating is accepted.
8. We agree to keep CRISIL Limited informed of any major developments which may have a direct or indirect impact on the performance of the rated scheme within 14 days from the date of such developments/ proposals.
9. All Transactions which are complete upon delivery shall be carried out on a delivery against payment basis. All other transactions shall be carried out as per the regulatory guidelines or in absence of such guidelines by generally accepted market practice.

*Disclaimer: A CRISIL credit quality rating on a bond fund reflects CRISIL's current opinion on the degree of protection offered by the rated instrument from losses related to credit defaults. It does not constitute an audit by CRISIL of the fund house, the scheme, or companies in the scheme's portfolio. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell or hold the rated scheme: it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL reserves the right to suspend, withdraw or revise its rating at any time, on the basis of any new information or unavailability of information or any other circumstances, which CRISIL believes may have an impact on the rating. For the latest rating information on any instrument of any company rated by CRISIL, please contact CRISIL RATING DESK at CRISILratingdesk@crisil.com or at (+91 22) 6691 3001 - 09.*