

Baroda Pioneer Mutual Fund

COMBINED SCHEME INFORMATION DOCUMENT

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| Baroda Pioneer PSU Equity Fund An Open Ended Equity Scheme | Baroda Pioneer Infrastructure Fund An Open Ended Equity Scheme |
| Baroda Pioneer ELSS'96 AN OPEN ENDED TAX BENEFIT-CUM-GROWTH SCHEME WITH INSURANCE COVER | |
| Baroda Pioneer Growth Fund An Open Ended Growth Scheme | Baroda Pioneer Balance Fund An Open Ended Balance Scheme |

Price of Units: NAV Linked

Face Value of Units: Rs.10/- per unit

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|---|---|
| Name of Mutual Fund | : Baroda Pioneer Mutual Fund |
| Name of Asset Management Company | : Baroda Pioneer Asset Management Company Limited |
| Name of Trustee Company | : Board of Trustees |
| Addresses, Website of the entities | : 501, Titanium, 5 th Floor Western Express Highway Goregaon (E), Mumbai- 400063 |

The particulars of the Schemes/Plans 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 schemes 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.

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

The 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.

This Scheme Information Document is dated March 30, 2012.

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HIGHLIGHTS/ SUMMARY OF THE SCHEMES

| Name of the Scheme | Baroda Pioneer PSU Equity Fund | Baroda Pioneer Infrastructure Fund | Baroda Pioneer ELSS'96 | Baroda Pioneer Growth Fund | Baroda Pioneer Balance Fund |
|------------------------------------|--|--|---|---|---|
| Investment Objective | The primary investment objective of the Scheme is to provide investors with opportunities for long-term growth in capital along with the liquidity of an open ended scheme through an active management of investments in a diversified basket of equity stocks of domestic Public Sector Undertakings. | The primary investment objective of the Scheme is to generate long-term capital appreciation by investing predominantly in equity and equity-related securities of companies engaged in infrastructure and infrastructure-related sectors. | The main objective of the scheme is to provide the investor long term capital growth as also tax benefit under Section 80C of the Income Tax Act, 1961. | The main objective of the scheme is to generate long term capital appreciation from an actively managed portfolio of equity related instruments. | The scheme is targeted for long-term capital appreciation along with stability through a well balance portfolio comprising of equity and debt securities. |
| Options / Plans | The Scheme(s) offer: A. Growth Option (default option in case no option specified by investor); B. Dividend Option a. Payout; b. Reinvestment | | Divided Payout Option | The Scheme(s) offer: A. Growth Option (default option in case no option specified by investor); B. Dividend Option a. Payout; b. Reinvestment | |
| | Dividend Reinvestment sub-option shall not be available to investors who transact through the stock exchange in dematerialized mode. In respect of units subscribed through SIP, allotment will be based on the Applicable NAV, and will be credited to the demat account of the investor on a weekly basis upon realization of funds. For e.g. Units will be credited to the investor's demat account every Monday for realization status received in the preceding week from Monday to Friday. | | | | |
| Liquidity | Units may be redeemed at NAV-related prices, subject to applicable loads, on every Business Day on an ongoing basis. Under normal circumstances, the Mutual Fund will endeavour to dispatch redemption proceeds within 3 - 4 business days from the date of acceptance of redemption requests at the Official Points of Acceptance, but not later than 10 Business Days. | | | | |
| Benchmark | BSE PSU Index | CNX 100 | BSE SENSEX | CNX 100 | CRISIL Balance Fund Index |
| Transparency/NAV Disclosure | The AMC will calculate and disclose the first NAVs of the scheme within a period of 30 days from the closure of the NFO Period. Subsequently, the NAVs will be calculated and disclosed on every Business Day. The AMC shall update the NAVs on the website of the Fund (www.barodapioneer.in) and of the Association of Mutual Funds in India - AMFI (www.amfiindia.com) every Business Day. The AMC will disclose details of the portfolio of the scheme every 6 months by either sending a complete statement to all the Unit Holders or by publishing such statement, by way of advertisement, in two daily newspapers. | | | | |
| Loads | Entry Load – Nil | Entry Load – Nil | Entry Load | Entry Load- | Entry Load |

| Name of the Scheme | Baroda Pioneer PSU Equity Fund | Baroda Pioneer Infrastructure Fund | Baroda Pioneer ELSS'96 | Baroda Pioneer Growth Fund | Baroda Pioneer Balance Fund |
|-----------------------------------|---|--|---|--|--|
| | Exit Load - 1.00% if redeemed on or before 365 days from the date of allotment of units, NIL if redeemed after 365 days from the date of allotment of units. | Exit Load - 1.00% if redeemed on or before 365 days from the date of allotment of units, NIL if redeemed after 365 days from the date of allotment of units. | - Nil Exit Load - Nil | Nil Exit Load 1% if redeemed on or before 12 months from the date of allotment. | Nil Exit Load 1% if redeemed on or before 12 months from the date of allotment. |
| Transaction Charge | <p>(i) Nil on subscription amounts less than Rs. 10,000/-;</p> <p>(ii) Rs. 100/- on every subscription of Rs. 10,000/- and above for an existing investor in mutual funds; *In the case of any applicable transaction, where the AMC/Fund/Registrar is unable to identify whether the investor concerned is a first-time investor in mutual funds, Rs. 100/- will be charged as transaction charge.</p> <p>(iii) Rs. 150/-* on a subscription of Rs. 10,000/- and above for an investor investing in mutual funds for the first time.</p> <p>The transaction charge referred to in (ii) and (iii) above will be payable only for transactions done through a distributor who has opted to receive the transaction charge.</p> | | | | |
| Minimum Application Amount | Purchase : Rs. 5,000/- and in multiples of Re. 1/- Additional Purchase : Rs. 1,000/- and in multiples of Re. 1/- | Purchase : Rs. 5,000/- and in multiples of Re. 1/- Additional Purchase : Rs. 1,000/- and in multiples of Re. 1/- | Purchase : Rs. 500/- and in multiples of Re. 500/- | Purchase : Rs. 5,000/- and in multiples of Rs. 500/- thereof | Purchase : Rs. 3,000/- and in multiples of Rs. 1,000/- thereof |

I. Introduction

A. RISK FACTORS

These risk factors may be peculiar to the Mutual Fund as well as that attendant with specific policies and objectives of the Scheme.

1. Standard Risk Factors

- Mutual Funds and securities investments are subject to market risks such as trading volumes, settlement risk, liquidity risk and default risk including the possible loss of principal and there is no assurance or guarantee that the objectives of the Scheme will be achieved.
- 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.
- Baroda Pioneer PSU Equity Fund, Baroda Pioneer Infrastructure Fund, Baroda Pioneer ELSS'96 Fund, Baroda Pioneer Growth Fund and Baroda Pioneer Balance Fund are only the name of the Scheme and does not in any manner indicate either the quality of the scheme or its future prospects and returns.

- e) The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond their initial contribution of Rs.10 lakh towards the setting up of the Mutual Fund and such other accretions and additions to the corpus.
- f) The present scheme is not a guaranteed or assured return scheme. The Mutual Fund is not guaranteeing or assuring any dividend/ bonus. The Mutual Fund is also not assuring that it will make periodical dividend/bonus distributions, though it has every intention of doing so. All dividend/bonus distributions are subject to the availability of distributable surplus of the Scheme.

2. Scheme Specific Risk Factors

Risks associated with investing in Equity and Equity Related Securities

- Equity instruments carry both company specific and market risks and hence no assurance of returns can be made of these investments.
- Equity and equity related securities are prone to daily price fluctuations and the liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly due to unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Likewise, the inability to sell securities held in the Scheme's portfolio could result, at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme's portfolio. Also, the value of the Scheme's investments may be affected by interest rates, currency exchange rates, changes in laws/policies of the government, taxation laws and political, economic or other developments which may have an adverse bearing on individual securities, a specific sector or all sectors.

Risks associated with investing in Fixed Income Securities

- **Interest Rate Risk:** As with all debt securities, changes in interest rates may affect the Schemes' Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than do short-term securities. Indian debt markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the NAV.
- **Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is today characteristic of the Indian fixed income market.
- **Credit Risk:** Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e. will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a yield above those offered on Government Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.
- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Plans are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.
- **Settlement risk:** The inability of the Plan to make intended securities purchases due to settlement problems could cause the Plan to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the Plan's portfolio due to the extraneous factors that may impact liquidity would result, at times, in potential losses to the Plan, in case of a subsequent decline in the value of securities held in the Plan's portfolio.
- **Regulatory Risk:** Changes in government policy in general and changes in tax benefits applicable to Mutual Funds may impact the returns to investors in the Scheme.

Risks associated with investment in unlisted securities: Except for any security of an associate or group company, the Scheme has the power to invest in securities which are not listed on a stock exchange ("unlisted Securities") which in general are subject to greater price fluctuations, less liquidity and greater risk than those which are traded in the open market. Unlisted securities may lack a liquid

secondary market and there can be no assurance that the Scheme will realise their investments in unlisted securities at a fair value.

Risks associated with investing in Derivatives:

As and when the Scheme trades in the derivatives market there are risk factors and issues concerning the use of derivatives that Investors should understand. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mis pricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

- Thus, derivatives are highly leveraged instruments. Even a small price movement in the underlying security could have a large impact on their value. Also, the market for derivative instruments is nascent in India.
- Derivatives products are leveraged instruments and provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of the fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify to execute such strategies.
- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments.

Risks associated with investing in securitised debt.

Generally available Asset Classes for securitization in India

- Commercial Vehicles
- Auto and Two wheeler pools
- Mortgage pools (residential housing loans)
- Personal Loan, credit card and other Regular loans
- Corporate loans/receivables

In terms of specific risks attached to securitisation, each asset class would have different underlying risks, however, residential mortgages are supposed to be having lower default rates as an asset class. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Some of the asset classes such as personal loans, credit card receivables etc., being unsecured credits in nature, may witness higher default rates. As regards corporate loans/receivables, depending upon the nature of the underlying security for the loan or the nature of the receivable the risks would correspondingly fluctuate. However, the credit enhancement stipulated by rating agencies for such asset class pools is typically much higher and hence their overall risks are comparable to other AAA rated asset classes. The rating agencies have an elaborate system of stipulating margins, over collateralization and guarantee to bring risk limits in line with the other AAA rated securities.

It is relevant to note here that predominantly the scheme intends to invest in only AAA rated securitised debt. This compares favorably with a portfolio which is constructed on the basis of AA rated securitised debt. Some of the factors, which are typically analyzed for any pool, are as follows:

Size of the loan: Generally indicates the kind of assets financed with loans. Also indicates whether there is excessive reliance on very small ticket size, which may result in difficult and costly recoveries. To illustrate, the ticket size of housing loans is generally higher than that of personal loans. Hence in the construction of a housing loan asset pool for say Rs.1,00,00,000/- it may be easier to construct a pool with just 10 housing loans of Rs.10,00,000 each rather than to construct a pool of personal loans as the ticket size of personal loans may rarely exceed Rs.5,00,000/- per individual. Also to amplify this illustration further, if one were to construct a pool of Rs.1,00,00,000/- consisting of personal loans of Rs.1,00,000/- each, the larger number of contracts(100 as against one of 10 housing loans of Rs.10 lakh each) automatically diversifies the risk profile of the pool as compared to a housing loan based asset pool.

Average original maturity of the pool: indicates the original repayment period and whether the loan tenors are in line with industry averages and borrower's repayment capacity. To illustrate, in a car pool consisting of 60- month contracts, the original maturity and the residual maturity of the pool viz. number of remaining installments to be paid gives a better idea of the risk of default of the pool itself. If in a pool of 100 car loans having original maturity of 60 months, if more than 70% of the contracts have paid more than 50% of the installments and if no default has been observed in such contracts, this is a far superior portfolio than a similar car loan pool where 80% of the contracts have not even crossed 5 installments.

Loan to Value Ratio: Indicates how much % value of the asset is financed by borrower's own equity. The lower LTV, the better it is. This Ratio stems from the principle that where the borrowers own contribution of the asset cost is high; the chances of default are lower. To illustrate for a Truck costing Rs.20 lakhs, if the borrower has himself contributed Rs.10 lakh and has taken only Rs.10 lakh as a loan, he is going to have lesser propensity to default as he would lose an asset worth Rs.20 lakhs if he defaults in repaying an installment. This is as against a borrower who may meet only Rs.2 lakh out of his own equity for a truck costing Rs.20 lakh. Between the two scenarios given above, the latter would have higher risk of default than the former.

Average seasoning of the pool: indicates whether borrowers have already displayed repayment discipline. To illustrate, in the case of a personal loan, if a pool of assets consist of those who have already repaid 80% of the installments without default, this certainly is a superior asset pool than one where only 10% of installments have been paid. In the former case, the portfolio has already demonstrated that the repayment discipline is far higher.

Default rate distribution: Indicates how much % of the pool and overall portfolio of the originator is current, how much is in 0-30 DPD (days past due), 30-60 DPD, 60-90 DPD and so on. The rationale here is very obvious, as against 0-30 DPD, the 60-90 DPD is certainly a higher risk category. Unlike in plain vanilla instruments, in securitisation transactions it is possible to work towards a target credit rating, which could be much higher than the originator's own credit rating. This is possible through a mechanism called 'Credit enhancement's fulfilled by filtering the underlying asset classes and applying selection criteria, which further diminishes the risk inherent for a particular asset class. The purpose of credit enhancement is to ensure timely payment to the investors, if the actual collection from the pool of receivables for a given period is short of the contractual payouts on securitisation. Securitisation is normally non-recourse instruments and therefore, the repayment on securitisation would have to come from the underlying assets and the credit enhancement. Therefore, the rating criteria centrally focus on the quality of the underlying assets. World over, the quality of credit ratings is measured by default rates and stability. An analysis of rating transition and default rates, witnessed in both international and domestic arena, clearly reveals that structured finance ratings have been characterized by far lower default and transition rates than that of plain vanilla debt ratings. Further, internationally, in case of structured finance ratings, not only are the default rates low but post default recovery is also high.

In the Indian scenario, also, more than 95% of issuances have been AAA rated issuances indicating the strength of the underlying assets as well as adequacy of credit enhancement.

Investment exposure of the Fund with reference to Securitised Debt

The Fund will predominantly invest only in those securitisation issuances which have AAA rating indicating the highest level of safety from credit risk point of view at the time of making an investment. The Fund will not invest in foreign securitised debt.

The fund may invest in various type of securitisation issuances, including but not limited to Asset Backed Securitisation, Mortgage Backed Securitisation, Personal Loan Backed Securitisation, Collateralized Loan Obligation / Collateralized Bond Obligation and so on.

The fund does not propose to limit its exposure to only one asset class or to have asset class based sub-limits as it will primarily look towards the AAA rating of the offering. The fund will conduct an independent due diligence on the cash margins, collateralization, guarantees and other credit enhancements and the portfolio characteristic of the securitisation to ensure that the issuance fits in to the overall objective of the investment in high investment grade offerings irrespective of underlying asset class.

Risk Factors specific to investments in Securitised Papers

Types of Securitised Debt vary and carry different levels and types of risks. Credit Risk on Securitised Bonds depends upon the Originator and varies depending on whether they are issued with Recourse to Originator or otherwise.

Even within securitised debt, AAA rated securitised debt offers lesser risk of default than AA rated securitized debt. A structure with Recourse will have a lower Credit Risk than a structure without Recourse.

Underlying assets in Securitised Debt may assume different forms and the general types of receivables include Auto Finance, Credit Cards, Home Loans or any such receipts, Credit risks relating to these types of receivables depend upon various factors including macro economic factors of these industries and economies. Specific factors like nature and adequacy of property mortgaged against these borrowings, nature of loan agreement/ mortgage deed in case of Home Loan, adequacy of documentation in case of Auto Finance and Home Loans, capacity of borrower to meet its obligation on borrowings in case of Credit Cards and intentions of the borrower influence the risks relating to the asset borrowings underlying the securitised debt.

Holders of the securitised assets may have low credit risk with diversified Regular base on underlying assets especially when securitised assets are created by high credit rated tranches, risk profiles of Planned Amortisation Class tranches (PAC), Principal Only Class Tranches (PO) and Interest Only class tranches (IO) will differ depending upon the interest rate movement and speed of prepayment.

Unlike in plain vanilla instruments, in securitisation transactions, it is possible to work towards a target credit rating, which could be much higher than the originator's own credit rating. This is possible through a mechanism called 'Credit enhancement'. The process of 'Credit enhancement' is fulfilled by filtering the underlying asset classes and applying selection criteria, which further diminishes the risks inherent for a particular asset class. The purpose of credit enhancement is to ensure timely payment to the investors, if the actual collection from the pool of receivables for a given period is short of the contractual payout on securitisation. Securitisation is normally non-recourse instruments and therefore, the repayment on securitization would have to come from the underlying assets and the credit enhancement. Therefore the rating criteria centrally focus on the quality of the underlying assets.

The change in market interest rates – prepayments may not change the absolute amount of receivables for the investors, but may have an impact on the re-investment of the periodic cash flows that the investor receives in the securitised paper.

Limited Liquidity & Price risk

Presently, secondary market for securitised papers is not very liquid. There is no assurance that a deep secondary market will develop for such securities. This could limit the ability of the investor to resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.

Limited Recourse, Delinquency and Credit Risk

Securitised transactions are normally backed by pool of receivables and credit enhancement as stipulated by the rating agency, which differ from issue to issue. The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and there is no obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the Seller, Issuer and Originator. No financial recourse is available to the Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of a Obligor to repay his obligation, the Servicer may repossess and sell the underlying Asset. However many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.

Risks due to possible prepayments: Weighted Tenor / Yield

Asset securitisation is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments Full prepayment of underlying loan contract may arise under any of the following circumstances;

- Obligor pays the Receivable due from him at any time prior to the scheduled maturity date of that Receivable; or
- Receivable is required to be repurchased by the Seller consequent to its inability to rectify a material misrepresentation with respect to that Receivable; or
- The Servicer recognizing a contract as a defaulted contract and hence repossessing the underlying Asset and selling the same
- In the event of prepayments, investors may be exposed to changes in tenor and yield.

Bankruptcy of the Originator or Seller

If originator becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the sale from originator to Trust was not a sale then an Investor could experience losses or delays in the payments due. All possible care is generally taken in structuring the transaction so as to minimize the risk of the sale to Trust not being construed as a "True Sale". Legal opinion is normally obtained to the effect that the assignment of Receivables to Trust in trust for and for the benefit of the Investors, as envisaged herein, would constitute a true sale.

Bankruptcy of the Investor's Agent

If Investor's agent becomes subject to bankruptcy proceedings and the court in the bankruptcy proceedings concludes that the recourse of Investor's Agent to the assets/receivables is not in its capacity as agent/Trustee but in its personal capacity, then an Investor could experience losses or delays in the payments due under the swap agreement. All possible care is normally taken in structuring the transaction and drafting the underlying documents so as to provide that the assets/receivables if and when held by Investor's Agent is held as agent and in Trust for the Investors and shall not form part of the personal assets of Investor's Agent. Legal opinion is normally obtained to the effect that the Investors Agent's recourse to assets/receivables is restricted in its capacity as agent and trustee and not in its personal capacity.

Credit Rating of the Transaction / Certificate

The credit rating is not a recommendation to purchase, hold or sell the Certificate in as much as the ratings do not comment on the market price of the Certificate or its suitability to a particular investor. There is no assurance by the rating agency either that the rating will remain at the same level for any given period of time or that the rating will not be lowered or withdrawn entirely by the rating agency.

Risk of Co-mingling

The Servicers normally deposit all payments received from the Obligor into the Collection Account. However, there could be a time gap between collection by a Servicer and depositing the same into the Collection account especially considering that some of the collections may be in the form of cash. In this interim period, collections from the Loan Agreements may not be segregated from other funds of the Servicer. If the Servicer fails to remit such funds due to Investors, the Investors may be exposed to a potential loss. Due care is normally taken to ensure that the Servicer enjoys highest credit rating on stand alone basis to minimize Co-mingling risk.

Risks associated with Short Selling and Securities Lending

The Schemes will not engage in any short selling and securities lending activities.

Risks Associated with Transaction in Units through Stock Exchange Mechanism

Allotment and/or redemption of Units through NSE or BSE or any other recognized stock exchange on any Business Day will depend upon the modalities of processing viz. collection of application form, order processing, settlement, etc., upon which the Scheme has no control. Moreover, transactions conducted through the stock exchange mechanism will be governed by the operating guidelines and directives issued by the relevant recognized stock exchange.

RISK MITIGATION /MANAGEMENT STRATEGY OF THE SCHEMES

| Risk & description specific to Equity | Risk Mitigation/ management strategy |
|--|---|
| Quality Risk: Risk of investing in unsustainable/ weak companies | Investment universe carefully selected to only include companies of high quality business, sound financial strength and management of the company |
| Price Risk : Risk of overpaying of company | "Fair Value" based investment approach supported by comprehensive research |
| Concentration risk : Risk of lack of diversification | Invest across the market capitalization (large cap, mid cap and small cap) spectrum and industries engaged in the development of infrastructure sector in the case of Baroda Pioneer Infrastructure fund and the PSUs in case of Baroda Pioneer PSU Equity Fund . |

| | |
|---|--|
| Liquidity Risk : High Impact Cost | Control portfolio liquidity at portfolio construction stage |
| Volatility: Price volatility due to company or portfolio specific factors | The focus of the fund manager is on ensuring that Stocks selected for the portfolio and the allocation to each sector/ stock do not lead to excessive volatility that is not in line with the positioning of the Scheme. The volatility of portfolio relative to peers, benchmark and broad market is monitored. |

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Schemes/Plans shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan(s). However, if such limit is breached during the NFO of the Scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme / Plan(s) does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25% limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The schemes shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. SPECIAL CONSIDERATION

The Mutual Fund is not assuring or guaranteeing that it will be able to make regular periodical distributions/distribute bonus units to its Unit holders though it has every intention to manage the portfolio so as to make periodical income/bonus distributions to Unit holders. Periodical distributions will be dependent on the returns achieved by the Asset Management Company through the active management of the portfolio. Periodical distributions may therefore vary from period to period, based on investment results of the portfolio.

Right to Limit Redemption: The Trustee may, in the general interest of the Unit holders of the Scheme under this Scheme Information Document and keeping in view the 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 issued and outstanding under any Scheme / Plan or such other percentage as the Trustee may determine.

The Trustee may, at its sole discretion in response to unforeseen circumstances or unusual market conditions including, but not limited to, extreme volatility of the stock, fixed income and money markets, extended suspension of trading on the stock exchanges, natural calamities, communication breakdowns, internal system breakdowns, strikes, bandhs, riots or other situations where the Trustee in consultation with BPAMC considers that such suspension is necessary, 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 or such higher percentage as the Trustee may determine in any particular case.

Any Units, which by virtue of these limitations are not redeemed on a particular Business Day, will be carried forward for redemption to the next Business Day, in the order of receipt. Redemptions so carried forward will be priced on the basis of the Redemption Price 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, redemption's will be made on pro-rata basis, based on the size of each redemption request, the balance amount being carried forward for redemption to the next Business Day(s).

Investors are urged to study the terms of the SID carefully before investing in these Schemes, and to retain the SID for future reference.

Any tax liability arising post redemption on account of change in the tax treatment with respect to dividend distribution tax, by the tax authorities, shall be solely borne by the investor and not by the AMC, the Trustees or the Mutual Fund.

If, after due diligence, the AMC believes that any transaction is suspicious in nature with respect to money laundering, the AMC shall report such suspicious transactions to competent authorities under PMLA and rules/guidelines issued thereunder, furnish any such information in connection with such terms, to the said competent authorities and take any other actions as may be required for the purposes of fulfilling its obligations under PMLA and rules/guidelines issued thereunder, without obtaining the prior consent of the investor/ concerned Unit holder/any other person.

- **Investors in the Scheme are not being offered any guaranteed returns.**
- **Investors are advised to consult their Legal /Tax and other Professional Advisors in regard to tax/legal implications relating to their investments in the Scheme and before making a decision to invest in the Scheme or redeeming their Units in the Scheme.**

D. DEFINITIONS AND INTERPETATION

In this Scheme Information Document, the following words and expressions shall have the meaning specified herein, unless the context otherwise requires:

| | |
|---|---|
| Applicable NAV | <p><u>Purchase</u></p> <p>In respect of valid applications received up to 3 pm along with a local cheque or demand draft payable at par at the place where the application is received, Closing NAV of the day of receipt acceptance of application.</p> <p>In respect of valid applications received after 3 pm along with a local cheque or demand draft, Closing NAV of the next business day.</p> <p>In respect of valid applications with outstation cheques/demand drafts not payable at par at the place application is received, Closing NAV of the day on which the cheque or demand draft is credited.</p> <p><u>Redemption</u></p> <p>Where the application is received up to 3 pm - Closing NAV of the day of receipt of application.</p> <p>Where the application is received after 3 pm - Closing NAV of the next business day.</p> <p>‘Switch in’ transactions will be treated as if they were purchase transactions and ‘switch out’ transactions will be treated as if they were repurchase transactions. In case of ‘switch’ transactions from one scheme to another the allocation shall be in line with redemption payouts.</p> <p>Investors may note that for transactions through the stock exchange, Applicable NAV shall be reckoned on the basis of the time stamping as evidenced by the confirmation slip given by the stock exchange mechanism.</p> |
| Application Form/Key Information Memorandum | A form meant to be used by an investor to open a folio and/or purchase Units in Baroda Pioneer Banking and Financial Services Fund. Any modifications to the Application Form will be made by way of an addendum, which will be attached thereto. On issuance of such addendum, the Application Form will be deemed to be updated by the addendum. |
| Asset Management Company/AMC/ Investment Manager/BPAMC | Baroda Pioneer Asset Management Company Limited (formerly known as BOB Asset Management Company Limited), incorporated under the Companies Act, 1956, having its registered office at 501, Titanium, 5 th Floor, Western Express Highway, Goregaon, Mumbai – 400063, and approved by SEBI to act as Asset Management Company / Investment Manager for the schemes of Baroda Pioneer Mutual Fund. |
| Business Day/Working Day | A day other than: <ul style="list-style-type: none"> (i) Saturday and Sunday; (ii) a day on which both the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited are closed. |

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| | <p>(iii) a day on which banks in Mumbai and/or RBI are closed for business/clearing</p> <p>(iv) a day on which normal business cannot be transacted due to storms, floods, natural calamities, bandhs, strikes or such other events as the AMC may specify from time to time, in compliance of the requirements specified by SEBI from time to time</p> <p>(v) a day on which the sale and / or redemption and / or switches of units is suspended by the trustees / AMC.</p> |
| Consolidated Account Statement / CAS | An account statement detailing all the transactions during a period and/or holdings at the end of the period across all schemes of all mutual funds, including transaction charges paid to distributors, as applicable. This statement will be issued to dormant investors on a half-yearly basis and to investors in whose folios any transaction has taken place during a month, on a monthly basis. |
| Custodian | Citibank N.A, Mumbai Branch, registered under the SEBI (Custodian of Securities) Regulations, 1996, or any other custodian who is approved by the Trustees. |
| Cut-off time | A time prescribed in this Scheme Information Document up to which an investor can submit a Purchase request (along with a local cheque or a demand draft payable at par at the place where the application is received) / Redemption request, to be entitled to the Applicable NAV for that Business Day. |
| Collection Banker(s) | The bank(s) with which the AMC has entered into an agreement from time to time, and if designated for this Scheme, to enable customers to deposit their applications for subscription of Units during the NFO. |
| Dematerialization/Demat | The process of converting physical units (account statements) into an electronic form. Units once converted into dematerialised form are held in a Demat account and are freely transferable.” |
| Depository | Depository as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL). |
| Depository Participant / DP | An agent of the Depository who acts like an intermediary between the Depository and the investors, and is registered with SEBI to offer depository related services. |
| Designated Collection Centers | During NFO and Ongoing Offer: ISCs designated by the AMC where the applications shall be received. The names and addresses are mentioned at the end of this Scheme Information Document. |
| Entry Load | A one-time charge that the investor pays at the time of entry into the scheme. |
| Exit Load | A charge paid by the investor at the time of exit from the scheme. |
| Foreign Institutional Investors / FII | An entity registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time. |
| Fund of Funds / FOF | A mutual fund scheme that invests primarily in other schemes of the same mutual fund or other mutual funds. |
| Fund/ Mutual Fund | Baroda Pioneer Mutual Fund (formerly known as BOB Mutual Fund), being a Trust registered under the Indian Trusts Act and registered with SEBI under the SEBI (MF) Regulations, vide registration number MF/ 018/94/2. The Fund received endorsement for the change of its name from BOB Mutual Fund to Baroda Pioneer Mutual Fund vide SEBI letter no. IMD/ RB/134922/08, dated August 12, 2008. |
| Investment Management Agreement | The Investment Management Agreement (IMA) dated 24 th November 1992, entered into between the Mutual Fund and the AMC, as amended from time to time. |
| Investor Service Centre / | Official Points of acceptance of transactions / service requests from |

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|--|---|
| ISC | investors. These will be designated by the AMC from time to time. |
| Net Asset Value/ NAV | Net Asset Value of the Units of the Scheme (including plans/options thereunder, if any) calculated in the manner provided in this Scheme Information Document or as may be prescribed by the Regulations from time to time. |
| New Fund Offer/ NFO | The offer for Purchase of Units at the inception of the Scheme, available to investors during the NFO period. |
| Non Resident Indian / NRI | A person resident outside India, who is a citizen of India or is a person of Indian origin, as per the meaning assigned to the term under the Foreign Exchange Management (Investment in firm or proprietary concern in India) Regulations, 2000. |
| Scheme Information Document/SID | This Scheme Information Document issued by Baroda Pioneer Mutual Fund, offering units of Baroda Pioneer PSU Equity Fund, Baroda Pioneer Infrastructure Fund, Baroda Pioneer ELSS'96, Baroda Pioneer Growth Fund and Baroda Pioneer Balance Fund for subscription. Any modifications to the SID will be made by way of an addendum which will be attached to the SID. On issuance of an addendum, the SID will be deemed to have been updated by the addendum. |
| Stock Exchange/Exchange | BSE or NSE or any other recognized stock exchange in India, as may be approved by the Trustee. |
| Ongoing Offer | Offer of Units under the Scheme when it becomes open ended after the closure of the New Fund Offer period. |
| Ongoing Offering Period | The period during which the Ongoing Offer for subscription to the Units of the Scheme will be made. |
| Person of Indian Origin | A citizen of any country other than Bangladesh or Pakistan, if (a) he/she at any time held an Indian passport; or (b) he/she or either of his/her parents or any of his/her grand parents was a citizen of India by virtue of the Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or a person referred to in sub-clause (a) or (b). |
| Purchase / Subscription | Subscription to / Purchase of Units in the Scheme by an investor. |
| Purchase Price | The price, being face value/Applicable NAV, as the case may be, at which the Units can be purchased, and calculated in the manner provided in this Scheme Information Document. |
| Registrar | Karvy Computershare (Pvt.) Ltd., having its registered office at 8-2-596, Karvy Plaza, Avenue-4, Street No.1, Banjara Hills, Hyderabad- 500 034 |
| Redemption | Repurchase of Units by the Scheme from a Unit Holder. |
| Redemption Price | The price, being Applicable NAV less Exit Load as applicable, at which the Units can be redeemed, and calculated in the manner provided in this Scheme Information Document. |
| Repo/Reverse Repo | Sale / Purchase of securities with a simultaneous agreement to repurchase/ sell them at a later date. |
| SEBI Regulations/ SEBI (MF) Regulations/Regulations | The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time, including by way of circulars or notifications issued by SEBI |
| Sponsors | Pioneer Global Asset Management SpA and Bank of Baroda |
| Systematic Investment Plan / SIP | A plan enabling investors to save and invest in the Scheme on a periodic basis by submitting post-dated cheques / payment instructions. |
| Systematic Transfer Plan / | A plan enabling Unit Holders to transfer sums on a periodic basis from |

| | |
|---|--|
| STP | the Scheme to other schemes of/launched by the Fund, or to the Scheme from other schemes of/launched by the Fund from time to time, by giving a single instruction. |
| Systematic Withdrawal Plan / SWP | A plan enabling Unit Holders to withdraw amounts from the Scheme on a periodic basis by giving a single instruction. |
| Transaction Charge | A charge that is borne by an investor on any transaction that is effected through a distributor and is of or above a certain value, to be paid to that distributor, if the distributor has opted to receive the charge. |
| Transaction Slip | A form meant to be used by Unit Holders seeking additional Purchase or Redemption of Units in the Scheme, change in bank account details, switch-in or switch-out and such other facilities as may be offered by the AMC from time to time, and mentioned in the Transaction Slip. |
| Trustees | Board of Trustees of Baroda Pioneer Mutual Fund |
| Trust Deed | The Deed of Trust dated 30 th October 1992 entered into between the sponsors and the Trustee, establishing the Mutual Fund, as amended from time to time. |
| Units | The interest of an investor which consists of one undivided share in the Unit Capital of the relevant Option under the Scheme offered for subscription under this Standard Information Document |
| Unit holder | A person holding units of the Scheme under this SID |
| Valuation Day | Business Day |

Abbreviations

| | |
|-----------------|---|
| AMC | Asset Management Company |
| AMFI | Association of Mutual Funds in India |
| AOP | Association of Persons |
| BOI | Body of Individuals |
| BPAMC | Baroda Pioneer Asset Management Company Limited |
| CAS | Consolidated Account Statement |
| CBLO | Collateralised Borrowing and Lending Obligation |
| ECS | Electronic Clearing System |
| EFT | Electronic Funds Transfer |
| FII | Foreign Institutional Investor |
| FOF | Fund of Funds |
| HUF | Hindu Undivided Family |
| ISC | Investor Service Centre |
| IMA | Investment Management Agreement |
| NAV | Net Asset Value |
| NFO | New Fund Offer |
| NRI | Non Resident Indian |
| PAN | Permanent Account Number |
| PIO | Person of Indian Origin |
| POA | Power of Attorney |
| RBI | Reserve Bank of India |
| RTGS | Real Time Gross Settlement |
| SEBI | Securities and Exchange Board of India established under the SEBI Act, 1992 |
| SEBI ACT | Securities and Exchange Board of India Act, 1992 |
| SEFT | Special Electronic Fund Transfer |
| SIP | Systematic Investment Plan |
| SI | Standing Instruction |
| STP | Systematic Transfer Plan |
| SWP | Systematic Withdrawal Plan |

Interpretation

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

- The terms defined in this Scheme Information Document 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 Mumbai (India) times and references to a day are to a calendar day including non Business Day.

E. DUE DILIGENCE CERTIFICATE

It is confirmed that:

- i. The draft 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 Schemes 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 Schemes.
- iv. The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and till date such registration is valid as on date.

Sd/-

| | | |
|-------------|---|-------------------|
| Name | : | Rajan Krishnan |
| Designation | : | Managing Director |
| Place | : | Mumbai |

II. INFORMATION ABOUT THE SCHEMES

A. TYPE OF SCHEMES

| Name of the Scheme | Type of Scheme |
|------------------------------------|--|
| Baroda Pioneer PSU Equity Fund | An Open Ended Equity Scheme |
| Baroda Pioneer Infrastructure Fund | An Open Ended Equity Scheme |
| Baroda Pioneer ELSS'96 | An Open Ended Tax Benefit-Cum-Growth Scheme With Insurance Cover |
| Baroda Pioneer Growth Fund | An Open Ended Growth Scheme |
| Baroda Pioneer Balance Fund | An Open Ended Balance Scheme |

B. INVESTMENT OBJECTIVE OF THE SCHEMES

| Name of the Scheme | Investment Objective |
|------------------------------------|---|
| Baroda Pioneer PSU Equity Fund | The primary investment objective of the Scheme is to provide investors with opportunities for long-term growth in capital along with the liquidity of an open ended scheme through an active management of investments in a diversified basket of equity stocks of domestic Public Sector Undertakings. |
| Baroda Pioneer Infrastructure Fund | The primary investment objective of the Scheme is to generate long-term capital appreciation by investing predominantly in equity and equity-related securities of companies engaged in infrastructure and infrastructure-related sectors. |
| Baroda Pioneer ELSS'96 | The main objective of the scheme is to provide the investor long term capital growth as also tax benefit under Section 80C of the Income Tax Act, 1961. |
| Baroda Pioneer Growth Fund | The main objective of the scheme is to generate long term capital appreciation from an actively managed portfolio of equity related instruments. |
| Baroda Pioneer Balance Fund | The scheme is targeted for long-term capital appreciation along with stability through a well balance portfolio comprising of equity, equity related instruments, money market instruments and debt securities. |

C. ASSET ALLOCATION PATTERN OF THE SCHEMES

Baroda Pioneer PSU Equity Fund

| Type of Instrument | Normal Allocation (% of net assets) | Risk Profile |
|--|-------------------------------------|----------------|
| Equity & Equity related Instruments covered under the universe of Public Sector Undertakings, including Derivatives. | 65-100 | Medium to High |
| Debt & Money Market Instruments | 0-35 | Low to Medium |

* Investment in derivatives may be made upto 50% of the net assets of the Scheme.

The Scheme may take derivatives position based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the overall investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under the SEBI Regulations.

The scheme shall not invest in the equity linked debentures.

The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the Scheme.

Baroda Pioneer Infrastructure Fund

| Type of Instrument | Normal Allocation (% of net assets) | Risk Profile |
|---|--|----------------|
| Equity & Equity related Instruments including derivatives engaged in infrastructure sector and infrastructure related sectors | 65-100 | Medium to High |
| Debt & Money Market Instruments | 0-35 | Low to Medium |

* Investment in derivatives may be made upto 50% of the net assets of the Scheme.

The Scheme may take derivatives position based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the overall investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under the SEBI Regulations.

The scheme shall not invest in the equity linked debentures.

The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the Scheme.

Baroda Pioneer ELSS'96

| Type of Instrument | Normal Allocation (% of net assets) | Risk Profile |
|-------------------------------------|--|----------------|
| Equity & Equity related Instruments | 80-100 | Medium to High |
| Debt & Money Market Instruments | 0-20 | Low to Medium |

No investment will be made in foreign securitised debt. The Scheme may take derivatives position based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the overall investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under the SEBI Regulations.

In addition to the instruments stated in the above table, the scheme may be invest in the Collateralized Borrowing & Lending Obligations (CBLO) or repo or in an alternative investment as may be provided by RBI to meet the liquidity requirements. Pending deployment of the funds in securities as per the investment objectives of the scheme, the Fund may park the funds of the scheme in short term deposits of Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 and as may be amended from time to time.

The scheme shall not invest in the equity linked debentures.

The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the Scheme.

Baroda Pioneer Growth Fund

| Type of Instrument | Normal Allocation (% of net assets) | Risk Profile |
|--|--|----------------|
| Equity & Equity related Instruments | 75-100 | Medium to High |
| Money Market Instruments and Debt securities | 0-25 | Low |

The Scheme may not invest in securitised debt papers. The Scheme may take derivatives position based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the overall investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under the SEBI Regulations.

In addition to the instruments stated in the above table, the scheme may be invest in the Collateralized Borrowing & Lending Obligations (CBLO) or repo or in an alternative investment as may be provided by RBI to meet the liquidity requirements. Pending deployment of the funds in securities as per the investment objectives of the scheme, the Fund may park the funds of the scheme in short term deposits of Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 and as may be amended from time to time.

The scheme shall not invest in the equity linked debentures.

The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the Scheme.

Baroda Pioneer Balance Fund

| Type of Instrument | Normal Allocation (% of net assets) | Risk Profile |
|--|-------------------------------------|----------------|
| Equity & Equity related Instruments | 51-75 | Medium to High |
| Debt securities & Money Market Instruments | 25-49 | Low to Medium |
| Securitised Debt | 0-15 | Low to Medium |

No investment will be made in foreign securitised debt. The Scheme may take derivatives position based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the overall investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under the SEBI Regulations.

In addition to the instruments stated in the above table, the scheme may be invest in the Collateralized Borrowing & Lending Obligations (CBLO) or repo or in an alternative investment as may be provided by RBI to meet the liquidity requirements. Pending deployment of the funds in securities as per the investment objectives of the scheme, the Fund may park the funds of the scheme in short term deposits of Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 and as may be amended from time to time.

The scheme shall not invest in the equity linked debentures.

The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the Scheme.

Change in Investment Pattern & Rebalancing of Portfolio

Subject to the Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute, and that they can vary substantially, depending upon the perception of the Investment Manager; the intention being at all times to seek to protect the interests of the Unit holders.

Such changes in the investment pattern will be for a short term and for defensive considerations only. In the event of such a deviation, the fund manager will endeavour to rebalance the portfolio within three months from the date of deviation. If, however, the portfolio is not rebalanced within the said three months, justification for not rebalancing will be placed before the Investment Committee of the AMC, notwithstanding that the endeavour to rebalance shall continue. At all points of time, the portfolio will be in line with the investment objective of the Scheme.

Investors may please note that any change in the asset allocation pattern, other than that envisaged above, and hence affecting the investment profile of the Scheme, shall be construed as a change in fundamental attribute, and shall be effected only in accordance with the provisions of sub regulation (15A) of Regulation 18 of the Regulations.

D. TYPE OF INSTRUMENTS IN WHICH THE SCHEMES WILL INVEST

| Name of the Scheme | Type of Instruments in which the Schemes will invest |
|--------------------------------|--|
| Baroda Pioneer PSU Equity Fund | <p>The Scheme shall invest in the following asset classes:</p> <ol style="list-style-type: none"> Equity and Equity related Instruments covered under the universe of Public Sector Undertakings, including derivatives Debt Instruments – Central/ State Government Securities, PSU Bonds/ Corporate Debenture, Money market Instruments — Overnight Rates, Collateralized Borrowing & Lending Obligations (CBLO), Repo / Reverse Repo Agreement , Treasury Bills, Government Securities with a residual maturity of <1 year. Commercial Paper, Certificate of Deposits Derivatives <p>The portfolio of this scheme is intended to be specific to PSUs. PSUs have a significant role to play in the Indian economy. From widespread businesses like banking, telecom, engineering etc. to high priority & strategic areas like oil, gas,</p> |

| Name of the Scheme | Type of Instruments in which the Schemes will invest |
|------------------------------------|--|
| | energy etc., PSUs cover a reasonably wide range of sectors/industries. |
| Baroda Pioneer Infrastructure Fund | <p>The Fund intends to invest in –</p> <p>(i) Companies in sectors related to infrastructure;</p> <p>(ii) Companies operating and listed in India engaged in Infrastructure Sector and</p> <p>(iii) In diversified companies, where a major portion of their revenues (primary activity) is derived from the infrastructure related activities.</p> <p>The portfolio of this theme is intended to be broad and includes all those sectors that contribute to infrastructure development. Given below is a list as per AMFI Classification of sectors that the Fund Manager may consider while making investments in equity and equity related securities for the Scheme</p> <ol style="list-style-type: none"> 1. Cement & Cement Products 2. Construction 3. Energy 4. Financial Services - Financial Institutions engaged in lending to companies involve in infrastructure development, Hosing Finance Companies 5. Industrial Capital Goods 6. Industrial Manufacturing 7. Metals 8. Services - Engineering & Transportation 9. Telecom <p>The Scheme will purchase securities in the public offerings and rights issues, as well as those traded in the secondary markets. On occasions, if deemed appropriate, the Scheme will invest in securities sold directly by the issuer, or acquired in a negotiated transaction or issued by way of private placement.</p> <p>The scheme is a thematic fund which is predominantly invests in equities and equity related securities including derivatives engaged in infrastructure and infrastructure related sectors. The scheme is different from the existing equity schemes of Baroda Pioneer Mutual Fund.</p> |
| Baroda Pioneer ELSS'96 | <p>The Scheme shall invest in the following asset classes:</p> <ol style="list-style-type: none"> a) Equity and Equity related Instruments, b) Debt Securities and Money market Instruments |
| Baroda Pioneer Growth Fund | <p>The Scheme will purchase securities in initial public offerings, rights issues, as well as from the secondary market. On occasions, if deemed appropriate, the Scheme will invest in securities sold directly by the issuer, or acquired in a negotiated transaction or issued by way of private placement, subject to applicable Regulations.</p> |
| Baroda Pioneer Balance Fund | <p>The Scheme shall invest in the following asset classes:</p> <ol style="list-style-type: none"> a) Equity and Equity related Instruments, b) Debt Securities and Money market Instruments. <p>The Scheme will purchase securities in initial public offerings, rights issues, as well as from the secondary market. On occasions, if deemed appropriate, the Scheme will invest in securities sold directly by the issuer, or acquired in a negotiated transaction or issued by way of private placement, subject to applicable Regulations.</p> |

Public Sector Undertakings

Public Sector Undertaking (PSU) means a company in which not less than fifty one percent of the paid up share capital is held by the Central Government, or by any state Government or Governments, or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government Company as thus defined.

As the reform process progresses over the next five to ten years, PSUs are likely to emerge as more robust and vibrant players in different parts of the economy. Despite large-scale privatization across the

world, public enterprises remain an important aspect of the economic activity in varying degrees. PSU Fund is unique in its own as it provides more coverage with respect to the industry. Nearly every industry has a big PSU comprising the major part of that industry. The various industries which fall under PSU category are:

- Essential infrastructure goods and services
- Exploration and exploitation of oil and mineral resources and energy
- Technology development & Telecommunications
- Banking & Finance,
- Fertilizers and pesticides and capital goods

There are 48 PSUs listed since 2000 and having shown a CAGR of 20% for 10 years. PSU stocks have been resilient in tough periods for the market and the economy despite their presence in high growth sectors.

Infrastructure sector

Infrastructure spending has witnessed a sharp acceleration, with most of the segments in the economy constrained in terms of capacity availability. Riding on the back of the fourth consecutive year of 8%+ GDP growth, a balanced increase in the gross capital formation (GCF) in infrastructure as a proportion of GDP emerges as the most important key in sustaining high economic growth. Currently, the GCFI is at 5% of GDP. As per the Planning Commission, the GCFI need to be increased to 9% of the GDP to sustain growth momentum in the economy. Infrastructure sector plays important role in country's development and GDP growth. India has already negotiated the difficult transition from public infrastructure creation to a market-determined model. An ambitious reform programme initiative involving a shift from a controlled to an open market economy has opened doors for private sector / foreign investment in infrastructure projects such as energy, petroleum, telecommunications transportation sectors etc. And in the Indian context, removal of regulatory and availability constraints on any product or service, has catalyzed investments, attracted competition and rationalized costs leading to a new growth trajectory.

The infrastructure sector in the country is thus poised for accelerated growth in the coming years. There is already momentum in highways, power generation and ports, where a successful track record has fostered a virtuous cycle of more success.

DEBT AND MONEY MARKET IN INDIA

Debt Market: The debt market is active since the mid 1990s as prior to it was a captive market-SLR requirement by Banks. This market was predominantly gilt oriented, until corporate papers became a part of it since late 1990s. The money market in India consists of the following instruments; treasury bills, commercial papers, certificates of deposits, short Non-Convertible Debentures-fixed and floaters and term lending instruments. The debt market consists of gilts, corporate debt papers and other approved securities (government guaranteed papers). The nature of instruments is in the form of plain vanilla bonds, floaters, zero coupon bonds-deep discounted bonds, securitized papers and structured debt papers. The Wholesale Debt Market segment is available both at National Stock Exchange (NSE) and The Stock Exchange, Mumbai (BSE). The players in Indian debt market are commercial banks, mutual funds, financial institutions, insurance companies and others. The retail secondary debt market is absent in India. The Reserve Bank of India has recently introduced an Online Market (OM) dealing platform for gilts. This is at present available to all participants who have a direct SGL with RBI. At present, the average daily turnover on NSE WDM is around Rs.1000 crore and further Rs.3000 crore in OM. The corporate debt market is a telephone market with the listed securities alone getting reported to NSE after the deal. The derivative market is Over the Country and is dominated by the Interest Rate Swaps. The likely yields of various instruments mentioned above, and the factors affecting prices of such securities are given hereunder: The shorter term money market instruments currently offer yields between 6% to around 8% depending on tenor to maturity.

The 2-3 years and five year AAA PSU bonds offer yields of around 7.50 % and 8.25 % respectively. The ten year Government securities offer yields of around 7.9%. The securitized instruments offer yields which are 50-75 basis points higher than the comparable normal debt instruments.

Presently, the following is the yield matrix of various instruments:

| Instrument | Yields (as of August 20, 2010) | Liquidity |
|------------|--------------------------------|-----------|
| | | |

| | | |
|--|----------------|---------------|
| Central / State Government Securities | 7.75% - 8.75% | Very High |
| PSU Bonds/ Corporates debenture | 9.00% - 10.00% | Medium - High |
| Securitized Debt | 9.5% - 11.00% | Low - Medium |
| Commercial Papers/ Certificate of Deposits | 8.00% - 10.50% | Medium - High |
| Call / Notice Money | 7.50% – 8.00% | Very High |

The interest rate market conditions are influenced by the Liquidity in the system, Credit growth, GDP growth, Inflows into the Country, Currency movement in the Forex market, demand and supply of issues and change in investors' preference. Generally when there is a rise in interest rates the price of securities fall and vice versa. The extent of change in price shall depend on the rating, tenor to maturity, coupon and the extent of fall or rise in interest rates. The Government securities carry zero credit risk, but they carry interest rate risk like any other Fixed Income Securities. Securities which are not quoted in Stock exchanges carry higher risk than the ones which are listed on the Stock Exchanges. While the securities which are listed on the Stock Exchanges carry less liquidity risk the ability to liquidate them depends on the secondary debt market volumes. Similarly money market instruments which are fairly liquid are not listed in exchanges due to its short tenor which may lead to losses when sold before its maturity date. The impact cost of offloading the various asset classes differ depending on market conditions and may impair the value of the securities to that extent. Further, investments in securitized instruments or structured obligation papers carry a higher illiquidity risk. They also carry limited recourse to the originator, delinquency risk out of the defaults on the receivables and prepayment risk which affects the yields on the instruments.

Money Market:

The Money markets in India essentially consist of the call money market (i.e market for overnight and term money between banks and institutions), repo transactions (temporary sale with an agreement to buy back the securities at a future date at a specifies price), Commercial Papers, Certificate of Deposits (CDs, issued by the Banks)and Treasury Bills (issued by RBI) .

In a money market, activity level of the government and non- government debt vary from time to time. Instruments that comprise a major portion of money market activity include but not limited to:

- Overnight Rates
- Collateralized Borrowing & Lending Obligations (CBLO),
- Repo / Reverse Repo Agreement
- Treasury Bills
- Government Securities with a residual maturity of <1 year.
- Commercial Paper
- Certificate of Deposits

Apart from these, there are some other options available for short term investments like MIBOR linked Debentures with periodic exit options and other such instruments

The following table gives the approximately yields prevailing on 29/06/2011 on some of the instruments

| Instruments | Yield Range (% per annum) |
|--------------------|----------------------------------|
| CBLO | 7.25% - 7.75% |
| REPO | 7.25% - 7.75% |
| 364 days T- Bill | 8.25% |
| 91 days T- Bill | 8.15% |

Investment in Securitised Debt

Key terms associated with Securitised Debt

1. Special Purpose Vehicle (SPV) – An SPV is created to hold title to assets underlying securities. The SPV is the entity, which would typically buy the assets (to be securitised) from the Originator. The SPV is generally a low-capitalised entity with narrowly defined purposes and activities, and usually has independent trustees/directors. As one of the main objectives of securitisation is to remove the assets from the balance sheet of the Originator, the SPV plays a very important role in as much as it holds the assets in its books and makes the upfront payment for them to the Originator.

2. Originator – An Originator is the entity on whose books the assets to be securitised exist. An Originator is the prime mover of the deal i.e. it sets up the necessary structures to execute the deal. The Originator sells the assets on its books and receives the funds generated from such sale. In a true sale, the Originator transfers both the legal and the beneficial interest in the assets to the SPV.

3. Obligor – An Obligor is the Originator's debtor (borrower of the original loan). The amount outstanding from the Obligor is the asset that is transferred to the SPV. The credit standing of the Obligor(s) is of paramount importance in a securitisation transaction.

3. Rating Agency: Since the investors take on the risk of the asset pool rather than the Originator, an external credit rating plays an important role. The rating process would assess the strength of the cash flow and the mechanism designed to ensure full and timely payment by the process of selection of loans of appropriate credit quality, the extent of credit and liquidity support provided and the strength of the legal framework.

4. Administrator or Servicer: It collects the payment due from the Obligor/s and passes it on to the SPV, follows up with delinquent borrowers and pursues legal remedies available against the defaulting borrowers. Since it receives the instalments and pays it to the SPV; it is also called the Receiving and Paying Agent.

5. Agent and Trustee: It accepts the responsibility for overseeing that all the parties to the securitisation deal perform in accordance with the securitisation trust agreement. Basically, it is appointed to look after the interest of the investors.

6. Structurer: Normally, an investment banker is responsible as structurer for bringing together the Originator, credit enhancer/s, the investors and other partners to a securitisation deal. It also works with the Originator and helps in structuring deals.

Securitized Assets: Securitization is a structured finance process which involves pooling and repackaging of cashflow producing financial assets into securities that are then sold to investors. They are termed as Asset Backed Securities (ABS) or Mortgage Backed Securities (MBS). ABS are backed by other assets such as credit card, automobile or consumer loan receivables, retail installment loans or participations in pools of leases. Credit support for these securities may be based on the underlying assets and/or provided through credit enhancements by a third party. MBS is an asset backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Such Mortgage could be either residential or commercial properties. ABS/MBS instruments reflect the undivided interest in the underlying assets and do not represent the obligation of the issuer of ABS/MBS or the originator of underlying receivables. Securitization often utilizes the services of an SPV.

Pass through Certificate (PTC)

PTC represents beneficial interest in an underlying pool of cash flows. These cash flows represent dues against single or multiple loans originated by the sellers of these loans. These loans are given by banks or financial institutions to corporates. PTCs may be backed, but not exclusively, by receivables of personal loans, car loans, two wheeler loans and other assets subject to applicable regulations.

The following are certain additional disclosures w.r.t. investment in securitized debt:

1. How the risk profile of securitized debt fits into the risk appetite of the scheme

Securitized debt is a form of conversion of normally non-tradable loans to transferable securities. This is done by assigning the loans to a special purpose vehicle (a trust), which in turn issues PTCs. These PTCs are transferable securities with fixed income characteristics. The risk of investing in securitized debt is similar to that of investing in debt securities except that it differs in two respects. Typically the liquidity of securitized debt is less than similar debt securities. For certain types of securitized debt (backed by mortgages, personal loans, credit card debt, etc.), there is an additional pre-payment risk. Pre-payment risk refers to the possibility that loans are repaid before they are due, which may reduce returns if the re-investment rates are lower than initially envisaged. Because of these additional risks, securitized debt typically offers higher yields than debt securities of similar credit rating and maturity. If the fund manager judges that the additional risks are suitably compensated by higher returns, he may invest in securitized debt up to 25% of the net assets of the Scheme.

2. Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitized debt, etc.

The originator is the person who has initially given the loan. The originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal payments). An analysis of the originator is especially important in case of retail loans, as this affects the credit quality and servicing of the PTC. The key risk is that of the underlying assets and not of the originator. For example, loss or performance of earlier issuances does not indicate quality of current series. However such past performance may be used as a guide to evaluate the loan standards, servicing capability and performance of the originator.

Originators may be banks, Non Banking Finance Companies, Housing Finance Companies, etc. The fund manager / credit analyst evaluates originators based on the following parameters:

- Track record
- Willingness to pay, through credit enhancement facilities etc.
- Ability to pay
- Business risk assessment, wherein following factors are considered:
 - ⇒ Outlook for the economy (domestic and global)
 - ⇒ Outlook for the industry
 - ⇒ Company specific factors

In addition, a detailed review and assessment of rating rationale is done, including interactions with the originator as well as the credit rating agency.

The following additional evaluation parameters are used as applicable for the originator / underlying issuer for pool loan and single loan securitization transactions:

- Default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios of the ultimate borrower (for single-sell downs) – both on a standalone basis as well on a consolidated level/ group level
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan, as the case may be.

3. Risk mitigation strategies for investments with each kind of originator

An analysis of the originator is especially important in case of retail loans as the size and reach affect the credit quality and servicing of the PTC. In addition, the quality of the collection process, infrastructure and follow-up mechanism; quality of MIS; and credit enhancement mechanism are key risk mitigants for the better originators / servicers. In case of securitization involving single loans or a small pool of loans, the credit risk of the underlying borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of evaluating the performance potential of the PTC.

Securitization transactions may include some risk mitigants (to reduce credit risk). These may include interest subvention (difference in interest rates on the underlying loans and the PTC serving as margin against defaults), overcollateralization (issue of PTCs of lesser value than the underlying loans, thus even if some loans default, the PTC continues to remain protected), presence of an equity / subordinate tranche (issue of PTCs of differing seniority when it comes to repayment - the senior tranches get paid before the junior tranche) and / or guarantees.

4. The level of diversification with respect to the underlying assets, and \ measures for less diversified investments

In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. In case of diversified pools of loans, the overall characteristic of the loans is analyzed to determine the credit risk. The credit analyst looks at ageing (i.e. how long the loan has been with the originator before securitization) as one way of judging the performance potential of the PTC. Additional risk mitigants may include interest subvention, over collateralization, presence of an equity / subordinate tranche and / or guarantees. The credit analyst also uses analyses by credit rating agencies on the risk profile of the securitized debt.

Currently, the following parameters are intended to be used while evaluating investment decision relating to a pool securitization transaction. These parameters may be revised from time to time.

| Characteristic s/Type of Pool | Mortgage Loan | Commercial Vehicle and Construction Equipment | CAR | 2 wheelers | Micro Finance Pools * | Personal Loans * | Single Sell Downs | Others |
|--|----------------|---|---------------|---------------|-----------------------|------------------|-------------------|--------------|
| Approximate Average maturity (in Months) | Up to 10 years | Up to 3 years | Up to 3 years | Up to 3 years | NA | NA | Refer Note 1 | Refer Note 2 |

| | | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|----|----|---|
| Collateral margin (including cash, guarantees, excess interest spread, subordinate tranche) | >10% | >10% | >10% | >10% | NA | NA | “ | “ |
| Average Loan to Value Ratio | <90% | <80% | <80% | <80% | NA | NA | “ | “ |
| Average seasoning of the Pool | >3 months | >3 months | >3 months | >3 months | >3 months | NA | NA | “ |
| Maximum single exposure range % | <1% | <1% | <1% | <1% | NA | NA | “ | “ |
| Average single exposure range % | <1% | <1% | <1% | <1% | NA | NA | “ | “ |

* Currently, the Schemes will not invest in these types of securitized debt.

Note 1: In case of securitization involving single loans or a small pool of loans, the credit risk of the borrower is analyzed. The investment limits applicable to the underlying borrower are applied to the single loan sell-down.

2: Other investments will be decided on a case-to-case basis.

The credit analyst may consider the following risk mitigating measures in his analysis of the securitized debt:

- Size of the loan
- Average original maturity of the pool
- Loan to Value Ratio
- Average seasoning of the pool
- Default rate distribution
- Geographical Distribution
- Credit enhancement facility
- Liquid facility
- Structure of the pool

5. Minimum retention period of the debt by originator prior to securitization

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized.

The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

6. Minimum retention percentage by originator of debts to be securitized

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debt that is compliant with the laws and regulations.

7. The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund

The key risk is securitized debt relates to the underlying borrowers and not the originator. In a securitization transaction, the originator is the seller of the debt(s) and the fund is the buyer. However, the originator is also usually responsible for servicing the loan (i.e. collecting the interest and principal

payments). As the originators may also invest in the scheme, the fund manager shall ensure that the investment decision is based on parameters for securitised debt.

8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The fund management team has the experience to analyze securitized debt. In addition, credit research agencies provide analysis of individual instruments and pools. On an on-going basis (typically monthly) the servicer provides reports regarding the performance of the pool. These reports would form the base for ongoing evaluation where applicable. In addition, rating reports indicating rating changes would be monitored for changes in rating agency opinion of the credit risk.

When issued

When, as and if issued' (commonly known as **“when issued” (WI) security**) refers to a security that has been authorized for issuance but not yet actually issued. WI trading takes place between the time a new issue is announced and the time it is actually issued. All “when issued” transactions are on an “if” basis, to be settled if and when the actual security is issued.

SEBI has, on April 16, 2008, in principle, allowed Mutual Funds to undertake ‘When Issued (WI)’ transactions in Central Government securities, at par with other market participants.

- Open Position in the ‘WI’ market are subject to the following limits:

| Category | Reissued Security | Newly Issued Security |
|----------|--|--|
| Non-PDs | Long Position, not exceeding 5 percent of the notified amount. | Long Position, not exceeding 5 percent of the notified amount. |

9. Investments in securitised debt instruments will be reported in the half-yearly portfolio of the Scheme, Annual financial results for the Scheme, and mentioned in the portfolio uploaded on the website. Necessary reporting will be done to the Investment Committee of the AMC and to the Trustees of the Fund at their Meetings.

Trading in Derivatives

A derivative is an instrument whose value is derived from the value of one or more of the underlying assets which can be securities, commodities, precious metals, bonds, currency, etc. Common examples of derivative instruments are Futures, Options, Interest Rate Swaps, Forward Rate Agreements etc. Subject to the Regulations, as amended from time to time, the Scheme may use techniques and instruments such as trading in derivative instruments, to hedge the risk of fluctuations in the value of the investment portfolio. The Scheme shall enter into derivative transactions in order to seek to generate better returns for the Scheme, and in accordance with the guidelines issued in this behalf by SEBI from time to time. Exposure to derivative instruments will be restricted to 50% of the assets of the Scheme, subject to the regulatory limits mentioned subsequently.

The Scheme shall transact in exchange traded equity derivatives only and these may take the form of Index Futures, Index Options, Futures and Options on individual equities/securities and such other derivative instruments as may be appropriate and permitted under the Regulations and guidelines from time to time.

Some of these derivative instruments are explained below for the purpose of understanding how they work.

(a) Futures

A futures contract is a standardized contract made and traded on an exchange between two parties, such that one party commits to sell, and the other to buy, a stipulated quantity of a security, index, commodity etc., at an agreed price on a specific future date.

In India, currently three types of futures contracts are available for trading, with 1 month, 2 month and 3 month expiration respectively. A new contract is introduced on the next trading day following the expiry of a futures contract. Futures contracts typically expire on the last Thursday of the month. For example, a contract with December 2011 expiration will expire on December 29, 2011, which is the last Thursday of that month.

(i) Stock Futures

In a stock futures contract, the underlying instrument, which the parties to the contract agree to buy and sell respectively, at an agreed price on a specific future date, is equity stocks. Single stock futures

traded on the National Stock Exchange (NSE) are cash settled and there is no delivery of the underlying stocks on the expiration date.

Example: The Scheme holds shares of ABC Ltd. (ABC), the current market price of which is Rs. 1000/- per share. The Scheme sells one month futures on the shares of ABC at the rate of Rs. 1050/-. If, at the end of the month, the price of the stock falls, to say, Rs. 950/- per share, and correspondingly, the price of the futures falls to Rs. 970/-, the Scheme suffers a loss of Rs. 50/- (Rs. 1000 – Rs. 950) on the stock position held, but this is offset by a profit of Rs. 80 (Rs. 1050 – Rs. 970) that the Scheme makes on the futures position.

(ii) Index Futures

An Index future gives exposure to equity market indices. Bombay Stock Exchange (BSE) and the National Stock Exchange of India Limited (NSE) trade in index futures of 1, 2 and 3 month maturities. The pricing of an index future is a function of the underlying index and short term interest rates. Index futures are cash settled and there is no delivery of the underlying indices.

Example: The Scheme buys 1000 1-month Nifty futures contracts, each contract value being 100 times the futures index price and the specifics of the contract are as under:

| | |
|----------------|---------------------|
| Purchase Date | : December 09, 2011 |
| Spot Index | : 4100.00 |
| Future Price | : 4110.00 |
| Date of Expiry | : December 29, 2011 |
| Margin | : 10% |

In this example, the Investment Manager will be required to provide a total margin of approx. Rs. 41,100,000 (i.e. $10\% \times 4110 \times 1000 \times 100$) through eligible securities and cash. If, on the date of expiry, i.e. December 29, 2011, Nifty closes at Rs. 4120/-, the net impact on the Scheme will be a profit of Rs. 10,00,000, i.e. $\text{Rs. } 4120\text{- (Closing Spot Price) – Rs. } 4110\text{- (Futures Price) * 1000 (No. of Contracts) * 100}$

Please note that both the above examples use hypothetical numbers and are given for purposes of illustration only. Certain assumptions have been made for simplicity.

(b) Options

An option is the right, but not the obligation, to buy or sell a specific amount of a stock/commodity/currency/index, at a specified price during a specified period of time. It is essentially a contract between two parties, where the buyer of the option receives a privilege for which he pays a fee (premium) and the seller of the option accepts an obligation for which he receives the premium. Premium is, therefore, the price negotiated and set when the option is bought or sold. A person who buys an option is “long” in the option and a person who sells or “writes” an option, is “short” in the option.

An option contract may be of two kinds:

- (a) Call option – This option gives the buyer of the option the right to buy the underlying asset and he can call upon the seller of the option to sell him the underlying asset at the agreed price. Upon such call (exercise of the option), the seller of the option has to necessarily fulfill the obligation.
- (b) Put option – This option gives the buyer of the option the right to sell the underlying asset to the seller of the option at the agreed price.

Option contracts may be of European Style, where the holder of the option can exercise his right on the date of expiration only, or of American Style, where the holder can exercise his right anytime between the purchase date and the expiration date.

(i) Stock Options

In India, options contracts on stocks are American style and cash settled. Given below is an example of stock options, using hypothetical figures, and meant for illustration purposes only. Certain assumptions have been made for simplicity.

Example: The Scheme purchases, say, on December 02, 2011, fifty 1-month put option contracts of Rs. 100 shares each of ABC Ltd. (ABC). The expiry date is December 29, 2011, the Strike Price (agreed price for selling the underlying stock) is Rs. 5,000/- and the premium is Rs. 200/-.

These options can be exercised on or before the expiry date, i.e. December 29, 2011. So, if the share price of ABC falls to, say, Rs. 4,500/- on December 22, 2011, and the Investment Manager decides to exercise the option, the net impact for the Scheme will be as under:

The profits for the Scheme on account of the fall in share price are Rs. 25,00,000/- $\{(5,000 - 4,500) * 50 * 100\}$. However, as the premium paid by the Scheme for the options contract is Rs. 10,00,000/- (Rs. 200 * 50 * 100), the net profit for the Scheme, will be less of the premium paid, and therefore, amounts to Rs. 15,00,000/- (Rs. 25,00,000 – Rs. 10,00,000).

(ii) Index Options

An options contract, where the underlying asset is an index, is known as an index options contract. Index option contracts are generally European Style options. Given below is an example of index options, using hypothetical figures, and meant for illustration purposes only. Certain assumptions have been made for simplicity.

Example: The spot Nifty as on December 02, 2011 is 1,000, and the Scheme buys 5000 Nifty put options at a strike price of 1,000/- on paying a premium of Rs 10 per option (aggregate Rs 50,000/-). Now, if the market falls resulting in a drop in the spot Nifty to 900 on the contract expiry date, i.e. December 31, 2011, and the Scheme exercises its right to sell the Nifty options, the impact for the Scheme will be as under:

Gross profit for the Scheme is Rs. 500,000/- (5000 Nifty x 100) and net profit after accounting for the premium paid is Rs. 450,000/- (Rs. 500,000-Rs. 50,000).

However, if the Nifty, instead of falling, goes up to 1,100 on December 31, 2011, the Scheme will not exercise the option, and the loss from the options contract will be restricted to the premium of Rs. 50,000/-, while the increase in index value will result in the portfolio of the Scheme showing commensurate gains.

Regulatory limits on exposure to Equity Derivatives

SEBI has vide its circular dated January 20, 2006 and September 22, 2006 *inter alia* specified the guidelines pertaining to trading by Mutual Funds in Exchange Traded derivatives.

i. Position limit for the Mutual Fund in index options contracts shall be as under:

- a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest in the market in index options, whichever is higher, per Stock Exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

ii. Position limit for the Mutual Fund in index futures contracts:

- a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest in the market in index futures, whichever is higher, per Stock Exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

iii. Additional position limit for hedging:

In addition to the position limits at points (i) and (ii) above, the Mutual Fund may take exposure in equity index derivatives subject to the following limits:

- a. Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
- b. Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.

iv. Position limit for the Mutual Fund for stock based derivative contracts:

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts:

- a. For stocks having applicable market-wise position limit (MWPL) of Rs. 500 crores or more, the combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crores, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crores, whichever is lower.

b. For stocks having applicable market-wise position limit (MWPL) less than Rs. 500 crores, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crore which ever is lower.

v. Position limit for the Scheme:

The position limits for the Scheme and disclosure requirements are as follows:

a. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a Fund shall not exceed the higher of :1% of free float market capitalization (in terms of number of shares).

Or

5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).

b. This position limit shall be applicable on the combined position in all derivative contracts on a underlying stock at a Stock Exchange.

c. For index based contracts, the Mutual Fund shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

As and when SEBI notifies amended limits in position limits for exchange traded derivative contracts in future, the aforesaid position limits, to the extent relevant, shall be substituted with the SEBI amended limits.

Further according to SEBI Circular, Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010, the following additional exposure limits and restrictions shall apply for investment by the Scheme in derivatives:

1. The cumulative gross exposure through equity, debt and derivative positions shall not exceed 100% of the net assets of the Scheme.
2. The Scheme shall not write options or purchase instruments with embedded written options.
3. The total exposure related to option premium paid shall not exceed 20% of the net assets of the Scheme.
4. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
5. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following:
 - a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
 - b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.
 - c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
 - d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
6. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.
7. Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

| Position | Exposure |
|---------------|---|
| Long Future | Futures Price * Lot Size * Number of Contracts |
| Short Future | Futures Price * Lot Size * Number of Contracts |
| Option bought | Option Premium Paid * Lot Size * Number of Contracts. |

As and when SEBI notifies amended limits in position limits for exchange traded derivative contracts in future, the aforesaid position limits, to the extent relevant, shall be substituted with the SEBI amended limits.

STRATEGIES INVOLVING DERIVATIVES

The Mutual Fund may use the following strategies while trading in derivatives for the purpose of efficient portfolio management:

(a) Reverse Arbitrage:

This strategy will be adopted if the cash price of a stock is reasonably greater than single stock futures of the said stock, then the Investment Manager may sell cash position in the stock and buy single stock futures of the said stock. In this case the Investment Manager will still be having a long-term view on the stock but is able to minimize the cost of holding of the stock.

Risk Factor:

(a) Model Risk, the risk of mis-pricing or improper valuation of derivatives.

(b) Trade Execution Risk, where the final execution price is different from the screen price leading to dilution in the spreads and hence impacting the profitability of the reverse arbitrage strategy.

(b) Arbitrage:

This strategy will be adopted if the single stock future of XYZ is reasonably greater than the cash price of XYZ, then the Investment Manager will buy the shares of XYZ in the cash market and sell equivalent numbers of single stock futures of XYZ. In this case the Investment Manager may not have an investment view of the stock XYZ but would like to enhance the portfolio value.

Risk Factor:

(a) Basis Risk, which arises when the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged.

(b) Trade Execution Risk, where the final execution price is different from the screen price leading to dilution in the spreads and hence impacting the profitability of the reverse arbitrage strategy.

(c) Portfolio Hedging:

This strategy will be adopted:

(i) If in an already invested portfolio of a Scheme, the Investment Manager is expecting a market correction, the Investment Manager may sell Index Futures to insulate the portfolio from the market related risks.

(ii) If there are significant inflows to the Scheme and the market expectations are bullish, the Investment Manager may buy Index Futures to continue participation in the equity markets.

This strategy is used to reduce the time to achieve the desired invested levels.

Risk Factors:

(a) Model Risk, the risk of mis-pricing or improper valuation of derivatives.

(b) (c) Basis Risk, which arises when the instrument used as a hedge does not match the movement in the instrument/underlying asset being hedged.

(c) Trade Execution Risk, where the final execution price is different from the screen price leading to dilution in the spreads and hence impacting the profitability of the reverse arbitrage strategy.

Investment in other scheme

The AMC may invest in the scheme, either in the New Fund Offer or during continuous offer, such amount, as they deem appropriate. But the AMC shall not be entitled to charge any management fees on this investment in the scheme. Investments by the AMC will be in accordance with Regulation 24(3) of the SEBI (MF) Regulations, 1996 which states that: "The asset management company shall not invest in any of its schemes unless full disclosure of its intention to invest has been made in the Scheme Information Document (SID), provided that the asset management company shall not be entitled to charge any fees on its investment in the scheme."

E. INVESTMENT STRATEGIES

| Name of the Scheme | Investment Strategy |
|--------------------------------|--|
| Baroda Pioneer PSU Equity Fund | The key factors of the investment strategy of the scheme will be : <ol style="list-style-type: none">1. Identifying attractive opportunities on the basis of the government policies toward the sector, research report and overall economic conditions and spending in the development of the sectors by the Government towards industries in which public Sector Undertakings are existing.2. Emphasis on stock selection. The stock selection will take into consideration of the following,<ol style="list-style-type: none">I. Fundamentals of the business,II. Market CapitalisationIII. Industry structure,IV. Quality of management,V. Sensitivity to economic factors,VI. Financial strength of the company and the key earnings drivers.3. Top-down and Bottom-up approach: Sector weightage and stock selection within the sector. Top-down economic and market research provides a |

| Name of the Scheme | Investment Strategy |
|------------------------------------|--|
| | <p>strategic direction for our sector allocation. Once we decide which sector we prefer and how overweight/underweight we should be on those sectors, we then focus on bottom-up stock selection to build up those weights. Our Equity analysts conduct bottom-up fundamental research into stocks including company meetings each year to assess management quality, competitive positioning and growth potential.</p> <p>4. The portfolio will be sufficiently diversified by investing in number of public sector Undertakings without any restriction of market capitalization or sectors so as to reduce the risk of a concentrated portfolio.</p> <p><u>Portfolio Turnover Policy</u></p> <p>The Scheme is an open ended Scheme. It is expected that there would a number of subscriptions and redemptions on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. Nonetheless, the AMC will take advantage of opportunities that present themselves from time to time in the securities market. The fund manager endeavour to make portfolio turnover ratio as minimum as possible.</p> |
| Baroda Pioneer Infrastructure Fund | <p>The key factors of the investment strategy of the scheme will be :</p> <ol style="list-style-type: none"> 1. Identifying attractive opportunities on the basis of the government policies toward the industries involved in the infrastructure sectors, research report and overall economic conditions and spending in the development of the infrastructure sectors by the Government and the companies. 2. Emphasis on stock selection. The stock selection will take into consideration of the following, <ol style="list-style-type: none"> I. Fundamentals of the business, II. Market Capitalisation III. Industry structure, IV. Quality of management, V. Sensitivity to economic factors, VI. Financial strength of the company and the key earnings drivers. 3. Top-down and Bottom-up approach: Sector weightage and stock selection within the sector. Top-down economic and market research provides a strategic direction for our sector allocation. Once we decide which sector we prefer and how overweight/underweight we should be on those sectors, we then focus on bottom-up stock selection to build up those weights. Our Equity analysts conduct bottom-up fundamental research into stocks including company meetings each year to assess management quality, competitive positioning and growth potential. 4. The portfolio will be sufficiently diversified by investing in number of companies without any restriction of market capitalization across a number of identified industries in the infrastructure sector so as to reduce the risk of a concentrated portfolio. <p>Risk Control:</p> <p>Investments made by the Scheme would be in accordance with the investment objectives of the scheme and provisions of the SEBI Regulations. Since investing requires disciplined risk management, the AMC would incorporate adequate safeguards for controlling risks in the portfolio construction process. The risk control process involves reducing risks through portfolio diversification, taking care however not to dilute returns in the process. The AMC believes that this diversification would help achieve the desired level of consistency in returns. The AMC aims to identify securities, which offer superior levels of yield at lower levels of risks. With the aim of controlling risks, the investment team of the AMC will carry out rigorous in-depth analysis of the securities proposed to be invested in.</p> <p>The Scheme may also use various derivatives products for the purpose of trading, hedging and portfolio balancing from time to time, with an attempt to protect the value of the portfolio and enhance Unitholders' interest. While these</p> |

| Name of the Scheme | Investment Strategy |
|----------------------------|---|
| | <p>measures are expected to mitigate the above risks to a large extent, there can be no assurance that these risks would be completely eliminated.</p> <p><u>Portfolio Turnover Policy</u></p> <p>The Scheme is an open ended Scheme. It is expected that there would a number of subscriptions and redemptions on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. Nonetheless, the AMC will take advantage of opportunities that present themselves from time to time in the securities market. The fund manager endeavour to make portfolio turnover ratio as minimum as possible.</p> |
| Baroda Pioneer ELSS'96 | <p>The detailed investment strategy is as follows:</p> <ol style="list-style-type: none"> The corpus of the Scheme will be invested primarily in equity & equity related instruments like fully/ partly convertible debentures, convertible warrants, etc. A certain portion of the corpus will also be invested in money market instruments and debt securities. The Scheme may invest in Units of an Equity/ Balance/ Growth Scheme managed by Baroda Pioneer AMC or of any other Mutual Fund without charging any Investment Management Fee provided that the aggregate inter-scheme investment made by all schemes under the management of Baroda Pioneer AMC or in Schemes under the management of any other asset management company shall not exceed 5% of the net asset value of all the Schemes of Baroda Pioneer MF. The investment in Mutual Fund Units will not exceed 5% of the assets of Baroda Pioneer ELSS'96. Such investment may be made in order to achieve the Investment Objective of Baroda Pioneer ELSS'96. The above limit is subject to review by the Board of AMC and/or Board of Trustees of Baroda Pioneer Mutual Fund, as the case may be, and may increase or decrease from time to time. Baroda Pioneer AMC may also invest in Units of Baroda Pioneer ELSS'96 upto a maximum extent of Rs.5 crore on an ongoing basis. However, no investment management fees may be charged by Baroda Pioneer AMC on such investment. Investment may also be made in such other instruments as may be permitted in future by SEBI or any other regulatory authority. In order to generate additional non-fund based income for the Scheme, the Fund may enter into underwriting commitments for primary market issues. Baroda Pioneer MF may obtain the necessary registration under SEBI (Underwriters) Rules & Regulations, 1993, and all other requisite rules and regulations in force in that behalf from time to time. |
| Baroda Pioneer Growth Fund | <p>The detailed investment strategies are as follows:</p> <ol style="list-style-type: none"> The corpus of the Scheme will be invested primarily in equity & equity related instruments like fully/ partly convertible debentures, convertible warrants, etc. A certain portion of the corpus will also be invested in money market instruments and debt securities. The Scheme may invest in Units of an Equity/ Balance/ debt Scheme managed by Baroda Pioneer AMC or of any other Mutual Fund without charging any Investment Management Fee provided that the aggregate inter-scheme investment made by all schemes under the management of Baroda Pioneer AMC or in Schemes under the management of any other asset management company shall not exceed 5% of the net asset value of all the Schemes of Baroda Pioneer MF. The investment in Mutual Fund Units will not exceed 5% of the assets of Baroda Pioneer Balance Fund. Such investment may be made in order to achieve the Investment Objective of Baroda Pioneer Balance Fund. The above limit is subject to review by the Board of AMC and/or Board of Trustees of Baroda Pioneer Mutual Fund, as the case may be, and may increase or decrease from time to time. Baroda Pioneer AMC may also invest in Units of Baroda Pioneer Balance Fund upto a maximum extent of Rs.5 crore on an ongoing basis. However, no investment management fees may be charged by Baroda Pioneer AMC on such investment. |

| Name of the Scheme | Investment Strategy |
|-----------------------------|--|
| | <p>e. Investment may also be made in such other instruments as may be permitted in future by SEBI or any other regulatory authority.</p> <p>f. In order to generate additional non-fund based income for the Scheme, the Fund may enter into underwriting commitments for primary market issues. Baroda Pioneer MF may obtain the necessary registration under SEBI (Underwriters) Rules & Regulations, 1993, and all other requisite rules and regulations in force in that behalf from time to time.</p> <p>g. Baroda Pioneer AMC retains the flexibility to invest across all the securities / instruments in debt and money market</p> |
| Baroda Pioneer Balance Fund | <p>The detailed investment strategies are as follows:</p> <p>a. The corpus of the Scheme will be invested primarily in equity & equity related instruments like fully/ partly convertible debentures, convertible warrants, etc. A certain portion of the corpus will also be invested in money market instruments and debt securities.</p> <p>b. The Scheme may invest in Units of an Equity/ Balance/ Growth Scheme managed by Baroda Pioneer AMC or of any other Mutual Fund without charging any Investment Management Fee provided that the aggregate inter-scheme investment made by all schemes under the management of Baroda Pioneer AMC or in Schemes under the management of any other asset management company shall not exceed 5% of the net asset value of all the Schemes of Baroda Pioneer MF.</p> <p>c. The investment in Mutual Fund Units will not exceed 5% of the assets of Baroda Pioneer Balance Fund. Such investment may be made in order to achieve the Investment Objective of Baroda Pioneer Balance Fund. The above limit is subject to review by the Board of AMC and/or Board of Trustees of Baroda Pioneer Mutual Fund, as the case may be, and may increase or decrease from time to time.</p> <p>d. Baroda Pioneer AMC may also invest in Units of Baroda Pioneer Balance Fund upto a maximum extent of Rs.5 crore on an ongoing basis. However, no investment management fees may be charged by Baroda Pioneer AMC on such investment.</p> <p>e. Investment may also be made in such other instruments as may be permitted in future by SEBI or any other regulatory authority.</p> <p>f. In order to generate additional non-fund based income for the Scheme, the Fund may enter into underwriting commitments for primary market issues. Baroda Pioneer MF may obtain the necessary registration under SEBI (Underwriters) Rules & Regulations, 1993, and all other requisite rules and regulations in force in that behalf from time to time.</p> <p>g. Baroda Pioneer AMC retains the flexibility to invest across all the securities / instruments in debt and money market</p> |

F. FUNDAMENTAL ATTRIBUTES

| Name of the Scheme | Baroda Pioneer PSU Equity Fund | Baroda Pioneer Infrastructure Fund | Baroda Pioneer ELSS'96 | Baroda Pioneer Growth Fund | Baroda Pioneer Balance Fund |
|-----------------------|--------------------------------|------------------------------------|--|-----------------------------|------------------------------|
| Type of Scheme | An Open Ended Equity Scheme | An Open Ended Equity Scheme | An Open Ended Tax Benefit-Cum-Growth Scheme With Insurance Cover | An Open Ended Growth Scheme | An Open Ended Balance Scheme |

| | | | | | |
|-----------------------------------|---|--|---|--|---|
| Investment Objective | The primary investment objective of the Scheme is to provide investors with opportunities for long-term growth in capital along with the liquidity of an open ended scheme through an active management of investments in a diversified basket of equity stocks of domestic Public Sector Undertakings. | The primary investment objective of the Scheme is to generate long-term capital appreciation by investing predominantly in equity and equity-related securities of companies engaged in infrastructure and infrastructure-related sectors. | The main objective of the scheme is to provide the investor long term capital growth as also tax benefit under section 80C of the Income Tax Act, 1961. | The main objective of the scheme is to generate long term capital appreciation from an actively managed portfolio of equity related instruments. | The scheme is targeted for long-term capital appreciation along with stability through a well balance portfolio comprising of equity, equity related instruments, money market instruments and debt securities. |
| Terms of Issue | Provisions in respect of redemption of units, fees and expenses as indicated in this Scheme Information document. | | | | |
| Sale of Units | Units would be offered for subscription on all Business Days at NAV related prices. | | | | |
| Liquidity | <p>The scheme would provide repurchase facility to investors on an ongoing basis on all Business Days.</p> <p>Under normal circumstances, the Mutual Fund will endeavour to dispatch redemption p within 3 - 4 business days from the date of acceptance of redemption requests at the Points of Acceptance, but not later than 10 Business Days.</p> | | | | |
| Aggregate fee and expenses | <p>Would be restricted to the ceilings of recurring expenses stated in Regulation 52(6) of the SEBI (Mutual Funds) Regulation. The fee and expenses proposed to be charged by the scheme is detailed in Section Fee and Expenses</p> <p>In accordance with Regulation 18(15A) of the Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Option thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:</p> <ul style="list-style-type: none"> • 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. BENCHMARK OF THE SCHEMES

| Name of the Scheme | Benchmark |
|------------------------------------|---------------------------|
| Baroda Pioneer PSU Equity Fund | BSE PSU Index |
| Baroda Pioneer Infrastructure Fund | CNX 100 |
| Baroda Pioneer ELSS'96 | BSE Sensex |
| Baroda Pioneer Growth Fund | CNX 100 |
| Baroda Pioneer Balance Fund | CRISIL Balance Fund Index |

H. FUND MANAGER OF THE SCHEMES

| Name of the Fund Manager | Educational Qualification | Experience |
|---------------------------------|----------------------------------|-------------------|
| | | |

| | | |
|--|--------------------------------------|--|
| Mr. Dipak Acharya Fund Manager- Equity Age - 47 years | M.Com., AICWA, CAIIB and PGPMs | Mr. Dipak Acharya is the Fund Manager for all the equity schemes of Baroda Pioneer Mutual Fund, viz., Baroda Pioneer Growth Fund, Baroda Pioneer ELSS' 96, Baroda Pioneer Infrastructure Fund, Baroda Pioneer PSU Equity Fund and Baroda Pioneer Balance Fund has been with the organization since 2003. Prior to this, Mr. Acharya was with Bank of Baroda for 10 years, where he worked in the Treasury Dept. and Credit Dept. |
|--|--------------------------------------|--|

I. INVESTMENT RESTRICTIONS

Pursuant to the Regulations and amendments thereto, the following investment restrictions are presently applicable to the Scheme:

1) A mutual fund 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 authorised to carry out such activity 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 investments in government securities and money market instruments.

As per SEBI Circular no. SEBI/IMD/CIR No.6/63715/06, with respect to investment in securitized debt (mortgage backed securities / asset backed securities), restrictions at the originator level will not be applicable.

2) A mutual fund scheme shall not invest more than 10% of its NAV in unrated 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 by an internal committee constituted by AMC to approve the investment in unrated debt securities in terms of the parameters approved by the Board of Trustees and the Board of Asset Management Company.

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 2 & 3 above.

3.) No mutual fund scheme shall invest more than thirty percent of its net assets in money market instruments of an issuer:

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

4) Transfer of investments from one scheme to another scheme in the same Mutual Fund is permitted provided:
a. Such transfers are done at the prevailing market price for quoted instruments on spot basis (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and
b. The securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

Further the inter scheme transfer of investments shall be in accordance with the provisions contained in clause Inter-Scheme transfer of investments, contained in Statement of Additional Information:

5) Each Scheme may invest in other schemes under the same AMC or any other Mutual Fund without charging any fees, provided the aggregate inter-scheme investment made by all the schemes under the same management or in schemes under management of any other asset management company shall not exceed 5% of the Net Asset Value of the Mutual Fund. No investment management fees shall be charged for investing in other schemes of the Fund or in the schemes of any other mutual fund.

6) Every mutual fund shall 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:

7) 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 a long-term nature.

8) No loans for any purpose can be advanced by the Schemes.

9) No mutual fund scheme shall make any investments in;

- a) any unlisted security of an associate or group company of the sponsor; or
- b) any security 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 its net assets.

10) 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. Such borrowings shall not exceed more than 20% of the net assets of the individual scheme and the duration of the borrowing shall not exceed a period of 6 months.

11) In accordance with SEBI Circular no SEBI/IMD/CIR No. 1/91171/07 dated 16th April 2007 and SEBI/IMD/CIR No. 7 / 129592 dated June 23, 2008, following guidelines shall be followed for parking of funds in short term deposits of Scheduled commercial Banks pending deployment

a. "Short Term" for such parking of funds by mutual funds shall be treated as a period not exceeding 91 days and the tenure of term deposits placed as margin for trading in derivatives shall not exceed 182 days

b. Such short-term deposits shall be held in the name of the concerned scheme.

c. No mutual fund scheme shall park more than 15% of the net assets in Short term deposit(s) of all the scheduled commercial banks put together. However, it may be raised to 20% with prior approval of the trustees. Also, parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the mutual fund in short term deposits.

d. No mutual fund scheme shall park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.

e. Trustees shall ensure that no funds of a scheme may be parked in short-term deposit of a bank, which has invested in that scheme.

f. The AMC shall not be permitted to charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks in case of liquid and debt oriented schemes.

g. All funds parked in short-term deposit(s) shall be disclosed in half yearly portfolio statements under a separate heading. Details such as name of the bank, amount of funds parked, percentage of NAV may be disclosed.

h. Trustees shall certify in the half-yearly reports that the provision of the Regulation pertaining to parking of funds in short term deposits - pending deployment is being complied with at all points of time. Further the AMC shall also certify the same in its bi-monthly compliance test report

12) The Schemes of the Fund shall not own more than 10% of any company's paid up capital carrying voting rights or such percentage as may be stipulated by SEBI from time to time;

13) Each equity/growth scheme shall not invest more than 5 per cent of its NAV in the unlisted equity shares or equity related instruments.

14) The Schemes shall not invest more than 10 per cent of its NAV in equity shares or equity related instruments of any company.

15) The Schemes shall not make investment in any Fund of Fund Scheme.

16) No mutual fund scheme shall invest more than 30% of its net assets in money market instruments of an issuer. Provided that such limit shall not be applicable for investments in Government securities, treasury bills and CBLO.

J. PERFORMANCE OF THE SCHEMES (as on March 31, 2011)

Baroda Pioneer PSU Equity Fund

Since, this scheme has been in existence for less than a year, only absolute returns since inception are given.

| Absolute Return | Scheme Return % | Benchmark Return% BSE PSU |
|------------------------|-----------------|------------------------------|
| Return Since Inception | -10.20 | -14.87 |

Note: "Since Inception" returns are calculated from the date of allotment, viz. October 04, 2010. The "Returns" shown are for the growth option. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

Baroda Pioneer Infrastructure Fund

Since, this scheme has been in existence for less than a year, only absolute returns since inception are given.

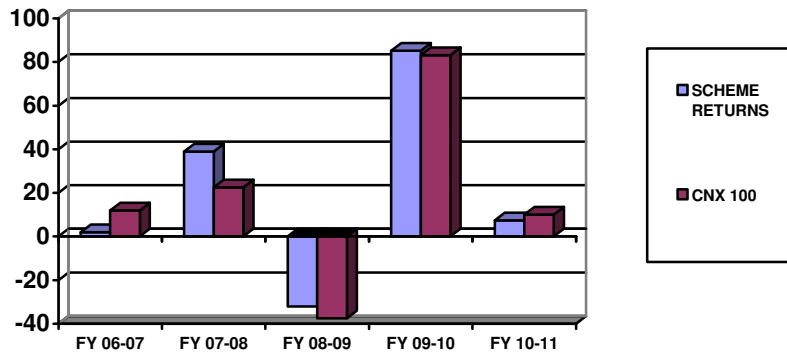
| Absolute Return | Scheme Return % | Benchmark Return% CNX 100 |
|------------------------|-----------------|------------------------------|
| Return Since Inception | -5.50 | 8.34 |

Note: "Since Inception" returns are calculated from the date of allotment, viz. June 22, 2010. The "Returns" shown are for the growth option. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

Baroda Pioneer Growth Fund

| Compounded Return | Annualised | Scheme Return % | Benchmark Return% CNX 100 |
|-------------------|------------|-----------------|------------------------------|
| 1 Year | | 7.45 | 10.09 |
| 3 Years | | 10.54 | 7.97 |
| 5 Years | | 13.87 | 11.47 |
| Since Inception | | 24.73 | 21.53 |

Absolute return for each financial year for past 5 years

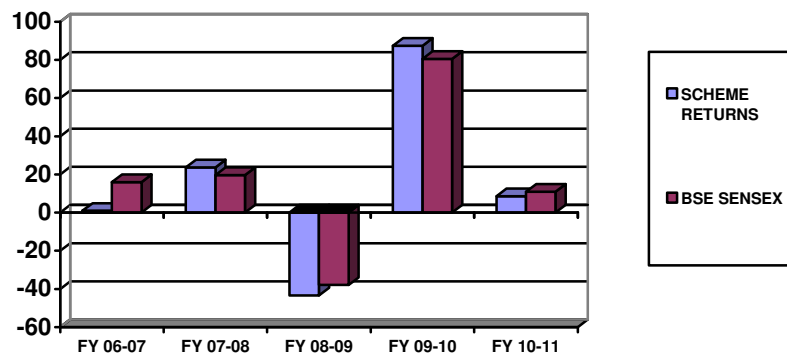


Note: "Since Inception" returns are calculated from the date of allotment, viz. September 12, 2003. The "Returns" shown are for the growth option. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

Baroda Pioneer ELSS'96

| Compounded Return | Annualised | Scheme Return % | Benchmark Return% BSE Sensex |
|-------------------|------------|-----------------|---------------------------------|
| 1 Year | | 8.60 | 10.94 |
| 3 Years | | 4.79 | 7.52 |
| 5 Years | | 7.51 | 11.50 |
| Since Inception | | 14.17 | 12.39 |

Absolute return for each financial year for past 5 years

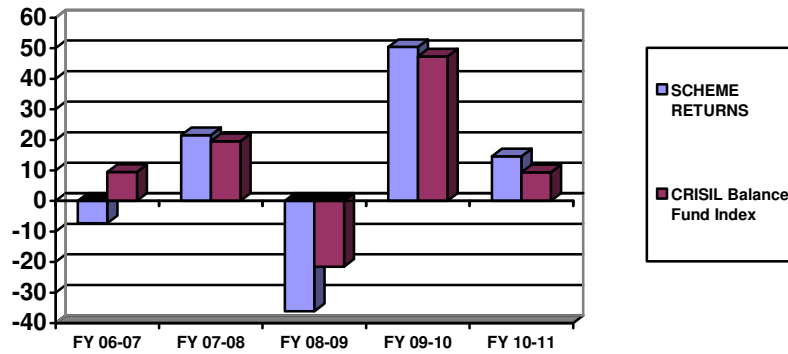


Note: "Since Inception" returns are calculated from the date of allotment, viz. March 31, 1996. The "Returns" shown are for the growth option. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

Baroda Pioneer Balance Fund

| Compounded Return | Annualised | Scheme Return % | Benchmark Return% CRISIL Balance Fund Index |
|-------------------|------------|-----------------|--|
| 1 Year | | 14.57 | 9.37 |
| 3 Years | | 3.28 | 8.13 |
| 5 Years | | 4.43 | 10.59 |
| Since Inception | | 15.43 | 15.68 |

Absolute return for each financial year for past 5 years



Note: "Since Inception" returns are calculated from the date of allotment, viz. September 12, 2003. The "Returns" shown are for the growth option. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

III. UNITS AND OFFER

A. NEW FUND OFFER (NFO)

| | | |
|---|---|---|
| NFO Period (This is the period during which a new Scheme sells its units to the investors) | Name of the Scheme Baroda Pioneer PSU Equity Fund | Benchmark Opened on 13 th September 2010 & closed on 24 th September 2010 |
| | Baroda Pioneer Infrastructure Fund | Opened on 3 rd May 2010 & closed on 31 st May 2010 |
| | Baroda Pioneer ELSS'96 | The schemes has launched on 29/12/1995 as a closed ended scheme and was converted into an open ended scheme wef 23/03/2000 |
| | Baroda Pioneer Growth Fund | Opened on 14 th August 2003 & closed on 3 rd September 2003 |
| | Baroda Pioneer Balance Fund | Opened on 14 th August 2003 & closed on 3 rd September 2003 |
| NFO Price (This is the price per Unit that the investors have to pay to invest during the NFO) | The initial corpus of the Scheme was divided into Units having an initial value of Rs. 10/-. The Units could be purchased at this price during the NFO period of the Schemes. | |
| Minimum Amount for Application in the NFO | Not Applicable, as the NFO is over. | |
| Minimum Target amount (This is the minimum amount required to operate the Schemes and if this is not collected during the NFO period, all investors would be refunded the amount invested without any return. However, if the AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of six weeks from the date of closure of the subscription period. | Not Applicable, as the NFO is over. | |
| Maximum Amount to be raised (This is the maximum amount which can be collected during the NFO period, as decided by the AMC) | There was no upper limit | |
| Plans and Options | Name of the Scheme Baroda Pioneer PSU Equity Fund | Plans and Options The Schemes offers: A. Growth Option (default option in case no option specified by investor); B. Dividend Option a. Payout; b. Re-Investment |
| | Baroda Pioneer Infrastructure Fund | |
| | Baroda Pioneer ELSS'96 | Dividend Payout Option |
| | Baroda Pioneer Growth Fund | The Schemes offers: A. Growth Option (default option in case no option specified by investor); B. Dividend Option a. Payout; b. Re-Investment |
| | Baroda Pioneer Balance Fund | |
| Dividend Policy | Under the Dividend Option, the Trustees may declare dividends, subject to availability and adequacy of distributable surplus, calculated in accordance with the SEBI Regulations, and the decision of the Trustees shall be final in this regard. There is no assurance or guarantee to the | |

| | |
|---|--|
| | <p>Unit holders as to the rate of dividend or that dividend will be paid regularly.</p> <p>The procedure and manner of payment of dividend shall be in line with SEBI circulars / guidelines, as amended from time to time.</p> <p>If the Dividend under the Payout Option is less than or equal to Rs. 500, it will, by default, be reinvested under the Reinvestment sub-option. Only dividend warrants of over & above Rs 500 will be dispatched.</p> |
| Allotment | <p>Allotment was made to all applicants in the new fund offer, where the applications were complete in all respects and in order. The allotment was completed within 30 days after the closure of New Fund Offer.</p> <p>Investors were issued a Unit Statement of Account in lieu of Unit Certificates. Dispatch of Unit statements of account was made as soon as possible. If an investor specifically requested the Registrars in writing for issue of a Unit Certificate, the Unit Certificates were sent to the investor within 5 Business days of receipt of request as stipulated under SEBI Regulation 36.</p> |
| Refund | <p>If any application was rejected, full amount was refunded within 5 Business days of closure of NFO. If refunded later than 5 Business days, interest @ 15% p.a. for delay period was paid and charged to the AMC. 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? (This is an indicative list and you are requested to consult your financial advisor to ascertain whether the Scheme is suitable to your risk profile) | Not Applicable, as the NFO is over. |
| Where can you submit filled up application forms? | <p>Applications can be submitted at any of the official points of acceptance, details of which are given on the back cover page.</p> <p>Investors can also submit their applications at the Registrar's office at Karvy Computershare (Pvt.) Ltd., 8-2-596, Karvy Plaza, Avenue-4, Street No.1, Banjara Hills, Hyderabad- 500 034 Toll Free No.: 1800-4190-911. E-mail id: barodapioneermf@karvy.com Website: www.karvy.com</p> <p>Stock brokers registered with recognized stock exchanges and empanelled with the AMC shall also be considered as official points of acceptance of transactions. Please refer to 'Trading in Units through the Stock Exchange mechanism' under '(i). New Fund Offer Details', for detailed provisions.</p> |
| How to apply? | Please refer to the SAI and KIM for instructions. |
| Listing | Presently, the Units of the Schemes are not listed on any Stock Exchange. The AMC may, at a later date, list all or any of the Schemes on one or more recognized stock exchanges. |
| Trading in Units through Stock Exchange Mechanism | Not Applicable as NFO is over. |
| Policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same | N.A. |
| Special Product / facilities available during the NFO | Not Applicable, as the NFO is over. |

| | |
|--|-------------------------------------|
| Restrictions, if any, on the right to freely retain or dispose of units being offered | Not Applicable, as the NFO is over. |
|--|-------------------------------------|

B. Ongoing Offer Details

| | |
|--|---|
| Ongoing Offer | The Schemes are open for ongoing subscriptions and redemptions at NAV based prices. |
| <p>Ongoing Price for subscriptions /switch in from other schemes/plans of the mutual fund by investors</p> <p>This is the price you need to pay for purchase/switch-in. <i>Example: If the applicable NAV is Rs. 10, entry load is 2% then sales price will be: Rs. 10* (1+0.02) = Rs. 10.20</i></p> | <p>The purchase price of units is the price at which investor can subscribe/purchase units of the Scheme. During the continuous offer of the Scheme, Units of the Scheme will be available at the Applicable NAV.</p> <p>Purchase Price = Applicable NAV.</p> <p>The Regulations do not permit any Entry Load for subscription of Units, and accordingly, there will no Entry Load in the Scheme.</p> |
| <p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p><i>Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be: Rs. 10* (1-0.02) = Rs. 9.80</i></p> | <p>At the applicable NAV subject to prevailing exit load Redemption Price = Applicable NAV (1-Exit Load)</p> <p>Eg. Example: If the Applicable NAV is Rs. 10, and exit load is 1% then the redemption price will be as under Rs. 10 (1-0.01) = Rs. 9.90/-</p> <p>For details of exit load applicable to the schemes, please refer page no. 54.</p> <p>The securities transaction tax levied under the Income-tax Act, 1961 at the applicable rate on the amount of redemption will be reduced from the amount of redemption.</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>Purchase</p> <p>a. In respect of valid applications received up to 3 p.m. along with a local cheque or demand draft payable at par at the place where the application is received, Closing NAV of the day of acceptance of application.</p> <p>In respect of valid applications received after 3 p.m. along with a local cheque or demand draft, Closing NAV of the next Business Day.</p> <p>b. In respect of valid applications with outstation cheques/demand drafts not payable at par at the place application is received, Closing NAV of the day on which the cheque or demand draft is credited.</p> <p>c. In respect of purchase of units with an amount equal to or more than Rs. 1 crore, irrespective of the time of receipt of application, the closing NAV of the day on which the funds are available for utilisation shall be applicable.</p> <p>For determining the Applicable NAV under c. above,</p> <p>(i) for allotment of units in respect of purchases in the Scheme, it shall be ensured that the application is received before the applicable cut-off time, the funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the Schemes before the cut-off time and are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Scheme.</p> <p>(ii) for allotment of units in respect of switch-in to the Scheme</p> |

| | <p>from other schemes, it shall be ensured that the application for the switch-in is received before the applicable cut-off time, the funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the Scheme before the cut-off time and are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the Scheme.</p> <p>Redemption</p> <p>Where the application is received up to 3 p.m. - Closing NAV of the day of receipt of application.</p> <p>Where the application is received after 3 p.m. - Closing NAV of the next Business Day.</p> <p>For Switches</p> <p>Valid applications for 'switch-out' shall be treated as applications for Redemption and the provisions of the Cut-off time and the Applicable NAV mentioned in the SID as applicable to Redemption shall be applied to the 'switch-out' applications. In case of 'switch' transactions from one scheme to another the allocation shall be in line with redemption payouts.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
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| <p>Where can the applications for Purchase/Redemption/ switches be submitted?</p> | <p>Application forms for subscription/redemption/switches should be submitted at any of the Official Points of Acceptance whose names and addresses are mentioned at the end of this document.</p> <p>For details on updated list of Official Points of Acceptance investors are requested to call 1800 4190 911 (toll-free) or log on to our website, www.barodapioneer.in.</p> <p>Stock brokers registered with recognized stock exchanges and empanelled with the AMC shall also be considered as 'official points of acceptance of transactions'.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Minimum amount for Purchase/ Redemption/ switches</p> | <table border="1"> <thead> <tr> <th>Name of the Scheme</th> <th>Purchase</th> <th>Additional Purchase</th> <th>Repurchase</th> </tr> </thead> <tbody> <tr> <td>Baroda Pioneer PSU Equity Fund</td> <td>Rs. 5,000/- and in multiples of Re. 1/-</td> <td>Rs. 1,000/- and in multiples of Re. 1/-</td> <td>Not Applicable</td> </tr> <tr> <td>Baroda Pioneer Infrastructure Fund</td> <td>Rs. 5,000/- and in multiples of Re. 1/-</td> <td>Rs. 1,000/- and in multiples of Re. 1/-</td> <td>Not Applicable</td> </tr> <tr> <td>Baroda Pioneer ELSS'96</td> <td>Rs. 500/- and in multiples of Rs. 500/- thereafter</td> <td>-</td> <td>Not Applicable</td> </tr> <tr> <td>Baroda Pioneer Growth Fund</td> <td>Rs. 5,000/- and in multiples of Rs. 500/- thereof</td> <td>-</td> <td>Not Applicable</td> </tr> <tr> <td>Baroda Pioneer Balance Fund</td> <td>Rs. 3,000/- and in multiples of Rs. 1,000/- thereof</td> <td>-</td> <td>Not Applicable</td> </tr> </tbody> </table> | Name of the Scheme | Purchase | Additional Purchase | Repurchase | Baroda Pioneer PSU Equity Fund | Rs. 5,000/- and in multiples of Re. 1/- | Rs. 1,000/- and in multiples of Re. 1/- | Not Applicable | Baroda Pioneer Infrastructure Fund | Rs. 5,000/- and in multiples of Re. 1/- | Rs. 1,000/- and in multiples of Re. 1/- | Not Applicable | Baroda Pioneer ELSS'96 | Rs. 500/- and in multiples of Rs. 500/- thereafter | - | Not Applicable | Baroda Pioneer Growth Fund | Rs. 5,000/- and in multiples of Rs. 500/- thereof | - | Not Applicable | Baroda Pioneer Balance Fund | Rs. 3,000/- and in multiples of Rs. 1,000/- thereof | - | Not Applicable |
| Name of the Scheme | Purchase | Additional Purchase | Repurchase | | | | | | | | | | | | | | | | | | | | | | |
| Baroda Pioneer PSU Equity Fund | Rs. 5,000/- and in multiples of Re. 1/- | Rs. 1,000/- and in multiples of Re. 1/- | Not Applicable | | | | | | | | | | | | | | | | | | | | | | |
| Baroda Pioneer Infrastructure Fund | Rs. 5,000/- and in multiples of Re. 1/- | Rs. 1,000/- and in multiples of Re. 1/- | Not Applicable | | | | | | | | | | | | | | | | | | | | | | |
| Baroda Pioneer ELSS'96 | Rs. 500/- and in multiples of Rs. 500/- thereafter | - | Not Applicable | | | | | | | | | | | | | | | | | | | | | | |
| Baroda Pioneer Growth Fund | Rs. 5,000/- and in multiples of Rs. 500/- thereof | - | Not Applicable | | | | | | | | | | | | | | | | | | | | | | |
| Baroda Pioneer Balance Fund | Rs. 3,000/- and in multiples of Rs. 1,000/- thereof | - | Not Applicable | | | | | | | | | | | | | | | | | | | | | | |
| <p>Minimum Balance to be maintained and consequences of non maintenance</p> | <p>NA</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Special Products available</p> | <p>Systematic Investment Plan (SIP)</p> | | | | | | | | | | | | | | | | | | | | | | | | |

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| | <p>This facility enables investors to save and invest periodically over a longer period of time. It is a convenient way to “invest as you earn” and affords the investor an opportunity to enter the market regularly, thus averaging the acquisition cost of Units.</p> <p>During the ongoing offer, investors will have the facility of investing a fixed amount periodically, through SIP.</p> <p>Investors have the option of enrolling for a monthly or a quarterly SIP. Where an investor opt for a monthly SIP, the minimum number of months for which the investment will have to be made (SIP Period) shall be 6 months and the minimum investment amount (SIP Amount) shall be Rs. 1000/- per month. Where the investor is opt for a quarterly SIP, the SIP Period shall be 4 quarters and the SIP Amount shall be Rs. 1500/- per quarter.</p> <p>The date on which the SIP investment will be effected (SIP Date) shall be the 1st/10th/15th/25th/all four dates of each month, as the case may be, where the frequency opted for by the investor is monthly. Where the frequency is quarterly, the SIP Date shall be the 1st/10th/15th/25th/all four dates, as the case may be, starting from any month onwards.</p> <p>Where the payment is through post dated cheques, the cheques must be dated the 1st/10th/15th/25th of the month concerned, as the case may be, and drawn in favour of the Scheme as specified in the application form, and crossed “Account Payee Only”. Where an investor opts for SIP through post dated cheques, and any cheque submitted under the SIP bears a date different from the SIP Date opted for by such investor, the application is liable to be rejected.</p> <p>Investors must indicate their choice on their application form in the box provided for the purpose. Investors who avail of the SIP facility can opt for various modes of payment, viz., post dated cheques, ECS/Auto Debit facility, or any other payment facility, as may be introduced by the AMC from time to time. ECS is offered to investors at selected cities only and the AMC reserves the right to add or delete cities from time to time. Auto Debit facility is offered to investors for designated banks activated for such facility. In case an investor furnishes the bank mandate of any such designated bank, irrespective of the location, SIP will be activated through Auto Debit mode. The AMC reserves the right to add or delete banks from time to time. For ECS/Auto Debit facility, copy of a cheque/cancelled cheque is mandatory along with the application.</p> <p>For cancellation of SIP or incorporation of new bank details, investors shall give a request at least 21 days before the next SIP date.</p> <p>SIP in a folio of a minor will be registered only upto the date of the minor attaining majority, even though the instruction may be for a period beyond that date. In case of SIPs already registered as of March 31, 2011 in the folio of a minor, the AMC will continue to process the SIP beyond the date of the minor attaining majority till the time an instruction from the major to terminate the SIP is received by the AMC/RTA.</p> <p>The application may be mailed to the Registrar directly or submitted at any of the Investor Service Centres. The SIP Amount will be invested in the Scheme at the Applicable NAV on the SIP Date. The number of Units allotted to the investor will be equal to the SIP Amount divided by the Applicable NAV</p> |
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| | <p>on the SIP Date. An intimation of the allotment will be sent to the investor. An investor may terminate the facility after giving at least three weeks' written notice to the Registrar. For all payments made by cheques, the date of realization of a cheque will be taken as the date of investment and the amount invested will be deemed to be the amount realized net of bank charges (if any). In case of three consecutive rejects, the AMC/Registrar reserves the right to cancel all future SIP instalments.</p> <p>The AMC reserves the right to change the terms and conditions of SIP from time to time. Investors are, therefore, advised to check the latest terms and conditions from any of the ISCs, before investing through SIP. Also, the latest terms and conditions of various payment facilities will be mentioned in the SIP form.</p> <p>Systematic Transfer Plan (STP)</p> <p>Systematic Transfer Plan is a combination of systematic withdrawal from one scheme and systematic investment into another scheme. Therefore the minimum amount of withdrawals applicable under SWP would be applicable to STP also. Similarly the minimum investments applicable for each scheme under SIP would be applicable to STP. Completed application form for STP should be submitted at least 7 days before the transaction date. STP facility would allow investors to transfer a predetermined amount or units from one scheme of the Mutual Fund to the other. The transfer would be affected on any Business Day as decided by the investor at the time of opting for this facility. STP would be permitted for a minimum period of six months between two schemes. The transfer would be affected on the same date of every month (or on the subsequent Business Day, if the date of first transfer is a holiday) on which the first transfer was affected. STP can be terminated by giving advance notice to the Registrars.</p> <p>Exit Load as applicable in the respective Scheme shall be charged.</p> <p>STP in a folio of a minor will be registered only upto the date of the minor attaining majority, even though the instruction may be for a period beyond that date. In case of STPs already registered as of March 31, 2011 in the folio of a minor, the AMC will continue to process the SIP beyond the date of the minor attaining majority till the time an instruction from the major to terminate the STP is received by the AMC/RTA.</p> <p>Systematic Withdrawal Plan</p> <p>This facility enables the Unit Holders to withdraw sums from their Unit accounts in the Scheme at periodic intervals through a one-time request.</p> <p>Unit Holders have the option of enrolling for a monthly or a quarterly SWP. Where a Unit Holder enrolls for a monthly SWP, the minimum number of months for which the withdrawal/redemption will have to be made (SWP Period) shall be 6 months and the minimum withdrawal/redemption amount (SWP Amount) shall be Rs. 1000/- per month. Where the investor enrolls for a quarterly SWP, the SWP Period shall be 4 quarters and the SWP Amount shall be Rs. 1500/- per quarter.</p> <p>The date on which the redemption will be effected (SWP Date)</p> |
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| | <p>shall be the 1st/10th/15th/25th/all four dates of each month, as the case may be, where the frequency opted for by the investor is monthly. Where the frequency is quarterly, the SWP Date shall be the 1st/10th/15th/25th/all four dates, as the case may be, starting from any month onwards.</p> <p>SWP in a folio of a minor will be registered only upto the date of the minor attaining majority, even though the instruction may be for a period beyond that date. In case of SWPs already registered as of March 31, 2011 in the folio of a minor, the AMC will continue to process the SIP beyond the date of the minor attaining majority till the time an instruction from the major to terminate the SWP is received by the AMC/RTA.</p> <p>Investors may note that the facility of Switch, SWP and STP are currently not available for transactions carried out through the stock exchange mechanism.</p> |
| <p>Accounts Statements / Allotment Confirmation</p> | <p>An applicant whose application has been accepted shall have the option of holding the units either in physical form or in dematerialised form (Available from October 01, 2011).</p> <p>Units in Physical mode :- Investors opting to subscribe to / hold units in physical form, whether by way of a normal purchase or SIP / STP, will be sent, (i) by way of an e-mail and/or an sms to their registered e-mail address and or mobile number, an allotment confirmation, as soon as possible but not later than 5 Business Days from the date of acceptance of the request for subscription, and (ii) a CAS, as mentioned in 'Consolidated Account Statement (CAS)' below.</p> <p>Units in Demat Mode (Available from October 01, 2011):-</p> <ul style="list-style-type: none"> • Investors opting to subscribe to / hold units in Demat form will be issued Units in Demat form, which will be credited to their demat account. • The AMC shall issue units in Demat form to a unit holder of the Schemes within two working days of the receipt of request from the said unit holder. • For investors who hold Units in dematerialized form, a demat statement shall be provided by the DP in such form and in such manner and at such time as provided in the agreement with the beneficial owner. |
| <p>Consolidated Account Statement (CAS)</p> | <p>(i) On acceptance of an application for subscription or allotment of units (including by way of SIP, STP, switch, bonus units and reinvestment of dividends), an allotment confirmation specifying the number of units allotted will be sent by way of an email and/or an SMS, within 5 Business Days from the date of receipt of the application, to the Unit holder's registered e-mail address and/or mobile number.</p> <p>Thereafter, the Unit Holder will be sent, on or before the 10th of the immediately succeeding month, by way of a mail / an e-mail, a CAS, containing the details of the transaction mentioned above as well as details of all other transactions effected by the Unit holder across schemes of all mutual funds during the preceding month, including his/her/its holdings at the end of the said month and details of transaction charges paid to distributors, as applicable. Investors may note that CAS will be issued on a monthly basis to all investors in whose folios transactions have taken place during the month concerned.</p> <p>(ii) For the purpose of sending CAS, common investors across mutual funds shall be identified by their PAN.</p> |

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| | <p>(iii) For those investors / unit holders who have provided an e-mail address, CAS will be sent by way of an e-mail.</p> <p>(iv) In case of a specific request received from a Unit holder for a separate account statement, the AMC/Fund will provide such an account statement to the Unit Holder concerned, within 5 Business Days from the receipt of the request.</p> <p>(v) In the event of inability to send CAS, for any reason whatsoever, or on receipt of specific requests from unit holders/investors, the AMC will send separate account statements.</p> <p>(vi) In the event of a folio having more than one registered holder, the first named Unit holder will receive the CAS / account statement.</p> <p>(vii) For folio(s) that are not updated with PAN details, it will not be possible to e-mail / mail CAS to the Unit holders concerned. It is therefore in the interest of Unit holders to ensure that their folios are updated with their PAN details.</p> <p>(viii) In the case of a dormant investor, i.e. an investor in whose folio, no transaction has taken place during a six-month period ended March or September, a CAS detailing the investors' holdings across all schemes of all mutual funds at the end of March or September, as the case may be, shall be sent by way of a mail / an e-mail on or before the 10th day of the month immediately succeeding the said March/September. The half yearly CAS will be sent by e-mail to Unit holders whose e-mail address is available, unless a specific request is made by any Unit holder to receive the CAS in physical form.</p> <p>The expression, 'transaction', includes purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan and bonus transactions.</p> |
| Dividend | Dividend warrants shall be dispatched to Unit Holders within 30 days of the date of declaration of the dividend. |
| Redemption | <p>(a) <u>Redemption</u></p> <p>(i) Baroda Pioneer ELSS'96:</p> <p>As per the ELSS guidelines, Unit holders will not be able to redeem their Units under the Scheme, until the completion of three years from the date of their allotment. After the completion of 3 years, Units can be redeemed in accordance with the provisions of this Scheme Information Document. However, in the event of the death of a Unit holder, the nominee will be able to redeem the Units held by the deceased Unit holder, subject to the Units having been held for a period of one year from the date of their allotment. If the Unit holder has purchased Units of the Scheme on more than one Business Day, the Units will be redeemed on a first-in-first-out basis. If multiple purchases are made on the same Business Day, the purchases appearing in the account statement first will be redeemed first.</p> <p>All Schemes covered by this SID</p> |

Unit holders can request for redemption by specifying either an amount in Rupees or number of units to be redeemed. Where both amount as well as number of units have been specified, the Fund will redeem based on number of units. Where the Unit holder has specified the amount to be redeemed, the number of units redeemed will be the amount of redemption divided by Redemption Price. Where the Unit holder has specified the number of units or amount in words and figures and there is a mismatch between the number/ amount specified in words and figures, the redemption request will be rejected. In case the balance in Unit holder's account does not cover the amount/ units of redemption request, the Fund may close the Unit holder's account and send the entire such balance to the Unit holders.

There is no minimum amount for redemption.

(b) How to Redeem?

A Unit holder desiring to redeem can use a transaction slip or a redemption request. Completed transaction slip can be submitted at an OPA. Transaction slips can be obtained from any of the OPAs. In case the Units stand in the names of more than one Unit holder, where the mode of holding is specified as 'Jointly', redemption requests will have to be signed by all joint holders. However, in cases of holdings specified as 'Anyone or Survivor', any one of the Unit holders will have the right 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 only to the first-named holder.

Transactions through the stock exchange mechanism:

Investors who wish to transact through the stock exchange shall place orders for redemptions as currently practiced for secondary market activities. Investors must submit the Delivery Instruction Slip to their DP on the same day of submission of redemption request, within such stipulated time as may be specified by NSE/other stock exchange, failing which the transaction will be rejected. Investors shall seek redemption requests in terms of number of Units only and not in Rupee amounts. Redemption amounts shall be paid by the AMC to the bank mandate registered with the DP. **Please also refer "Trading in Units through Stock Exchange mechanism" under 'B Ongoing Offer Details'.**

An investor who purchases units through a broker / clearing member will receive redemption proceeds through his/her/its broker / clearing member's pool account. The AMC will pay the proceeds to the broker / clearing member, who in turn will pay the investor. Payment of redemption proceeds to the broker / clearing members by the AMC shall discharge the AMC of its obligation of payment to the investor.

Signature mismatches

If the AMC / Registrar find a signature mismatch during redemption / switch out request, the AMC/ Registrar reserves the right to reject the redemption request.

Payment of Redemption Proceeds

- (i) For Unit holders having a bank account with certain banks with whom the AMC may have an arrangement from time to time:**

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 are available with Mutual Fund for investor. As per SEBI (MF) Regulations, the Mutual Fund shall despatch Redemption proceeds within 10 Business Days of the date of Redemption. However, under normal circumstances, the Mutual Fund would endeavour to credit the first / sole Unit holder's account with the Redemption proceeds within 3-4 Business Days from the date of Redemption.

(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 (paylink DDs) 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 Unit holder'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. As per SEBI (MF) Regulations, the Mutual Fund shall dispatch Redemption proceeds within 10 Business Days of the Redemption date. A penal interest of 15% or such other rate as may be prescribed by SEBI from time to time, will be paid in case the Redemption proceeds are not made within 10 Business Days of the Redemption Date. However, under normal circumstances, the Mutual Fund would endeavour to dispatch the Redemption cheque within 3-4 Business Days from the date of redemption.

Note: The Trustee, at its discretion at a later date, may choose to alter or add other modes of payment. The redemption proceeds will be sent by courier or (if the addressee city is not serviced by the courier) by registered post or any other mode as specified by AMC. The dispatch for the purpose of delivery through the courier /postal department, as the case may be, shall be treated as delivery to the investor. The AMC / Registrar are not responsible for any delayed delivery or non-delivery or any consequences thereof, if the dispatch has been made correctly as stated in this paragraph.

REDEMPTION BY NRIs / FIIs

Credit balances in the account of an NRI / FII Unit holder, may be redeemed by such Unit holder in accordance with the procedure described in SID and subject to any procedures laid down by the RBI, if any. Payment to NRI / FII Unit holders will be subject to the relevant laws / guidelines of the RBI as are applicable from time to time (also subject to deduction of tax at source as applicable).

In the case of NRIs

- i. Credited to the NRI investor's NRO account, where the payment for the purchase of the
- ii. Units redeemed was made out of funds held in NRO account; or
- iii. Remitted abroad or at the NRI investor's option, credited to his NRE / NRO account, where the Units were purchased on repatriation basis and the payment for the purchase of Units redeemed was made by inward remittance through normal banking channels or out of funds held in NRE account.

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| | <p>In the case of FILs Credit the net amount of redemption proceeds of such Units to the foreign currency account; or Non-Resident Rupee Account of the FII investor.</p> <p>Pursuant to Government of India Notification No. GSR (381) E dated May 3, 2000, transactions which are not specifically prohibited under the Foreign Exchange Management (Current Account Transactions) Rules, 2000 or which are not included in Schedule II (transactions specified in this Schedule require prior approval of the Government of India) or Schedule III (transactions specified in this Schedule require prior approval of Reserve Bank of India) may be permitted by authorized dealers without any monetary / percentage ceilings subject to compliance with the provisions of Section 10(5) of the Foreign Exchange Management Act, 1999.</p> <p>Effect of Redemption The number of Units held by the Unit holder in his folio will stand reduced by the number of Units redeemed.</p> |
| Delay in payment of redemption / repurchase proceeds/Dividend proceeds | The Asset Management Company shall be liable to pay interest to the unit holders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum). |
| Switchover facility | Unit holders under the scheme will have the facility of switchover between the two Options in the scheme at NAV. Switchover between this scheme and other schemes of the Mutual Fund would be at NAV related prices. At the time of switchover, the investors will be required to surrender Statement of Accounts. Switchovers would be at par with redemption from the outgoing option/Plan/scheme and would attract the applicable tax provisions and load at the time of switchover. |
| Bank Account Details | In order to protect the interest of Unit holders from fraudulent encashment of cheques, the SEBI Regulations have made it mandatory for investors to mention in their application / redemption request, their bank name and account number. The normal processing time may not be applicable in situations where such details are not provided by investors / Unit holders. The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques and / or any delay / loss in transit. |
| Multiple Bank Accounts Registration Facility | The Mutual Fund offers its Unit holders the facility to register multiple bank accounts for pay-in & payout and designate one of such registered bank accounts as "Default Bank Account". Individuals, HUFs and Sole proprietary firms can register upto five bank accounts and non-individual investors can register upto ten bank accounts in a folio. For details, please refer SAI. |
| Non Acceptance Of Third Party Payment | An application for subscription/purchase accompanied by a third party payment instrument will not be accepted. For exceptions and other details, please refer SAI. |
| Trading in Units through Stock Exchange mechanism (Available from October 01, 2011) | The facility of transacting through the stock exchange mechanism enables investors to buy and sell the Units of the Scheme through stock brokers registered with NSE and/or BSE in accordance with the guidelines issued by SEBI and operating guidelines and directives issued by NSE/BSE. The investor shall be serviced directly by such stock brokers/DP. The Fund will not be in any position to accept a request for transaction or service request in respect of Units bought under |

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| | <p>this facility in demat mode.</p> <p>Investors may note that this facility is currently being offered only to investors who wish to hold Units in dematerialized form. This facility will currently not support transactions done through switches or facilities such as SWP and STP. In case of non-financial requests/applications such as change of address, change of bank details, etc., investors should approach the respective DP. Unit holders may have/open a beneficiary account with a DP of a Depository and choose to hold the Units in dematerialized mode. Unit holders have the option of dematerializing their Units, by making an application to the AMC/Registrar for this purpose.</p> <p>Rematerialization of Units can be carried out in accordance with the provisions of the SEBI (Depositories and Participants) Regulations, 1996, as may be amended from time to time. Investors who wish to get back their securities in physical form may request their respective DP for rematerialization of Units in their beneficiary accounts. The DP will generate a rematerialization request number and the request will be dispatched to the AMC/Registrar. On acceptance of request from the DP, the AMC/Registrar will send a confirmation to the DP. Thereafter the unit holder concerned will receive CAS. Transactions conducted through the Stock Exchange mechanism shall be governed by the Regulations and operating guidelines and directives issued by NSE/BSE.</p> |
| <p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p> | <p>Prospective investors are advised to satisfy themselves that they are not prohibited by any law governing such entity and any Indian law from investing in the Scheme and are authorized to purchase units of mutual funds as per their respective constitutions, charter documents, corporate / other authorisations and relevant statutory provisions. The following is an indicative list of persons who are generally eligible and may apply for subscription to the Units of the Scheme:</p> <ul style="list-style-type: none"> • Indian resident adult individuals, either singly or jointly (not exceeding three); • Minor through parent / lawful guardian; (please see the note below) • Companies, bodies corporate, public sector undertakings, association of persons or bodies of individuals and societies registered under the Societies Registration Act, 1860; • Religious and Charitable Trusts, Wakfs or endowments of private trusts (subject to receipt of necessary approvals as required) and Private Trusts authorised to invest in mutual fund schemes under their trust deeds; • Partnership Firms constituted under the Partnership Act, 1932; • A Hindu Undivided Family (HUF) through its Karta; • Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions; • Non-Resident Indians (NRIs) / Persons of Indian Origin (PIO) 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 and eligible institutions; • Scientific and Industrial Research Organisations; • Provident / Pension / Gratuity and such other Funds as and when permitted to invest; • International Multilateral Agencies approved by the Government of India / RBI; and • The Trustee, AMC or Sponsor or their associates (if eligible and permitted under prevailing laws). • A Mutual Fund through its schemes, including Fund of Funds schemes. |

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| | <p>Note: Minor can invest in any scheme of Baroda Pioneer Mutual Fund through his/her guardian only. 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 PAN (if required) to enable the Registrar to update their records and allow him to operate the Account in his own right.</p> <p>Notes :</p> <ol style="list-style-type: none"> 1. Non Resident Indians and Persons of Indian Origin residing abroad (NRIs) / Foreign Institutional Investors (FIIs) have been granted a general permission by Reserve Bank of India [Schedule 5 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 for investing in / redeeming units of the mutual funds subject to conditions set out in the aforesaid regulations. 2. In case of application under a Power of Attorney or by a limited company or a corporate body or an eligible institution or a registered society or a trust fund, the original Power of Attorney or a certified true copy duly notarised or the relevant resolution or authority to make the application as the case may be, or duly notarised copy thereof, alongwith a certified copy of the Memorandum and Articles of Association and/or byelaws and / or trust deed and / or partnership deed and Certificate of Registration should be submitted. The officials should sign the application under their official designation. A list of specimen signatures of the authorised officials, duly certified / attested should also be attached to the Application Form. In case of a Trust / Fund it shall submit a resolution from the Trustee(s) authorizing such purchases. Applications not complying with the above are liable to be rejected. 3. Returned cheques are liable not to be presented again for collection, and the accompanying application forms are liable to be rejected. In case the returned cheques are presented again, the necessary charges are liable to be debited to the investor. <p>Who cannot invest It should be noted that the following entities cannot invest in the scheme(s) :</p> <ol style="list-style-type: none"> 1. Any individual who is a Foreign National 2. 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). <p>Board of Trustees of Baroda Pioneer Mutual 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> <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</p> |
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| | law, which may result in delay in processing the application. |
| Restrictions, if any, on the right to freely retain or dispose of units being offered | <p>Purchase and/or redemption of Units may be suspended with the prior approval of Trustees and the Board of Directors of the AMC, temporarily or indefinitely, giving the details of circumstances and justification for the proposed action, which shall also be informed to SEBI in advance, when any of the following conditions exist at one/more Designated Investor Service Centres:</p> <ul style="list-style-type: none"> • The stock market stops functioning or trading is restricted; • Periods of extreme volatility in the stock market, fixed income or money market, which, in the opinion of the Investment Manager, are prejudicial or detrimental to the interest of the investors; • Natural calamity; or • For any bulk processing like dividend, book closure, etc. • If banks do not carry-out any of the normal Banking activities at one or more Designated Investor Service Centres • In the event of breakdown in the means of communication used for the valuation of investments of the Scheme, without which the value of the securities cannot be accurately calculated. • In the event of any force majeure or disaster that affects the normal functioning of the AMC or the designated investor service centres. • SEBI, by order, so directs. <p>Units of the Schemes are not transferable, except if held in demat form (Available from October 01, 2011), which are freely transferable from one demat account to another demat account. However, restrictions on transfer of units of Baroda Pioneer ELSS'96 during the lock-in period shall continue to be applicable as per the ELSS guidelines. In view of this, additions / deletions of names of Unit holders will not be allowed under any folio of Baroda Pioneer ELSS'96. However, the said provisions will not be applicable in case a person becomes a holder of Units by operation of law or upon enforcement of pledge. In such an event, the AMC shall, subject to production of such satisfactory evidence and submission of such documents by the transferee, proceed to effect the transfer, if the intended transferee is otherwise eligible to hold the Units of the Scheme concerned. The provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in the case of joint holdings) as this is treated as transmission of Units and not as transfer.</p> <p>Pledge of Units</p> <p>Units under the Schemes may be offered as security by way of a pledge / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs) or any other body. The AMC and / or the Registrar will note and record the pledge of Units. The AMC shall mark a lien only upon receiving the duly completed form and documents, as it may require. Disbursement of the loans will be at the entire discretion of the bank / financial institution / NBFC or other body concerned and the Mutual Fund/AMC assumes no responsibility for that. The Pledgor will not be able to redeem Units that are pledged until the entity to which the Units are pledged provides a written authorization to the Mutual Fund that the pledge / lien charge may be removed. As long as the Units are pledged, the Pledgee will have complete authority to redeem such Units.</p> <p>Lien on Units</p> |

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| | <p>On an ongoing basis, when existing and new investors make subscriptions, a lien on units allotted will be created and such units shall not be available for redemption until the payment proceeds are realised by the Schemes. In the event of purchase, if the cheque / payment instrument is dishonoured by the bank, the transaction shall be reversed and the units allotted earlier shall be cancelled. In case a unit holder puts in a redemption request soon after making a purchase and before the units have been allotted, the redemption request will be rejected. However, the AMC reserves the right to change operational guidelines for lien on units from time to time. Units held in demat form (Available from October 01, 2011) will be freely transferable from one demat account to another demat account. Units held in demat mode can be pledged and lien can be marked as per the provisions of the Depositories Act and Rules and Regulations framed by Depositories.</p> <p>As per the ELSS guidelines, the Units issued under the Scheme can be assigned or pledged only after a period of 3 years from the date of allotment. (Applicable to Baroda Pioneer ELSS'96).</p> |
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B. PERIODIC DISCLOSURES

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| <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> | <p>The NAV will be calculated and declared by the mutual fund on each working day. NAV will be published in 2 newspapers as prescribed under SEBI (Mutual Funds) Regulations, 1996. NAV can also be viewed on www.barodapioneer.in and www.amfiindia.com.</p> <p>The AMC shall update the NAVs on the website of Association of Mutual Funds in India – AMFI (www.amfiindia.com) by 9 pm</p> |
| <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> | <p>Baroda Pioneer mutual fund shall publish a 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.</p> |
| <p>Half Yearly Results</p> | <p>Baroda Pioneer Mutual Fund and Asset Management Company shall before the expiry of one month from the close of each half year, that is on 31st March and on 30th 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.</p> |
| <p>Annual Report</p> | <p>An abridged / full Scheme-wise annual report, in electronic form, will be e-mailed to all unit holders who have provided their e-mail ids, not later than four months from the date of closure of the relevant accounting year.</p> <p>In the event of receipt of a request from a unit holder for a physical copy of the abridged/full Scheme-wise annual report, notwithstanding the registration of such a unit holder's e-mail address, the AMC will provide the unit holder with a physical copy.</p> <p>In the case of any unit holder whose email address is not available with the AMC/Fund and has not been</p> |

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| | <p>provided to the AMC/Fund even on request, a physical copy of the abridged/full Scheme-wise annual report will be sent to the unit holder.</p> <p>The link of the full Scheme-wise annual report will be displayed prominently on the website of the AMC, viz., www.barodapioneer.in, and physical copies will be made available for inspection at the head office of the AMC. Further, a copy of the full Scheme-wise annual report / abridged summary will be made available to unit holders on request.</p> |
| Associate Transactions | Please refer to Statement of Additional Information (SAI). |
| <p>Taxation</p> <p>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 consultant with their 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.</p> | For details on taxation, please refer to the clause on Taxation in the SAI |
| Investor Services | <p>Mr. Amitabh Ambastha 501 Titanium, 5th Floor, Western Express Highway Goregaon(E), Mumbai – 400063 +91 22 30741000 Toll Free No. 18004190911 Email: info@barodapioneer.in</p> <p>For any grievances with respect to transactions through stock exchange mechanism, Unit holders must approach either their stock broker or the investor grievance cell of the respective stock exchange.</p> |

C. COMPUTATION OF NAV

Valuation of assets, computation of NAV, repurchase price and their frequency of disclosure will be in accordance with the provisions of SEBI (MF) Regulations 1996/ Guidelines/ Directives issued by SEBI from time to time.

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 Schedule VIII of the Regulations, or such norms as may be prescribed by SEBI from time to time. The NAVs of the fund shall be rounded off upto two decimals for the equity Schemes and upto four decimals for the debt and Baroda Pioneer Liquid Fund.

NAV of units under the Scheme shall be calculated as shown below :

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's investments + Current Assets} - \text{Current Liabilities and Provisions}}{\text{No. of Units outstanding under Scheme on the valuation day}}$$

The NAV of the Scheme will be calculated on Daily basis. The valuation of the Scheme's assets and calculation of the Scheme's NAV shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

NAV Information

The AMC shall update the NAVs on the website of Association of Mutual Funds in India - AMFI (www.amfiindia.com) by 9.00 p.m. on daily basis. In case of any delay, the reasons for such delay would be explained to AMFI and SEBI by the next day. If the NAVs are not available before commencement of business hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAVs.

Further, as per SEBI Regulations, the repurchase price shall not be lower than 93% of the NAV and the sale price shall not be higher than 107% of the NAV and the difference between the repurchase price and sale price shall not exceed 7% on the sale price. In the case of close-ended scheme the repurchase price shall not be lower than 95% of the NAV.

IV. FEES AND EXPENSES

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

A. NEW FUND OFFER (NFO) EXPENSES :

Not applicable, as the schemes are ongoing schemes.

B. Annual Scheme Recurring Expenses

These are the fees and expenses for operating the schemes. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that up to 2.25% (for debt schemes) and 2.50% (for equity schemes) of the weekly average net assets of each scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

Presently the Fund estimates the recurring expenses as follows:

| Nature of Expenses | Baroda Pioneer PSU Fund | Baroda Pioneer Equity Fund | Baroda Pioneer Infrastructure Fund | Baroda Pioneer ELSS'96 | Baroda Pioneer Growth Fund | Baroda Pioneer Balance Fund |
|--|-------------------------|----------------------------|------------------------------------|------------------------|----------------------------|-----------------------------|
| % p.a. of Average daily net assets | | | | | | |
| Investment Management & Advisory Fees | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| Trustee Fees | 0.05 | 0.05 | - | - | - | - |
| Marketing & Selling Expenses including Commission | 0.65 | 0.65 | 0.60 | 0.60 | 0.60 | 0.60 |
| Custodian & Registrar & Transfer Agent Fees | 0.25 | 0.25 | 0.30 | 0.30 | 0.30 | 0.30 |
| Audit Fees | 0.01 | 0.01 | - | - | - | - |
| Costs of funds of transfer from location to location | 0.04 | 0.04 | - | - | - | - |
| Investment communication & Statutory advertisement | 0.10 | 0.10 | - | - | - | - |
| Other Expenses * | 0.15 | 0.15 | 0.35 | 0.35 | 0.35 | 0.35 |
| Total | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 |

*As permitted under the Regulation 52 of SEBI (MF) Regulations vide SEBI circular No. MFD/CIR/04/430/2002 dated 19/06/2002.

The AMC reserves the right to increase and decrease the fee within the ceilings prescribed under SEBI Regulations. The above annual recurring expenses are only the estimates and the actual expenses may vary from the above estimates but will be restricted to the ceilings of recurring expenses stated in Regulation 52(6) of the SEBI (Mutual Funds) Regulations, 1996, which are as follows:

These estimates have been made in good faith as per the information available to the Investment Manager based on past experience and are subject to change inter-se. Types of expenses charged shall be as per the SEBI (MF) Regulations. However, as per regulation 52 of SEBI (MF) Regulations, following maximum limits are applicable to the scheme:

- i) 2.50% on the first Rs.100 Crore of average weekly net assets.
- ii) 2.25% on the next Rs.300 Crore of average weekly net assets.
- iii) 2.00% on the next Rs.300 Crore of average weekly net assets.
- iv) 1.75% on the balance of the average weekly net assets.

Any recurring expenditure in excess of the above limits shall be borne by AMC. Of the exit load charged to investors in the Scheme, a maximum of 1% of the redemption proceeds shall be maintained in a separate account which may be used by the AMC to pay commissions to distributors and to take care of other marketing and selling expenses. Any balance shall be credited to the Scheme immediately.

C. LOAD STRUCTURE AND TRANSACTION CHARGE

(a) Load Structure

Load is an amount which is paid by the investor to subscribe to the units or to redeem 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. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC (www.barodapioneer.in) or call on the number, 18004190911) or contact your distributor.

The details of entry and exit load charged under each scheme are as follows:

Entry Load

In accordance with the requirements of SEBI circular no. SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009 no entry load is charged for purchase / additional purchase / switch-in accepted by the Fund. Similarly, no entry load is charged with respect to applications for registrations under systematic investment plans/ systematic transfer plans 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.

Pursuant to SEBI circular No. SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008, with effect from April 1, 2008, no entry load or exit load shall be charged in respect of bonus units and of units allotted on reinvestment of dividend.

Exit Load

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| Baroda Pioneer PSU Equity Fund | 1% if redeemed on or before 365 days from the date of allotment |
| Baroda Pioneer Infrastructure Fund | |
| Baroda Pioneer Growth Fund | 1% if redeemed on or before 12 months from the date of allotment |
| Baroda Pioneer Balance Fund | |
| Baroda Pioneer ELSS'96 | Nil |

In the event that the date of redemption is a holiday / non Business Day, the deemed date will be the next Business Day.

Of the exit load charged to the investor, a maximum of 1% of the redemption proceeds shall be maintained in a separate account which can be used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Any balance will be credited to the scheme immediately.

For any change in load structure, the AMC will issue an addendum and display it on the website/ISCs.

Any imposition or enhancement in the load shall be applicable on prospective investments only. However, the 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 fund may consider the following measures to avoid complaints from investors about investment in the schemes without knowing the loads:

- 1) The addendum detailing the changes may be attached to Scheme Information Documents and key information memorandum. The addendum may be circulated to all the distributors/brokers so that the same can be attached to all Scheme Information Documents and key information memoranda already in stock.
- 2) Arrangements may be made to display the addendum in the Scheme Information Document in the form of a notice in all the investor service centres and distributors/brokers office.
- 3) The introduction of the exit load along with the details may 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.

4) 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.

5) Any other measures which the mutual funds may feel necessary.

Investors are requested to check the prevailing load structure of the Scheme before investing. The list of ISCs of the AMC is available in this Scheme Information Document and on the website of the Mutual Fund.

(b) Transaction Charge

In order to enable people with small saving potential to invest in mutual fund products and to increase the reach of mutual fund products in urban areas and smaller towns, SEBI has permitted a transaction charge to be paid to distributors, as detailed below:

i. A transaction charge (presently Rs. 100/-) on every subscription of or above a certain amount (presently Rs. 10,000/-) will be deducted from the subscription amount for an existing investor in mutual funds, and the balance subscription amount will be invested.

ii. In the case of an investor investing in mutual funds for the first time, a transaction charge (presently Rs. 150/-*) on a subscription of or above a certain amount (presently Rs. 10,000/-) will be deducted from the subscription amount, and the balance subscription amount will be invested.

*In the case of any applicable transaction, where the AMC/Fund/Registrar is unable to identify whether the investor concerned is a first-time investor in mutual funds, the transaction charge applicable to existing investors in mutual funds (presently Rs. 100/-) will be deducted from the subscription amount, and the balance will be invested.

iii. For subscriptions lesser than a certain amount (presently Rs. 10,000/-), no transaction charges will be deducted from the subscription amount, and the entire subscription amount will be invested.

The transaction charge referred to in (i) and (ii) above will be payable only for transactions done through a distributor who has opted to receive the transaction charge.

iv. In the case of SIPs, the transaction charge shall be applicable only if the total commitment through SIPs, i.e. amount per SIP installment x No. of instalments, is of or above a certain amount (presently Rs. 10,000/-). In such cases, the transaction charge will be recovered in 3-4 installments.

v. There shall be no transaction charge on (i) transactions other than purchases/subscriptions relating to new inflows (eg . switch, STP) and (ii) direct transactions, i.e. where no distributor is involved.

vi. The CAS/account statement will clearly state the net investment, being gross subscription less transaction charge, and give the number of units allotted against the net investment.

Investors may note that the terms and conditions relating to applicability of transaction charge will also be part of the application form and may change from time to time on account of directions from SEBI and/or at the discretion of the AMC, subject to compliance of applicable requirements of SEBI at all times. Investors may also note that upfront commission to distributors shall continue to be paid by them directly by a separate cheque based on their assessment of various factors including the service rendered by the distributors.

For any change in the terms and conditions relating to applicability of transaction charge, the AMC will issue an addendum and display it on the website/at Investor Service Centres.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

In terms of SEBI Circular dated no. SEBI/IMD/CIR no. 4/168230/09 dated June 30 2009 , as no entry load can be charged by the AMC for any purchase or subscription of Units, waiver of load for direct applications does not apply.

V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS 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.

NIL

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.

There are no any monetary penalties imposed and/ or action taken by any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees.

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.

Following inquiry/adjudication proceedings are in progress:

- 1) The Bank was one of the bankers to the public issue of shares of Jaltarang Motels Limited ("Jaltarang") in December 1995. SEBI, by its order dated January 19, 2000 directed the Bank to refund the sum of Rs. 4,031,018 being the application money for the shares released by the Bank to the Jaltarang with interest at 15% from March 25, 1996 i.e. the day the Bank allowed withdrawal of the funds by Jaltarang in respect of funds collected from the public issue. The Bank preferred an appeal before the Securities Appellate Tribunal and the Tribunal, by order dated July 27, 2000, rejected the appeal. The bank has filed an appeal (Appeal No.2 of 2000) before the High Court, Mumbai against the said order of the Tribunal. The High Court, Mumbai, on November 13, 2000, granted interim relief of stay of the operation of the orders dated July 27, 2000 of the Securities Appellate Tribunal and January 19, 2000 of SEBI and has further applied for the matter be placed on the board for final hearing. The matter is still pending.
- 2) The merchant banking division of the Bank was the pre-issue lead manager for the public issue of shares of Trident Steels Limited ("Trident") in November 1993. SEBI issued a show cause notice dated April 29, 2004 calling upon the merchant banking division of the Bank to show cause why action should not be taken against it for failing in its duty to exercise due diligence in the abovementioned public issue. SEBI alleged that the merchant banking division of the Bank did not disclose the material fact that 750,000 shares out of the pre issue capital of Trident had been pledged by the directors and holders of those shares to the Industrial Finance Branch of the Bank towards enhancement of various credit facilities extended by the Bank to Trident. In October 1989, the directors and holders of those shares had given an undertaking that as long as the dues of Trident to the Bank are not paid in full, they will not transfer, deal with or dispose off equity or preference shares held by them in the company or any shares that might be acquired in future, without prior written consent of the Bank. BOB Caps, in its reply to the show cause notice, has submitted that it was the obligation of Trident to give true disclosures and that any punitive action will lie solely against Trident, its promoters and directors. The matter is still pending.
- 3) The Bank had acted as lead managers to the public issue of Kraft Industries Limited ("Kraft") in May 1995. It is alleged that the Managing Director and Promoter of Kraft did not possess the qualifications as mentioned in the prospectus. SEBI has asked for qualification certificates/copies from the Bank. The Managing Director of Kraft has reported having lost the certificates in transit. The Bank has replied accordingly to SEBI. Inquiry is still pending.

- 4) M.S. Shoes East Limited (MS Shoes) came out with a public issue of 17,584,800 zero interest unsecured fully convertible debentures at Rs. 199 each aggregating Rs. 3499,375,000 in February 1995. The Bank was one of the lead managers to the issue with responsibility for post-issue management and had underwritten the issue upto Rs. 150,000,000. After the closure of the issue, MS Shoes complained to the underwriters that some of the cheques accompanying the application for subscription were returned unpaid resulting in the collected amount falling short of the minimum subscription amount. Therefore MS Shoes called upon the underwriters to discharge their underwriting liability to the extent of proportionate devolution and raised a claim on the Bank for Rs. 116,665,043 towards devolution of underwriting liability. The Bank declined the liability on the ground that since the issue was declared oversubscribed by the Registrars to the issue no liability can devolve on the Bank under its underwriting commitment. SEBI had issued an enquiry notice dated July 20, 1995 to the Bank, but closed the matter, vide letter dated June 17, 1996, without imposing any penalty on the Bank. Pursuant to a complaint filed on behalf of MS Shoes, FIR No. 415 of 2000 dated October 1, 2000 was registered by Vikaspuri Police Station Delhi under sections 406 and 420 of the Indian Penal Code against BOB Capital Markets Limited, the Bank, its principal officers including the then CMD, and others, alleging cheating and breach of trust. In the complaint it has been submitted that the accused fraudulently and illegally induced MS Shoes to bring cheques from its associates and acquaintances so as to close the issue within four days, thereby representing to the public that the issue had been subscribed in full within the first four days. On this basis, the issue was represented to have been more than 90% subscribed and was closed by the accused. It is further submitted that the subscription having fallen down to about 40% within 30 days of the closure of the public issue, the underwriters were called to subscribe for the same in proportion, but many of the underwriters including the Bank did not obtain subscription as per the agreed underwriting amount. The High Court, New Delhi, by order dated December 11, 2000 in Criminal Writ No. 1221 of 2000 and Criminal Writ No. 1219 of 2000, ordered transfer of FIR No. 415 of 2000 to the Central Bureau of Investigation (CBI) and the same has been registered with the CBI, New Delhi as Crime No. RC.SIA-2001-E-0002 dated March 9, 2001. Investigation by the CBI is still pending.

- 5) Other cases pending:

| Branch | Name of Complainant | Court/ Tribunal & Case no./Year | Nature of case | Amount involved / claimed (Rs. in lakh) | Details of case | Bank's reply/Defence | Present status |
|----------|--|--|-----------------------------|---|--|-------------------------|--|
| Bareilly | BSNL, through its office at Cantt., Bareilly | Civil Judge (Sr. Division) 857 of 2004 | For payment of pending bill | Rs. 0.26 | BSNL has claimed payment of bill of Telephone No. 2570716. | That Bank had filed it. | For evidence of Plaintiff BSNL on 02.01.2010 |

| Name of Court/Forum & case no. | Name of the party/Complainant | Amount involved (Rs in lakh) | Details/ brief nature of case | Bank's Reply/ defence | Present Status and remarks |
|---|------------------------------------|------------------------------|--|--|--|
| CRL Appeal No256/2009 before HC, Delhi in Comp/u/s 8(1), 64(2) also read with sections 6(4),6(5),49 and 73(3) of FERA,1973. | Special Directorate of Enforcement | 10 | Allegations of violation of FERA regarding Deposit of Foreign Currency Notes in NRE a/c of Mr. Gurcharan Singh Sethi and Smt. Surinder Kaur, The Directorate Enforcement in order dated 11.08.04 held that Bank has failed to ensure the genuineness of the transactions and has contravened the provisions of FERA. | Bank's contention is that each time deposits are made of the amount of less than 10000 USD, hence there is no violation of provisions of FERA Act,1973 | On 03.03.2010, interim stay orders have been made absolute. Matter will be listed in due course. |

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|---|------------------------------------|---|--|--|--|
| | | | Penalty of Rs 10lacs was imposed. Bank has denied the allegations on the ground that individual transactions were of less than Rs 10 lakh. | | |
| CRL Appeal No325/2008 before HC, Delhi in Comp/u/s 8(1),64(2), also read with sections 6(4),6(5),49 and 73(3) of FERA,1973. | Special Directorate of Enforcement | 5 | Allegations of violation of FERA regarding Deposit of Foreign Currency Notes in NRE a/c of Mr. Sarbir Singh, from 25.01.92 to 31.01.92. The Directorate Enforcement in their order dated 11.08.04 held that the Bank has failed to ensure the genuineness of the transactions and has contravened the provisions of FERA. Penalty of Rs 5lakh was imposed. Appeal filed with the Appellate Authority was dismissed on 7.12.2007. Criminal Appeal before the Delhi High Court has been filed, which is pending. | Bank's contention was that each time deposits were made of the amount of less than 10000 USD, hence there is no violation of FERA Act,1973 | On 03.03.2010, interim stay orders have been made absolute. Matter will be listed in due course. |

| Branch | Name of party | Court/Tribunal & Case No./Year | Amount involved/claimed | Nature of Case/type of offence and section | Details/Brief nature of case | Banks reply/Defence | Present Status & Remarks |
|-----------------------|----------------------------|---|----------------------------------|---|---|---|---|
| Laxmi Road, Pune City | Pune Municipal Corporation | Civil/criminal court Pune Municipal corporation Court | Octroi penalty of Rs. 94.22 lakh | Bombay Provincial Municipal Corporation Act of 1949 - Section 398 | PMC claimed octroi @ 2% of value of Gold coins sold by Bank in the area of Pune Municipal Corporation. The octroi amount of Rs 9,42,200/- was paid by the Bank but PMC filed a criminal case for recovery of penalty (10 times of octroi amount) amounting to Rs 94,22,000/-, which the Bank refused to pay on the grounds that it was unjustified. | The Bank paid the amount of octroi of Rs. 9,42,200/- but refused to pay the penalty amounting to Rs. 94,22,000/- (10 times of octroi amount). | The case is pending at the Pune Court. The last hearing was on 20.04.2010. On 6.04.2010, the Bank filed a criminal writ petition in Mumbai High Court praying for: 1) Quashing the proceedings of criminal complaint No. 243 of 2009 filed by PMC. 2) Staying / suspending the further proceedings of criminal case No. 243 of 2009 till disposed off criminal writ petition filed by Bank on 06.04.2010. |

- 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.

There are no such instances

- 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.

Not Applicable.

GENERAL INFORMATION

• Jurisdiction

The jurisdiction for any matters or disputes arising out of the Scheme shall reside with the Courts in India.

• **AMC Investments:** The AMC may invest in Units of the Scheme and other schemes of Baroda Pioneer Mutual Fund on an ongoing basis. However, no investment management fees may be charged by the AMC on such investments.

• **Other business activities of the AMC:** The AMC provides non-binding investment advice to Pioneer Investment Management Limited for investment in the Indian equity market by SEBI registered FII sub-accounts. SEBI has given their NOC to the AMC for this vide their letter OW/20656/2011 dated June 29, 2011. There is no conflict of interest between this activity and the mutual fund business.

• Power to make Rules

Subject to the Regulations, the Trustees may, from time to time, prescribe such terms and make such rules or the purpose of giving effect to the Scheme with power to the AMC to add to, alter or amend all or any of the terms and rules that may be framed from time to time.

• Power to remove Difficulties

If any difficulties arise in giving effect to the provisions of the Scheme, the Trustees may, subject to the Regulations, do anything not inconsistent with such provisions, which appears to it to be necessary, desirable or expedient, for the purpose of removing such difficulty.

• Scheme to be binding on the Unit Holders:

Subject to the Regulations, the Trustees may, from time to time, add or otherwise vary or alter all or any of the features of investment plans and terms of the Scheme after obtaining the prior permission of SEBI and Unitholders (where necessary), and the same shall be binding on all the Unitholders of the Scheme and any person or persons claiming through or under them as if each Unitholder or such person expressly had agreed that such features and terms shall be so binding.

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.

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

**Place : Mumbai
Date : March 30, 2012**

**Sd/-
Rajan Krishnan
Managing Director**

Contact Information

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Bank of Baroda



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