Mahindra Manulife | MUTUAL FUND

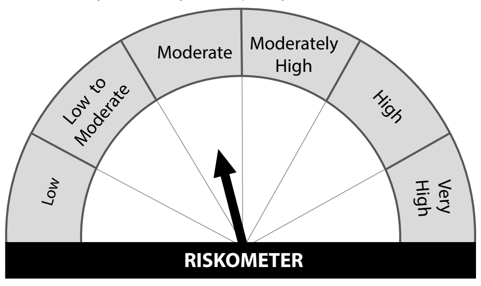
MAHINDRA MANULIFE INVESTMENT MANAGEMENT PRIVATE LIMITED
(Formerly known as Mahindra Asset Management Company Private Limited)
Corporate Identity Number: U65900MH2013PTC244758
Registered Office : "A" Wing, 4th Floor, Mahindra Towers, Dr. G.M Bhosale Marg, P.K. Kurne Chowk, Worli, Mumbai 400 018
Corporate Office: 1st Floor, Sadhana House, 570, P.B Marg, Worli, Mumbai – 400 018
Tel: 1800 4196244; website: www.mahindramanulife.com;
email id: mfinvestors@mahindra.com

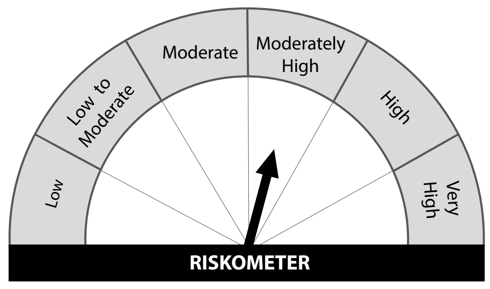
NOTICE - CUM –ADDENDUM NO. 8/2021

NOTICE - CUM – ADDENDUM TO SCHEME INFORMATION DOCUMENT (SID) AND KEY INFORMATION MEMORANDUM (KIM) OF MAHINDRA MANULIFE CREDIT RISK FUND OF MAHINDRA MANULIFE MUTUAL FUND

Change in Fundamental Attributes of Mahindra Manulife Credit Risk Fund, an open ended debt scheme predominantly investing in AA and below rated Corporate Bonds (excluding AA+ rated Corporate Bonds) ('Scheme') of Mahindra Manulife Mutual Fund ('Fund')

NOTICE is hereby given to the unitholders of the Scheme, that the Board of Directors of Mahindra Manulife Investment Management Private Limited (Formerly known as Mahindra Asset Management Company Private Limited) ['MMIMPL'] and Mahindra Manulife Trustee Private Limited (Formerly known as Mahindra Trustee Company Private Limited) ('MMTPL') have approved the proposal for change in categorization of the Scheme from 'Credit Risk Fund' to 'Dynamic Bond' and incorporating below mentioned changes to the Scheme Information Document ('SID') and Key Information Memorandum ('KIM') of the Scheme:

<table>
<tr><th>Particulars</th><th>Existing Provisions</th><th>Revised Provisions</th></tr>
<tr><td>Name of the Scheme</td><td>Mahindra Manulife Credit Risk Fund</td><td>Mahindra Manulife Dynamic Bond Yojana</td></tr>
<tr><td>Type of the Scheme</td><td>An open ended debt scheme predominantly investing in AA and below rated corporate bonds (excluding AA+ rated corporate bonds)</td><td>An open ended dynamic debt scheme investing across duration</td></tr>
<tr><td>Product Labelling</td><td>This product is suitable for investors who are seeking*:
• To generate regular returns and capital appreciation over medium term
• Investment predominantly in AA and below rated corporate bonds, debt, government securities and money market instruments while maintaining the optimum balance of yield, safety and liquidity


Investors understand that their principal will be at moderate risk
* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</td><td>This product is suitable for investors who are seeking*:
• To generate regular returns and capital appreciation through active management of portfolio
• Investments in debt & money market instruments across duration


Investors understand that their principal will be at moderately high risk
* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</td></tr>
<tr><td>Investment Objective</td><td>The investment objective of the Scheme is to generate regular returns and capital appreciation by investing predominantly in AA and below rated corporate bonds, debt, government securities and money market instruments while maintaining the optimum balance of yield, safety and liquidity. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.</td><td>The investment objective of the Scheme is to generate regular returns and capital appreciation through an active management of a portfolio constituted of money market and debt instruments across duration. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.</td></tr>
<tr><td>Benchmark Index</td><td>NIFTY Credit Risk Bond Index
Justification for use of benchmark
NIFTY Credit Risk Bond Index covers the requisite rating spectrum that aligns with the investment strategy and portfolio construct of the scheme and hence positioned to be more appropriate for evaluating the performance of the scheme.</td><td>Crisil Composite Bond Fund Index
Justification for use of benchmark
The composition of the benchmark is such that it is most suited in line with the investment strategy and portfolio construct of the Scheme for comparing performance of the Scheme.
The constituents and weights of CRISIL Composite Bond Fund Index are as under:
<table>
<tr><th>Constituents</th><th>Applicable Weight from October 2020</th></tr>
<tr><td>CRISIL Composite Gilt Index</td><td>45%</td></tr>
<tr><td>CRISIL AAA Long Term Bond Index</td><td>18%</td></tr>
<tr><td>CRISIL AAA Medium Term Bond Index</td><td>12%</td></tr>
<tr><td>CRISIL AAA Short Term Bond Index</td><td>21%</td></tr>
<tr><td>CRISIL AA and AA+ Long Term Bond Index</td><td>1%</td></tr>
<tr><td>CRISIL AA and AA+ Medium Term Bond Index</td><td>1%</td></tr>
<tr><td>CRISIL AA and AA+ Short Term Bond Index</td><td>2%</td></tr>
</table></td></tr>
<tr><td>How will the scheme allocate its assets?</td><td>Under normal circumstances the asset allocation pattern will be:
<table>
<tr><th rowspan="2">Instruments</th><th colspan="2">Indicative Allocation (%of net assets)</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Corporate Debt rated AA^ and below*#</td><td>65%</td><td>100%</td></tr>
<tr><td>Other Debt# & Money Market instruments</td><td>0%</td><td>35%</td></tr>
<tr><td>Units issued by REITs & InvITs</td><td>0%</td><td>10%</td></tr>
</table>
*Corporate Debt include Debenture, Bonds, Commercial Papers and other instruments issued by Corporate entities (private institutions across sectors including NBFC's, Banks, Financial Institutions, Public Sector Undertakings, etc.), Securitized Debt, etc. where the issuer rating is lower than or equal to AA or other equivalent rating.
^ Excluding AA+ rated Corporate Bonds
#Includes securitized debt up to 30% of the net assets of the Scheme.
Investment in Derivatives – up to 50% of the net assets of the Scheme. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time.
The Scheme may undertake repo / reverse repo transactions in corporate debt securities in accordance with the directions issued by RBI and SEBI from time to time. Such investment shall be made subject to the guidelines which may be prescribed by the Board of Directors of the AMC and Trustee Company and subject to following exposure limits:
a. The gross exposure of the Scheme to repo transactions in corporate debt securities shall not be more than 10 % of the net assets of the Scheme.
b. The cumulative gross exposure through repo transactions in corporate debt securities alongwith investments in debt securities, money market instruments, units issued by REITs & InvITs and exposure in derivatives' positions shall not exceed 100% of the net assets of the Scheme.
All of the Scheme's assets will be invested in transferable securities. The corpus of the Scheme shall not in any manner be used in option trading, short selling or carry forward transactions as stipulated in SEBI Regulations and amended from time to time.
The Scheme shall not invest in credit default swaps and foreign securities. The Scheme shall not engage into securities lending and borrowing.
All the investments by the Mutual Fund under the scheme shall be guided by investment restrictions as specified in SEBI (Mutual Funds) Regulations, 1996 from time to time.
In terms of SEBI Circular No. CIR/IMD/DF/05/2014 dated March 24, 2014, since the investments in short term deposits of scheduled commercial banks is allowed, pending deployment of funds of a scheme shall also be excluded while calculating sector exposure.
Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 and September 20, 2019, as may be amended from time to time.
The Scheme may deploy upto 100% in cash / cash equivalents (including CBLO and Reverse Repo in government securities), in case of non-availability of desired debt and money market instruments or if the Fund Manager is of the view that the risk-reward is not in the best interest of the Unit Holders. The Scheme retains the flexibility to invest across all the securities in the debt and Money Market Instruments. The Scheme may also invest in units of debt and liquid mutual fund schemes. The portfolio may hold cash depending on the market condition. The fund manager can use Derivative instruments to protect the downside risk.
The Scheme may review the above pattern of investments based on views on interest rates and asset liability management needs. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.
Subject to the SEBI 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. These proportions can vary substantially depending upon the perception of the fund 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 short term and for defensive considerations only. In case of deviation, the portfolio would be rebalanced within 30 days from the date of deviation. In case the same is not aligned to the above asset allocation pattern within 30 days, justification shall be provided to the Investment Committee and reasons for the same shall be recorded in writing. The Investment Committee shall then decide on the course of action.</td><td>Under normal circumstances the asset allocation pattern will be:
<table>
<tr><th rowspan="2">Instruments</th><th colspan="2">Indicative Allocation(%of net assets)</th></tr>
<tr><th>Minimum</th><th>Maximum</th></tr>
<tr><td>Debt* & Money Market instruments</td><td>0%</td><td>100%</td></tr>
<tr><td>Units issued by REITs & InvITs</td><td>0%</td><td>10%</td></tr>
</table>
* Includes securitized debt and debt instruments having structured obligations/credit enhancements (such as corporate / promoter guarantee, conditional and contingent liabilities, covenants, pledge and / or Non Disposal Undertaking of shares etc) upto 35% of the net assets of the Scheme.
Further, the investment by the Scheme in the following instruments shall not exceed 10% of the debt portfolio of the Scheme and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the Scheme:
a. Unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade and
b. Supported rating of debt instruments (i.e. after factoring-in credit enhancement) is above investment grade.
For the purpose of this provision, 'Group' shall have the same meaning as defined in paragraph B(3)(b) of SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2016/35 dated February 15, 2016.
These limits shall not be applicable on investments in securitized debt instruments, as defined in SEBI (Public Offer and Listing of Securitized Debt Instruments) Regulations 2008.
Investment in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares.
Investment in Derivatives – up to 50% of the net assets of the Scheme. Investment in derivatives shall be for hedging, portfolio balancing and such other purposes as maybe permitted from time to time.
The Scheme may invest in Credit Default Swaps (CDS) in accordance with SEBI Circular No. CIR/IMD/DF/23/2012 dated November 15, 2012.
The Scheme shall not invest in foreign securities. The Scheme shall not engage into securities lending and borrowing.
The Scheme may undertake repo / reverse repo transactions in corporate debt securities in accordance with the directions issued by RBI and SEBI from time to time. Such investment shall be made subject to the guidelines which may be prescribed by the Board of Directors of the AMC and Trustee Company and subject to following exposure limits:
a. The gross exposure of the Scheme to repo transactions in corporate debt securities shall not be more than 10 % of the net assets of the Scheme.
b. The cumulative gross exposure through repo transactions in corporate debt securities alongwith investments in debt securities, money market instruments, units issued by REITs & InvITs and exposure in derivatives' positions shall not exceed 100% of the net assets of the Scheme.
All of the Scheme's assets will be invested in transferable securities. The corpus of the Scheme shall not in any manner be used in option trading, short selling or carry forward transactions as stipulated in SEBI Regulations and amended from time to time.
All the investments by the Mutual Fund under the scheme shall be guided by investment restrictions as specified in SEBI (Mutual Funds) Regulations, 1996 from time to time.
In terms of SEBI Circular No. CIR/IMD/DF/05/2014 dated March 24, 2014, since the investments in short term deposits of scheduled commercial banks is allowed, pending deployment of funds of a scheme shall also be excluded while calculating sector exposure.
Pending deployment of the funds in securities in terms of investment objective of the Scheme, the AMC may park the funds of the Scheme in short term deposits of the Scheduled Commercial Banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007 and September 20, 2019, as may be amended from time to time.
The Scheme retains the flexibility to invest across all the securities in the debt and Money Market Instruments. The Scheme may also invest in units of debt and liquid mutual fund schemes. The fund manager can use Derivative instruments to protect the downside risk.
The Scheme may review the above pattern of investments based on views on interest rates and asset liability management needs. However, at all times the portfolio will adhere to the overall investment objectives of the Scheme.
Subject to the SEBI 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. These proportions can vary substantially depending upon the perception of the fund 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 short term and for defensive considerations only. In case of deviation, the portfolio would be rebalanced within 30 days from the date of deviation. In case the same is not aligned to the above asset allocation pattern within 30 days, justification shall be provided to the Investment Committee and reasons for the same shall be recorded in writing. The Investment Committee shall then decide on the course of action.</td></tr>
<tr><td>Where will the Scheme Invest?@</td><td>-</td><td>Following shall be added under the section 'Where will the Scheme Invest?':
1. Triparty Repo (TREPS) – "Triparty repo" means a repo contract where a third entity (apart from the borrower and lender), called a Tri- Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction. TREPS facilitates, borrowing and lending of funds, in Triparty Repo arrangement.
2. Investment in Structured Obligations (such as corporate / promoter guarantee, conditional and contingent liabilities, covenants, pledge and / or Non Disposal Undertaking of shares etc) - Structured Obligations carry a layer of credit enhancement as compared to the conventional bond issuances. This credit enhancement supports the payment of interest and principal on the instrument and such enhancement may be internal or external. Enhancement can be in the form of, but not limited to, equity shares as collateral, full or partial corporate guarantee, escrowing revenue account, etc.</td></tr>
<tr><td>Scheme Specific Risk Factors@</td><td>-</td><td>Following shall be added under the section 'Scheme Specific Risk Factors':
Risks associated with Structured Obligations/ Credit Enhancements
<u>Counterparty Risk</u>
This is the risk of failure of counterparty to a transaction to deliver securities against consideration received or to pay consideration against securities delivered, in full or in part or as per the agreed specification. Counterparty risk also includes (not limited to) non-performance of the servicer, the designated bank, swap counterparties, guarantor, etc. There could be losses to the Scheme in case of a counterparty default.
<u>Counterparty risk associated with credit enhancement</u>: Credit enhancement can be provided by guarantee or cash collateral. For instance in case of guarantee, the investors are exposed to the credit quality risk of corporate entity providing the guarantee. Similarly, if the cash collateral is the fixed deposit of a financial institution, the investor is exposed to the credit risk associated with that financial institution.
<u>Credit Risk</u>
This is the risk associated with the issuer, defaulting on coupon payments or in paying back the principal amount on maturity. The price of a security may change with expected changes in the credit rating of the issuer.
<u>Market Risk</u>
Market Risk arises on account of factors external to structured transactions. Prepayment of loans, movement in interest rates, and other macro-economic factors are type of market risk. Market risk may also arise because of a possible impairment in the market value of the underlying collateral/security.</td></tr>
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MAHINDRA MANULIFE INVESTMENT MANAGEMENT PRIVATE LIMITED
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Corporate Identity Number: U65900MH2013PTC244758
Registered Office : "A" Wing, 4th Floor, Mahindra Towers, Dr. G.M Bhosale Marg, P.K. Kurne Chowk, Worli, Mumbai 400 018
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NOTICE - CUM –ADDENDUM NO. 8/2021 *(Cont'd.)*

Scheme Specific Risk Factors@	-	**Legal Risk** Legal risk may arise in a situation where if the underlying borrower or guarantor goes bankrupt, there is a possibility that the bankruptcy court may attach the receivables/security, and may decide that the cash flows should not be specifically earmarked to the investors in the structured transaction. **Collateral Risk** Collateral in form of equity shares have an embedded risk of sharp price volatility which may potentially lead to erosion in value of collateral affecting the ability of the fund to recover capital and interest obligations. Further underlying liquidity of the equity shares may vary leading to a lower recovery and a higher impact cost of liquidation. Also there is a possibility of guarantor going insolvent which also can impact the recovery value of exposure. In case of other assets provided recovery value and enforce ability of asset can also be a risk factor which can lower the recovery value. **Risks associated with investing in Tri-party Repo (TREPS) through CCIL** The Mutual Fund is a member of securities segment and Tri-party Repo trade settlement of the Clearing Corporation of India Limited (CCIL). All transactions of the Mutual Fund in government securities and in Tri-party Repo trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counterparty risks considerably for transactions in the said segments. The members are required to contribute an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in settling transactions routed through CCIL). CCIL shall maintain two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty Repo trades. The Mutual Fund is exposed to the extent of its contribution to the default fund of CCIL at any given point in time i.e. in the event that the default waterfall is triggered and the contribution of the Mutual Fund is called upon to absorb settlement/default losses of another member by CCIL, the Scheme may lose an amount equivalent to its contribution to the default fund. Further, it maybe noted that, CCIL periodically prescribes a list of securities eligible for contributions as collateral by members. Presently, all Central Government securities and Treasury bills are accepted as collateral by CCIL. The risk factors may undergo change in case the CCIL notifies securities other than Government of India securities as eligible for contribution as collateral.
What are the Investment Strategies?@	The Scheme seeks to predominantly invest in a portfolio of AA rated and below corporate debt securities. The fund manager will seek to invest in these securities to increase the accrual of the scheme, play the movement in the credit spreads and also look at the term structure of the credit curve while deciding on the portfolio allocation. The credit evaluation will analyse the operating environment of the issuer, the sector analysis, business model, management, governance practices, quality of the financials, the past track record as well as the future prospects of the issuer and the financial health of the issuer. The fund manager may also initiate tactical allocation in the portfolio according to the prevalent market conditions in order to generate alpha in the scheme. The fund manager will also seek to play out the yield curve and exploit anomalies if any in the curve, for the portfolio construction after analyzing the macro-economic environment including future course of system liquidity, interest rates and inflation along with other considerations in the economy and markets.	The investment strategy of the Scheme shall be modified as provided below: The Scheme seeks to generate returns for its investors through an active management of its portfolio of debt and money market instruments. The active management would involve changing the duration of the portfolio, changing the allocation between corporate debt securities and gilts and positioning for exploiting any anomalies in the term structure of the yield curve. The Fund Manager will initiate and manage the portfolio after analyzing the macro-economic environment including future course of system liquidity, interest rates and inflation along with other considerations in the economy and markets. The Fund Manager will also seek to play the movement in the credit spreads and also look at the term structure of the credit curve while deciding on the portfolio allocation. The Fund Manager may also initiate tactical allocation in the portfolio according to the prevalent market conditions in order to generate alpha in the Scheme. The investment team of the AMC will, as a mitigation and risk control procedure, carry out rigorous credit evaluation of the issuer company proposed to be invested in. The credit evaluation will analyse the operating environment of the issuer, the sector analysis, business model, management, governance practices, quality of the financials, the past track record as well as the future prospects of the issuer and the financial health of the issuer. The investment team follows Risk Guard process - an internal research and process framework that focusses on the quality of business, financial and management, for security selection and monitoring. Also as a part of the risk mitigation framework, the investment team would keep adequate liquidity buffers in form of liquid securities to manage any drawdowns.
Creation of Segregated Portfolio in the Scheme@	**Segregated Portfolio:** In case of a credit event at issuer level, the AMC may create a segregated portfolio of debt and money market instruments under the Scheme in compliance with the SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2018/160 dated December 28, 2018, as amended from time to time. **Conditions for creation of a segregated portfolio** As per the policy on segregation of scheme portfolios approved by the Board of Directors of the AMC and Trustees, creation of a segregated portfolio is optional and may be created at the discretion of the AMC, in case of a credit event at issuer level i.e. downgrade in credit rating by a Credit Rating Agency (CRA) as under: 1. Downgrade of a debt or money market instrument to 'below investment grade'; or 2. Subsequent downgrades of the said instruments from 'below investment grade'; or 3. Similar such downgrades of a loan rating. In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level.	In terms of SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2019/127 dated November 7, 2019 the provisions regarding segregation of portfolio of unrated debt and money market instruments shall be incorporated under the existing section 'Creation of Segregated Portfolio in the Scheme' in the SID of the Scheme. Accordingly, the corresponding disclosure of the SID shall be modified as provided below: **Segregated Portfolio:** In case of a credit event at issuer level, the AMC may create a segregated portfolio of debt and money market instruments under the Scheme in compliance with the SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2018/160 dated December 28, 2018 read with SEBI Circular no. SEBI/HO/IMD/DF2/CIR/P/2019/127 dated November 7, 2019, as amended from time to time. **Conditions for creation of a segregated portfolio** As per the policy on segregation of scheme portfolios approved by the Board of Directors of the AMC and Trustees, creation of a segregated portfolio is optional and may be created at the discretion of the AMC, in case of a credit event at issuer level as provided below: **Credit Event:** **A. Rated debt and money market instruments:** In case of rated debt and money market instruments the credit event at issuer level shall be downgrade in credit rating by a Credit Rating Agency (CRA) as provided below: 1. Downgrade of a debt or money market instrument to 'below investment grade'; or 2. Subsequent downgrades of the said instruments from 'below investment grade'; or 3. Similar such downgrades of a loan rating. In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level. **B. Unrated debt and money market instruments:** In case of unrated debt or money market instruments, Segregated Portfolio may be created only in case of actual default of either the interest or principal amount by the issuer of such instruments; Provided that such issuer shall not have any outstanding rated debt or money market instruments. In case of default of unrated debt or money market instruments, the AMC shall inform AMFI immediately about the actual default by the issuer. Upon being informed about the default, AMFI shall immediately inform the same to all AMCs. Pursuant to dissemination of information by AMFI about actual default by the issuer, AMCs may segregate the portfolio of debt or money market instruments of the said issuer in terms of the applicable regulatory requirements
Exit Load	10% of the units allotted shall be redeemed without any exit load, on or before completion of 12 months from the date of allotment of Units. Any redemption in excess of the above limit shall be subject to the following exit load: • An exit load of 1% is payable if Units are redeemed / switched-out on or before completion of 12 months from the date of allotment of Units; • Nil - If Units are redeemed / switched-out after completion of 12 months from the date of allotment of Units. Redemption /Switch-Out of Units would be done on First in First out Basis (FIFO)	Nil

Other details of the Scheme

NAV of the Scheme as on March 19, 2021 (in Rs.)	Mahindra Manulife Credit Risk Fund - Direct Plan – Discretionary Dividend	11.2724
	Mahindra Manulife Credit Risk Fund - Direct Plan - Growth–	11.9113
	Mahindra Manulife Credit Risk Fund - Direct Plan - Quarterly Dividend	10.6979
	Mahindra Manulife Credit Risk Fund - Regular Plan - Discretionary Dividend	10.9432
	Mahindra Manulife Credit Risk Fund - Regular Plan - Growth	11.5757
	Mahindra Manulife Credit Risk Fund - Regular Plan - Quarterly Dividend	10.3743
AUM of the Scheme as on March 15, 2021 (in Rs.)	139.02 crores	

@All other terms and conditions under these sections in the existing SID of the Scheme which are not mentioned herein will remain unchanged.

All other terms and conditions under these sections in the existing SID/KIM of the Scheme which are not mentioned herein will remain unchanged.

Securities and Exchange Board of India has vide its letter no. IMD/DF3/OW/P/2021/06254/1 dated March 17, 2021 conveyed it's no objection to the aforesaid changes in fundamental attributes of the Scheme.

Revision to the features of the Scheme as indicated above will be applicable to all the relevant sections of the SID and KIM of the Scheme and the respective sections shall stand modified accordingly. Unitholders may note that other than those set forth above, the remaining features, terms and conditions of the Scheme shall continue to remain unchanged.

Since these changes would result in change in fundamental attributes of the Scheme, a separate communication in this regard is being sent to the existing unitholders of the Scheme, as required by Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996. The communication, is being sent to the registered postal address / email address^ (^in case of Unitholders whose email addresses are registered with the Fund) of the existing Unitholders of the Scheme as on **March 19,2021**. In case, the communication is not received, the Unitholders are advised to contact any of the Investor Service Centers of the Fund as per details provided on the website www.mahindramanulife.com or contact us on our toll free number 18004196244.

Existing unitholders (i.e. **unitholders of the Scheme as per the records of our Registrar & Transfer Agent as at the close of business hours on March 19, 2021**) who are not in agreement with the aforesaid changes may opt to redeem their units or switch to other available / eligible schemes of the Fund at the prevailing Net Asset Value (NAV) without payment of exit load within the 30 days' exit period starting from **March 25, 2021** to **April 23, 2021** (both days inclusive and upto 3.00 p.m. on **April 23, 2021**) ("the Exit Option Period"). The NAV applicable, should the unitholders choose to exit / redeem / switch during the Exit Option Period, would be based on the date/time of receipt of the application for exit / redemption / switch-out during business hours on a business day. It may however be noted that all such requests for exit option received after cut-off time on **April 23, 2021**, shall be subject to the applicable exit load, in terms of the relevant details, as specified in the SID / KIM of the Scheme. Redemption / switch-out requests, if any, may be lodged at any of the Official Points of Acceptance of Transactions of the Fund. The redemption proceeds shall be dispatched within 10 business days from the date of acceptance of redemption request.

Unitholders may note that no action is required in case they are in agreement with the aforesaid changes, which shall be deemed as acceptance of these changes. **This offer to exit is merely an option and not mandatory.** Unitholders who have pledged or encumbered their units will not have the option to exit unless they procure an effective release of their pledges / encumbrances prior to the submission of redemption/switch requests.

Unitholders are requested to ensure that any change in address or bank mandate is updated in the Fund's records before exercising the exit option (Unitholders holding units in dematerialized form may approach their Depository Participant for such changes).

<u>Tax Impact as applicable to the unitholders</u>**:**

There will be no impact on the unitholders who wish to continue with their investment in the Scheme. Normal tax consequences on exit / redemption / switch-out during the Exit Option Period will apply to unitholders, as set forth in the Statement of Additional Information of the Fund. **In view of the individual nature of tax consequences, unitholders are advised to consult their professional tax advisors in the above regard.**

The revision in the features of the Scheme, as detailed herein shall be effective from **April 26, 2021** [i.e. the business day immediately following **April 23, 2021** (i.e. last day of the Exit Option Period)].

For any clarifications, please do contact us on our toll free number 18004196244 or speak to any of our Customer Service representatives. Alternatively, you can also email us at mfinvestors@mahindra.com.

For Mahindra Manulife Investment Management Private Limited
(Formerly known as Mahindra Asset Management Company Pvt. Ltd.)

Place: Mumbai
Date: March 22, 2021

Sd/-
Authorised Signatory

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