

ADDENDUM

This Addendum to the Scheme Information Documents (“SID”) and Key Information Memoranda (“KIM”) of the schemes of Baroda Pioneer Mutual Fund (“Fund”) and the Statement of Additional Information (“SAI”) of the Fund is being issued to inform investors of the changes that have been effected in the SIDs and/or SAI and/or KIM, as the case maybe, in compliance of the requirements of SEBI circular CIR/IMD/DF/21/2012 dated September 13, 2012 and the SEBI (Mutual Funds) (Second Amendment) Regulations, 2012, notified on September 26, 2012. **All the changes mentioned in this Addendum shall be effective from October 01, 2012, unless otherwise expressly mentioned elsewhere in this Addendum.**

(A) Total Expense Ratio (TER):

In the SIDs, under ‘IV. Fees and Expenses’, the following changes shall be effected:

The entire disclosure under the head, ‘B. Annual Scheme Recurring Expenses’ shall be replaced by the following:

“B. Annual Scheme Recurring Expenses or Total Expense Ratio (TER):

These are the fees and expenses for operating the Schemes. These expenses include investment management and advisory fees charged by the AMC, custodial fees, registrar & transfer agent fees including costs related to providing accounts statement, dividend/redemption cheques/warrants etc., marketing & selling expenses including agents commission and statutory advertisement, brokerage & transaction cost pertaining to the distribution of units, audit fees, fees and expenses of trustees, costs related to investor communications, costs of fund transfer from location to location etc. Details of the TER for the Schemes are as given in the table below:

- *Table in the Combined SID (Debt):*

Nature of Expenses	Baroda Pioneer Short Term Bond Fund	Baroda Pioneer Monthly Income Plan (MIP) Fund	Baroda Pioneer Income Fund	Baroda Pioneer Public Sector Undertaking (PSU) Bond Fund	Baroda Pioneer Treasury Advantage Fund		Baroda Pioneer GILT Fund	Baroda Pioneer Liquid Fund (Regular [#] Plan and Institutional Plan)
					Regular [#]	Institutional		
% p.a. of average daily net assets								
Investment Management & Advisory Fees	1.89	1.75	1.55	1.89	1.89	1.69	1.25	1.00
Trustee Fees	0.05	-	-	0.05	0.05	0.05	-	-
Custodian & Registrar & Transfer Agent Fees	0.20	0.15	0.25	0.20	0.20	0.20	0.15	0.15
Audit Fees	0.01	-	-	0.01	0.01	0.01		
Other Expenses*	0.10	0.10	0.20	0.10	0.10	0.05	0.10	0.05
Total	2.25	2.00	2.00	2.25	2.25	2.00	1.50	1.20

Effective October 01, 2012, fresh subscriptions will not be accepted in the Regular Plan.

- *Table in the Combined SID (Equity):*

Nature of Expenses	Baroda PSU Equity Fund	Pioneer Infrastructure Fund	Baroda ELSS'96	Pioneer	Baroda Growth Fund	Pioneer	Baroda Balance Fund	Pioneer
	% p.a. of Average daily net assets							
Investment Management & Advisory Fees	2.04	2.04	1.85		1.85		1.85	
Trustee Fees	0.05	0.05	-		-		-	
Custodian & Registrar & Transfer Agent Fees	0.25	0.25	0.30		0.30		0.30	
Audit Fees	0.01	0.01	-		-		-	
Other Expenses *	0.15	0.15	0.35		0.35		0.35	
Total	2.50	2.50	2.50		2.50		2.50	

- *Table in the SID of Baroda Pioneer Dynamic Bond Fund:*

Nature of Expenses	As a % p.a. of Average daily net assets
Investment Management & Advisory Fees	1.89
Trustee Fees	0.05
Custodial Fees	0.10
Registrar & Transfer Agent Fees	0.10
Audit Fees	0.01
Other Expenses (including service tax*)	0.10
Total Recurring Expenses	2.25

- *Table in the SID of Baroda Pioneer Banking and Financial Services Fund:*

Nature of Expenses	As a % of the daily average net assets
Investment Management & Advisory Fees	2.04%
Trustee Fees	0.05%
Custodian & Registrar & Transfer Agent Fees	0.25%
Audit Fees	0.01%
Other Expenses* (including service tax)	0.15%
Total Recurring Expenses	2.50%

- *Table in the SIDs of Fixed Maturity Plans:*

Nature of Expenses	% p.a. of Average daily net assets
Investment Management & Advisory Fees	1.89
Trustee Fees	0.05
Custodian Fees	0.10
Registrar & Transfer Agent Fees	0.10
Audit Fees	0.01
Other Expenses*(including service tax and listing fees)	0.10
Total Recurring Expenses	2.25

*As permitted under Regulation 52 of the SEBI Regulations.

These estimates have been made in good faith as per the information available to the AMC, based on past experience, and are subject to change inter-se. Types of expenses charged shall be as per the SEBI Regulations. For the actual current expenses being charged, investors should refer to the

website of the Fund, www.barodapioneer.in. Investors may note that the above mentioned limits on TER are within the limits mandated by Regulation 52 (6) of the SEBI Regulations, which are as under:

In the SIDs of debt/income Schemes:

- i) 2.25% on the first Rs.100 Crore of average daily net assets.
- ii) 2.00% on the next Rs.300 Crore of average daily net assets.
- iii) 1.75% on the next Rs.300 Crore of average daily net assets.
- iv) 1.50% on the balance of the average daily net assets.

In the SIDs of equity/growth Schemes:

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

The AMC will also annually set apart, for investor education and awareness initiatives, at least 0.02% on the daily net assets of each Scheme, which shall be within the maximum limit of TER as mentioned in the table above. Further, in addition to the TER, the following costs or expenses may be charged to each Scheme, namely:

- (a) brokerage and transaction costs which are incurred for the purpose of execution of trade and are included in the cost of investment, not exceeding 0.12% in case of cash market transactions and 0.05% in case of derivatives transactions;
- (b) expenses not exceeding of 0.30% of daily net assets, if the new inflows from such cities as specified by SEBI from time to time are at least (i) 30% of gross new inflows in the scheme, or (ii) 15% of the average assets under management (year to date) of the scheme, whichever is higher. Provided that if inflows from such cities are less than the higher of (i) or (ii) above, such expenses on the daily net assets of the Scheme shall be charged on a proportionate basis. Provided further that the expenses charged under this provision shall be utilised for distribution expenses incurred for bringing inflows from such cities. Provided further that the amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.
- (c) additional expenses, incurred towards different heads, not exceeding 0.20% of the daily net assets of the Scheme.

Investors may note that service tax on investment and advisory fees may be charged to the Scheme in addition to the maximum limit of TER as mentioned in the table above. Service tax on expenses other than investment and advisory fees, if any, shall be borne by the Scheme within the maximum limit of TER as mentioned in the table above. Service tax on brokerage and transaction costs paid for asset purchases, if any, shall be within the limit of 0.12%/0.05% mentioned in (a) above.”

References in the KIM to the Recurring Expenses shall be read as if they include references to the above section, viz., “The AMC will also annually set apart.... 0.12%/0.05% mentioned in (a) above.”, and all references to “weekly” average net assets in the KIM shall be replaced with “daily” average net assets.

(B) Exit Load:

In all the SIDs other than those of the Fixed Maturity Plans, under ‘IV. Fees and Expenses’, the following change shall be effected:

In the section, ‘C. Load Structure and Transaction Charge’, under ‘(a) Load Structure’, the following sentence shall be inserted after the table on exit load:

"The exit load (net of service tax) charged, if any, on or after October 01, 2012, shall be credited to the Scheme."

(C) Single Plan Structure:

In Baroda Pioneer Liquid Fund and Baroda Pioneer Treasury Advantage Fund, each of which has a Regular Plan and an Institutional Plan, fresh subscriptions will be accepted only under the Institutional Plan. The subscription amount/minimum application amount will be Rs. 5,000/- and multiples of Re. 1/- thereafter for first time purchase, and Rs. 1,000/- and multiples of Re. 1/- thereafter for additional purchase.

In view of the above changes:

- (i) Baroda Pioneer Liquid Fund – Institutional Plan and Baroda Pioneer Treasury Advantage Fund – Institutional Plan will be referred to as Baroda Pioneer Liquid Fund and Baroda Pioneer Treasury Advantage Fund respectively and will be read accordingly, wherever they appear in the Combined SID – Debt and the KIM for these schemes.
- (ii) The minimum application amount will be read, wherever it appears in the Combined SID – Debt and the KIM for these schemes, as Rs. 5,000/- and multiples of Re. 1/- thereafter for first time purchase and Rs. 1,000/- and multiples of Re. 1/- thereafter for additional purchase.
- (iii) From November 01, 2012, all triggered transactions such as systematic investment plans, systematic transfer plans, dividend reinvestment etc., which are being made in the Regular Plan of these schemes, will be discontinued.

The Regular Plan in each of these Schemes will continue till the existing investors remain invested in the Plan.

(D) Harmonizing Applicability of NAV Across Schemes:

In the Combined SID – Debt, in the sections on 'Applicable NAV' / 'Cut-off timing for subscriptions/redemptions/switches' appearing under 'I. Introduction' - 'D. Definitions and Interpretation' / 'III. Units and Offer' – 'B. Ongoing Offer Details', and in the corresponding KIM, the provisions regarding Applicable NAV for allotment of units in respect of purchase in income/ debt oriented schemes (other than liquid) for an amount equal to or more than Rs. 1 crore, shall be replaced with the following:

"For purchase of units in the Schemes (other than Baroda Pioneer Liquid Fund) – (a) in respect of valid applications for amounts equal to or more than Rs. 2 lakh, units will be allotted based on the NAV of the day on which the funds are realized up to 3.00 p.m., subject to the transaction being time-stamped appropriately; (b) in respect of all valid applications for amounts less than Rs. 2 lakh, allotment of units will be based on the NAV as per the time stamp."

In the SID of Baroda Pioneer Dynamic Bond Fund and SIDs of FMPs, in the sections on 'Applicable NAV'/'Cut-off timing for subscriptions/ redemptions/ switches' appearing under 'I. Introduction' - 'D. Definitions and Interpretation' / 'III. Units and Offer' – 'B. Ongoing Offer Details', and in the corresponding KIMs, the provisions regarding Applicable NAV for allotment of units in respect of purchase in income/ debt oriented schemes (other than liquid) for an amount equal to or more than Rs. 1 crore, shall be replaced with the following:

"For purchase of units – (a) in respect of valid applications for amounts equal to or more than Rs. 2 lakh, units will be allotted based on the NAV of the day on which the funds are realized up to 3.00 p.m., subject to the transaction being time-stamped appropriately; (b) in respect of all valid applications for amounts less than Rs. 2 lakh, allotment of units will be based on the NAV as per the time stamp."

In the Combined SID – Equity and SID of Baroda Pioneer Banking and Financial Services Fund, in the sections on 'Applicable NAV'/'Cut-off timing for subscriptions/ redemptions/ switches' appearing under 'I. Introduction' - 'D. Definitions and Interpretation' / 'III. Units and Offer' – 'B. Ongoing Offer Details', and in the corresponding KIMs, the following paragraph shall be inserted at the end of the existing narration:

“For purchase of units – (a) in respect of valid applications for amounts equal to or more than Rs. 2 lakh, units will be allotted based on the NAV of the day on which the funds are realized up to 3.00 p.m., subject to the transaction being time-stamped appropriately; (b) in respect of all valid applications for amounts less than Rs. 2 lakh, allotment of units will be based on the NAV as per the time stamp.”

(E) Cash Investments:

In the SAI, the following paragraphs shall be inserted as point 14 under ‘A. Purchase’, appearing under ‘II. How to Apply’:

“In order to help enhance the reach of the Schemes amongst small investors, who may not be tax payers and may not have PAN/bank accounts, such as farmers, small traders/businessmen/workers, cash transactions in the Schemes to the extent of Rs. 20,000/- per investor, per mutual fund, per financial year will be allowed subject to (i) compliance of PMLA and Rules framed there under, SEBI circulars on AML and other applicable AML rules, regulations and guidelines and (ii) sufficient systems and procedures in place.

The AMC is currently working on the operational aspects and on getting the systems and procedures in place for acceptance of cash. Hence, the exact date from which cash will be accepted by the AMC as a mode of payment for purchase of units of the Schemes of the Fund will be intimated to investors by way of an appropriate notice displayed at the ISCs.”

(F) Prudential limits and disclosures on portfolio concentration risk in debt-oriented mutual fund schemes:

In the SID and KIM of Baroda Pioneer Dynamic Bond Fund, the disclosure regarding restriction on total exposure in a particular sector, wherever it appears, shall be replaced by the following:

“The AMC will ensure that the total exposure of the Scheme to a particular sector as classified by AMFI (excluding investments in Bank CDs, CBLO, G-Secs, T-Bills and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 30% of the net assets of the Scheme.”

In the Combined SID – Debt and corresponding KIM, the following disclosure regarding restriction on total exposure in a particular sector shall be added at the end of the existing narration under Asset Allocation Pattern and Investment Restrictions, appearing under ‘II. Information about the Schemes’:

“Within one year from September 13, 2012, the AMC will ensure that the total exposure of each Scheme in a particular sector as classified by AMFI (excluding investments in Bank CDs, CBLO, G-Secs, T-Bills and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) does not exceed 30% of the net assets of the scheme. During this one year, the total exposure of each Scheme in a particular sector shall not increase from the levels existing (if above 30%) as on September 13, 2012.”

In the Combined SID – Equity and corresponding KIM, the following disclosure regarding restriction on total exposure in a particular sector shall be added at the end of the existing narration under Asset Allocation Pattern and Investment Restrictions, appearing under ‘II. Information about the Schemes’:

“In the case of Baroda Pioneer Balance Fund, within one year from September 13, 2012, the AMC will ensure that the total exposure of the Scheme in a particular sector as classified by AMFI (excluding investments in Bank CDs, CBLO, G-Secs, T-Bills and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) does not exceed 30% of the net assets of the Scheme. During this one year, the total exposure of the Scheme in a particular sector shall not increase from the levels existing (if above 30%) as on September 13, 2012.”

(G) Half-yearly Financial Results:

In all the SIDs and KIMs, the disclosure regarding half-yearly unaudited financial results of the Schemes of the Fund shall be replaced with the following:

“The Mutual Fund shall, within one month from the close of each half year, that is on 31st March and on 30th September, host a soft copy of its unaudited financial results on the AMC’s website. The AMC shall publish an advertisement disclosing the hosting of such financial results on its website, in at least one English daily newspaper having nationwide circulation and in a newspaper having wide circulation published in the language of the region where the head office of the Mutual Fund is situated.”

All other terms and conditions of the SAI, SIDs and KIMs under reference remain unchanged.

This Addendum forms an integral part of the SAI and/or SIDs and/or KIMs, as the case maybe, and shall always be read in conjunction with them.

**Place: Mumbai
Date: September 28, 2012**

**For Baroda Pioneer Asset Management
Company Limited**

Sd/-

Authorized Signatory