

NOTICE TO THE UNITHOLDERS OF THE SCHEMES OF BARODA PIONEER MUTUAL FUND

Unit holders may note that Pioneer Global Asset Management S.p.A. (“**PGAM**”), erstwhile co-sponsor of Baroda Pioneer Mutual Fund (“**BPMF**”), was a wholly owned subsidiary of UniCredit S.p.A. (“**UniCredit**”), a bank headquartered in Milan, Italy. In Dec 2016, UniCredit entered into a sale purchase agreement with PGAM, as seller, and Amundi S.A., as purchaser, for the sale of PGAM’s subsidiaries (the “**Pioneer Subsidiaries**” and the “**Sale**”). The Sale was subject to regulatory approvals across many jurisdictions. PGAM excluded from the perimeter of the Sale certain Pioneer subsidiaries, including India. The Sale was completed in July 2017. Following the conclusion of such Sale, PGAM was merged by way of incorporation, pursuant to Italian law, into UniCredit effective November 1, 2017. As a consequence, starting from such date, UniCredit succeeded by operation of law to all rights and obligations of PGAM including, inter alia, those relating to the ownership of 51% of the equity share capital of each of Baroda Pioneer Asset Management Company Ltd. (“**BPAMC**”) and Baroda Pioneer Trustee Company Pvt. Ltd. (“**BPTC**”). A notice-cum-addendum no. 33/2017 dated December 29, 2017 informing investors / unit holders of BPMF on the said change was issued by BPAMC on December 30, 2017. Consequent to the above, UniCredit became co-sponsor of BPMF.

Unit holders are hereby informed that pursuant to a share purchase agreement entered into by UniCredit, Bank of Baroda (“**BOB**”), BPAMC and BPTC on December 28, 2017, BOB, the current co-sponsor of BPMF, proposes to acquire the entire shareholding of BPAMC and BPTC from UniCredit, the other co-sponsor of BPMF. To this end, UniCredit proposes to sell its entire shareholding of 51% of the paid up share capital in BPAMC and BPTC to BOB. Upon completion of the proposed transfer, BPAMC and BPTC will become the wholly owned subsidiaries of BOB, with BOB holding 100% of the paid up share capital of BPAMC and BPTC (“**Proposed Transaction**”).

Pursuant to the Proposed Transaction: (a) BOB will become the sole sponsor of BPMF; and (b) there will be a change in the controlling interest of BPAMC. Further, subject to receiving the necessary approvals, the names of BPAMC and BPTC and the name of BPMF and of the schemes of BPMF will change as mentioned subsequently in this Notice (“**Notice**”). The completion of the proposed transfer of 51% equity shares of BPAMC and BPTC from UniCredit to BOB, will take place on or prior to the completion of the 30 (thirty) days period offered to the unitholders to exercise the exit option hereunder.

The Proposed Transaction has been approved by the Board of Directors of BPAMC and BPTC on October 26, 2017 and December 21, 2017 respectively. The Board of Directors of BPTC has approved the change in controlling interest of BPAMC on December 21, 2017. Further, SEBI has, vide its letter Ref. No. SEBI/HO/IMD/DF5/OW/P/2018/21384/1 dated July 31, 2018, granted its no-objection to the aforesaid change in controlling interest of BPAMC and approval for the consequential amendments to the Trust Deed under the provisions of SEBI (Mutual Funds) Regulations, 1996 (“**MF Regulations**”).

Details in relation to Bank of Baroda and the Proposed Transaction are set out below.

Details relating to Bank of Baroda

BOB is a body corporate constituted under the provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, having its head office at Baroda House, P. B. No. 506, Mandvi, Baroda, Gujrat - 390 006. It was founded in 1908 by Maharaja Sayajirao Gaekwad III and was nationalised in 1969. Presently, BOB is an Indian state-owned entity in the banking and financial services sector and has vast operations both in India as well as overseas. Its shares are listed on the Bombay Stock Exchange (“**BSE**”) and National Stock Exchange (“**NSE**”). As on March 31, 2018, the government owned 64.03% of its outstanding share capital.

BOB’s operations consist of six main areas including corporate banking, micro, small and medium enterprise (MSME) banking, retail banking, rural banking, international operations and treasury operations. It is the one of the largest public sector banks in India in terms of assets and as on March 31, 2018, it had INR 5,913.15 billion and INR 4,274.32 billion in deposits and advances respectively, with an operating profit of INR 120.06 billion and INR 7,199.99 billion worth of assets on a stand-alone basis.

Bank of Baroda has 5,467 branches in India, with over 55,000 employees serving approximately 71 million customers globally. Its’ international experience spans over 64 years, with 106 branches and offices (including branches of its subsidiaries) in 24 countries across 5 continents.

Financial information of Bank of Baroda (Consolidated)

The key financial results of BOB for the last three financial years are set out below :

Particulars	(INR in crore)		
	Details for year ending on March 31		
	2017-18	2016-17	2015-16
Net Worth	31,820.20	33,389.98	32,965.96
Total Income	54,048.63	52,410.22	51,811.25
Net Profit	(1,887.11)	(1,814.97)	(5,395.55)
Profit After Tax	(1,912.07)	1,777.41	(5,067.68)

Expected benefits of the Proposed Transaction

The Proposed Transaction will be beneficial to BPAMC owing to the strong capabilities BOB brings to the table. Its knowledge of both the Indian as well the global market will assist BPAMC in bringing in new ideas and solutions to its clients. BOB’s technological upgradation coupled with its customer centric approach and long-term relationships with customers creates a synergy which further strengthens the ability of BPAMC to meet the needs of its clients and expand its business successfully overtime.

Proposed changes pursuant to the Proposed Transaction

The following changes will occur pursuant to the Proposed Transaction:

- BOB will hold 100% of the paid-up share capital of BPAMC and BPTC along with its nominees.
- BOB will become the sole sponsor of BPMF.
- Persons nominated by BOB will be appointed to the Board of Directors of BPAMC and BPTC in compliance with all applicable laws.
- Necessary amendments to the Deed of Trust dated October 30, 1992 (“**Deed of Trust**”) as amended by the Supplemental Deed dated July 30, 2012 (“**Supplemental Deed**”) constituting BPMF, hereinafter collectively referred to as the “**Trust Deed**” will be carried out by way of execution of an amendment deed (“**Deed of Variation**”) between BOB and BPTC to name BOB as the sole sponsor of BPMF.
- Approval of the unit holders of the schemes of BPMF will be obtained for amending the Trust Deed. The Deed of Variation is enclosed as **Exhibit 1** to letter sent to the unit holders.
- BPMF will be renamed as “Baroda Mutual Fund”. Each scheme of BPMF will be renamed to replace the words “Baroda Pioneer” with the word “Baroda” (for instance, Baroda Pioneer Multi Cap Fund will be renamed as Baroda Multi Cap Fund).
- The names of BPAMC and BPTC will be changed to “Baroda Asset Management Company Limited” and “Baroda Trustee Company Private Limited”, respectively or such other name containing the word “Baroda” and removing the word “Pioneer” as may be approved by the Registrar of Companies, Mumbai, Maharashtra.
- Consequent to the above changes, the corporate logo, corporate materials and documents will undergo changes to reflect the new names of BPMF, BPAMC and BPTC.
- Statement of Additional Information of BPMF, Scheme Information Document, Key Information Memorandum of schemes of BPMF and other relevant documents relating to the existing Schemes of BPMF will be amended and updated to reflect the changes pursuant to the Proposed Transaction. Such addenda will be published in newspapers and also be made available on the website of BPAMC.

Approval for amendment of the Trust Deed

As provided in the MF Regulations, the Trust Deed and Statement of Additional Information of BPMF, no amendment to the Trust Deed shall be carried out without the prior approval of the unit holders of BPMF (such approval may be obtained through postal ballot). As such, approval of all the unit holders of the schemes of BPMF, as per the records of Karvy Computershare Pvt. Ltd. (“**Registrar**”), as at the close of business hours of Friday, August 3, 2018 is sought for amendment of the Trust Deed through postal ballot. Details of the postal ballot, particularly the terms of voting, mode of voting, timelines for sending duly filled-in and signed ballot papers, manner of determining the results of postal ballot, etc. are mentioned in the Exit Option Letter. **Unit holders are requested to note that if you do not send the signed and duly filled-in ballot paper so as to reach any of the Investor Service Centres of BPMF on or before close of business hours on August 27, 2018, it will be treated as your consent for the proposed amendment of the Trust Deed.** Further, unit holders to note that if no valid vote is received by the Registrar on or before close of business hours on August 27, 2018, then it will be deemed that none of the unit holders of the schemes of BPMF have any objection to the proposed amendment of the Trust Deed and the said amendments would stand approved and be binding on the unit holders of all schemes of BPMF.

Notice to Unit Holders in relation to Change in the Controlling Interest of BPAMC pursuant to the Proposed Transaction

While the aforementioned changes will not affect the basic characteristic of the schemes of BPMF nor constitute any change in fundamental attributes of the schemes including their investment objective, Regulation 22(e) of the MF Regulations requires that for a change in controlling interest of an asset management company, in this case BPAMC, (i) a written communication about the proposed change be sent to each unit holder and an advertisement be placed in one English daily newspaper having nationwide circulation and in a newspaper published in the language of the region where the head office of the mutual fund is situated; (ii) the unit holders be given an exit option at prevailing net asset value (“**NAV**”) without any exit load for a period of 30 (thirty) days.

Accordingly, this Notice serves as a communication to the unit holders of the schemes of BPMF about the change in controlling interest of BPAMC pursuant to the Proposed Transaction and each unit holder is hereby given an option to exit their investments in the scheme(s) of BPMF at the prevailing NAV without exit load, if any. The exit option will be available to all the unit holders of the schemes (except in case of Baroda Pioneer ELSS’96 where the units are locked-in for three years from the date of allotment and in case of unit holders who have pledged their units) as per the records of the Registrar, as at the close of business hours on August 3, 2018. Unit holders who have pledged or encumbered their units will not have the option to exit unless they procure a release of their pledges/encumbrances and appropriately communicate the same to BPMF / Registrar prior to submission of redemption requests.

The option to exit without exit load can be exercised from August 8, 2018 (Wednesday) to September 6, 2018 (Thursday) (both days inclusive) (“**Exit Option Period**”) within the respective scheme cut-off timelines. All transaction requests received after September 6, 2018, will be subject to load, as may be prevailing at that time in the respective schemes.

The redemption warrant/cheque will be mailed or the amount of redemption will be credited to unit holder’s bank account (as registered in the records of the Registrar) within 10 (ten) working days from the date of receipt of redemption request.

The offer to exit is merely an option and is not mandatory. If you have no objection to the proposed change in controlling interest of BPAMC and proposed changes as aforesaid, no action needs to be taken by you.

Please note that unit holders who do not opt for redemption on or before September 6, 2018 shall be deemed to have consented to the changes specified in this Notice and shall continue to hold units in the schemes of BPMF. In case the unit holders disagree with the aforesaid changes, they may redeem all or part of the units in the respective scheme(s) of BPMF by exercising the exit option, without exit load within the Exit Option Period by submitting a redemption request at the nearest Investor Service Centre of BPAMC or of the Registrar at the addresses listed in **Exhibit 5** of the letter sent to the unit holders, or to the depository participant (in case of units held in electronic (demat) mode). Unit holders can also submit the normal redemption form for this purpose.

The option to redeem without exit load during the Exit Option Period can be exercised in the following manner:

- Unit holders can submit redemption requests, duly signed as per the mode of holding at the nearest official points of acceptance/investor service centre of BPMF or the Registrar at the addresses mentioned in **Exhibit 5** of the letter sent to the unit holders, or to the depository participant (in case of units held in electronic (demat) mode). Investors can also transact online if they are registered on our website viz. www.barodapioneer.in.
- The redemption transaction shall be processed at applicable NAV as per the “Date and Time Stamp” number affixed on the redemption request.
- Unit holders should ensure that any changes in address or pay-out bank details required by them, are updated in BPMF’s records at least 7 (seven) working days before exercising the exit option.

The expenses related to the Proposed Transaction and other consequential changes as outlined above will not be charged to the unit holders of the schemes of BPMF.

As regards the unit holders who redeem their investments during the Exit Option Period, the tax consequences as set forth in the Statement of Additional Information of BPMF and Scheme Information Document of relevant schemes of BPMF would apply. In view of the individual nature of tax consequences, you are advised to consult your professional tax advisor for detailed tax advice.

A written communication conveying details of the proposed transfer of shares by UniCredit to Bank of Baroda and changes consequent to such transfer have been sent to the registered address of each unit holder. A statement of unclaimed redemption and dividend amount and procedure for claiming the same is mentioned in **Exhibit 4** of the letter sent to unit holders.

Unit holders who do not receive the letter or who have any questions, may contact :

Mr. Amitabh Ambastha

Investor Relations Officer

Baroda Pioneer Asset Management Company Limited

CIN : U65991MH1992PLC069414

501, Titanium, 5th Floor, Western Express Highway Goregaon (E), Mumbai 400063, Maharashtra, India.

Telephone: +91-22-3074 1000 • Email: info@barodamf.com

Or,

Karvy Selenium Tower B, Plot number 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032.

For **Baroda Pioneer Asset Management Company Limited**

(Investment Manager for Baroda Pioneer Mutual Fund)

sd/- sd/-

Anthony Heredia

Chief Executive Officer

Place : Mumbai

Date : August 8, 2018

Kiran Deshpande

Chief Operating Officer & Chief Financial Officer

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

For further details, kindly contact:

Baroda Pioneer Asset Management Company Limited

CIN : U65991MH1992PLC069414

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