

Addendum No. 19/2022

Notice to the Unitholders of Schemes of Aditya Birla Sun Life Mutual Fund

NOTICE IS HEREBY GIVEN THAT, the Board of Directors of Aditya Birla Sun Life AMC Limited ("ABSLAMC"), Investment Manager for Aditya Birla Sun Life Mutual Fund and Aditya Birla Sun Life Trustee Private Limited, Trustees to Aditya Birla Sun Life Mutual Fund ("the Fund") have approved the proposal for merger of the following Fixed Term Plans (hereinafter referred to as "Merging Schemes") into Aditya Birla Sun Life Low Duration Fund, an open-ended low duration debt scheme investing in instruments such that Macaulay duration of the portfolio is between 6 months and 12 months. A relatively high interest rate risk and moderate credit risk and Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund, An open ended Target Maturity Index Fund tracking the Nifty SDL Apr 2027 Index. A relatively high interest rate risk and relatively low credit risk (hereinafter referred to as "Surviving Schemes").

A. Scheme Details

Table I

Name of the Merging Scheme(s)	Name of the Surviving Scheme(s)	Effective date of Merger (close of business hours on#)	Consent Period opening Date	Consent Period closing Date (upto 3.00 pm)
Aditya Birla Sun Life Fixed Term Plan - Series RY (1199 days)	Aditya Birla Sun Life Low Duration Fund	April 15, 2022	March 19, 2022	April 18, 2022
Aditya Birla Sun Life Fixed Term Plan - Series RH (1281 days)		April 18, 2022	March 19, 2022	April 18, 2022
Aditya Birla Sun Life Fixed Term Plan - Series SF (1161 days)		April 19, 2022	March 20, 2022	April 19, 2022
Aditya Birla Sun Life Fixed Term Plan - Series SK (1128 days)		April 20, 2022	March 21, 2022	April 20, 2022
Aditya Birla Sun Life Fixed Term Plan - Series RX (1200 days)		April 21, 2022	March 22, 2022	April 21, 2022
Aditya Birla Sun Life Fixed Term Plan - Series RV (1224 days)		April 26, 2022	March 27, 2022	April 26, 2022
Aditya Birla Sun Life Fixed Term Plan - Series RU (1225 days)		April 26, 2022	March 27, 2022	April 26, 2022
Aditya Birla Sun Life Fixed Term Plan - Series RR (1240 days)		April 28, 2022	March 29, 2022	April 28, 2022
Aditya Birla Sun Life Fixed Term Plan - Series SN (1099 days)		May 09, 2022	April 09, 2022	May 09, 2022
Aditya Birla Sun Life Fixed Term Plan - Series SO (1099 days)		May 23, 2022	May 23, 2022	May 23, 2022
Aditya Birla Sun Life Fixed Term Plan - Series RP (1239 days)	Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund	April 18, 2022	March 19, 2022	April 18, 2022
Aditya Birla Sun Life Fixed Term Plan - Series SL (1120 days)		April 19, 2022	March 20, 2022	April 19, 2022
Aditya Birla Sun Life Fixed Term Plan - Series SI (1141 days)		April 19, 2022	March 20, 2022	April 19, 2022
Aditya Birla Sun Life Fixed Term Plan - Series SJ (1135 days)		April 20, 2022	March 21, 2022	April 20, 2022
Aditya Birla Sun Life Fixed Term Plan - Series SG (1155 days)		April 20, 2022	March 21, 2022	April 20, 2022
Aditya Birla Sun Life Fixed Term Plan - Series PU (1463 days)		May 16, 2022	April 16, 2022	May 16, 2022
Aditya Birla Sun Life Fixed Term Plan - Series PV (1462 days)		May 17, 2022	April 17, 2022	May 17, 2022

#or the immediately following Business Day, if such day is not a Business Day.

B. No Change to Surviving Schemes post merger:

Consequent to aforesaid merger, there will be no change in the name or other attributes of the Surviving Schemes and accordingly, interest of unitholders of Surviving Schemes are not adversely affected. The investment objective, asset allocation, investment pattern, annual scheme recurring expenses and all other provisions as contained in the Scheme Information Document of the Surviving Schemes will remain unchanged post the merger. Thus, no new scheme will come into existence as a result of the aforesaid merger.

C. Exit Option for Unitholders of Surviving Schemes:

Pursuant to SEBI Circular No. SEBI/MFD/CIR No. 05/12031/03 dated June 23, 2003 read with SEBI Circular No. Cir/IMD/DF/15/2010 dated October 22, 2010 and SEBI/HO/IMD/DF2/CIR/P/2021/024 dated March 4, 2021, merger of the Schemes into Aditya Birla Sun Life Low Duration Fund and Aditya Birla Sun Life Nifty SDL Apr 2027 Index Fund is considered as change in the fundamental attributes of the concerned Schemes and consequently, as per Regulation 18 (15A) of the SEBI (Mutual Funds) Regulations, 1996 any change in fundamental attributes can be carried out after a written communication is sent to all the unitholders of concerned Schemes, giving them an option to redeem/switch their investments at the prevailing NAV, without payment of any exit load.

Accordingly, the existing unitholders of Surviving Schemes (i.e. whose names appear in the register of unitholders as on close of business hours on Thursday, March 17, 2022) are hereby given an option to exit, i.e. either redeem their investments or switch their investments to any other schemes of Aditya Birla Sun Life Mutual Fund, within the Exit Option Period (minimum 30 days) starting from March 19, 2022 till May 23, 2022 (both days inclusive and upto 3.00 pm on May 23, 2022) at Applicable NAV, without payment of any exit load. The Exit Option can be exercised during the Exit Option Period by submitting a valid redemption / switch-out request at any Official Point of Acceptance of the Fund. For list of Official Points of Acceptance, please visit our website <https://mutualfund.adityabirlacapital.com>.

All the valid applications for redemptions/switch-out received under the Surviving Schemes shall be

processed at Applicable NAV of the day of receipt of such redemption/switch-out request, without payment of any exit load, provided the same is received during the exit option period as mentioned in Part A above.

Unitholders who have pledged or encumbered their units will not have the option to exit unless they procure a release of their pledges / encumbrances prior to the submission of redemption / switch requests.

Unitholders should ensure that their change in address or bank details are updated in records of Aditya Birla Sun Life Mutual Fund as required by them, prior to exercising the exit option for redemption of units. Unit holders holding units in dematerialized form may approach their Depository Participant for such changes. In case units have been frozen / locked pursuant to an order of a government authority or a court, such exit option can be executed only after the freeze / lock order is vacated / revoked within the period specified above. The redemption proceeds shall be dispatched within 10 business days of receipt of valid redemption request to those unitholders who choose to exercise their exit option.

Kindly note that an offer to exit from the Surviving Schemes is merely optional and is not compulsory.

D. Consent of Unitholders of Merging Schemes

In case, investors of Merging schemes are in agreement with the proposed merger, and wish to get the benefit of better investment experience and indexation, we request you to kindly fill the consent form as annexed to letter to unitholders and submit it at ABSLAMC.trxn@adityabirlacapital.com before 3 p.m. of the consent period closing date (as mentioned in table I) through the email id registered with us. Unitholder(s) who do not submit the duly filled consent form within the aforesaid timelines will be deemed as not in agreement with the Merger and will receive the redemption proceeds based on applicable NAV as on the effective date mentioned in table I i.e. the original maturity date of the Merging Schemes.

In case the unitholders who are not in agreement with the aforesaid merger, no action is required from unitholder(s) end. In such case the investment held under the Merging Schemes shall be redeemed at applicable NAV on the maturity date and the redemption proceeds shall be remitted/ dispatched to Unitholders of the Merging Schemes within 10 (ten) working days from the effective date mentioned in table I. If the units are held in dematerialized form, the unitholders are requested to contact their Depository participant.

Unitholders who have pledged or encumbered their units will not have the option to provide consent unless they procure a release of their pledges / encumbrances.

E. Communication to Unitholders of Merging Schemes & Surviving Schemes:

Written communication is being sent to the all existing unitholders of Merging Schemes & Surviving Schemes informing the existing Unit holders details about the merger including, basis of allocation of Units into Surviving Schemes, tax implication, financial information and features of the Schemes etc. In case any existing Unit holder has not received the Letter, they are advised to contact any of the Investor Service Centres of Aditya Birla Sun Life AMC Limited.

F. Gist of Tax Implications:

The Finance Act, 2015 provided tax neutrality on transfer of units of a scheme of a Mutual Fund under the process of consolidation of schemes of Mutual Funds as per SEBI (Mutual Funds) Regulations, 1996.

Section 47 was amended so as to include clause (xviii) which provides that any transfer of unit or units by a unit holder held by him in the Consolidating Scheme of a mutual fund, will not be treated as transfer, if the transfer is made in consideration of the allotment to him of unit or units in the Consolidated Scheme of the mutual fund under the process of consolidation of the schemes of mutual fund in accordance with the SEBI (Mutual Funds) Regulations, 1996 and accordingly capital gains will not apply.

The Finance Act, 2016 amended Section 47 so as to include clause (xix) which provides that any transfer of unit or units by a unit holder held by him in the Consolidating Plan of a mutual fund scheme, will not be treated as transfer, if the transfer is made in consideration of the allotment to him of unit or units in the Consolidated Plan of that mutual fund scheme under the process of consolidation of plans of the schemes of mutual fund in accordance with the SEBI (Mutual Funds) Regulation, 1996 and accordingly capital gains will not apply. The amendment is effective from April 1, 2017.

As per the amendments, allotment of units in Surviving Schemes/plan, pursuant to merger, to Unit holders of Merging Scheme/plan who decide to continue will not be considered as redemption of Units in Merging Scheme/plan and will not result in short term / long term capital gain / loss in the hands of the unit holders. Further, the cost of acquisition of units allotted in Surviving Schemes/Plan (Consolidated Scheme/Plan) pursuant to merger or consolidation of schemes/plans of a mutual fund will be the cost of acquisition of units in Transferor Scheme/Plan (Consolidating Scheme/Plan).

However, redemption of units from Merging Scheme and/or switch-out of units of Merging Scheme to any other schemes of the Fund shall be considered as redemption in Merging Scheme and will result in short term / long term capital gain / loss in the hands of the Unit holders depending on the period of holding of the investment.

In case of NRI investors, TDS shall be deducted in accordance with the applicable Tax laws, upon exercise of exit option and the same would be required to be borne by such investor only.

Aditya Birla Sun Life AMC Limited / Aditya Birla Sun Life Mutual Fund would like the unitholders to remain invested in the Scheme. Also, please note that in case unitholders of surviving schemes choose to continue with their investments, there shall be no tax implications arising out of the above proposal. However, in case of redemption/ switch during the exit option period will result in short term / long term capital gain / loss in the hands of the Unit Holders.

The Securities and Exchange Board of India has also vide its communication dated March 17, 2022 noted the proposed merger.

In view of individual nature of tax consequences, Unit holders are advised to consult their professional tax advisor w.r.t. tax and other financial implications arising out of their participation in merger of the Schemes.

To locate your nearest Investor Service Centre we request you to visit <https://mutualfund.adityabirlacapital.com>.

Pursuant to above merger, all references to Merging Schemes stands deleted from Scheme Information Document ("SID") and Key Information Memorandum ("KIM") of Schemes of Aditya Birla Sun Life Mutual Fund.

The updated SID & KIM of the Surviving Schemes containing the revised provisions shall be made available with our ISCs and also displayed on the website <https://mutualfund.adityabirlacapital.com> immediately after completion of duration of exit period option.

All other features and terms & conditions of the Surviving Schemes shall remain unchanged.

This Notice-cum-Addendum forms an integral part of the SID/KIM issued for the Schemes, read with the addenda issued thereunder.

For **Aditya Birla Sun Life AMC Limited**
(Investment Manager for Aditya Birla Sun Life Mutual Fund)
Sd/-
Authorised Signatory

Date : March 17, 2022
Place : Mumbai