



**TAURUS MUTUAL FUND
SCHEME INFORMATION DOCUMENT**

**Taurus Quarterly Interval Fund – Series 1
An Interval Income Scheme**

Offer of Units of Rs. 10/- each for cash during the NEW FUND OFFER and at applicable NAV during the specified transaction period

Name of Mutual Fund : Taurus Mutual Fund
New Fund Offer Opens on : November 24, 2011
New Fund Offer Closes on : November 29, 2011
Scheme Reopens during the Interval Period

(The AMC/ Trustees reserve the right to extend the closing date, subject to the condition that the New Fund Offer shall not be kept open for more than 15 days as permissible under Regulations)

Name of Asset Management Company : Taurus Asset Management Company Limited
Name of Trustee Company : Taurus Investment Trust Company Limited
Registered Office : 305, Regent Chambers, 208, Jamnalal Bajaj Marg,
Nariman Point, Mumbai - 400 021
Website : www.taurusmutualfund.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

Investors in the Scheme are not being offered any guaranteed/ assured returns.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Taurus Mutual Fund, Tax and Legal issues and general information on www.taurusmutualfund.com

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website.

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

Please refer to NSE Disclaimer clause overleaf.

This Scheme Information Document is dated 14/11/2011

NSE Disclaimer:

“As required, a copy of this Scheme Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/155140-M dated January 3, 2011 permission to the Mutual Fund to use the Exchange's name in this Scheme Information Document as one of the stock exchanges on which the Mutual Fund's units are proposed to be listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this Scheme Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Scheme Information Document; nor does it warrant that the Mutual Fund's units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its sponsors, its management or any scheme of the Mutual Fund.

Every person who desires to apply for or otherwise acquire any units of the Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

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HIGHLIGHTS/ SUMMARY OF THE SCHEME

- 1 Name of the Scheme(s) : Taurus Quarterly Interval Fund Series 1
- 2 Type of the Scheme (s) : An Interval Income Scheme with interval period at Quarterly frequency.
- 3 Investment Objective : The investment objective of the scheme is to generate returns through investments in a portfolio of debt and money market instruments which mature on or before the opening of the immediately following specified transaction period.

However, there is no assurance or guarantee that the objectives of the scheme will be realized and the scheme does not assure or guarantee any returns.

- 4 Liquidity / Redemption of units (Specified Transaction period) : The Scheme is an Interval Income Scheme and shall be available for subscription / switch ins and redemption / switch outs without any load during the specified transaction period. The specified transaction period shall be of minimum 2 Business days. The first specified transaction period would be the 91st & 92nd day from the date of allotment. Subsequent specified transaction period would be generally the 91st & 92nd day after the previous specified transaction period. If the specified transaction date is a non Business Day then the next Business Day would be the transaction Day. It shall be ensured that the specified transaction period covers two consecutive business days.
The AMC reserves the right to alter the specified transaction period and shall appropriately communicate the same to the investors.
The AMC shall have the flexibility to change/alter the "Specified Transaction period" depending upon prevailing market conditions to protect the interest of the investors.

Redemption/repurchase of units shall be allowed by the Mutual Fund only during the specified transaction period. Investors wishing to exit before the specified transaction period may do so, only in demat mode, by selling through National Stock Exchange_(NSE) or any other stock exchange where the scheme will be listed.

The investors are urged to note that listing of units of the Scheme does not necessarily guarantee their liquidity and there can be no assurance that an active secondary market for the units will develop or be maintained.

Units would be suspended for trading on the stock exchange for 2 Business Days prior to the Record Date of Dividend to enable AMC / R&T Agent to determine the names of the unitholders who would be eligible to receive the dividend. The Units may continue to remain suspended for trading on the stock exchange for 2-3 Business Days post the specified transaction period, to enable completion

of the fresh allotment of units and submission of requisite documents to the exchange. However, the endeavour would be to keep the units listed for trading as long as possible and minimise the number of days during which units would be suspended for trading.

- 5 Listing : It is proposed to list the scheme on National Stock Exchange or any other Stock Exchange(s) in India. In - principle approval has been obtained from National Stock Exchange of India Limited.
- 6 Holding of Units : The unitholders in the Scheme would have an option to hold the units in demat form or in the form of Account Statement as per the current practice. However, unitholders who wish to trade in units would be required to have a demat account and therefore must provide their Demat Account details in the specified section of the Application Form. Such applicants are, therefore, required to have a beneficiary account with the Depository Participant of NSDL/CDSL and will be required to indicate in the Application Form, DP's Name, DP ID number and the beneficiary account number of the applicant with the DP.
- 7 Transfer of Units : If the units are issued in demat form, they are transferable in accordance with the provisions of SEBI (Depositories and Participants) Regulations as may be amended from time to time. The Transferor should issue delivery instructions for transfer of units in requisite form as may be required from time to time and will have to be lodged with the DP for effecting transfer in accordance with such rules/regulations as may be in force governing transfer of securities in dematerialized mode.
- 8 Benchmark : Crisil Liquid Fund Index
- 9 NAV Disclosure : AMC will calculate and disclose the first NAV not later than 5 business days from the allotment date. Subsequently, the NAV will be calculated and disclosed at the close of every Business Day.
The NAV will be updated on the website of the fund www.taurusmutualfund.com. Further, it shall endeavour to update the NAV of the Scheme on website www.amfiindia.com of Association of Mutual Funds in India by 9:00 PM besides publishing the same in newspapers.
The NAV shall be computed upto four decimal places.
- 10 Loads : **Entry Load** – Nil
Exit Load – Redemptions / switch outs made on the specified transactions dates at Quarterly intervals will not attract any exit load.
- 11 Minimum Application Amount : Rs 5,000/- and in multiple of Rs. 10/- thereafter.
- 12 Options : **Growth Option**
Dividend Option: Dividend payout option.
- 13 New Fund Offer : The New Fund Offer for Taurus Quarterly Interval Fund - Series 1 will commence at any time within six months from

the date of the SEBI clearance letter for Scheme Information Document.

The AMC/Trustees reserve the right to extend/prepone the closing date of the New Fund Offer subject to the condition that the subscription of the NFO shall not be kept open for more than 15 days as permissible under the Regulations.

- 14 Applications Supported by Blocked : Investors will also have an option to subscribe to the units Amount (ASBA) facility : Amount (ASBA) facility : Investors will also have an option to subscribe to the units of the Scheme during the New Fund Offer period under the Applications Supported by Blocked Amount (ASBA) facility, which would entail blocking of funds in the investor's bank account, rather than transfer of funds, on the basis of an authorization given to this effect at the time of submitting the ASBA application form. Investors applying through ASBA should carefully read the applicable provisions before making their applications.

This facility will co-exist with the existing process, wherein cheques/ demand drafts are used as mode of payment.

INTRODUCTION

A. RISK FACTORS

Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down.
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.
- The name of the scheme does not in any manner indicate either the quality of the scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of 2 Lacs made by it towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme

Scheme Specific Risk Factors

- a) The portfolio of the scheme will comprise of securities issued by central and state governments as also debt & money market instruments issued by corporates as mentioned under the paragraph 'How will the Scheme allocate its assets'. The debt securities issued by the corporates do carry a credit risk as also the liquidity risk.
- b) The Scheme will invest entirely in Debt/ Money Market Instruments and Government securities. Liquidity in these investments may be affected by trading volumes, settlement periods and transfer procedures. These factors may also affect the Scheme's ability to make intended purchases/sales, cause potential losses to the Scheme and result in the Scheme missing certain investment opportunities.
- c) **Risk Associated with Securitised Debt**
The Scheme will not invest in Securitised Debt.

d) Credit Risk

In simple terms this risk means that the issuer of a debenture/bond or a money market instrument may default on interest payment or even in paying back the principal amount on maturity. Even where no default occurs, the price of a security may go down because the credit rating of an issuer goes down. It must, however, be noted that where the Scheme has invested in Government Securities, there is no credit risk to that extent. Different types of securities in which the scheme would invest as given in the scheme information document carry different levels and types of risk. Accordingly the scheme's risk may increase or decrease depending upon its investment pattern. Corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.

e) Price-Risk or Interest-Rate Risk

Fixed income securities such as bonds, debentures and money market instruments run price-risk or interest-rate risk. Generally, when interest rates rise, prices of existing fixed income securities fall and when interest rates drop, such prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of interest rates.

f) Re-investment Risk

Investments in fixed income securities may carry re-investment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently, the proceeds may get invested at a lower rate.

g) Repurchase Risk

The Scheme is an Interval Fund, redemption/ repurchase of units shall be allowed only during the Specified transaction date(s) / 91st day after the specified transaction date(s).

h) Risk Factors associated with the use of Derivatives

The Scheme will not make use of Derivatives.

i) Risk Factors associated with Securities Lending

The Scheme will not engage in Securities Lending.

j) Risk associated with investing in Foreign Securities / Overseas Investment

The Scheme will not make any investment in Foreign Securities

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. These conditions will be complied with immediately after the close of the NFO itself i.e. at the time of allotment. In case of non-fulfillment with the condition of minimum 20 investors the Scheme shall be wound up in accordance with Regulation 39 (2) (c) of SEBI (MF) Regulations automatically without any reference from SEBI. In case of non-fulfillment with the condition of 25% holding by a single investor on the date of allotment, the application to the extent of exposure in excess of the stipulated 25% limit would be liable to be rejected and the allotment would be effective only to the extent of 25% of the corpus collected. Consequently, such exposure over 25% limits will lead to refund within 6 weeks of the date of closure of the New Fund Offer.

The aforesaid provision will be applicable at the end of each specified transaction period.

C. SPECIAL CONSIDERATIONS

- Investment decisions made by the AMC/Investment Manager may not always be profitable.
- Investors should study the Statement of Additional Information along with the Scheme Information Document in its entirety and should not construe the contents as an advice relating to legal, taxation, investment or any other matters. Investors may, if they wish, consult their legal, tax, investment and other professional advisors to determine possible legal, tax, financial or other considerations of subscribing to or selling units, through the stock exchange where the units will be listed, before making a decision to invest/sell units through the stock exchange where the units will be listed.
- The tax benefits described in the Statement of Additional Information are as available under the present taxation laws and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India and the Investors should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor is advised to consult his / her own professional tax advisor.
- The Statement of Additional Information, Scheme Information Document or the Units have not been registered in any jurisdiction. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or subject to registration requirements and accordingly, persons who come into possession of this Scheme Information Document are required to inform themselves about and to observe any such restrictions and or legal compliance requirements. No person receiving a copy of this Scheme Information Document or any accompanying application form in such jurisdiction may treat this Scheme Information Document or such application form as constituting an invitation to them to subscribe for units nor should they in any event use any such application form unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirement.
- Prospective investors should review / study this Statement of Additional Information along with Scheme Information Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as an advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal, tax, financial or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (by way of sale) of Units and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalization, disposal (by way of sale, transfer) of Units within their jurisdiction of nationality, residence, incorporation, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to Purchase / gift Units are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting, purchasing or holding Units before making an application for Units.

D. Anti Money Laundering and Know Your Customer (KYC)

TMF is committed to complying with all applicable anti money laundering and KYC laws and regulations. TMF recognizes the value and importance of creating a business environment that strongly discourages money launderers from using TMF. To that end, certain policies have been adopted by the AMC. The need to KYC is vital for the prevention of money laundering.

In terms of Prevention of Money Laundering Act 2002, the Rules issued there under and the guidelines/circulars issued by SEBI, mutual funds have to formulate and implement a client identification programme, verify and maintain record of identity and addresses of investors. Mutual Fund industry has collectively entrusted this responsibility to CDSL Ventures Ltd.(CVL). As a token of having verified the identity and address, CVL will issue an provisional KYC Letter to each investor who submits an application and prescribed documents for the same to CVL. PAN shall be the basis for KYC exercise.

In terms of AMFI Circular No. 35/MEM-COR/54/10-11 dated 16 August 2010, irrespective of the value of investment, KYC has been made compulsory for the following investors: Non Individuals, NRIs & Channel Investors. Investors covered under this clause are - Corporate, Partnership Firms, Trusts, HUF, NRIs & investors of all channel distributors.

Implementation of KYC under PMLA through CVL for individual investors w.e.f. January 01, 2011: Currently, individual investors need to comply with KYC formalities if their investment is Rs 50,000/- and above. W.e.f. January 01, 2011, irrespective of the amount of investment, all individual investors need to comply with the KYC requirements before investing in the Fund.

All investors (including guardians and power of attorney holders) need to complete the process of KYC by submitting a duly filled up KYC application form along with photograph, photocopy of PAN card and proof of address for individuals or corporate documents for bodies corporate, in accordance with the Prevention of Money Laundering Act, 2002, Rules issued there under and related guidelines/circulars issued by SEBI. Investors shall note that completion of the KYC process is mandatory for any investment, whether by way of first time purchase or subsequent purchase. To facilitate the KYC process, the mutual fund industry has collectively entrusted the responsibility of collection of documents for KYC, as well as related record keeping, to an independent agency (presently CDSL Ventures Limited) that will act as a central record keeping agency ('Central Agency'). Therefore, investors may submit their applications for KYC, along with the requisite documents, at any 'Point of Service' designated by the Central Agency. For addresses of the Points of Service, kindly log on to the website of AMFI, www.amfiindia.com, website of Central Agency, www.cvlindia.com or the Fund, www.taurusmutualfund.com. While making an application for KYC, investors shall submit all the requisite documents in original, along with a self-attested photocopy of each of them. The original documents will be returned across the counter, after verification. Investors may also submit notarized copies of these documents. Investors will receive an acknowledgement ('KYC Acknowledgement') which shall be submitted to the Fund along with their application form in the case of a first time purchase, or with their additional purchase request in the case of a subsequent purchase in the Scheme. Investors shall be required to complete the KYC process only once for transactions across a majority of mutual funds, which are registered with the Central Agency for KYC. Accordingly, investors who have already completed the KYC process through the Central Agency shall, when making first time or subsequent purchases in the Scheme, be required to submit to the Fund a copy of their KYC Acknowledgement. Submission of the KYC Acknowledgement when investing in the Scheme shall be Deemed sufficient compliance of KYC requirements, Investors are requested to note that all transactions, as mentioned above, shall be in compliance of the KYC requirements. Accordingly, transactions which are not in compliance of the KYC requirements, as mentioned above, are liable to be rejected. Investors/Unit Holders may contact their distributors, if any, or the ISCs for any additional information/clarification.

Suspicious Transaction Reporting

If after due diligence, the AMC believes that the transaction is suspicious in nature as regards money laundering, the AMC shall report any suspicious transactions to competent authorities under the PMLA and rules / guidelines issued there under by SEBI and RBI, furnish any such information in connection therewith to such authorities and take any other actions as may be required for the purposes of fulfilling its obligations under the PMLA without obtaining the prior approval of the investor / Unit Holder / a person making the payment on behalf of the investor.

This Scheme Information Document sets forth concisely the information about the Scheme that a prospective investor ought to know before investing. This Scheme Information Document will remain effective till a material change (other than a change in Fundamental Attributes and within the purview of this Scheme Information Document) occurs and thereafter the changes shall be filed with SEBI and circulated to the unitholders. This Scheme Information Document should be retained for future reference.

The particulars of the Scheme in this Scheme Information Document have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended till date and filed with SEBI and the units offered for public subscription have not been approved or disapproved by the Securities and Exchange Board of India nor has Securities and Exchange Board of India certified the accuracy or adequacy of the Scheme Information Document.

D. DEFINITIONS

The Trustee / TITCO	Taurus Investment Trust Company Ltd. (Earlier known as Creditcapital Investment Trust Company Ltd.) is a company incorporated under the Companies Act, 1956 and authorized by SEBI to act as the Trustee for Taurus Mutual Fund.
Asset Management Co./AMC/ Investment Manager/ TAMCO	Taurus Asset Management Company Ltd. (Earlier known as Creditcapital Asset Management Company Ltd.), Investment Manager to Taurus Mutual Fund is a company incorporated under the Companies Act, 1956 and authorized by SEBI to act as the Asset Management Company.
Sponsor	HB Portfolio Limited
HB Portfolio Ltd. (HBPL)	HB Portfolio Ltd. is a company incorporated under the Companies Act, 1956.
SEBI or the Board	The Securities & Exchange Board of India, a Board established under The Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Regulations	The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time by SEBI for the operation and management of Mutual Funds, including any re-enactment thereof.
IT Act	Income Tax Act 1961.
RBI	Reserve Bank of India established under the Reserve Bank of India Act, 1934.
Custodian	HDFC Bank Ltd. or any other Custodian appointed by the Trustees.
Depository	Depository as defined in the Depository Act, 1996.
IMA	Investment Management Agreement dated August 20, 1993 executed between TITCO and TAMCO and all amendments thereto from time to time.
Registrar & Transfer Agent	Karvy Computershare Pvt. Ltd. or any other R&T agent appointed by the Trustees
Investor Service Centres or ISCs	Designated branches of the AMC / other offices as may be designated by the AMC from time to time.
NSE	National Stock Exchange
Entry Load	The charge that is paid by an Investor when he invests an amount in the Scheme
Exit Load	The charge that is paid by a Unitholder when he redeems Units from the Scheme. However, there will be no load on redemption on the maturity date.
Contingent Deferred Sales Charge/ CDSC	Exit charge permitted under SEBI Regulations for a no load scheme.
SID (Scheme Information Document)	This document issued by Taurus Mutual Fund, offering for subscription of Units of the Scheme.
Statement of Additional Information (SAI)	It contains details of Taurus Mutual Fund, its constitution, and certain tax, legal and general information. It is incorporated by reference (is legally a part of the Scheme Information Document)
Scheme	Taurus Quarterly Interval Fund - Series 1
Taurus Quarterly Interval Fund - Series 1	Interval Income Scheme

Specified Transaction period	The Scheme is an Interval Income Scheme and shall be available for subscription / switch ins and redemption / switch outs without any load during the specified transaction period. The first specified transaction period would be the 91 st & 92 nd day from the date of allotment. Subsequent specified transaction period would be generally the 91 st & 92 nd day after the previous specified transaction period. If the specified transaction date is a non Business Day then the next Business Day would be the transaction Day. It shall be ensured that the specified transaction period covers two consecutive business days. The AMC reserves the right to alter the specified transaction period and shall appropriately communicate the same to the investors.
Trust Deed	The Trust Deed dated August 20, 1993 as amended from time to time.
NAV	Net Asset Value of the units of the Scheme as calculated in the manner provided in this Scheme Information Document or as may be prescribed by SEBI Regulations from time to time. NAV will be computed up to four decimal places.
Applicable NAV	Unless stated otherwise in the SID, 'Applicable NAV' is the Net Asset Value at the close of a Business Day on the specified transaction date as of which the purchase or redemption is sought by an investor and determined by the Fund.
Units	The interest of the subscribers in the Scheme which consists of unit representing one undivided share in the assets of the Scheme.
Unitholder/Investor	A person who holds units under the Scheme
Business Day	A day other than (i) Saturday and Sunday (ii) day(s) on which the money markets are closed/not accessible (iii) a day on which banks in Mumbai and/or RBI are closed for business/clearing (iv) a day on which Stock Exchange, Mumbai and / or National Stock Exchange are closed (v) A day which is a public and/or bank holiday at the Investor Service Centre where the application is received (vi) A book closure period announced by the AMC/Trustee (vii) A day on which sale and redemption of units is suspended by the AMC/Trustee (viii) A day on which normal business cannot be transacted due to bandhs, floods, storms, strikes or such other events as the AMC/Trustee may specify from time to time. The Trustees/AMC reserve the right to change the definition of Business Day. The Trustee/AMC reserve the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres
NRI/ PIO	Non-Resident Indians and Persons of Indian Origin
FII	Foreign Institutional Investors, registered with SEBI under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended from time to time
CBDT	Central Board of Direct Taxes.
DTAA	Double Taxation Avoidance Agreement
AMFI	Association of Mutual Funds in India
Gilts / Government Securities	As defined under Section 2(b) of the Securities Contract(s) (Regulation) Act, 1956, "Government security" means a security created and issued, whether before or after the commencement of this Act, by the Central Government or a State Government for the purpose of raising a public loan and having one of the forms specified in Clause (2) of Section 2 of Public Debt Act, 1944 (13 of 1944).
Repo/Reverse Repo	Sale / Purchase of Securities as may be allowed by RBI from time to time with simultaneous agreement to repurchase / resell them at a later date.

Money Market Instruments	Include Treasury Bills, Commercial Papers, Mibor linked instruments Commercial Bills, Government Securities having un-expired maturity upto one year, Call or Notice Money, Certificate of Deposit, Usance Bills, Corporate Debentures, Collateralised Borrowing and Lending Obligation (CBLO) and any other like instruments as specified by RBI/SEBI from time to time.
MIBOR	The Mumbai Interbank Offered Rate published once every day by the National Stock Exchange and published twice every day by Reuters, as specifically applied to each contract.
Stock exchange mechanism/ trading platforms	MFSS (platform offered by NSE), BSE StAR MF (platform offered by BSE) or any other recognised stock exchange trading platform, with whom the AMC may register itself to facilitate transactions in mutual fund units.
Application Supported by Blocked Amount (ASBA)	ASBA is an application containing an authorization to a self Certified Syndicate Bank (SCSB) to block the application money in the bank account maintained with the SCSB, for subscribing to the NFO

INTERPRETATION

For all purposes of this SID, except as otherwise expressly provided or unless the context otherwise requires:

- The terms defined in this SID include the plural as well as the singular.
- Pronouns having a masculine or feminine gender shall be deemed to include the other.
- All references to “US\$” refer to United States Dollars and “Rs.” refer to Indian Rupees. A “Crore” means “ten million” and a “Lakh” means a “hundred thousand”.
- References to times of day (i.e. a.m. or p.m.) are to Indian Standard Time (IST) and references to a day are to a calendar day including non-Business Day.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

(i) the Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.

(ii) all legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.

(iii) the disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.

(iv) the intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

Date : 14/11/2011
Place : New Delhi

Sd/-
Sangeeta Verma
Company Secretary - cum-
Compliance Officer

II INFORMATION ABOUT THE SCHEME**A. TYPE OF THE SCHEME**

An Interval Income Scheme

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The investment objective of the scheme is to generate returns through investments in a portfolio of debt and money market instruments which mature on or before the opening of the immediately following specified transaction period.

However, there is no assurance or guarantee that the objectives of the scheme will be realized and the Scheme does not assure or guarantee any returns

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

The asset allocation pattern, under normal circumstances, will be as follows;

Instruments	Indicative Allocations % of Net Assets	Risk Profile
Debt and Money Market Instruments	100.00%	Low to Medium

Investments in securitised debt, derivatives, foreign securities and securities lending – Nil

Investments shall be made only in such securities which mature on or before the opening of the immediately following specified transaction period.

How the Scheme is different from the existing open-ended fixed income /debt schemes of the Fund

Quarterly Interval Fund is an Income Fund which after the NFO period will open for subscriptions/ redemptions during a specified transaction period at quarterly intervals without any load. The scheme will remain closed for subscription/redemption on other days.

Note on Debt & Money Market in India

The market for fixed-income securities in India can be briefly divided into the following segments:

- The money market – The market for borrowing / lending monies; and;
- The securities market – The market for trading in securities;
- The derivatives market – The market for-fixed income derivatives.

A predominantly institutional market, the key market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates. Provident / pension funds are also present, but not in a very active manner.

The money market

The money market can be classified into two broad categories

- The market for clean borrowing / lending
- The market for collateralized borrowing / lending.

The market for clean borrowing or lending i.e. borrowing / lending without the backing of any collateral consists of

Call Money: The market for overnight borrowing / lending

Notice Money: The market for borrowing / lending from 2 days to a fortnight.

Term Money: The market for borrowing / lending from a fortnight to six months

The market for collateralised borrowing / lending broadly consists of Repo transactions: These are repurchase obligation transactions in which the borrower tenders securities to the lender which is bought back by the borrower on the repurchase date. The price difference between the sale and repurchase of the securities is the implicit interest rate for the borrowing /lending. The eligible underlying securities for these transactions are currently government securities/treasury bills. Corporate bonds etc. are currently not allowed as eligible securities for repo transactions. The minimum repo term (lending / borrowing period) is one day.

CBLO: CBLO stands for Collateralised Borrowing and Lending obligation. CBLO is a discount instrument introduced by the Clearing Corporation of India Limited (CCIL). They can be traded like any other discount instrument. Lenders buy CBLO's and borrowers sell CBLOs. CCIL manages the risks inherent in issuing these securities through a system of margins and deposits that it takes from both lenders and borrowers. CBLOs can be issued/bought/sold for a minimum of one day to a maximum of 364 days.

The Securities Market

The market for fixed-income securities can be broadly classified into

- The market for money market (short-term) instruments
- The market for Government Securities
- The market for Corporate Bonds
- The market for other instruments such as securitised debt /PTCs etc.

Money market securities are generally discount securities maturing within one year at the time of issuance. Instruments satisfying this criterion are treasury bills (obligations of the government), commercial paper (obligations of the corporate sector) and certificate of deposit (obligations of banks).

Government securities are medium / long-term debt obligations of the government. The market for government securities is the most liquid segment of the Indian debt market. Most of the secondary market trading is concentrated in government securities.

Trading in government securities is now done mostly through an electronic trading, reporting and settlement platform developed by the Reserve Bank of India (RBI) called Negotiated Dealing System (NDS). The role of brokers which was an important element of the Indian bond market therefore stands reduced to that extent.

Trading in corporate bonds is relatively subdued (in comparison to government securities). Price discovery and trading in this segment is still carried out through the telephone. Attempts at improving the trading, settlement and risk management practices for trading corporate bonds are currently underway.

Trading in other instruments such as securitised debt is relatively scarce. Price discovery and trading in this segment too is through the telephone. The various instruments and their prevailing yields and liquidity (as on 11th November, 2011) are indicated in the following table:

The actual yields will, however, vary in line with general levels of interest rates and debt/money market conditions prevailing from time to time.

The Floating rate securities market is at a nascent stage in India. The coupon rate in floating rate securities is linked to an acceptable benchmark.

Instruments	Tenor	Yield p.a.	Liquidity
GOI Treasury Bill	91 days	8.75%-8.85%	High
GOI Treasury Bill	364 days	8.85%-8.95%	High
GOI Short Dated	1-3 years	8.85% - 9.00%	High
GOI Medium Dated	3-5 years	8.90% - 9.10%	High
Corporate Debt Taxable Bonds (AAA)	364 days	9.90% - 10.40%	Low to Medium
Corporate Debt Taxable Bonds (AAA)	1-3 years	9.80% - 10.30%	Low to Medium
Corporate Debt Taxable Bonds (AAA)	3-5 years	9.80% - 10.30%	Medium
Corporate Debt CP (P1+)	3 months	9.70% - 10.20%	Medium
Corporate Debt CP (P1+)	1 year	9.90% - 10.40%	Medium

Floating rate securities generally have a coupon rate, which is reset over a regular period depending on the benchmark chosen. The market widely uses the MIBOR benchmarks announced by Independent agencies such as NSE and Reuters. When benchmark interest rate rises, the income generated on these floating rate securities also rise. When the benchmark interest rates fall, the income generated on these floating rate securities also fall.

Increasingly more companies are raising resource through floating rate securities. Most of such securities are in the form floating rate debentures at a spread over NSE MIBOR. The Government of India has also started issuing floating rate securities. Such floating rate issuances reduce the interest rate risk of the portfolio in which these securities are held.

The fixed income derivatives market

The interest rate derivatives market is in a developing stage in the country. Instruments are broadly transacted are

- Interest Rate Swaps; and
- Forward Rate Agreements

Vanilla interest rate swap contracts are contracts, which exchange a fixed amount against a floating benchmark. These are calculated on a notional principal, which is never exchanged. Interest rate swaps can be used to hedge interest rate risk for existing fixed rate exposures; and Create synthetic floating or fixed rate structures.

Forward Rate Agreements are contracts which allow the transacting counter parties to fix a borrowing / lending rate for some future date at the current juncture itself.

D. WHERE WILL THE SCHEME INVEST?

The amount collected under the scheme will be invested only in debt and money market instruments. Subject to the Regulations, the amount collected under the scheme can be invested in any (but not exclusively) of the following securities/ debt instruments:

- a) Certificate of Deposit (CD)
- b) Commercial Papers (CP)
- c) Non Convertible Debentures (NCD)
- d) CBLO

The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offer or negotiated deals. The Scheme may also enter into repurchase and reverse repurchase obligations in all securities held by it as per guidelines/regulations applicable to such transactions. Pending deployment of the funds of the Scheme in the above securities/ debt instruments, the funds of the Scheme may be parked in Short Term Deposits of Scheduled Commercial Banks, subject to the guidelines issued by SEBI.

Investments shall be made only in such securities which mature on or before the opening of the immediately following specified transaction period.

Additional Disclosures:

a. Credit Evaluation Policy:

Introduction:

The Policy is designed to identify the credit risk involved with a detailed process to identify measure, monitor and manage the risk. The aim of the Policy is to have a structured mechanism towards risk management and thereby benefit from potential opportunities and minimize the adverse effects of risk. The policy aims to identify measure, monitor and manage the risk.

i) Identification

Embedded credit risk is identified as a core risk while structuring the portfolio.

ii) Measurement of Risk

The primary source of credit risk measurement would be the ratings assigned by the external credit rating agencies. The investment team also has internal processes to have their own assessment of the embedded credit risk which is based on both financial and non financial parameters. The mitigation of credit risk happens through a diversified portfolio with limits being set up to prevent concentration risk.

iii) Monitoring Procedures for risk limits

- Limit Approvals

The limits shall be the limits approved by the Investment Policy and Risk Policy. The existing limits may have be reviewed if there are changes in market conditions or any event particular to the credit risk.

- Reporting

The daily reporting & monitoring of limits is the responsibility of the risk management / compliance function. The Fund Managers however have primary responsibility to comply with limits and must ensure adequate processes/controls are in place to avoid breaches.

iv) Management of Risk

The management and mitigation of risks would be the predominant effort of the Fixed Income Investment team. The Fixed Income team shall also adhere to risk norms and ensure that actions have been initiated when deviations are noted.

b. The scheme will not take any exposure to the real estate sector.

c. The scheme proposes to invest in the following instruments:

Certificate of Deposit (CD)

Commercial Papers (CP)

Non Convertible Debenture (NCD)

Treasury Bills

CBLO

Pending deployment of the funds of the Scheme in the above securities / debt instruments, the funds of the Scheme may be parked in Short Term Deposits of Scheduled Commercial Banks, subject to the guidelines issued by SEBI.

d. Intended Allocation:

Instruments	Credit Rating		
	AAA/A1	AA/A2	A/A3
CDs (% of Net Assets)	45-50%	25-30%	25-30%
CPs	-	-	-
NCDs	-	-	-

Investment in the above instruments with 'AA' and 'A' rating will include instruments having rating 'AA+', 'AA-', 'A+' and 'A-'. Instruments in above instruments with rating A1, A2 & A3 will include instruments having rating A1+, A1-, A2+, A2-, A3+ and A3-.

There will not be any variation between intended portfolio allocation and final portfolio allocation with the following exceptions:

- (a) Positive variation in investment towards higher credit rating within the same investment category.
- (b) In the event of appropriate CPs and NCDs being unavailable at the time of making investments, the Fund Manager could invest in CDs, Treasury Bills and CBLOs. In this case from the point of Risk-Reward analysis the CDs should have highest rating i.e. A1+.
- (c) At the time of building up the portfolio or towards the maturity of scheme, there could be higher allocation towards cash and cash equivalents.

In case of any deviation in the intended allocation as mentioned in exceptions (b) and (c) above, the same shall be rebalanced within 30 days.

As and when there is any change in the intended allocation for the subsequent interval periods, the same will be disclosed to SEBI before the specified transaction period and also brought to the notice of all Unitholders/investors by issuing an addendum before the specified Transaction period.

While making the investments the rating prevalent at the time of investment will be considered. In case of any downgrade in the rating, the portfolio would be rebalanced within a period of 30 days.

In case of instruments having dual rating, the most conservative publicly available rating will be considered.

The scheme will not invest in any unrated paper (except for short term Deposits of Banks & CBLO)

Securities lending by the Mutual Fund

The Scheme will not engage in Securities lending.

Investment in Securitised Debt

The Scheme will not invest in Securitised Debt.

Investment in Derivative Instruments

The Scheme will not take any exposure to Derivatives.

Investment in Foreign Securities

The Scheme will not invest in Foreign Securities.

E. WHAT ARE THE INVESTMENT STRATEGIES?

For the purpose of achieving the investment objective, the Scheme will allocate the assets of the Scheme among various Debt and Money Market securities and try to have a highly liquid portfolio.

The AMC has an internal policy for selection of assets of the portfolio. The portfolio is constructed taking into account ratings from different rating agencies, rating migration, credit premium over the price of a sovereign security, general economic conditions and such other criteria. Such an internal policy from time to time lays down maximum/minimum exposure for different ratings, norms for investing in unrated paper, liquidity norms, and so on. Through such norms, the Scheme is expected to maintain a high quality portfolio and manage credit risk well.

Investments may be made in instruments, which, in the opinion of the Fund Manager, are of an acceptable credit risk and chance of default is minimum. The Fund Manager will generally be guided by, but not restrained by, the ratings announced by various rating agencies on the assets in the portfolio.

To avoid duplication of portfolios and to reduce expenses, the Scheme may invest in any other Scheme of the Fund to the extent permitted by the Regulations. In such an event, as per the Regulations, the AMC cannot charge management fees on the amounts of the Scheme so invested.

Risk Management / Control

AMC has incorporated adequate safeguards to manage risk in the portfolio construction process. Risk control would involve managing risk in order to keep it in line with the investment objective of the Scheme. The risk control process involves identifying & measuring the risk through various risk measurement tools. AMC has implemented Bloomberg Portfolio Management System (POMS) as Front Office System (FOS) for managing risk. The system has inbuilt feature which enables the fund manager to calculate various risk ratios, average duration etc. and analyze the same.

Risk Management / Mitigation Strategies

The fund by utilizing holistic risk management strategy will endeavor to manage risks associated with investing in debt markets. The fund has identified the following risks of investing in debt instruments and designed risk management strategies to mitigate and manage such risks.

Risk	Details
Interest Rate Risk	By investing in those securities whose maturity tenure profile of the schemes. The securities would normally be held to maturity so the interest rate risk would be significantly mitigated.
Credit Risk	By selecting the investment universe carefully, to primarily include those securities which have received high ratings from the high rating agencies like CRISIL. Our In-house Research will further study these securities to satisfy itself.
Volatility	Since the scheme is closed ended it will hold securities till maturity hence the portfolio would not be subject to volatility
Concentration Risk	The portfolio would be well diversified with internal cap on the % holding in a particular debt security and also follow the SEBI norms of % cap on holding of a security / sector
Liquidity Risk	At the portfolio level since the securities will be held till maturity the liquidity risk would be taken care of. As there would be no repurchase/ redemption prior to the maturity of the schemes, the need to sell the security during the tenor of the scheme may not rise. By listing the scheme on NSE, liquidity would be provided to the investors to sell / purchase the units of the scheme in dematerialized form.

Portfolio Turnover

The Scheme being a interval fund we envisage a relatively low portfolio turnover rate. However, based on market opportunities the fund manager will endeavour to optimise portfolio turnover to optimise risk adjusted return keeping in mind the cost associated with such portfolio turnover. The Portfolio will always adhere to the overall investment objectives of the Scheme.

F. FUNDAMENTAL ATTRIBUTES

Following are the fundamental attributes of the scheme, in terms of Regulation 18 (5A) of SEBI (MF) Regulations:

1. Type of the scheme: Taurus Quarterly Interval Fund Series 1 : Interval Income Scheme
2. Investment Objective: The investment objective of the scheme is to generate returns through investments in a portfolio of debt and money market instruments which mature on or before the opening of the immediately following specified transaction period.

However, there is no assurance or guarantee that the objectives of the scheme will be realized and the Scheme does not assure or guarantee any returns

3. Investment Pattern : As mentioned under the heading "How will the scheme allocate its assets"

4. Terms of Issue:

Repurchase and Redemption of Units as detailed in this scheme information document.

The provisions in respect of fees and expenses are indicated in this scheme information document.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme and the Plan/Option thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme and the Plan/Option thereunder and affect the interests of Unitholders is carried out unless:

- A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
- The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The performance of the scheme will be measured against CRISIL Liquid Fund Index.

Justification

Currently, no AMFI recognised benchmark is available for strict comparison for the Scheme. However, CRISIL Liquid Fund Index has been selected as the benchmark for the scheme as it is widely used in the market as a benchmark for products with similar tenor/average maturity etc. The interest rate risk profile of the scheme is expected to be similar to that of the benchmark.

H. WHO MANAGES THE SCHEME?

S.No.	Name of Fund Manager	Age/Qualification	Brief Experience
1.	Pankaj Jain	30 / PGDBM (IIM Bangalore-2005)	Pankaj Jain has worked with Edelweiss Mutual Fund as Fund Manager (Fixed Income) and Edelweiss Securities in Debt & Forex Fund Management for 2.5 years and with State Bank of India as Forex Trader for 2 years.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Pursuant to SEBI Regulations, the following investment restrictions are applicable to the Scheme:

- The Scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activities under the SEBI Act. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Board of Trustees and the Board of Asset Management Company.

Provided that such limit shall not be applicable for investment in Government Securities.

- The Scheme shall not invest more than 10% of its NAV in un-rated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Trustees and Board of Asset Management Company.
- The Scheme shall not invest more than 30% of its net assets in money market instruments issued by a single issuer

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

- Transfers of investments from one scheme to another scheme in the same Mutual Fund shall be allowed only if:-
 - a. Such transfers are done at the prevailing market price for quoted instruments on spot basis.
Explanation: "Spot basis" shall have same meaning as specified by stock exchange for spot transactions.
 - b. The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer is made.
- If any company invests more than 5 percent of the NAV of the scheme then investment made by any other scheme of the Mutual Fund in that company or its subsidiaries will be disclosed in accordance with SEBI Regulations.
- Pending deployment of funds of the Scheme in securities in terms of investment objective of the Scheme, the Fund can invest the funds of the Scheme in short term deposits of scheduled Commercial banks. The investment in these deposits shall be in accordance with SEBI Circular dated April 16, 2007 and October 26, 2007 or such other guidelines that SEBI may issue from time to time.
- Every Mutual Fund will buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities, provided that a Mutual Fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by Board:-

"Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by Reserve Bank of India in this regard."

Further, Mutual Fund may enter into derivative transactions in a recognized stock exchange, subject to the framework specified by the Board.

- The Fund shall get the securities purchased transferred in the name of the Fund on account of the concerned scheme, wherever investments are intended to be of long term nature.
- No scheme of the Fund shall make any investment in: -
 - a. Any unlisted securities of an associate or group companies of the sponsor; or
 - b. Any securities issued by way of private placement by an associate or group company of the sponsor; or
 - c. The listed securities of group companies of the sponsor, which is in excess of 25% of net assets.
- The scheme shall not make any investment in any funds of funds scheme.

The Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase/redemption of units or payment of interest and dividend to the unitholders.

Provided that the Fund shall not borrow more than 20% of the net assets of any individual scheme and the duration of the borrowing shall not exceed a period of 6 months.

Debentures, irrespective of any residual maturity period (above or below one year) shall attract the investment restrictions as applicable for debt instruments as specified under Clause 1 and 1A of Seventh Schedule to SEBI (Mutual Funds) Regulations 1996.

The Mutual Fund having an aggregate of securities which are worth Rs.10 crores or more, as on the latest balance sheet date, shall subject to such instructions as may be issued by SEBI from time to time, settle the transactions entered on or after January 15, 1998 only through dematerialized securities. Further, all transactions in Government securities shall be dematerialized form.

The AMC may alter these above stated restrictions from time to time to the extent the SEBI Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective. The Trustee may from time to time alter these restrictions in conformity with the SEBI Regulations.

All investment restrictions shall be applicable at the time of making investment.

Investment by TAMCO in the scheme

The Asset Management Company (TAMCO) can also invest in the scheme, subject to a maximum exposure of 100% of the net worth of TAMCO or as decided by the Board of TAMCO & TITCO from time to time and the AMC shall not be entitled to charge any fees on such investments.

Similarly, this scheme may invest in other schemes under the management of TAMCO/or any other schemes of Mutual Fund.

The aggregate inter-scheme investment made by all schemes under the same management or in schemes under the management of any other AMC shall not exceed 5% of the net asset value of the Fund. No fees shall be charged for investing in other schemes of the Fund or any other Mutual Fund.

Internal Norms for Investment Restrictions

Fund has policy of Internal Norms for Investment Restrictions within the overall limit prescribed by SEBI. According to this policy, limits on exposure to sectors, industries, companies etc. will be fixed to avoid concentration of portfolio in particular sectors so as to ensure appropriate diversification/security for the Fund. The purpose of this policy will be to make investments in the full spectrum of permitted investments in order to achieve the investment objective of the scheme.

J. HOW HAS THE SCHEME PERFORMED?

This is a new scheme and does not have any performance track record.

III UNITS AND OFFER

This section provides details you need to know for investing in the scheme.

A. New Fund Offer (NFO)

<p>New Fund Offer Period</p> <p>This is the period during which a new scheme sells its units to the investors.</p>	<table border="1"> <thead> <tr> <th data-bbox="690 1430 1065 1604">Scheme Name</th> <th data-bbox="1065 1430 1255 1604">NFO opens on</th> <th data-bbox="1255 1430 1529 1604">NFO closes on</th> </tr> </thead> <tbody> <tr> <td data-bbox="690 1520 1065 1604">Taurus Quarterly Interval Fund - Series 1</td> <td data-bbox="1065 1520 1255 1604">24/11/2011</td> <td data-bbox="1255 1520 1529 1604">29/11/2011</td> </tr> </tbody> </table> <p>The AMC/ Trustees reserve the right to extend/prepone the closing date, subject to the condition that the New Fund Offer shall not be kept open for more than 15 days as permissible under Regulations. Any such extension shall be announced by way of a notice in one national newspaper.</p>	Scheme Name	NFO opens on	NFO closes on	Taurus Quarterly Interval Fund - Series 1	24/11/2011	29/11/2011
Scheme Name	NFO opens on	NFO closes on					
Taurus Quarterly Interval Fund - Series 1	24/11/2011	29/11/2011					
<p>New Fund Offer Price:</p> <p>This the price per unit that the investor have to pay to invest during the NFO</p>	<p>Rs.10/- per unit</p>						

<p>Minimum Amount for Application in the NFO (For all series/plans/options)</p>	<p>Rs 5000/- and in multiple of Rs.10/- thereafter</p>
<p>Minimum Amount for switch-ins</p>	<p>In case of investors opting for switch into the Scheme from the existing scheme(s) of Taurus Mutual Fund during the Ongoing Offer Period, the minimum amount is Rs. 5000/- per application and in multiple of Rs10/- thereafter</p>
<p>Minimum Target amount</p> <p>This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 5 Business Days, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of 5 Business Days from the date of closure of the NFO.</p>	<p>The Fund seeks to collect a minimum of Rs 20 crs in the New Fund Offer.</p> <p>The requirement of minimum target amount shall be applicable at the close of each specified transaction period.</p>
<p>Maximum Amount to be raised (if any)</p>	<p>There is no upper limit on the total amount to be raised. After the minimum target amount has been raised, full allotment will be made for all valid applications.</p>
<p>Options offered</p>	<p>The Scheme will have two options: Growth Option & Dividend Option.</p> <p>Growth Option Under this option, there will be no distribution of income and the return to the investors will be only by way of capital gains, if any, at the time of maturity of the Scheme.</p> <p>If the investor does not clearly specify the choice of Option at the time of investing, by default it will be treated as Growth Option.</p> <p>Dividend Option Under the Dividend option, the Trustee may at any time decide to distribute by way of dividend, the surplus by way of realised profit and interest, net of losses, expenses and taxes, if any, to Unitholders if, in the opinion of the Trustee, such surplus is available and adequate for distribution. The Trustee's decision with regard to such availability and adequacy of surplus, rate, timing and frequency of distribution shall be final. The Trustee may or may not distribute surplus, even if available, by way of dividend.</p> <p>The dividend will be paid to only those Unitholders whose names appear on the register of Unitholders of the Scheme/Option at the close of the business hours on the record date, which will be announced in advance. The Fund is required to dispatch dividend warrants within 30 days of the date of declaration of the dividend.</p> <p>However, the Trustees reserve the right to introduce new options and / or alter the dividend payout intervals, frequency, including the day of payout.</p>
<p>Dividend Policy</p>	<p>Under the Dividend Option, it is proposed to declare dividends subject to availability of distributable profits, as computed in accordance with SEBI Regulations. Dividends, if declared, will be paid (subject to deduction of tax at source, if any) to those Unitholders whose names appear in the Register of Unitholders on the notified record date. However, it must be distinctly understood that the actual declaration of</p>

	<p>dividend and the frequency thereof will inter-alia, depend on the availability of distributable profits as computed in accordance with SEBI Regulations. The decision of the Trustee in this regard shall be final. There is no assurance or guarantee to Unitholders as to the rate of dividend distribution nor will that dividends be paid regularly. In order to be a Unitholder, an Investor has to be allotted units against receipt of clear funds by the Scheme. On payment of dividends, the NAV will stand reduced by the amount of dividend and dividend tax (if applicable) paid.</p> <p>If the Fund declares dividend under the Scheme, AMC shall dispatch the dividend warrants within 30 days from the date of declaration of dividend /Dividend amount will be credited to the bank accounts of investors.</p>
Allotment	<p>Subject to the receipt of the specified Minimum Subscription amount for the Scheme, full allotment will be made to all valid applications received during the New Fund Offer. The Trustee reserves the right, at their discretion without assigning any reason thereof, to reject any application. Allotment will be completed within 5 (five) business days after the closure of the New Fund Offer.</p>
Account Statements	<p>The AMC shall issue to the investor whose application has been accepted, an account statement specifying the number of units allotted within 5 business days after the closure of NFO.</p> <p>For unitholders who provide their e-mail address and opt to receive account statement by e-mail, the AMC will send the account statement by e-mail.</p>
Refund	<p>If the Scheme fails to collect the minimum subscription amount of Rs 20 crs, the Mutual Fund shall be liable to refund the money to the applicants.</p> <p>1) Refund of subscription money to applicants whose applications are invalid or rejected for any reason whatsoever, will commence immediately after the allotment process is completed.</p> <p>2) Refunds will be completed within 5 business days of closure of the NFO Period/specified transaction period. If the Mutual Fund refunds the amount after 5 business days, interest as specified by SEBI (currently 15% per annum) for delay period shall be paid by the AMC.</p> <p>3) Refund orders will be marked "A/C Payee only" and drawn in the name of the applicant in the case of a sole applicant and in the name of the first applicant in all other cases. All refund cheques will be mailed by registered post or as per the applicable rules.</p> <p>As per the directives issued by SEBI, it is mandatory for Applicants to mention their bank account numbers in their applications for purchase of Units.</p>
Who can invest	<p>The following persons may apply for subscription to the Units of the Scheme (subject, wherever relevant, to purchase of units of Mutual Funds being permitted under respective constitutions, relevant statutory regulations and with all applicable approvals):</p> <ul style="list-style-type: none"> • Resident adult individuals either singly or jointly • Minor through parent/lawful guardian • Companies, Bodies Corporate, Public Sector Undertakings, association of persons or bodies of individuals whether incorporated or not and societies registered under the Societies Registration Act, 1860 (so long as the purchase of units is permitted under the respective constitutions). • Trustee(s) of Religious and Charitable and Private Trusts under the provision of Section 11(5) (xii) of the Income Tax Act, 1961 read with Rule 17C of Income Tax Rules, 1962 (subject to receipt of necessary approvals as "Public Securities" where

- required)
- The Trustee of Private Trusts authorised to invest in mutual fund Schemes under their trust deed.
 - Partner(s) of Partnership Firms.
 - Karta of Hindu Undivided Family (HUF).
 - Banks (including Co-operative Banks and Regional Rural Banks), Financial Institutions and Investment Institutions.
 - Non-resident Indians/Persons of Indian origin residing abroad (NRIs) on full repatriation basis or on non-repatriation basis.
 - Foreign Institutional Investors (FIIs) registered with SEBI on full repatriation basis.
 - Army, Air Force, Navy and other para-military funds.
 - Scientific and Industrial Research Organizations.
 - Mutual fund Schemes.
 - Provident/Pension/Gratuity and such other Funds as and when permitted to invest.
 - International Multilateral Agencies approved by the Government of India.
 - Others who are permitted to invest in the Scheme as per their respective constitutions
 - Other Schemes of Taurus Mutual Fund subject to the conditions and limits prescribed in SEBI Regulations and/or by the Trustee, AMC or sponsor may subscribe to the units under this Scheme.
 - The AMC (no fees shall be charged on such investments)

Subscriptions from residents in the United States of America and Canada shall not be accepted by the Schemes.

The Fund reserves the right to include/exclude new/existing categories of investors to invest in this Scheme from time to time, subject to regulatory requirements, if any.

This is an indicative list and investors are requested to consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.

Note: 1. Minor Unit Holder on becoming major may inform the Registrar about attaining majority and provide his specimen signature duly authenticated by his banker as well as his details of bank account and a certified true copy of the PAN card as mentioned under the paragraph "Anti Money Laundering and Know Your Customer" to enable the Registrar to update their records and allow him to operate the Account in his own right.

Note: 2. Applicants under Power of Attorney:

An applicant willing to transact through a power of attorney must lodge the photocopy of the Power of Attorney (PoA) attested by a Notary Public or the original PoA (which will be returned after verification) within 30 Days of submitting the Application Form / Transaction Slip at a Designated Collection Centre.

Applications are liable to be rejected if the power of attorney is not submitted within the aforesaid period.

It should be noted that the following entities cannot invest in the scheme:

- Any individual who is a Foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999,

	<p>except where registered with SEBI as a FII or FII sub account.</p> <ul style="list-style-type: none"> • However, there is no restriction on a foreign national from acquiring Indian securities provided such foreign national meets the residency tests as laid down by Foreign Exchange Management Act, 1999. • Overseas Corporate Bodies (OCBs) shall not be allowed to invest in the Scheme. These would be firms and societies which are held directly or indirectly but ultimately to the extent of at least 60% by NRIs and trusts in which at least 60% of the beneficial interest is similarly held irrevocably by such persons (OCBs.) • Non-Resident Indians residing in the Financial Action Task Force (FATF) Non Compliant Countries and Territories (NCCTs) • The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations and other prevailing statutory regulations, if any. <p>Subject to the Regulations, any application for Units may be accepted or rejected in the sole and absolute discretion of the Trustee. For example, the Trustee may reject any application for the Purchase of Units if the application is invalid or incomplete or if, in its opinion, increasing the size of any or all of the Scheme's Unit capital is not in the general interest of the Unit Holders, or if the Trustee for any other reason does not believe that it would be in the best interest of the Scheme or its Unit Holders to accept such an application.</p> <p>The AMC / Trustee may need to obtain from the investor verification of identity or such other details relating to a subscription for Units as may be required under any applicable law, which may result in delay in processing the application.</p> <p>It is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per SEBI requirements and any Application Form without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar / AMC may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number.</p>
Where can you submit the filled up applications.	Filled up applications alongwith cheque/draft can be submitted at the specified branches of collecting bankers (if appointed), office of the AMC and specified Investor Service Centres of Karvy Computershare Pvt. Ltd. as per the details given on the last page(s) of this document.
Bank Account details	It is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per SEBI requirements and any Application Form without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar / AMC may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number.
Registration of multiple bank accounts	<p>An investor may register up to five accounts with Taurus Mutual Fund and choose one of these accounts as the preferred bank account which will be used to make the dividend/redemption proceeds by the Fund. The investor may also choose the remaining 4 accounts for the said purpose. In case the investor fails to mention any preference, then by default the first number indicated in the list shall be the preferred account number. However the entire proceeds will necessarily be credited to a Single Account and shall not be allocated to multiple bank accounts.</p> <p>The following documents will also be required for each of the above bank accounts:</p> <p>A cancelled original cheque leaf or a self attested copy of the cheque leaf where the name of the account number and names of the account holder</p>

	<p>are printed on the face of the cheque. In case the names are not so mentioned, the customer can submit a certificate from the bank or the bank account statement or a copy of the bank pass book which contain the details of the account such as name and address of the customer, bank account number, bank branch and address, MICR and IFSC code of the branch.</p> <p>The above documents will also be required for change in bank account mandate submitted by the customer.</p>
How to Apply	<p>Application form and Key Information Memorandum may be obtained from the offices of AMC or Investor Services Centers of the Registrar or distributors or downloaded from www.taurusmutualfund.com. Investors are also advised to refer to Statement of Additional Information before submitting the application form.</p> <p>Please refer to the SAI and Application form for the instructions.</p>
Mode of payment	<p>All cheques and drafts should be crossed "Account Payee Only" and drawn in favour of "Taurus Quarterly Interval Fund Series 1"</p> <p>The cheque / draft should be drawn on any bank branch, which is a member of Bankers Clearing House located in the Official Point of Acceptance of transactions where the application is lodged.</p> <p>Payments by cash, money orders, and postal orders, stock invest and out-station and/or post dated cheques will not be accepted.</p>
Applications Supported by Blocked Amount (ASBA) facility	<p>Investors will also have an option to subscribe to the units of the Scheme during the New Fund Offer period under the Applications Supported by Blocked Amount (ASBA) facility, which would entail blocking of funds in the investor's bank account, rather than transfer of funds, on the basis of an authorization given to this effect at the time of submitting the ASBA application form. Investors applying through ASBA should carefully read the applicable provisions before making their applications.</p> <p>This facility will co-exist with the existing process, wherein cheques/demand drafts are used as mode of payment.</p>
Non Acceptance of Third Party Instruments	<p>Applications accompanied by a Third Party Instrument will be rejected. Applications accompanied by pre-funded instruments (such as demand drafts, pay order etc.) will also be rejected unless accompanied by a banker's certificate evidencing the source of the funds. In case such pre-funded instruments are purchases through CASH for value of Rs 50000/- and above the same shall also be rejected irrespective of being supported with banker's certificate.</p> <p><u>Third Party Instruments are defined as under:</u></p> <p>a) When a payment is made through instruments issued from an account other than that of the beneficiary investor, the same is referred to as Third-Party Instrument Payment. Applications with such instruments will be rejected.</p> <p>b) It is clarified that in case of payments from a joint bank account, the first holder of the mutual fund folio has to be one of the jointholders of the bank account from which payment for investment is made.</p> <p><u>Applications with third party instruments must accompany with relevant declaration and KYC/PAN of such Third Party for cases as under:</u></p> <ol style="list-style-type: none"> i) Payment by Parents/Grand-Parents /related persons on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs 50,000/- (each regular purchase or per SIP installment) ii) Payment by employer on behalf of employee under Systematic Investment Plans through Payroll deductions. iii) Custodian on behalf of a FII or a client.

	<p>The above broadly covers the various modes of payment for mutual fund subscription. The above list is not a complete list and is only indicative in nature and not exhaustive. Any other method of payment, as introduced by the Fund will also be covered under these provisions.</p>
Safe mode of writing cheque	<p>As a best practice, to avoid fraud, investors are advised to prepare the payment instrument (i.e. either cheque or demand draft or pay order) favouring the name of the scheme with the first investor's name. PAN number or Folio number (if any) e.g.: "Taurus Quarterly Interval Fund– Adarsh Shah (Name of the investor)" or "Taurus Quarterly Interval Fund – AAABS356F" or "Taurus Quarterly Interval Fund- 6012345648"</p>
Special Products/facilities available during the NFO	<p>Systematic Investment Plan, Systematic Transfer Plan, Systematic Withdrawal Plan are not available under the scheme as the scheme is a interval fund.</p> <p>The Scheme offers the following facilities to the investors</p> <p>(i) Inter scheme Switching</p> <p>The Transaction Slip can be used by investors to make inter scheme switches (during the NFO Period and the ongoing offer period during the specified transaction period) within the Fund. A switch has the effect of redemption from one scheme/option and purchase in the other scheme/ option to which the switching has been done. During the NFO Period, Unit Holders in the various schemes of the Mutual Fund have the option of switching into the Scheme and the application for switch can be submitted only at the offices of the AMC and Investor Service Centres. All valid applications for switch-out shall be treated as Redemption and for switch-in as Purchases with the respective Applicable NAVs of the Scheme / option.</p> <p>(ii) Transaction through electronic mode</p> <p>The AMC may from time to time offer various facilities to the unit holders through electronic mode such as internet(online transaction facility), mobile phones, Kiosk, etc. to facilitate transactions in units of the scheme. The AMC may enter into such arrangements/ agreements as it may deem fit to give effect to the above.</p> <p>However, investors intending to take benefit of these facilities should note that they should use these services at their own risk. The Fund, the AMC, the Trustee, along with its directors, employees and representatives shall not be liable for any damages or injuries arising out of or in connection with the use of internet, mobile phones, Kiosk, etc or its non-use including, without limitation, non-availability or failure of performance, loss or corruption of data, loss of or damage to property (including profit and goodwill), work stoppage, computer failure or malfunctioning, or interruption of business; error, omission, interruption, deletion, defect, delay in operation or transmission, computer virus, communication line failure, unauthorized access or use of information.</p>
Listing & transfer of units	<p>It is proposed to list the scheme on National Stock Exchange or any other Stock Exchange(s) in India. In -principle approval has been obtained from National Stock Exchange of India Limited.</p> <p>The unitholders in the Scheme would have an option to hold the units in demat form or in the form of Account Statement as per the current practice. However, unitholders who wish to trade in units would be required to have a demat account and therefore must provide their Demat Account details in the specified section of the Application Form. Such applicants are, therefore, required to have a beneficiary account with the Depository Participant of NSDL/CDSL and will be required to</p>

	<p>indicate in the Application Form, DP's Name, DP ID number and the beneficiary account number of the applicant with the DP.</p> <p>If the units are issued in demat form, they are transferable in accordance with the provisions of SEBI (Depositories and Participants) Regulations as may be amended from time to time. The Transferor should issue delivery instructions for transfer of units in requisite form as may be required from time to time and will have to be lodged with the DP for effecting transfer in accordance with such rules/regulations as may be in force governing transfer of securities in dematerialized mode.</p>						
<p>Trading in units through stock exchange mechanism</p>	<p>The AMC may tie-up in future with NSE/ BSE or any other recognised Exchange to offer Investors the facility of transacting in units through the stock exchange mechanism.</p> <p>Transactions conducted through the stock exchange mechanism shall be governed by the SEBI (Mutual Funds) Regulations 1996 and operating guidelines and directives issued by NSE, BSE or such other recognised exchange in this regard</p>						
<p>Option to hold units in De-materialised (DEMAT) mode</p>	<p>Investors/Unit Holders are provided with an option to hold their Units in DEMAT form while subscribing to the Units 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.</p> <p>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.</p>						
<p>Transaction Charges (TC)</p>	<p>With effect from November 1, 2011, TAMCO shall deduct a "Transaction charge" (TC) on all Purchases/ SIP amount, received from first time mutual fund investors (New*) and existing mutual fund investors through our empanelled distributor/agent (who has chosen for "Opt-in"), and units will be allotted for the balance amount. The TC will be as follows:</p> <table border="1" data-bbox="695 1255 1542 1375"> <thead> <tr> <th>Description</th> <th>New Investor</th> <th>Existing Investor</th> </tr> </thead> <tbody> <tr> <td>Lump sum purchase for Rs 10000 and above</td> <td>TC = Rs 150</td> <td>TC = Rs 100</td> </tr> </tbody> </table>	Description	New Investor	Existing Investor	Lump sum purchase for Rs 10000 and above	TC = Rs 150	TC = Rs 100
Description	New Investor	Existing Investor					
Lump sum purchase for Rs 10000 and above	TC = Rs 150	TC = Rs 100					
<p>Account of Minor, Account Status Change, Minor attaining Majority and Change of Guardian.</p>	<p>A] New Account / Folio is opened on behalf of a Minor</p> <ul style="list-style-type: none"> The minor shall be the first and the sole holder in an account. No Joint holders are allowed. Guardian in the account / folio on behalf of the minor should be either a natural guardian (i.e. father or mother) or a court appointed legal guardian. Further, the minor's Date of Birth (DOB) too should be mentioned on the application form. Documents supporting the DOB of the minor and also the relationship of the Guardian & the Minor have to be enclosed. <p>B] Minor attaining Majority - Status change</p> <ul style="list-style-type: none"> On the Minor becoming a Major, the status of the same needs to be incorporated in the folio. For this, the Investor has to submit KYC acknowledgement, details of bank account wherein the Major has operating powers as well as signature of the Major, suitably attested. The request letter should have the signature of existing guardian also. In case of non receipt of request for change of status along with relevant documents, minor folio/account will be frozen, for operation by guardian, from the date of minor attaining the status of majority as per the records. 						

	<p>C] Change in Guardian</p> <ul style="list-style-type: none"> • In case of a change in guardian, the new guardian must either be a natural guardian (i.e. Father or mother) or a court appointed legal guardian and such guardian shall mandatorily submit the supporting documents showing the relationship with the minor, KYC acknowledgement, Bank attestation of signature of the new guardian in a bank account of the minor where the new guardian is registered as the guardian, etc.
Nomination Facility	<p>The AMC provides an option to the Unit holders to nominate (in the manner prescribed under SEBI regulation), a person (s) in whom the units held by him shall vest in the event of his death.</p> <p>Nomination can be made only by individuals on their own behalf, either singly or jointly. If the Units are held jointly, all joint Unitholders must sign the nomination form. Non-individuals including society, trust, body corporate, partnership firm, Karta of HUF, holder of POA cannot nominate.</p> <p>Only the following categories of Indian residents can be nominated: (a) individuals; (b) minors through parent/legal guardian (whose name and address must be provided); (c) religious or charitable trusts; and (d) Central Government, State Government, a local authority or any person designated by virtue of his office.</p> <p>Nomination can be made for a maximum of 3 nominees. In case of multiple nominees, the percentage of allocation, share in favour of each of the nominees should be indicated against their name and such allocation / share should be in whole numbers without any decimals making a total of 100 percent. In the event of Unitholders not indicating the percentage of allocation / share for each of the nominees, the Mutual Fund/ the AMC, by invoking the default option shall settle the claim equally amongst all the nominees.</p>
Nomination mandatory where mode of holding is single	<p>Nomination is mandatory for all the folios/accounts, where the mode of holding is single or the folio/account is opened by individual without any joint holding.</p> <ul style="list-style-type: none"> • In case investor does not wish to nominate for specific folio / account, he should fill the specific field by writing "Nomination not required" and sign on the application form. Application forms which have neither a nominee nor the request for "no nomination" will be rejected. • Nomination will not be allowed for the folios/accounts opened by minors.
Transmission of Units	<p>Transmission of units is required, on the death of unit holder/s, to their nominees, etc. Transmission could be to surviving unit holders, nominees or to the legal heirs of the unit holder. A request for transmission should be sent separately. If a redemption request accompanies the transmission request, the redemption request will be rejected. Depending upon the facts and circumstances of each case, various information and documents are required to be submitted for transmission of units. Please contact any of the offices of Taurus Asset Management Co. Ltd. or its Registrar & Transfer Agent for further details.</p>
Restrictions, if any, on the right to freely retain or dispose of units being offered.	<p>Right to Limit Purchase & Redemptions</p> <p>The Trustee may, in the general interest of the Unit Holders of the Scheme and when considered appropriate to do so based on unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue, under the Scheme and option(s) thereof, or such other percentage as the Trustee may determine. Any Units which consequently are not redeemed on a</p>

particular Business Day will be carried forward for Redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing Load) of the Business Day on which Redemption is made. Under such circumstances, to the extent multiple Redemption requests are received at the same time on a single Business Day, redemptions will be made on a pro-rata basis, based on the size of each Redemption request, the balance amount being carried forward for Redemption to the next Business Day.

Also, in the event of an order being received from any regulatory authority/ body, directing attachment of the Units of any investor, redemption of Units will be restricted in due compliance of such order.

B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period</p>	<p>This is a Quarterly Interval Income Scheme and it will be available (after the NFO) for subscription/ switch-ins and redemption/switch-outs, without any load during the specified transaction period at intervals. The first specified transaction period would be the 91st & 92nd day from the date of allotment. Subsequent specified transaction period would be generally the 91st & 92nd day after the previous specified transaction period. If the specified transaction date is a non Business Day then the next Business Day would be the transaction Day. It shall be ensured that the specified transaction period covers two consecutive business days.</p> <p>The AMC reserves the right to alter the specified transaction date(s) and shall appropriately communicate the same to the investors.</p> <p>Subscription/Redemption/repurchase of units shall be allowed by the Mutual Fund only during the specified transaction period. Investors wishing to purchase/sell the units before the specified transaction period may do so, only in demat mode, by selling through National Stock Exchange_(NSE) or any other stock exchange where the scheme will be listed.</p> <p>The applicants intending to purchase/sell the units will be required to have a beneficiary account with a Depository participant of NSDL/ CDSL. Applicants should note that the application for purchase of units should be in the same names and order as in the demat account, otherwise applications are liable to be rejected.</p> <p>The investors are urged to note that listing of units of the Scheme does not necessarily guarantee their liquidity and there can be no assurance that an active secondary market for the units will develop or be maintained.</p> <p>Units would be suspended for trading on the stock exchange for 2 Business Days prior to the Record Date of Dividend to enable AMC / R&T Agent to determine the names of the unitholders who would be eligible to receive the dividend. The Units may continue to remain suspended for trading on the stock exchange for 2-3 Business Days post the specified transaction period, to enable completion of the fresh allotment of units and submission of requisite documents to the exchange. However, the endeavour would be to keep the units listed for trading as long as possible and minimise the number of days during which units would be suspended for trading.</p>
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	<p>Redemption by Investors holding Units in Demat Form: Investors should submit the delivery instruction slip with their DP for transfer of units into our pool account and thereafter should submit the DP acknowledgment slip alongwith the redemption slip with the AMC offices/notified ISCs before the applicable cut off time.</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors. This is the price you need to pay for purchase/switch-in.</p> <p>Example: If the applicable NAV is Rs. 10, entry load is Nil then sales price will be Rs 10</p>	<p>The purchase price of a unit will be at the applicable NAV per unit declared as at the close of business day on the specified transaction day.</p> <p>Such purchases will be accepted only on specified transaction dates.</p>
<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>The units can be redeemed at the applicable NAV with no exit load on during the specified transaction days every quarter or generally on the 91st day or 92nd day after any specified transaction period. If the specified transaction date is a non Business Day then the next Business Day would be the transaction Day.</p> <p>The AMC reserves the right to alter the specified transaction date(s) and shall appropriately communicate the same to the investors. The repurchase price of the units as per current SEBI regulations shall not be lower than 93% of the applicable NAV.</p>
<p>Cut off timing for subscriptions/ redemptions/ switches This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>This is a Quarterly Interval Income Scheme and it will be available (after the NFO) for subscription/ switch-ins and redemption/switch-outs, without any load on the specified transaction dates during the specified transaction period at quarterly intervals.</p> <p>In terms of SEBI Circular cir/IMD/DF/19/2010 dated November 26, 2010 the following cut-off timings shall be observed by the fund in respect of subscription (purchase)/ switch-ins and redemption (repurchase)/ switch-outs,</p> <p>I PURCHASES</p> <ol style="list-style-type: none"> 1. In respect of valid applications received up-to 3:00 pm on the Specified transaction day along with a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the day on which application is received shall be applicable. 2. In respect of valid applications received after 3:00 pm on the first day of the Specified transaction period along with a local cheque or demand draft payable at par at the place where the application is received, the closing NAV of the next business day shall be applicable. 3. However, in respect of valid applications with outstation cheques/demand drafts not payable at par at the place where the application is received, closing NAV of the day on which cheque/demand draft is credited shall be applicable. <p>II REDEMPTIONS</p> <ol style="list-style-type: none"> a) In respect of valid applications received up-to 3:00PM on the Specified transaction day, same days closing NAV shall be applicable. b) In respect of valid applications received after 3:00 PM on the first day of the Specified transaction period, the closing NAV of the next business day shall be applicable. <p>Purchases: In respect of purchase of units on the Specified transaction day with amount equal to or more than Rs 1 crore, the closing NAV of the day on which the funds are available for utilization shall be applicable.</p>

	<p>Switch applications: Valid applications for “switch out” shall be treated as redemptions and for “switch in” shall be treated as purchases and the above guidelines for purchases and redemptions shall be applicable.</p> <p>No purchase/ switch-in and redemption/switch-out application will be accepted on a day other than the specified transaction day and after 3.00 pm on the second day of the specified transaction period.</p> <p>In case of online transactions as and when offered through the AMC website, the AMC may decide to keep a different cut off time for purchase, redemption & switch transactions.</p> <p>In case an investor has purchased Units on more than one day (either under the NFO period or through subsequent purchase) the Units purchased first (i.e. those Units which have been held for the longest period of time), will be deemed to have been redeemed first , i.e. on a First -In-First -Out basis.</p> <p>In case the Units are standing in the names of more than one Unit Holder, where mode of holding is specified as ‘Joint ’, redemption requests will have to be signed by all joint holders. However, in cases of holding specified as ‘Anyone or Survivor, any one of the Units Holders will have the power to make redemption requests, without it being necessary for all the Unit Holders to sign. However, in all cases, the proceeds of the redemption will be paid to the first -named holder only.</p>
Where can the applications for purchase/ redemption / switches be submitted?	Offices of Taurus Asset Management Company Limited and Investor Service Centres of M/s Karvy Computershare Pvt Limited and any other official point of acceptance as declared by the AMC, from time to time.
Minimum amount for purchase/ switch-in	Rs 5000/- and in multiple of Rs 10/- thereafter Minimum Amount for switch-ins: In case of investors opting for switch into the Scheme from the existing scheme(s) of Taurus Mutual Fund, the minimum amount is Rs. 5000/- per application and in multiples of Rs10/- thereafter
Minimum application amount for additional purchase	Rs 1000/- and in multiple of Rs 10/- thereof
Minimum redemption size	Rs 1000/- or 100 units or account balance whichever is lower.(Only during the specified transaction period). Not applicable for units sold in demat mode through National Stock Exchange (NSE)
Trading in units through stock exchange mechanism	The AMC may tie-up with NSE/ BSE or any other recognised Exchange to offer Investors the facility of transacting in units through the stock exchange mechanism. Transactions conducted through the stock exchange mechanism shall be governed by the SEBI (Mutual Funds) Regulations 1996 and operating guidelines and directives issued by NSE, BSE or such other recognised exchange in this regard
Option to hold units in De-materialised (DEMAT) mode	Investors/Unit Holders are provided with an option to hold their Units in DEMAT form while subscribing to the Units 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.

	<p>During the de-materialisation and re-materialisation process, NO financial and non-financial transactions are allowed.</p>						
<p>Minimum balance to be maintained and consequences of non maintenance.</p>	<p>Redemptions can be for any amount or any number of units over and above the minimum amount, subject to the minimum balance in Rupees, which is required to be maintained in the account, at the time of the redemption. TAMCO reserves the right to close an investor's account if the value of the unit balance in the account falls below Rs.5000/- in the scheme. In such an event, TAMCO reserves the right to compulsorily redeem the balance units in the account completely at the applicable redemption price with or without giving him the option to invest sufficient funds to bring the value of the unit balance in the account to the required limits, within 30 days after the date of such shortfall. The Fund may revise the minimum/maximum amounts and methodology for redemptions as and when necessary. Such change may be brought about after taking into account the cost structure for a transaction account and / or Market practices and / or the interest of the unitholders. Further such changes shall be carried out on a prospective basis from the date of notification of such change and would not, in any manner, be prejudicial to the interests of the investors who have joined the scheme before such notification. Any changes would be informed to unitholders by way of an advertisement.</p>						
<p>Transaction Charges (TC)</p>	<p>With effect from November 1, 2011, TAMCO shall deduct a "Transaction charge" (TC) on all Purchases/ SIP amount, received from first time mutual fund investors (New*) and existing mutual fund investors through our empanelled distributor/agent (who has chosen for "Opt-in"), and units will be allotted for the balance amount. The TC will be as follows:</p> <table border="1" data-bbox="690 1039 1534 1165"> <thead> <tr> <th data-bbox="690 1039 966 1071">Description</th> <th data-bbox="966 1039 1250 1071">New Investor</th> <th data-bbox="1250 1039 1534 1071">Existing Investor</th> </tr> </thead> <tbody> <tr> <td data-bbox="690 1071 966 1165">Lump sum purchase for Rs 10000 and above</td> <td data-bbox="966 1071 1250 1165">TC = Rs 150</td> <td data-bbox="1250 1071 1534 1165">TC = Rs 100</td> </tr> </tbody> </table>	Description	New Investor	Existing Investor	Lump sum purchase for Rs 10000 and above	TC = Rs 150	TC = Rs 100
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<p>Account of Minor, Account Status Change, Minor attaining Majority and Change of Guardian.</p>	<p>A] New Account / Folio is opened on behalf of a Minor</p> <ul style="list-style-type: none"> • The minor shall be the first and the sole holder in an account. No Joint holders are allowed. • Guardian in the account / folio on behalf of the minor should be either a natural guardian (i.e. father or mother) or a court appointed legal guardian. Further, the minor's Date of Birth (DOB) too should be mentioned on the application form. Documents supporting the DOB of the minor and also the relationship of the Guardian & the Minor have to be enclosed. <p>B] Minor attaining Majority - Status change</p> <ul style="list-style-type: none"> • On the Minor becoming a Major, the status of the same needs to be incorporated in the folio. For this, the Investor has to submit KYC acknowledgement, details of bank account wherein the Major has operating powers as well as signature of the Major, suitably attested. The request letter should have the signature of existing guardian also. • In case of non receipt of request for change of status along with relevant documents, minor folio/account will be frozen, for operation by guardian, from the date of minor attaining the status of majority as per the records. <p>C] Change in Guardian</p> <ul style="list-style-type: none"> • In case of a change in guardian, the new guardian must either be a natural guardian (i.e. Father or mother) or a court appointed legal guardian and such guardian shall mandatorily submit the supporting documents showing the relationship with the minor, KYC acknowledgement, Bank attestation of signature of the new guardian in a bank account of the minor where the new guardian is registered as 						

	the guardian, etc.
Nomination Facility	<p>The AMC provides an option to the Unit holders to nominate (in the manner prescribed under SEBI regulation), a person (s) in whom the units held by him shall vest in the event of his death.</p> <p>Nomination can be made only by individuals on their own behalf, either singly or jointly. If the Units are held jointly, all joint Unitholders must sign the nomination form. Non-individuals including society, trust, body corporate, partnership firm, Karta of HUF, holder of POA cannot nominate.</p> <p>Only the following categories of Indian residents can be nominated: (a) individuals; (b) minors through parent/legal guardian (whose name and address must be provided); (c) religious or charitable trusts; and (d) Central Government, State Government, a local authority or any person designated by virtue of his office.</p> <p>Nomination can be made for a maximum of 3 nominees. In case of multiple nominees, the percentage of allocation, share in favour of each of the nominees should be indicated against their name and such allocation / share should be in whole numbers without any decimals making a total of 100 percent. In the event of Unitholders not indicating the percentage of allocation / share for each of the nominees, the Mutual Fund/ the AMC, by invoking the default option shall settle the claim equally amongst all the nominees.</p>
Nomination mandatory where mode of holding is single	<p>Nomination is mandatory for all the folios/accounts, where the mode of holding is single or the folio/account is opened by individual without any joint holding.</p> <ul style="list-style-type: none"> • In case investor does not wish to nominate for specific folio / account, he should fill the specific field by writing "Nomination not required" and sign on the application form. Application forms which have neither a nominee nor the request for "no nomination" will be rejected. • Nomination will not be allowed for the folios/accounts opened by minors.
Transmission of Units	<p>Transmission of units is required, on the death of unit holder/s, to their nominees, etc. Transmission could be to surviving unit holders, nominees or to the legal heirs of the unit holder. A request for transmission should be sent separately. If a redemption request accompanies the transmission request, the redemption request will be rejected. Depending upon the facts and circumstances of each case, various information and documents are required to be submitted for transmission of units. Please contact any of the offices of Taurus Asset Management Co. Ltd. or its Registrar & Transfer Agent for further details.</p>
Special Products available	<p>Systematic Investment Plan, Systematic Withdrawal Plan and Systematic Transfer Plan are not available under the Scheme as the Scheme is an Interval Fund.</p>
Accounts Statements	<p>The AMC shall issue to the investor whose application has been accepted, an account statement specifying the number of units allotted within 5 business days after the specified Transaction Day.</p> <p>For unitholders who provide their e-mail address and opt to receive account statement by e-mail, the AMC will send the account statement by e-mail.</p>
Consolidated Account Statement (CAS)	<p>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.</p> <p>The investor whose transaction** has been accepted by the AMC/Mutual Fund on or after October 1, 2011 shall receive the</p>

	<p>following:</p> <p>(i) 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.</p> <p>(ii) 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.</p> <p>^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.</p> <p>**The word 'transaction' shall include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan and bonus transactions.</p> <p>(iii) For the purpose of sending CAS, common investors across mutual funds shall be identified by their Permanent Account Number (PAN).</p> <p>(iv) 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.</p> <p>(v) In the event the account has more than one registered holder, the first named Unit holder shall receive the CAS/account statement.</p> <p>(vi) 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.</p> <p>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.</p> <p>The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective DPs periodically.</p>
<p>Dividend</p>	<ul style="list-style-type: none"> ➤ The dividend warrants shall be dispatched to the Unit holders within 30 days of the date of declaration of the dividend. ➤ The dividend proceeds will be paid by way of ECS / EFT / NEFT / RTGS /Direct credits / any other electronic manner if sufficient banking account details of the investor are available with Mutual Fund ➤ In case of specific request for dividend by warrants or unavailability of sufficient details with the Mutual Fund, the dividend will be paid by warrant and payments will be made in favour of the Unit holder (registered holder of the Units or, if there are more than one registered holder, only to the first registered holder) with bank account number furnished to the Mutual Fund <p>(Please note that it is mandatory for the Unit holders to provide the Bank Account details as per directive of SEBI)</p>
<p>Redemption</p>	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.</p> <p>Payment of Redemption Proceeds</p> <p>i. For Unit holders having a bank account with certain banks with whom the AMC may have an arrangement from time to time:</p>

	<p>The redemption proceeds shall be directly credited to their account by way of EFT/ NEFT / RTGS / Direct credits / any other electronic manner if sufficient banking account details of the investor are available with Mutual Fund.</p> <p>ii. For other Unit holders not covered by (i) above and Unit holders covered by (i) but have given specific request for Cheque/Demand Draft: Redemption proceeds will be paid by cheque and payments will be made in favour of the Unit holder with bank account number furnished to the Mutual Fund (please note that it is mandatory for the Unit holders to provide the Bank account details as per the directives of SEBI). Redemption cheques will be sent to the Unitholder's address. All Redemption payments will be made in favour of the registered holder of the Units or, if there is more than one registered holder, only to the first registered holder</p>
Delay in payment of redemption / repurchase proceeds	The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum). A delay arising on any account other than delay in action by AMC will, however, is considered on case to case basis as delay.
Personal Identification Number (PIN) for Online Transactions	<p>For the convenience of investors, the Mutual Fund may provide the facility of transacting online through its website. To use this facility, a Unit Holder needs to have a secured PIN. Investors can apply for a PIN by filling up and signing the relevant portions in the PIN application/Agreement that can be downloaded from the website of the Mutual Fund www.taurusmutualfund.com.</p> <p>By signing & submitting the relevant form, the Unit holder/s expressly agrees to have read and understood the terms and conditions related to PIN issuance by the AMC/ Registrar and PIN usage by the Unit holder/s</p>

C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	Net Asset Value of the Units of the Scheme and Options therein, calculated on a daily basis in the manner provided in this Scheme information document or as may be prescribed by Regulations from time to time. If such date happens to be a non-business day, it would be computed on the day following the non-business day.
<p>Half yearly Disclosures: Portfolio/Financial Results</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	The Fund will publish complete statement of the scheme portfolio and the unaudited financial results, within one month from the close of each half year (i.e. 31st March and 30th September), by way of an advertisement at least, in one National English daily and one regional newspaper in the language of the region where the head office of the mutual fund is located.
Half Yearly Results	The Fund and Asset Management Company shall before the expiry of one month from the close of each half year i.e. on 31st March and on 30 th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the mutual fund is situated.
Annual Report	Scheme wise Annual Report or an abridged summary thereof shall be mailed to all unitholders within four months from the date of closure of the relevant accounting year i.e. 31st March each year.
Associate Transactions	Please refer to Statement of Additional Information (SAI)
Investor services	<p>Mr. V Sasidhar (Head – Customer Service)</p> <p>Ground Floor, AML Centre-1, 8 Mahal Industrial Estate, Mahakali Caves Road, Andheri (East), Mumbai 400093</p> <p>Phones : 022- 66242700</p> <p>Fax : 022- 66242777</p>

e-mail: customercare@taurusmutualfund.com

Registrar

Karvy Computershare Private Ltd.
 Unit: Taurus Mutual Fund
 21, Avenue 4, Street No.1, Banjara Hills
 Hyderabad 500 034
 Ph: 040-23312454 Ext: 18147 / 577
 Fax: 040- 23431562
[Email: tmfnc@karvy.com](mailto:tmfnc@karvy.com)

Taxation

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.

	Resident Investors	Mutual Fund
Tax on Dividend	Nil	Dividend Distribution Tax Individual/HUF @ 12.50% + 5% surcharge + 3% Education cess = effective rate is 13.519% Others @ 30% + 5% surcharge + 3% Education cess = effective rate is 32.445%
Capital Gains:		
Long Term	10%** without Cost Inflation Index benefit or 20%** with Cost Inflation Index benefit	N.A.
Short Term	Income tax rate Applicable to the Unit holders as per their income slabs**	N.A.
**Plus surcharge (where applicable) and education cess of 3% in all cases.		

The scheme(s) shall bear the dividend distribution tax as per section 115R of Income Tax Act 1961. As per extant Income Tax regulations, dividends distributed by mutual funds are tax free in the hands of the investor.

For further details on taxation, Investors are requested to refer to the section on Taxation in the Statement of Additional Information (SAI).

D. COMPUTATION OF NAV

The NAV of the Units of the Scheme will be computed by dividing the net assets of the Scheme by the number of Units outstanding on the valuation date.

The Fund shall value its investments according to the valuation norms, as specified in the Eighth Schedule of the Regulations, or such guidelines / recommendations as may be specified by SEBI/AMFI from time to time. The broad valuation norms are detailed in the Statement of Additional Information.

NAV of Units under the Scheme will be calculated as shown below:

$$\text{NAV Rs. Per unit} = \frac{\text{Market or Fair value of Scheme's investments} + \text{Current assets including accrued income} + \text{Current Liabilities and Provisions including accrued income}}{\text{No. of units outstanding under the scheme}}$$

NAV for the Scheme will be calculated and announced at the close of each Business Day. The NAV shall be computed upto four decimals.

Computation of NAV will be done after taking into account dividends declared, if any, and the distribution tax thereon, if applicable. The income earned and the profits realized in respect of the Units remain invested and are reflected in the NAV of the Units.

The NAV will be calculated on all Business Days and will be published daily in atleast two daily newspapers or at such intervals as may be prescribed by SEBI from time to time

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the scheme.

A. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc.

The NFO expenses shall be borne by the AMC.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs, listing fees etc.

The AMC has estimated that the following percentage of the weekly average net assets of the Scheme will be charged to the Scheme as expenses.

Description	Estimated Expenses (%)
Investment Management Fees	1.00
Trustee Fee	0.01
Custodian Fee	0.06
Marketing & Selling (incl. Agents Commissions)	0.35
Registrar & Transfer Agent	0.10
Other Fund related expenses	0.40
Investor Services & Misc Expenses	0.25
Total Recurring Expenses	2.25

These estimates are made in good faith by the Investment Manager and are subject to change, both interse and as an increase or decrease in the estimated total annual recurring expenses. Though the Investment Manager will make efforts to keep the recurring expenses to the minimum, actual expenses under any head and / or the total expenses may be more or less than the estimates. The Investment Manager retains the right to charge the actual expenses to the Fund, however the expenses charged will not exceed the statutory limit prescribed by the Regulations.

The recurring expenses of the Scheme (including investment and advisory fees) will be subject to the following maximum limits (as a percentage of Weekly Average Net Assets) as per Regulation 52(6). Expenses over and above the permitted limit under the applicable Regulations will be borne by the AMC.

Weekly Average Net Assets (Rs.)	
First 100 crores	2.25%
Next 300 crores	2.00%
Next 300 crores	1.75%
Balance Assets	1.50%

The AMC may charge the Scheme with following investment and advisory fees subject to the currently applicable maximum limits (as a percentage of Weekly Average Net Assets of the Scheme) as per Regulation 52(2).

Weekly Average Net Assets outstanding in each accounting year (Rs.)	Fees Chargeable
First 100 crores	1.25%
On Balance Assets	1.00%

C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. The load structure applicable to the Scheme will be as under:-

Entry Load : Nil

Exit Load : Nil for redemptions / switch outs made on the specified transactions dates at Quarterly intervals.

In terms of **SEBI Circular No SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009**,

Entry Load

No entry load will be charged with respect to applications for purchase / additional purchase / switch-in accepted by the Fund with effect from August 1, 2009. Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans (SIP) / systematic transfer plans (STP) accepted by the Fund with effect from August 01, 2009.

The upfront commission on investment made by the investor, if any shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder

Exit Load/ Contingent deferred sales charge ("CDSC")

With effect from August 01, 2009, exit load / CDSC (if any) up to 1% of the redemption value charged to the unit holder by the Fund on redemption of units shall be retained by each of the schemes/plans in a separate account and will be utilized for payment of commission to the ARN Holder and to meet other marketing and selling expenses.

Any amount in excess of 1% of the redemption value charged to the unit holder as exit load /CDSC shall be credited to the respective scheme/ plan immediately.

In accordance with **SEBI Circular No SEBI/IMD/CIR No.6/172445/2009 dated August 7, 2009** to bring about parity among all class of unit holders, no distinction among unit holders would be made based on the amount of subscription while charging exit loads.

Further in terms of **SEBI Circular No. SEBI/IMD/CIR No.7/173650/2009 dated August 17, 2009**, it shall be ensured that (a) The principle laid down in the SEBI Circular No. SEBI/IMD/CIR No.5/126096/08 dated May 23, 2008 (clause 16 of the standard observation) that "any imposition or enhancement in the load shall be applicable on prospective investments only" shall be followed. (b) The parity among all classes of unit holders in terms of charging exit load shall be made applicable at the portfolio level.

Sale/ Repurchase Price

The Mutual Fund shall ensure that the Redemption Price is not lower than 93% of the NAV, provided that the difference between the Redemption Price and Purchase Price of the Unit shall not exceed the permissible limit of 7% of the Purchase Price, as provided under SEBI (MF) Regulations.

Any imposition or enhancement in the load shall be applicable on prospective investments only. However, AMC shall not charge any load on issue of bonus units and units allotted on reinvestment of dividend for existing as well as prospective investors. At the time of changing the load structure, the mutual funds may consider the following measures to avoid complaints from investors about investment in the schemes without knowing the loads:

- The addendum detailing the changes shall be attached to Scheme Information Document and Key Information Memorandum. The addendum will be circulated to all the distributors so that the same can be attached to all Scheme Information Document and Key Information Memorandum already in stock.
- Arrangements shall be made to display the changes/modifications in the Scheme Information Document in the form of a notice in all the ISCs or the AMC.
- The introduction of the exit load/ CDSC along with the details shall be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load/CDSC.
- A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.
- Any other measure which the Fund may feel necessary.

The AMC may change the load from time to time and in case of an exit/repurchase load this may be linked to the period of holding, while in case of entry load this may be linked to the amount of investment. The load charged could also be different as regards the amount/tenor of investment, etc. It may be noted that any such change in the load structure shall be applicable on prospective investment only.

(The above provisions regarding imposition or enhancement in the load are, however, not applicable as the units of the Scheme will be listed on National Stock Exchange and no redemption facility is made available by the Fund).

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

Not applicable

Investors are advised to take note of the following procedure for submission of Direct Applications

1. Applications will be treated as direct if the forms are not routed through any distributor/ agent/ broker and are submitted at any of the offices, branches of the AMC as well as the designated investor service centres of the Registrar & Transfer Agent.
2. Applications through the AMC website without ARN of any distributor (as and when this facility is activated by the AMC)
3. The investor shall write 'Direct' in the box provided for writing the Name & ARN of the distributor/Agent. In case the said box is left blank, the same would be processed as 'Direct' application.
4. In case the investor uses an application form / transaction slip wherein the distributor / agent code is pre-printed, the investor should strike-out the said pre-printed code and write 'Direct'. He should countersign the changes. If the alterations are not counter-signed by the investor, the application will be processed as if no alterations were made.

V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATIONS OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

1) All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed.

Not Applicable

2) In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed.

HB Portfolio Limited - In relation to certain tradings in the scrip of DCM Shriram Consolidated Ltd. in the year 2001, SEBI had issued Show Cause Notice to the Company under SEBI Act and different SEBI Regulations including SEBI (Prohibition of Fraudulent & Unfair Trade Practices relating to Securities market) Regulations, 1995/ 2003 and SEBI (Stock Brokers and Sub- Brokers) Regulations, 1995, etc.

The matter has been disposed off by SEBI vide its order no. WTM/KMA/IVD/304/10/2010 dated October 8, 2010

3) Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed.

Except as stated in (2) above, no such case exist.

4) Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

Taurus Investment Trust Company Limited (TITCO) has filed various legal cases against M/s. Rinki Petrochemicals & Motorola India Limited, Baroda and its promoters for recovery of Principal amount of Rs.8 crs and interest thereon. Based on these legal cases, an Official Liquidator was appointed by the Ahmedabad High Court for sale of company's property for recovery to make payment of various creditors including TITCO and workers of Rinki Petrochemicals. TITCO has so far received Rs.7.68 crs partly from Ahmedabad High Court and partly from the promoters. TITCO has entered into an agreement with the promoters and as per the consent terms filed in the Baroda Court on 1st March 2008, TITCO will receive Rs.8.00 crs as a full and final payment. As such, balance amount of Rs.32 lacs is expected to be received shortly

Mutual Fund – Two Show cause notices dated 19.08.04 and 17.11.2005 were received from SEBI in regard to trading in shares of DCM Shriram Consolidated Limited

The matter has been disposed off by SEBI vide its Order No. CO/IVD1/1388/116/2008 dated November 28, 2008.

At present no case is pending against AMC/ Board of Trustees / Trustee Company

5) Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed.

No such case exists.

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

Notes:

1. Any amendments / replacement / re-enactment of SEBI (MF) Regulations subsequent to the date of this Scheme Information Document shall prevail over those specified in this Scheme Information Document.
2. The Scheme under this Scheme Information Document was approved by the Board of Trustees on December 24, 2010.

It is ensured that the Scheme has received in-principle approval from National Stock Exchange of India limited for listing on January 3, 2011 and that the appropriate disclosures pertaining to listing of Units is made in the Scheme Information Document

The Trustees have ensured that Taurus Quarterly Interval Fund -Series 1 is a new product offered by Taurus Mutual Fund and is not a minor modification of any existing scheme of Taurus Mutual Fund.

The mutual fund/ AMC and its empanelled brokers has not given and shall not give any indicative portfolio and indicative yield in any communication, in any manner whatsoever. Investors are advised not to rely on any communication regarding indicative yield/ portfolio with regard to the scheme.

**For and on behalf of Board of Directors of
Taurus Asset Management Company Limited**

**Place: Mumbai
Date: 14/11/2011**

**Waqar Naqvi
Chief Executive Officer**

Official Points of Transactions

OFFICES OF TAURUS ASSET MANAGEMENT CO. LTD

AHMEDABAD: Broadway Business Center, Cabin no- 1, 1st floor, Sahajanand Complex, Nr Panchvati petrol pump, Opp CITI Bank, C G Road, Ahmedabad – 380006, Tel: 079-32521999 **BENGALURU:** 1111, East Wing, 11th Floor, Raheja Towers, M.G. Road, Bangalore-560001 Tel: 080-41135646 **CHANDIGARH:** Chandigarh Business Centre, Chamber No.2, S.C.O 2441-42, Second Floor, Chamber No -2 Sector 22/ C, Chandigarh 160022 Tel: 0172-5024818/5024838 **CHENNAI:** Maalavika Centre, 5th Flr, 144/145, K.H.Road, Nungambakam Chennai-600034 Tel: 044-39101572 **HYDERABAD:** Office No. 202, 3-6-369/1, Sanatana Ecstasy, Himayatnagar, Hyderabad 500029, Tel: 040-30783060/61 **JAIPUR:** 302, DBC Towers, M.I.Road, Jaipur 302001 Tel: 0141-4038851 **KANPUR:** Cabin No 205, 4th Floor, Kan Chamber 14/113, Civil Lines, Kanpur - 208001 Tel: 0512-306 1824 **KOCHI:** 2nd Floor, Mayur Business Centre, Chittoor Road, Pulleppady Junction Cochin-682035 Tel: 0484-3047230/31 **KOLKATA:** Landmark Building, 9C, 9th Floor, 228A, A.J.C. Bose Road, Kolkata 700 020 Tel: 033-65909991/ 2 **LUCKNOW:** T-303, 3rd Floor, Sky Hi Chambers, Park Road, Lucknow – 226001 Tel: 0522-3040440 **LUDHIANA:** Sco.16,17, Lower Ground Floor, Feroze Gandhi Market, Ludhiana -141001 Tel: 9876691291 **MADURAI:** No-16/17, A.R Plaza, North veli St, Madurai-625001 Tel: 0452-6454644 **MUMBAI: Andheri (East):** AML Center 1, Gr. Floor, Mahakali Caves Road, Andheri (E), Mumbai 400 093 Tel: 022 - 66242700 **Nariman Point:** 305, Regent Chambers, 208, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021 Tel: 022 - 6753 4848 **NEW DELHI:** DCM Building, 3rd Floor, 16, Barakhamba Road, New Delhi-110001. Tel: 011-23321756-631/23717593 **PUNE:** Office No.1, "Suyash Plaza", 189/A, Bhandarkar Institute Road, Deccan Gymkhanna Pune – 411005 Tel: 020-66215712/13

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INVESTOR SERVICE CENTRES OF Registrar & Transfer Agent – Karvy Computershare Pvt. Ltd

Coimbatore: Karvy Computershare Private Limited, 29/1, I 'St Floor, Chinthamani Nagar, Opp To Indian Overseas Bank, Nsr Road, Saibaba Colony, Coimbatore- 641011, **Surat:** Karvy Computershare Private Limited, G-16 Empire State Building, Nr Udhna Darwaja, Ring Road, Surat-395009.



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