

STATEMENT OF ADDITIONAL INFORMATION

This Statement of Additional Information (SAI) contains details of L&T Mutual Fund, its constitution, and certain tax, legal and general information. It is incorporated by reference (is legally a part of the Scheme Information Document).

Sponsor	L&T Finance Holdings Limited CIN: L67120MH2008PLC181833 Registered Office: Brindavan, Plot no. 177, CST Road, Kalina, Santacruz (East), Mumbai - 400 098.
Mutual Fund	L&T Mutual Fund Registered Office: 6 th Floor, Brindavan, Plot No 177, CST Road, Kalina, Santacruz (E), Mumbai 400 098.
Investment Manager	L&T Investment Management Limited CIN: U65991MH1996PLC229572 Registered Office: Brindavan, Plot no. 177, CST Road, Kalina, Santacruz (East), Mumbai - 400 098.
Trustee Company	L&T Mutual Fund Trustee Limited CIN: U65993MH1996PLC211198 Registered Office: Brindavan, Plot no. 177, CST Road, Kalina, Santacruz (East), Mumbai - 400 098.

Website of the L&T Mutual Fund

www.ltfs.com

Toll Free no. 1800 2000 400 / 1800 4190 200

E-mail: investor.line@lntmf.co.in

SAI should be read in conjunction with the respective Scheme Information Document(s) and not in isolation.

This SAI is dated **December 15, 2020**

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Abbreviations:

In the SAI the following abbreviations have been used.

AMC	: Asset Management Company
AMFI	: Association of Mutual Funds in India
ASBA	: Applications Supported by Blocked Amounts
BSE	: BSE Limited
ECS	: Electronic Clearing System
FPI	: Foreign Portfolio Investor
IMA	: Investment Management Agreement
ISC	: Investor Service Centre
KIM	: Key Information Memorandum
NAV	: Net Asset Value
NEFT	: National Electronic Funds Transfer
NFO	: New Fund Offer
NRI	: Non-Resident Indian
NSE	: National Stock Exchange of India Limited
PIO	: Persons 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
SEBI Regulations	: SEBI (Mutual Funds) Regulations, 1996
SID	: Scheme Information Document

Please note that words and expressions used in the SAI but not defined will have the same meaning as assigned to them in the SID.

I. INFORMATION ABOUT SPONSOR, AMC AND TRUSTEE COMPANIES

A. Constitution of the Mutual Fund

L&T Mutual Fund has been constituted as a Trust in accordance with the provisions of Indian Trusts Act, 1882 and registered under the Indian Registration Act, 1908; vide Trust Deed dated October 17, 1996 (as amended from time to time) with L&T Finance Holdings Limited as the Sponsor and L&T Mutual Fund Trustee Limited as the Trustee Company. L&T Mutual Fund is registered with SEBI vide registration number MF/035/97/9 dated January 3, 1997.

The Trustee Company has appointed L&T Investment Management Limited as the Investment Manager in terms of the Investment Management Agreement to manage the Schemes of L&T Mutual Fund.

L&T Mutual Fund is one of the valued Fund House in India that endeavors to serve the investment needs of the investors through a suite of Mutual Fund Schemes. With world class investment management practices and an equally competent fund management team, L&T Mutual Fund seeks to help its investors reach their financial goals.

B. Sponsor

1. L&T Finance Holdings Limited:

L&T Mutual Fund is sponsored by L&T Finance Holdings Limited (“LTFH”). The Sponsor is the Settlor of the Mutual Fund Trust. The Sponsor has entrusted a sum of Rs. 1 lakh to the Trustee as the initial contribution towards the corpus of the Mutual Fund.

LTFH was incorporated by Larsen & Toubro Limited (“L&T”) on May 1, 2008, with the strategic intent of holding all the investments of the L&T Group in the financial services businesses. It is registered with the Reserve Bank of India (“RBI”) under Section 45-IA of the RBI Act, 1934, as a Non-Banking Financial Institution-Core Investment Company. The equity shares of LTFH are listed on the BSE Limited and National Stock Exchange of India Limited.

LTFH is a financial holding company offering a focused range of financial products and services across rural, housing and Infra finance sectors, as well as mutual fund products and wealth management services, through its wholly-owned subsidiaries.

2. Financial Performance of LTFH (past three financial years):

(Rs. in crore)

Particulars	Financial Year 2017-2018	Financial Year 2018-2019	Financial Year 2019-2020
	(IGAAP)	(IndAS)	(IndAS)
Net Worth	8,651.57	7,830.35	7,844.85
Total Income*	449.93	482.11	475.44
Profit after Tax**	367.83	267.06	266.81

*Total Income excludes other income (i.e. revenue from operations only)

**Profit after Tax refers profit for the year (i.e. Standalone Financials)

The unit holders are requested to note that the Sponsor is not responsible or liable for any loss or shortfall resulting from the operations of the Scheme(s) except to the extent of Rs. 1 lakh contributed by the Sponsor.

C. The Trustee

1. L&T Mutual Fund Trustee Limited:

L&T Mutual Fund Trustee Limited (“the Trustee”) is a limited company incorporated under the Companies Act, 1956 on April 30, 1996 having its registered office at Brindavan, Plot no. 177, CST Road, Kalina, Santacruz (East), Mumbai - 400 098.

The Trustee through its Board of Directors shall discharge its obligations as trustee of L&T Mutual Fund. The Trustee ensures that the transactions entered into by the AMC are in accordance with the SEBI Regulations and will also review the activities carried on by the AMC.

2. Details of Trustee Directors

Sr. No.	Name	Age/ Qualification	Brief Experience
1.	Mr. Shailesh Haribhakti (Associate Director)	64 Years FCA, FCWA, Certified Internal Auditor, Certified Financial Planner, and Certified Fraud Examiner	<p>Mr. Shailesh Haribhakti is Chairman of New Haribhakti Business Services LLP & Mentorcap Management Pvt. Ltd.</p> <p>Evolving from a background in Audit, Tax and Consulting, he now seeks to create enduring value for Companies and organizations he is involved by being a deeply engaged Independent Director. His strong belief is that good Governance creates a sustainable competitive advantage. He is a strong supporter of a clean and green environment and is pioneering the concept of ‘innovating to zero’ in the social context.</p> <p>He is currently Chairman & Trustee of the National Pension Scheme Trust (NPS Trust); Member of Pension Advisory Committee (PAC) of Pension Fund Regulatory & Development Authority (PFRDA); Chairman of L&T Finance Holdings Limited, Bajaj Electricals Limited, Bennett Coleman & Company Limited, Torrent Pharmaceuticals Limited and NSDL e-Governance Infrastructure Limited. He serves on several large Boards of multinational and Indian Companies and is also a member of several Advisory Boards.</p> <p>He has participated in creating Indian Multinationals in the services sector. His passion for teaching, writing and public speaking have made him an associate with IIMA, many management institutions and several industry & professional forums. He has led BMA, IIA (Mumbai), ICAI (WIRC), IMC, FPSB and Rotary Club of Bombay over the last several decades. For two years he served on the Standards Advisory Council of the IASB in London.</p>

2.	Mr. Hemant Y. Joshi (Independent Director)	69 Years B.E.(Hons) Chemical Engineering, Post Graduate Diploma in Industrial Engineering	<p>Mr. Joshi has spent a long career in the area of Infrastructure Development. He was responsible for building CRISIL Infrastructure Advisory from its inception in 1994 to its current status of leadership. Under his leadership, CRISIL Infrastructure Advisory did significant work in shaping policies for private sector participation in Infrastructure for State Governments, Government of India and numerous countries in the South African region.</p> <p>During his stint as an Executive Director and Chief Operating Officer of CRISIL, he was actively involved in transforming CRISIL from a monoline Rating Agency to its current position as India's leading provider of Ratings, Research, Risk and Policy Advisory.</p> <p>Mr. Joshi retired as MD & CEO of CRISIL Risk and Infrastructure Solutions Limited (CRIS Ltd) in the year 2009.</p> <p>He was a member of the Pipeline Advisory Committee, a committee setup by the Petroleum & Natural Gas Regulator to advice on Gas pipeline issues.</p>
3.	Mr. Shrinivas Yeshwant Joshi (Independent Director)	<p>Age: 63</p> <p>B. Com (Mumbai University), Fellow Member of ICAI & Associate Member of ICSI</p>	<p>Mr. Joshi has been practicing as a Chartered Accountant for more than 40 years and a Partner in CVK & Associates, Chartered Accountants with special interest in Accounting, Auditing, Company Law, FEMA.</p> <p>He has been elected as the Chairman of WIRC of ICAI for the year 2011-12 and its Secretary for the year 2005-06. He was also a Member of Western India Regional Council of Institute of Chartered Accountants of India (WIRC of ICAI) since 2004 till 2013 for three consecutive terms of three years. Currently, he is a member of Central Council of the Institute of Chartered Accountants of India (ICAI), for 2019-2022 and was also a council member for 2013-16. He has also been elected as Chairman of various Committees of WIRC of ICAI.</p> <p>He is also on the board of Extensible Business reporting Language (XBRL) India and ICAI Accounting Research Foundation and previously was an Independent Director on the Board and Chairman of Audit Committee of SBI Mutual Fund Trustee Company for 8 years.</p>
4.	Mr. Jayant Gokhale (Independent Director)	<p>Age: 64</p> <p>B. Com, FCA & LL.B</p>	<p>Mr. Jayant Gokhale is on the Board of Directors of PTC India Limited and R. A. Podar College of Commerce & Economics Alumni Association. He was also associated with several Committees of RBI, ICAI & IRDA and has authored articles related</p>

			<p>to taxation, finance and economy in various financial publications.</p> <p>Mr. Gokhale is the Founder Partner of Gokhale & Sathe Chartered Accountants, Mumbai and was Head of Audit Department. He has also acted as Chairman of EAC (Expert Advisory Committee) for 3 years, CASLB, FRRB (Financial Reporting Review Board), PRB (Peer Review Board), WIRC of ICAI and Vice Chairman of ASB (Accounting Standards Board) & AASB (Auditing & Assurance Standards Board). He has also been a faculty for C&AG's Indian Audit & Accounts Service Academy at Shimla & Mumbai, YASHADA, National Academy of Direct Taxes (NADT) & Regional Training Institute (RTI) of Income Tax Dept., JBIMS (Jamnalal Bajaj Institute of Management Studies), IES Management Institute & IIM Bengaluru.</p>
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3. Duties and Responsibilities of the Trustee:

Pursuant to the Trust Deed dated October 17, 1996 constituting the Mutual Fund and in terms of the SEBI Regulations, the duties and responsibilities of the Trustee, inter alia, are as under:

- (a) The Trustee Company has exclusive ownership of the assets of the Schemes of the Fund ("Trust Property") and holds the same in trust and for the benefit of the Unit Holders.
- (b) The Trustee Company has the authority to appoint one or more body corporates to act as an asset management company and to enter into an investment management agreement with them.
- (c) The Trustee Company shall hold the Trust Property in trust for the benefit of the Unit Holders.
- (d) The Trustee Company is responsible for the management of the Mutual Fund and for providing information to the Unit Holders, the Sponsor, SEBI, and any other regulatory body and to ensure compliance of all statutory formalities by the Mutual Fund / AMC.
- (e) The Trustee Company, through the AMC is, *inter alia*, empowered and entitled to:
 - i. frame one or more schemes for the issue of Units and frame such rules and regulations for the issue as it may in its absolute discretion deem fit;
 - ii. acquire, hold, manage, trade, lend and dispose of stocks and securities of all kinds, subject to RBI approval;
 - iii. acquire or enter into or deal in any derivative, option, hedging, swap or other contract of a similar nature, repurchase agreement transactions and to enter into securities lending and borrowing transactions, underwriting and sub underwriting contracts and placings;
 - iv. calculate the offer, repurchase and redemption prices of Units, including *inter alia* the allowances to be made in computing these prices for contingent liabilities;
 - v. keep the capital and monies of the Mutual Fund in call or repurchase options or deposit with banks or other financial institutions or companies or any other financial instruments as may be permitted under the SEBI Regulations;
 - vi. enter into agency arrangements with banks;

- vii. enter into agreements or arrangements including agreements / arrangements by way of tie-ups, collaborations, joint ventures with mutual funds, asset management companies, financial institutions, investment companies, banks and other institutions;
- viii. do any other kind of business connected with authorization of savings and investments;
 - ix. accept contributions, grants, and donations;
 - x. collect, get in and receive the profit, interest, dividend and income of the Trust Property from time to time as and when the same becomes due and receivable;
 - xi. pay all costs, charges, expenses and outgoings of and incidental to the administration and execution of the Trust and the management and maintenance of the Trust Property and incurred for the same in accordance with and subject to the limits under the SEBI Regulations as may be stipulated from time to time;
 - xii. appoint brokers, sub-brokers, agents, custodial agents, registrars, share transfer agents for the purpose of purchase and sale of securities, investments under a scheme and to pay their charges;
 - xiii. appoint and engage advocates, solicitors, valuers, chartered accountants, credit rating agencies, and such other advisers and experts for the purpose of a scheme and to pay their remuneration and charges;
 - xiv. do all such acts, deeds and things and exercise such powers and sign and execute all such documents, unit certificates, transfer forms, declarations, affidavits, indemnities as it may in its absolute discretion deem fit;
 - xv. open and operate one or more bank account(s), securities account(s) with RBI and other banks (if permitted) and operate the same;
 - xvi. deal with all matters arising from the Mutual Fund / AMC, on one hand and the Unit Holders on the other and to settle disputes, if any, with the Unit Holders;
 - xvii. generally to exercise all such powers as it may be required to be exercised under the SEBI Regulations for the time being in force and do all such matters and things as may promote the Mutual Fund or as may be incidental to or consequential upon the discharge of its functions and the exercise and enforcement of all or any of the powers and rights under the Trust Deed;
 - xviii. pay out of the income of the Trust Property, after deducting all expenses the interest and dividend in accordance with the Scheme and the SID applicable to each scheme;
 - xix. Subject to the provisions of the SEBI Regulations and the Trust Deed, exercise all powers and rights of a trustee under the Indian Trusts Act, 1882 to achieve the objects of the Trust and protect the interests of the Unit Holders.
- (f) The Trustee Company is responsible for supervising the collection of all income due to be paid to a scheme and for claiming any repayment of tax and holding any income received in trust for the Unit Holders in accordance with the Trust Deed and the SEBI Regulations.
- (g) The Trustee Company shall inter alia:
 - (i) at no time acquire any asset out of the Trust Property, which involves the assumption of any liability which is unlimited or results in the encumbrance of the Trust Property in any way, except to the extent permitted by the SEBI Regulations;
 - (ii) take reasonable care to ensure that the schemes floated and managed by the AMC, are operated in accordance with the Trust Deed, SID and SEBI Regulations;
 - (iii) cause the AMC to ensure that the manner of calculating the offer, repurchase and redemption prices of units, including *inter alia* the allowance to be made in computing these prices for contingent liabilities would be in accordance with the SEBI Regulations and any guidelines issued by SEBI from time to time;
 - (iv) be bound to discharge all obligations, duties and responsibilities entrusted to them under the SEBI Regulations.

The Trustees shall exercise due diligence as under:

General Due Diligence

The Trustee shall:

- (i) be discerning in the appointment of the key personnel, of the AMC.
- (ii) review the desirability or continuance of the AMC if substantial irregularities are observed in any of the schemes and shall not allow the AMC to float new schemes.
- (iii) ensure that the Trust Property is properly protected, held and administered by proper persons and by a proper number of such persons.
- (iv) ensure that all service providers hold appropriate registrations from SEBI or regulatory authorities concerned.
- (v) report to SEBI of any special developments in the Mutual Fund.

Specific Due Diligence:

The Trustees shall:

- (i) arrange for test checks of service contracts at such frequency and in such manner as it shall deem appropriate from time to time.
- (ii) obtain internal audit reports at regular intervals from independent auditors appointed by the Trustee Company.
- (iii) obtain compliance certificates at regular intervals from the AMC.
- (iv) hold meetings of the board of directors of the Trustee Company regularly and frequently.
- (v) consider the reports of the independent auditor and compliance reports of the AMC at the meetings of the board of directors of the Trustee Company for appropriate action.
- (vi) maintain minutes of the meetings of the board of directors of the Trustee Company.
- (vii) prescribe and adhere to a code of ethics by the Trustee Company, the AMC and its personnel.
- (viii) communicate in writing with the AMC regarding any deficiencies and checking on the rectification of the deficiencies.
- (ix) ensure that the accounts maintained by the AMC follow the accounting policies prescribed by SEBI or any other relevant authority and are in the prescribed format and have the prescribed contents.
- (x) ensure that all necessary statements in respect of the Mutual Fund and the Trust Property are prepared in the manner required by SEBI Regulations and make or cause to be made all reports, publications, notices and filings with respect to the Mutual Fund required by Indian law.
- (xi) cause the balance sheet and accounts of the Trust to be prepared and submitted to the Sponsor for the accounting year as soon as may be after the end of each accounting year.
- (xii) cause the affairs of the various schemes of the Trust in respect of every accounting year to be audited by one or more auditors qualified to act as auditors under the law for the time being and obtain their report and submit the same to SEBI or any other Government Authority, if required by the law in force. The auditor shall be appointed by the Trustee Company and the Trustee Company may in its discretion, determine out of what part or parts of the Trust Property or the income thereof, the cost of such audit shall be defrayed and may make such apportionment of such costs as it thinks desirable. Such auditor shall not be the same as the auditor appointed for the AMC

- (xiii) The Trustee may amend the Trust Deed with the prior approval of SEBI and the Unit Holders, where it affects the interest of Unit Holders.
- (xiv) The Trustee Company may, subject to the Regulations, acquire, hold, develop, deal with and dispose of any movable or immovable property either on ownership, rental or other basis whatsoever, with power to let or sublet the same with or without charging any compensation fee or rent as the Trustee may in its absolute discretion deem fit. However, no investment shall be made in immovable property from the resources authorized for a scheme.

4. Trustee – Supervisory role

During the financial year 2019-2020, six meetings of the Board of Directors of Trustee were held. The supervisory role of the Trustee is discharged by receiving continuous feedback from the AMC through bi-monthly, quarterly and half yearly reports, and a review of the Mutual Fund’s operation at the Board Meetings. In addition, the Trustee receives feedback and reports from the Independent Auditors appointed by it in accordance with the Regulations.

5. Trustee – Fees and Expenses

Pursuant to the Trust Deed, the Trustee, in addition to the reimbursement of all costs, charges and expenses incurred in or about the administration and execution of the Fund, is entitled to receive a fee from and out of the Trust Property. As per the Trust Deed, the Trustee’s fee can be determined for each Scheme separately. The fee charged is Rs. 5,00,000 per annum.

D. Asset Management Company/ Investment Manager

1. L&T Investment Management Limited:

L&T Investment Management Limited (Asset Management Company/ AMC) is a limited company incorporated under the Companies Act, 1956 on April 25, 1996 having its registered office at Brindavan, Plot no. 177, CST Road, Kalina, Santacruz (East), Mumbai - 400 098.

L&T Investment Management Limited has been appointed as the Asset Management Company of L&T Mutual Fund by L&T Mutual Fund Trustee Limited vide Investment Management Agreement (dated October 23, 1996 as amended from time to time) and executed between L&T Mutual Fund Trustee Limited and L&T Investment Management Limited.

2. Details of AMC Directors:

Sr. No.	Name	Age/ Qualification	Brief Experience
1.	Mr. R. Shankar Raman (Associate Director)	61 Years B. Com, ACA, Grad CWA	Mr. R. Shankar Raman is a qualified Chartered Accountant and a Cost Accountant. Over the past 35 years, Mr. Shankar Raman has worked for leading listed corporates in varied capacities in the field of finance. Mr. Shankar Raman joined L&T Group in November 1994 to set up L&T Finance Limited, a wholly owned Subsidiary. Over the years, Mr. Shankar Raman assumed responsibilities to oversee the entire finance function at the Group level including functions like Risk Management and Investor Relations. Mr. Shankar Raman was appointed as Chief Financial Officer of

Sr. No.	Name	Age/ Qualification	Brief Experience
			<p>Larsen & Toubro Limited in September 2011 and subsequently elevated to the Board on October 1, 2011. Mr. Shankar Raman is also on the Board of Management of several companies within the L&T Group.</p> <p>Mr. Shankar Raman has been a recipient of several awards such as Best CFO of Asia in the Industrial Sector in a survey conducted by the prestigious New York based Institutional Investor Magazine, winner of Best CFO Awards from CNBC TV18, Financial Express, Business Today and Yes Bank.</p> <p>Mr. Shankar Raman is the past Chairman of the CII's National Committee of CFOs in 2017-18. He was also a member of Uday Kotak's Committee on Corporate Governance constituted by SEBI.</p>
2.	Mr. M.V. Nair (Independent Director)	68 Years Bachelor of Science	<p>Mr. M.V. Nair is presently the Non-Executive Chairman of CIBIL.</p> <p>Mr. Nair was the Chairman and Managing Director of Union Bank of India (UBI) since April 1, 2006 until March 2012. Prior to joining UBI, Mr. Nair was the Chairman and Managing Director of Dena Bank.</p> <p>Mr. Nair has been associated with many important committees set up by Reserve Bank of India (Committee on Priority Sector, 'Committee on Customer Services in Banks', 'High Powered Committee', to review the Lead Bank Scheme etc.).</p> <p>Mr. Nair was also the Chairman of Indian Banks' Association during June 2009-2010.</p>
3.	Mr. Dinanath Dubhashi (Associate Director)	53 Years BE. Mechanical, PGDM-IIM	<p>Mr. Dinanath Dubhashi, Managing Director & Chief Executive Officer of L&T Finance Holdings Limited, serves as a Director on the Board of L&T Investment Management Limited. With a rich experience of over two decades, he has worked in multiple domains of financial services such as Corporate Banking, Cash Management, Credit Rating, Retail Lending and Rural Finance. He has been with L&T Financial Services since 2007 and has been instrumental in scaling up the retail business operations manifold, across customer segments and geographies.</p> <p>Under his leadership, LTFH has been transformed into an organization focused on creating superior shareholder value through a sustained increase in Return on Equity (RoE), through decisive strategic choices in businesses, structures and people. Prior to LTFH, he was associated with organizations such as BNP Paribas, CARE Ratings and SBI Capital</p>

Sr. No.	Name	Age/ Qualification	Brief Experience
			Markets in various capacities.
4.	Ms. Anisha Motwani (Independent Director)	56 years MBA, B.Sc	<p>Ms. Anisha Motwani is currently an advisor with the World Bank on the prestigious ‘Swachh Bharath Programme’ & ‘National Mission for clean Ganga’. She is also the strategic advisor to the Max Group of companies guiding them on key brand & digital transformation projects across several lines of businesses.</p> <p>She is the author of Storm the Norm – first-of-its-kind collection of contemporary stories of truly inspiring businesses and brands from India that either wrote or rewrote the norms of their respective industries and brought in unprecedented change and vibrancy.</p> <p>She comes with a rich experience of over 28 years in diverse industries - advertising, auto-manufacturing, financial and health services. Ms. Anisha is known for her exceptional ability to turn fresh insight into actionable consumer propositions. She is credited with transforming some somber categories into vibrant ones with her deep understanding of consumer behavior & preferences. Ms. Anisha also comes with rich, hands-on experience in digital transformation initiatives of complex, traditional brick & mortar industries and has authored several articles on the subject.</p> <p>She is as an Independent Director on the board of several companies (India Shelter Finance Corporation & Pratap Snacks Limited) and professional associations like CII, AIMA & ISA.</p> <p>In recognition of her achievements, she was voted as one of the ‘50 Most Powerful Women in Indian Business’ by Business Today for three consecutive years since 2009. She has also been recognized amongst the ‘Top 50 Women in Media, Marketing and Advertising’ by Impact & Colors for 4 consecutive years since 2011. She has been conferred ‘Women at Work Leadership Award 2011’ by Asian Confederation of Business and ‘Marketer of the year’ award by NDTV amongst many others.</p>

Note: 2 out of the 4 Directors are Independent Directors.

3. Duties and obligations of the AMC as specified in the SEBI Regulations, as amended from time to time are as follows:

- (a) The AMC shall take all reasonable steps and exercise due diligence to ensure that the investment of funds pertaining to any scheme is not contrary to the provisions of these Regulations and the Trust Deed.
- (b) The AMC shall exercise due diligence and care in all its investment decisions as would be exercised by other persons engaged in the same business.
- (c) The AMC shall obtain, wherever required under these regulations, prior in-principle approval from the recognized stock exchange(s) where units are proposed to be listed.
- (d) The AMC shall be responsible for the acts of commissions or omissions by its employees or the persons whose services have been procured by the Asset Management Company.
- (e) The AMC shall submit to the Trustees, quarterly reports of each year on its activities and the compliance with these Regulations.
- (f) The Trustees at the request of the AMC may terminate the assignment of the Asset Management Company at any time.

Provided that such termination shall become effective only after the Trustees have accepted the termination of assignment and communicated their decision in writing to the AMC.

- (g) Notwithstanding anything contained in any contract or agreement or termination, the AMC or its directors or other officers shall not be absolved of liability to the mutual fund for their acts of commission or omissions, while holding such position or office.
- (h) The Chief Executive Officer (whatever his designation may be) of the AMC shall ensure that the Mutual Fund complies with all the provisions of these Regulations and the Guidelines or Circulars issued in relation thereto from time to time and that the investments made by the Fund Managers are in the interest of the unit holders and shall also be responsible for the overall risk management function of the Mutual Fund.
- (i) The AMC shall not through any broker associated with the sponsor, purchase or sell securities, which is average of 5% or more of the aggregate purchases and sale of securities made by the mutual fund in all its schemes. Provided that for the purpose of this sub-regulation, aggregate purchase and sale of securities shall exclude sale and distribution of units issued by the mutual fund. Provided further that the aforesaid limit of 5% shall apply for a block of any three months.
- (j) The AMC shall not purchase or sell securities through any broker [other than a broker associated with the Sponsor] which is average of 5% or more of the aggregate purchases and sale of securities made by the mutual fund in all its schemes, unless the Asset Management Company has recorded in writing the justification for exceeding the limit of 5% and reports of all such investments are sent to the trustees on a quarterly basis. Provided that the aforesaid limit shall apply for a block of three months
- (k) The AMC shall not utilise the services of the sponsor or any of its associates, employees or their relatives, for the purpose of any securities transaction and distribution and sale of securities: Provided that an AMC may utilise such services if disclosure to that effect is made to the unit holders and the brokerage or commission paid is also disclosed in the half yearly annual accounts of the mutual fund.
- (l) The AMC shall file with the Trustees, the details of transactions in securities by the key personnel of the AMC in their own name or on behalf of the Asset Management Company and shall also report to the Board, as and when required by the Board.
- (m) In case the AMC enters into any securities transactions with any of its associates a report to that effect shall be sent to the Trustees at their next meeting.

- (n) In case any company has invested more than 5 per cent of the net asset value of a scheme, the investment made by that scheme or by any other scheme of the same mutual fund in that company or its subsidiaries shall be brought to the notice of the trustees by the AMC and be disclosed in the half yearly and annual accounts of the respective schemes with justification for such investment provided the latter investment has been made within one year of the date of the former investment calculated on either side.
- (o) The Asset Management Company shall file with the Trustees and the Board -
 - (i) Detailed bio-data of all its directors along with their interest in other companies within fifteen days of their appointment;
 - (ii) Any change in the interests of directors every six months; and
 - (iii) A quarterly report to the Trustees giving details and adequate justification about the purchase and sale of the securities of the group companies of the sponsor or the Asset Management Company as the case may be, by the mutual fund during the said quarter.
- (p) Each director of the AMC shall file the details of his transactions of dealing in securities with the trustees on a quarterly basis in accordance with the guidelines issued by the Board.
- (q) The AMC shall not appoint any person as key personnel who has been found guilty of any economic offence or involved in violation of securities laws.
- (r) The AMC shall appoint registrars and transfer agents who are registered with the Board. Provided if the work relating to the transfer of units is processed in-house, the charges at competitive market rates may be debited to the scheme and for rates higher than the competitive market rates, prior approval of the Trustees shall be obtained and reasons for charging higher rates shall be disclosed in the annual accounts.
- (s) The AMC shall abide by the Code of Conduct as specified in the Fifth Schedule.
- (t) The AMC shall not invest in any of its scheme, unless full disclosure of its intention to invest has been made in the offer documents, in case of schemes launched after the notification of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2011. Provided that an AMC shall not be entitled to charge any fee on its investment in that scheme.
- (u) The AMC shall compute and carry out valuation of investments made by its scheme(s) in accordance with the investment valuation norms specified in Eighth Schedule, and shall publish the same.
- (v) The AMC and the sponsor of the Mutual Fund shall be liable to compensate the affected investors and/or the scheme for any unfair treatment to any investor as a result of inappropriate valuation.
- (w) The AMC shall report and disclose all the transactions in debt and money market securities, including inter scheme transfers, as may be specified by the Board

4. Other Activities of the AMC

- i. The AMC is registered with SEBI as a Portfolio Manager vide registration no INP000003682 dated April 01, 2019. The PMS business of the AMC is not in conflict with the Mutual Fund activities of the AMC.
- ii. The AMC has received no objection from SEBI to provide research services to the companies within the L&T Financial Services Group (including L&T Finance Holdings Limited, the Sponsor to L&T Mutual Fund). The research services so provided by the AMC will not be in conflict with the Mutual Fund activities of the AMC.

iii. The AMC will offer non-binding, non-discretionary advisory services to pooled assets, as permitted under Regulation 24(b) of the SEBI Regulations, as amended from time to time. Further, while providing these services, the AMC shall ensure that:

- (a) There is no conflict of interest with the activities of the Fund;
- (b) There exists a system to prohibit access to insider information as envisaged under the SEBI Regulations; and
- (c) Interest of the Unit holder(s) of the Scheme(s) of the Fund are protected at all times.

SEBI has communicated it's no objection to provide the aforesaid services.

5. Shareholding Pattern of the AMC

L&T Finance Holdings Limited (along with its nominees) holds 100% of the share capital of the AMC.

6. Information on Key Personnel:

Sr. No.	Name/ Designation	Age	Total No. of years of experience	Qualification	Brief Experience
1.	Mr. Kailash Kulkarni (Chief Executive Officer)	53 Years	30 Years	BA, MDBA from Institute of Management Development and Research, Pune	L&T Investment Management Limited as Chief Executive Officer (Since June 1, 2015) Prior Assignments: L&T Investment Management Limited as Chief Business Officer from November 24, 2012 to May 31, 2015. L&T Investment Management Limited as Chief Executive Officer from March 1, 2012 to November 24, 2012. Kotak Mahindra Asset Management Company Limited as Head of Sales & Distribution from December 2006 to February 2012. MetLife India Insurance Company Limited as Director – Agency Sales from October 2003 to December 2006. ICICI Bank Limited as Regional Head – Retail Banking (Mumbai) from February 2000 to September 2003. JM Financial as Head Sales (Primary Products) from July 1996 to February 2000.

Sr. No.	Name/ Designation	Age	Total No. of years of experience	Qualification	Brief Experience
					Eicher Motors Limited as Deputy Manager – Distribution and Sales from May 1990 to December 1995.
2.	Mr. Shriram Ramanathan (Head Investment - Fixed Income)	44 Years	19 Years	B.E (Electrical), PGDBM – XLRI, CFA	<p>L&T Investment Management Limited as Head of Fixed Income (Since November 24, 2012)</p> <p>Prior Assignments:</p> <p>L&T Investment Management Limited as Head - Investment - Fixed Income from July 6, 2012 to November 24, 2012.</p> <p>FIL Fund Management Private Limited as Portfolio Manager - Fixed Income from December 2009 to June 2012.</p> <p>ING Investment Management Asia Pacific (Hong Kong) as Senior Investment Manager – Global Emerging Market Debt (Asia) from September 2005 to October 2009</p> <p>ING Investment Management (India) Private Limited as Portfolio Manager - Fixed Income from June 2003 to September 2005.</p> <p>Zurich (India) Asset Management Company as Dealer / Research - Fixed Income from September 2001 to June 2003</p> <p>ICICI Limited Mumbai as Treasury from June 2000 to September 2001</p> <p>Larsen & Toubro Limited in Design Department, Switchgear Group from August 1997 to May 1998</p>

Sr. No.	Name/ Designation	Age	Total No. of years of experience	Qualification	Brief Experience
3.	Mr. Venugopal Manghat (Head - Equities)	49 Years	26 Years	MBA Finance, BSC (Mathematics)	L&T Investment Management Limited as Head - Equities (May 26, 2016 till date) Prior Assignments: L&T Investment Management Limited as Co Head – Equities from November 24, 2012 till May 25, 2016) L&T Investment Management Limited as Vice President and Co-Head –Equity Investments from March 22, 2012 till November 23, 2012 Tata Asset Management Limited from June 19, 1995 to January 20, 2012. His last assignment was as Co- Head - Equities with Tata Asset Management Limited.
4.	Mr. Praveen Ayathan (Chief Dealer - Equities)	52 Years	28 Years	B. Sc (Mathematics)	L&T Investment Management Limited as Chief Dealer – Equities since July 2012 Prior Assignments: Kotak Mahindra Asset Management Company Ltd. as Chief Dealer of Equities from September 2005 to July 2012. Dalal and Broacha Stock Broking Private limited as Institutional Head Equity from May 2000 to September 2005.
5.	Mr. Ankur Thakore (Chief Distribution Officer)	48 Years	22 Years	B.E. (Construction) M.M.S. (Finance)	L&T Investment Management Limited as Chief Distribution Officer since December 1, 2016 Prior Assignments: National Head - Sales & Distribution from November 24, 2012 to November 30, 2016 with L&T Investment Management Limited FIL Fund Management Private Limited as Associate Director Sales from January 2011 to

Sr. No.	Name/ Designation	Age	Total No. of years of experience	Qualification	Brief Experience
					<p>November 2012.</p> <p>FIL Fund Management Private Limited as Regional Head (West) from February 2010 till December 2011</p> <p>FIL Fund Management Private Limited as Key Account and Distribution Services from January 2007 till February 2010</p> <p>HSBC Asset Management Private Limited as Vice President - Sales (for PMS Sales) since November 2005 till December 2006</p> <p>DSP Merrill Lynch Investment Managers Private Limited as Head - Banking Channel from January 2000 to October 2005</p> <p>Kothari Pioneer Mutual Fund as Assistant Manager – Sales for Mumbai from July 1998 till December 1999</p>
6.	<p>Mr. Dronacharya Basu Thakur</p> <p>(National Head - Institutional Sales)</p>	44 Years	18 Years	M.COM (Finance) & MBF (Finance)	<p>L&T Investment Management Limited as National Head-Institutional Sales since June 2017.</p> <p>Prior Assignments:</p> <p>L&T Investment Management Limited as Zonal Head (North & East) from May 2016 to June 2017.</p> <p>L&T Investment Management Limited as Zonal Head (North) from Nov 2012 to April 2016.</p> <p>FIL Fund Management Private Limited as Head (Corporate Sales) from Oct 2011 to Oct 2012.</p> <p>FIL Fund Management Private Limited as Regional Head (Corporate Sales) from April 2007 to Oct 2011.</p> <p>DWS Investments (Deutsche</p>

Sr. No.	Name/ Designation	Age	Total No. of years of experience	Qualification	Brief Experience
					Bank Group) as Manager-Sales from Feb 2004 – March 2007 Pioneer Intermediaries as Dealer from April 2002 – Jan 2004.
7.	Mr. Jalpan Shah (Portfolio Manager - Fixed Income)	40 Years	15 Years	B.E. (Mechanical), PGDM	L&T Investment Management Limited as Portfolio Manager – Fixed Income (Since 30 th June-2014) Prior Assignments: Dealer – Investments (Fixed Income) and Macro Economic Research November 24, 2012 to 30 th June, 2014 FIL Fund Management Private Ltd. as Research Associate from December 2007 till November 2012 Lotus India Asset Management Co. Pvt. Ltd as Research Analyst from September 2007 to November 2007 UTI Asset Management Co. Pvt. Ltd. from May 2004 till August 2007. Last designation - Research Analyst
8.	Mr. Vihang Naik (Co- Fund Manager Equities)	34 Years	12 Years	CFA, TYBMS	L&T Investment Management Limited as Co – Fund Manager – Equities (June 28, 2016 till date) Prior Assignments: L&T Investment Management as Analyst (July 11, 2012 till June 27, 2016) Research Analyst – March 2010 till June 2012 with MF Global Sify Securities Research Analyst – May 2008 to March 2010 with Motilal Oswal Securities Research Analyst Oct-06 to Apr-08 with SBICAP

Sr. No.	Name/ Designation	Age	Total No. of years of experience	Qualification	Brief Experience
					Securities.
9.	Mr. Alok Ranjan (Dedicated fund manager for investments in foreign securities)	34 Years	9 Years	PGDM (MBA) from IIM Calcutta, B.Tech in Mechanical Engineering from NIT Warangal	L&T Investment Management Limited as dedicated fund manager for investments in foreign securities (From October 01, 2019 till date Prior Assignments: L&T Investment Management Ltd.- As Equity Research Analyst (From November 2017 – September 2019); Shell India Private Ltd. - Senior Specialist - Market risk (From October 2017 – November 2017); JM Financial Ltd. - Equity Research Analyst (From March 2017 – September 2017); Kotak Mahindra Bank - Treasury Sales (From December 2015– March 2017); American Express - Business Analyst (From April 2015 – December 2015); NTPC Ltd. - Assistant Manager (From August 2011 – May 2013)
10.	Mr. Ankur Banthiya (Head – Customer Service, Distribution Support Service and the Investor Relations Officer)	37 Years	17 Years	ACA, Grad CS	L&T Investment Management Limited as Head – Customer Service, Distribution Support Service and Investor Relations Officer since July 2016 Prior Assignments: L&T Investment Management Limited Head – Customer Service and Distribution Support Service since October 2015 to July 2016 L&T Investment Management Limited Senior Manager – Distribution support services- Nov 23 rd 2012 till Sep 2015.

Sr. No.	Name/ Designation	Age	Total No. of years of experience	Qualification	Brief Experience
					<p>FIL Fund Management Private Limited Operations – July 2009 to Nov 23rd 2012-Last Designation –Senior Manager Operations</p> <p>FIL Funds Network Private Limited as Manager – Operations from October 2008 to June 2009.</p> <p>Citigroup Global Services Ltd – 2003 to October 2008 Last Designation - Senior Manager Operations.</p> <p>Mr. Ankur Banthiya is located at the office of the AMC at Chennai.</p>
11.	<p>Mr. Mahesh Chhabria</p> <p>(Fixed Income – Dealer)</p>	43 Years	10 Years	Masters in Management Studies (M.M.S)	<p>L&T Investment Management Ltd as Dealer in Fixed Income since June, 2015 till date.</p> <p>Prior Assignments:</p> <p>Edelweiss Securities Ltd as Fixed Income dealer from October 2013 - June 2015</p> <p>Derivium traditions Pvt. Ltd. as Fixed Income dealer from February 2013- October 2013</p> <p>L&T Investment Management Ltd. as Associate in Investment Operations from November 2012 – February 2013.</p> <p>FIL Fund Management Pvt. Ltd. as Associate in Investment Operations from August 2010 – November, 2012</p>
12.	<p>Mr. Hitesh Gondhia</p> <p>(Equity – Dealer)</p>	39 Years	15 Years	PGDBM-Finance	<p>L&T Investment Management Limited as Equity Dealer from June 2014 till date.</p> <p>Prior Assignments:</p> <p>Edelweiss Securities Limited as Equity dealer from March 2007 to May 2014.</p>

Sr. No.	Name/ Designation	Age	Total No. of years of experience	Qualification	Brief Experience
					Karvy Stock Broking Limited as Equity dealer from June 2005 to March 2007
13.	Mr. Chaitanya Sule (Fixed Income – Dealer)	37 Years	14 Years	MBA in Finance, CFP (FPSB)	L&T Investment Management Limited as Dealer in Fixed Income since September, 2019 Prior Assignments: L&T Investment Management Limited as Team Manager- Investment Operations from February 2018 to August 2019. BOI AXA Investment Managers Pvt. Ltd. as Portfolio Controller in Investment Operations from February 2015 to February 2018 Edelweiss Asset Management Limited as Manager in Investment Operations from February 2012 to February 2015. ING Investment Management (I) Pvt. Ltd. as Manager in Portfolio Management Services from April 2006 to January 2012
14.	Mr. Mohd. Asif Rizwi (Fixed Income – Senior Dealer)	36 Years	10 Years	PGDM from IIM Calcutta & B. Tech (Chemical Engineering) from IIT Bombay	L&T Investment Management Ltd. as Senior Dealer in Fixed Income since May 11, 2020 till date. Prior Assignments: Yes Bank Ltd as Executive Vice President from April 2020, 2015 to May 08, 2020. ICICI Bank Ltd. as Manager II (Senior Manager) from May 9, 2012 to April 18, 2015. Deutsche Bank Global Markets Centre as Senior Analyst from July 2007 to May 2010.

Information on Research/ Credit Analysts:

Sr. No.	Name/ Designation	Age	Qualification	Brief Experience
1.	Mr. Ronak Vora (Equity Analyst)	32 Years	BE (Electronics), PGDBM - Finance	L&T Investment Management Limited as Equity Analyst since January 2017. Prior Assignments B&K securities – Institutional Equity Sales from December, 2015 – till January 2017. Kotak Securities – Deputy Manager (Forex & Rates) from February, 2013 – till December, 2015. Tata Consultancy Services – Assistant System Engineer from January, 2010 – till July, 2011.
2.	Mr. Mohit Baheti (Equity Analyst)	25 years	CA, B.com	L&T Investment Management Limited as Equity Research Analyst since August 27, 2019. Prior Assignments: Motilal Oswal Financial Services as Equity Research Analyst from June 11, 2017 to August 22, 2019. SRBC & Co. LLP as Executive - Audit Assurance from June 16, 2016 to August 10, 2017.
3.	Mr. Nirish Modi (Research Analyst)	28 years	CA, CFA (Level 3)	L&T Investment Management Limited as Research Analyst/Team Manager – Equities since October 2018 Prior Assignments: Haitong Securities (India) Pvt. Ltd. as Associate – Institutional Equity from November 2017 to October 2018 Investcare Securities Pvt. Ltd. as Equity Analyst – from December 2015 to October

Sr. No.	Name/ Designation	Age	Qualification	Brief Experience
				2017
4.	Mr. Sundeep Allamraju (Credit Analyst)	28 years	PGDM from IIM Kozhikode	L&T Investment Management Limited as Credit Analyst / Team Manager – Equities (May 02, 2019 till date) Prior Assignments: Credit Analyst - 2014-2019 Rating assessment of credits, client management, report writing.

Procedure and Recording of Investment Decisions

All investment decisions, relating to the Schemes, are being undertaken by the AMC in accordance with the SEBI Regulations and the investment objectives specified in the SID. All investment decisions taken by the AMC in relation to the corpus of the Schemes are being recorded.

With regard to investments in any equity and debt instruments, individual scrip wise reasons are being recorded by the fund manager at the time of placing individual orders. A detailed report is made before taking any decision to invest in a company for the first time. Performance of the Schemes is periodically tabled before the boards of the AMC and the Trustee respectively. Performance of the Schemes vis-à-vis their respective benchmark indices are being periodically monitored by the boards of the Trustee and the AMC. Further, the boards of the Trustee and the AMC also review the performance of the Schemes in the light of performance of the mutual fund industry as published from time to time by independent research agencies and financial newspapers and journals.

E. Service providers

a) Custodian

Citibank NA, Mumbai having its registered office at First International Financial Centre (FIFC), 11th Floor, Plot Nos. C 54 and C55, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400051, India has been appointed as custodian of the Schemes of the Fund. The Custodian is registered with SEBI under the SEBI (Custodians of Securities) Regulations, 1996, vide registration number IN/CUS/004. The Trustee has the right to change the Custodian in certain circumstances.

b) Registrar & Transfer Agent

Computer Age Management Services Limited ("CAMS"), having its registered office at New No.10, Old No.178, M. G. R. Salai, Nungambakkam, Chennai - 600034, has been appointed to act as the registrar and transfer agent to the Schemes of the Fund in accordance with the Registrar and Transfer Agent Agreement dated September 10, 2004. The Registrar is registered with SEBI under the SEBI (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 vide registration no. INR000002813. The boards of the Trustee and the AMC have ensured that the Registrar has adequate capacity to discharge responsibilities with regard to processing of applications and dispatching unit certificates to Unit holders within the time limit prescribed in the Regulations and also has sufficient capacity to handle investor complaints. The AMC has the right to change the Registrar in certain circumstances.

The AMC also obtains services from CAMS for electronic connectivity in case of Schemes of L&T Mutual Fund listed on the recognized exchange(s) or available on online platform of BSE, NSE and ICEX.

c) Statutory Auditor

M/s. Deloitte Haskins and Sells LLP, Chartered Accountants, having an office at Indiabulls Finance Centre, Tower 3, 32nd Floor, Elphinstone Mill Compound, Senapati Bapat Marg, Elphinstone Road (W), Mumbai - 400013, are the auditors appointed for the Fund. The Trustee has the right to change the statutory auditor in certain circumstances.

d) Collecting Bankers

HDFC Bank Ltd., Maneckji Wadia Building, Nanik Motwani Marg, Fort, Mumbai-400 001 (SEBI Registration No. INBI00000063) and / or such other banks registered with SEBI as Collecting Bankers as may be decided by the AMC from time to time. Application for the New Fund Offer and on an on-going basis will be accepted at the Collection Centres/ ISCs as may be designated by the AMC from time to time. The AMC may from time to time appoint such other Banks registered with SEBI as collecting bankers.

e) Legal counsel

The AMC reserves the right to appoint such other counsel as may be deemed necessary from time to time.

f) Fund Accountant

Citibank NA, Mumbai having its registered office at First International Financial Centre (FIFC), 11th Floor, Plot Nos. C 54 and C55, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400051, India has been appointed as the fund accountant for the Schemes of the Fund. Citibank NA provides fund accounting, NAV calculation and other related services in accordance with an Administration Agreement dated October 18, 2012 between the AMC and Citibank NA. The AMC has the right to change the fund accountant in certain circumstances.

F. Condensed Financial Information

(Schemes launched during the last 3 financial years (excluding redeemed schemes))

Historical Per Unit Statistics	L&T FMP - Series XVI - Plan A		
	April 01, 2019 to March 31, 2020	April 01, 2018 to March 31, 2019	December 26, 2017 to March 31, 2018
Data for the period			
NAV at beginning of year / Allotment Date (Rs.)			
Dividend Option	10.9162	10.1754	10.0000
Growth Option	10.9162	10.1754	10.0000
Direct Plan - Dividend Option	10.9403	10.1798	10.0000
Direct Plan - Growth Option	10.9403	10.1798	10.0000
Dividend (Rs.)			
Dividend Option	-	-	-
Direct Plan - Dividend Option	-	-	-
NAV as at the end of the period:			
Dividend Option	11.8667	10.9162	10.1754
Growth Option	11.8667	10.9162	10.1754
Direct Plan - Dividend Option	11.9108	10.9403	10.1798

Direct Plan - Growth Option	11.9107	10.9403	10.1798
Annualised Return since inception till end of year (%)			
Direct Plan - Growth Option	7.99%	7.47%	NA
Growth Option	7.82%	7.28%	NA
Absolute return since inception till end of year (%)			
Direct Plan - Growth Option	NA	NA	6.608% #
Growth Option	NA	NA	6.4445% #
Net Assets at end of the period (Rs. Crs.)	75.58	69.44	64.64
Ratio of Recurring Expenses to net assets (%) - Direct Plan	0.11%	0.11%	0.10%
Ratio of Recurring Expenses to net assets (%) - Regular Plan	0.26%	0.29%	0.26%

Historical Per Unit Statistics	L&T Emerging Opportunities Fund - Series I \$\$\$			L&T Emerging Opportunities Fund - Series II \$\$\$	
	April 01, 2019 to March 31, 2020	April 01, 2018 to March 31, 2019	February 20, 2018 to March 31, 2018	April 01, 2019 to March 31, 2020	June 29, 2018 to March 31, 2018
Data for the period					
NAV at beginning of year / Allotment Date (Rs.)					
Dividend Option	9.451	9.915	10.0000	10.0300	10.0000
Direct Plan - Dividend Option	9.557	9.926	10.0000	10.1110	10.0000
Dividend (Rs.)					
Dividend Option	-	-	-	-	-
Direct Plan - Dividend Option	-	-	-	-	-
NAV as at the end of the period:					
Dividend Option	6.921	9.451	9.915	7.6080	10.0300
Direct Plan - Dividend Option	7.039	9.557	9.926	7.7190	10.1110
Annualised Return since inception till end of year (%)					
Direct Plan - Growth Option	-15.34%	-3.70%	NA	-13.67%	NA
Growth Option	-16.01%	-4.65%	NA	-14.37%	NA
Absolute return since inception till end of year (%)					
Direct Plan - Growth Option	NA	NA	--0.75% #	NA	1.12% #
Growth Option	NA	NA	--0.86% #	NA	0.31% #
Net Assets at end of the period (Rs. Crs.)	276.03	376.71	394.84	164.13	216.23
Ratio of Recurring Expenses to net assets (%) - Direct Plan	0.78%	1.80%	1.83%	0.75%	1.79%

Ratio of Recurring Expenses to net assets (%) - Regular Plan	1.36%	2.79%	2.90%	1.39%	2.86%
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Historical Per Unit Statistics	L&T FMP - Series XVII - Plan B		L&T FMP - Series XVII - Plan C	
	April 01, 2019 to March 31, 2020	July 02, 2018 to March 31, 2019	April 01, 2019 to March 31, 2020	September 18, 2018 to March 31, 2019
Data for the period				
NAV at beginning of year / Allotment Date (Rs.)				
Dividend Option	10.7492	10.0000	10.6357	10.0000
Growth Option	10.7492	10.0000	10.6357	10.0000
Direct Plan - Dividend Option	10.7753	10.0000	10.6564	10.0000
Direct Plan - Growth Option	10.7753	10.0000	10.6563	10.0000
Dividend (Rs.)				
Dividend Option	-	-	-	-
Direct Plan - Dividend Option	-	-	-	-
NAV as at the end of the period:				
Dividend Option	11.7833	10.7492	11.5675	10.6357
Growth Option	11.7833	10.7492	11.5679	10.6357
Direct Plan - Dividend Option	11.8437	10.7753	11.6252	10.6564
Direct Plan - Growth Option	11.8439	10.7753	11.6252	10.6563
Annualised Return since inception till end of year (%)				
Direct Plan - Growth Option	10.10%	NA	10.18%	NA
Growth Option	9.78%	NA	9.83%	NA
Absolute return since inception till end of year (%)				
Direct Plan - Growth Option	NA	10.2693% #	NA	11.957% #
Growth Option	NA	9.9243% #	NA	11.5828% #
Net Assets at end of the period (Rs. Crs.)	262.46	239.15	251.84	230.95
Ratio of Recurring Expenses to net assets (%) - Direct Plan	0.29%	0.29%	0.10%	0.10%
Ratio of Recurring Expenses to net assets (%) - Regular Plan	0.56%	0.61%	0.40%	0.45%

Historical Per Unit Statistics	L&T FMP - Series XVIII - Plan A		L&T FMP - Series XVIII - Plan C	
	April 01, 2019 to March 31, 2020	October 03, 2018 to March 31, 2019	April 01, 2019 to March 31, 2020	February 21, 2018 to March 31, 2019
Data for the period				

NAV at beginning of year / Allotment Date (Rs.)				
Dividend Option	10.5800	10.0000	10.1258	10.0000
Growth Option	10.5800	10.0000	10.1258	10.0000
Direct Plan - Dividend Option	10.5989	10.0000	10.1287	10.0000
Direct Plan - Growth Option	10.5989	10.0000	10.1287	10.0000
Dividend (Rs.)				
Dividend Option	-	-	-	-
Direct Plan - Dividend Option	-	-	-	-
NAV as at the end of the period:				
Dividend Option	11.5072	10.5800	11.1429	10.1258
Growth Option	11.5072	10.5800	11.1397	10.1258
Direct Plan - Dividend Option	11.5634	10.5989	11.1681	10.1287
Direct Plan - Growth Option	11.5624	10.5989	11.1683	10.1287
Annualised Return since inception till end of year (%)				
Direct Plan - Growth Option	10.11%	NA	10.42%	NA
Growth Option	9.76%	NA	10.16%	NA
Absolute return since inception till end of year (%)				
Direct Plan - Growth Option	NA	11.9227% #	NA	11.6145% #
Growth Option	NA	11.5496% #	NA	11.3524% #
Net Assets at end of the period (Rs. Crs.)	64.49	59.25	36.71	33.35
Ratio of Recurring Expenses to net assets (%) - Direct Plan	0.10%	0.10%	0.25%	0.22%
Ratio of Recurring Expenses to net assets (%) - Regular Plan	0.40%	0.45%	0.48%	0.47%

Historical Per Unit Statistics	L&T Focused Equity Fund		L&T FMP - Series XVIII - Plan D	
	April 01, 2019 to March 31, 2020	November 05, 2018 to March 31, 2019	April 01, 2019 to March 31, 2020	February 14, 2018 to March 31, 2018
Data for the period				
NAV at beginning of year / Allotment Date (Rs.)				
Dividend Option	10.7470	10.0000	10.2008	10.0000
Growth Option	10.7470	10.0000	10.2008	10.0000
Direct Plan - Dividend Option	10.7930	10.0000	10.2027	10.0000
Direct Plan - Growth Option	10.7930	10.0000	10.2028	10.0000
Dividend (Rs.)				
Dividend Option	-	-	-	-

Direct Plan - Dividend Option	-	-	-	-
NAV as at the end of the period:				
Dividend Option	8.9140	10.7470	11.1981	10.2008
Growth Option	8.9140	10.7470	11.1981	10.2008
Direct Plan - Dividend Option	9.0520	10.7930	11.2174	10.2027
Direct Plan - Growth Option	9.0520	10.7930	11.2171	10.2028
Annualised Return since inception till end of year (%)				
Direct Plan - Growth Option	-6.85%	NA	10.68%	NA
Growth Option	-7.88%	NA	10.52%	NA
Absolute return since inception till end of year (%)				
Direct Plan - Growth Option	NA	7.94% #	NA	16.1006% #
Growth Option	NA	7.48% #	NA	15.9464% #
Net Assets at end of the period (Rs. Crs.)	572.52	568.18	48.66	44.28
Ratio of Recurring Expenses to net assets (%) - Direct Plan	1.40%	1.54%	0.11%	0.10%
Ratio of Recurring Expenses to net assets (%) - Regular Plan	2.52%	2.59%	0.26%	0.25%

Historical Per Unit Statistics	L&T FMP - Series XVIII - Plan B	
	April 01, 2019 to March 31, 2020	December 04, 2018 to March 31, 2019
Data for the period		
NAV at beginning of year / Allotment Date (Rs.)		
Dividend Option	10.4330	10.0000
Growth Option	10.4330	10.0000
Direct Plan - Growth Option	10.4417	10.0000
Dividend (Rs.)		
Dividend Option	-	-
Direct Plan - Dividend Option	-	-
NAV as at the end of the period:		
Dividend Option	11.4437	10.4330
Growth Option	11.4438	10.4330
Direct Plan - Growth Option	11.4820	10.4417
Annualised Return since inception till end of year (%)		
Direct Plan - Growth Option	10.91%	NA
Growth Option	10.64%	NA
Absolute return since inception till end of year (%)		
Direct Plan - Growth Option	NA	13.4161% #

Growth Option	NA	13.1523% #
Net Assets at end of the period (Rs. Crs.)	219.45	199.68
Ratio of Recurring Expenses to net assets (%) - Direct Plan	0.11%	0.11%
Ratio of Recurring Expenses to net assets (%) - Regular Plan	0.36%	0.36%

Annualised Return

\$\$\$: Since Growth option was not available provided Returns of Dividend Plan

Notes:

- Returns of the schemes are given for growth options only. The difference between the other options is only to the extent of dividend/bonus and tax pay out.
- For the Equity schemes that have not completed one year, returns are given as absolute returns and for the Debt schemes that have not completed one year, returns are given as are simple annualized.
- Details of the schemes launched during the last three financial years but not existing as on date have not been shown.
- Past performance of the aforesaid Schemes may or may not be sustained in future.

II. HOW TO APPLY?

Please refer to the Application form for the instructions. Investors/ Unit holders are also requested to read SID/ KIM and Application form carefully before investing.

• **Facility to hold units in Physical Form:**

The application forms or transaction slips for the purchase of Units of the Scheme will be available at any of the Sales Offices, Investor Service Centres (“ISCs”) as designated by the AMC from time to time, Website of the Mutual Fund at www.ltfs.com. The addresses of the sales offices and ISCs are given at the end of the SID / KIM.

New Investors can purchase Units by completing an Application Form. Existing Unit holders may use the form attached to the bottom of their Account Statement or fill out a Transaction Form and submit the same along with a local cheque / Demand Draft. The Fund may introduce other methods of making an application which will be notified as and when introduced.

Further the AMC has the discretion to accept transactions as scanned images from registered e-mail address of investors.

Investors proposing to purchase units of the scheme directly from the Fund (i.e. investments not routed through an AMFI Registration Number (ARN) Holder) can invest under the Direct Plan. The scheme shall have a common portfolio i.e. the Direct Plan will not have a segregated portfolio.

Investments under the Direct Plan can be made through various modes offered by the Fund for investing directly with the Fund {except Stock Exchange Platform(s) and all other platform(s) where investors’ applications for subscription of units are routed through distributors}.

The application(s) will be processed under Direct / Regular Plan as stated in the table below (w.e.f. July 1, 2015):

Scenario	Distributor / broker code mentioned by the investor	Plan mentioned by the investor	Default plan in which the application shall be processed
1	Not mentioned	Not mentioned	Direct Plan
2	Not mentioned	Direct	Direct Plan
3	Not mentioned	Regular	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not Mentioned	Direct Plan
6	Direct	Regular	Direct Plan
7	Mentioned	Regular	Regular Plan
8	Mentioned	Not Mentioned	Regular Plan

The application or application for additional investments, as the case may be, must be for a minimum amount as mentioned in the SID/KIM of Schemes of the Fund.

Payment must be made by cheque or a demand draft on any bank which is situated at and is a member of the Bankers Clearing House located at the place where the application is submitted. Cheque or demand draft should be drawn in favour of respective scheme name e.g. "L&T Midcap Fund" and crossed "A/c Payee only". A separate cheque or demand draft must accompany each application.

In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under the Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.

Outstation cheques/ drafts and Non-MICR cheques will not be accepted and applications accompanied by such cheques / drafts will be rejected.

Applicants located in a place where there are no Offices/ Branches of the AMC/ ISC, may send their applications, accompanied by a separate "Account Payee only" demand draft in favour of the respective scheme at the nearest ISC.

In such cases, all demand drafts should be payable at the location of the ISC.

If an investor is residing in a city/town where the AMC does not have any Official Point of Acceptance, the investor may submit a DD for the investment amount. The AMC shall bear the charges incurred by the applicant for investing in all such schemes except Debt/Fixed income schemes.

The AMC / Fund shall not bear DD Charges incurred by investors residing in locations where collection arrangements are offered by the Fund / AMC through Investor Service Centres.

Investors are advised in their own interest to send the applications by registered post only.

- **NRI / FPIs**

Repatriation basis:

In case of NRIs and persons of Indian origin residing abroad, payment may be made by way of Indian Rupee drafts purchased abroad and payable at Mumbai or by way of cheques drawn on Non-Resident (External) (NRE) Accounts payable at par at Mumbai. Payments can also be made by means of rupee drafts payable at Mumbai - and purchased out of funds held in NRE Accounts / FCNR Accounts.

All cheques / drafts should be made out in favour of the respective scheme / plan name for example “L&T Midcap Fund” and crossed “Account Payee only”. In case Indian Rupee drafts are purchased abroad or from FCNR / NRE A/c. / Foreign Inward Remittance Certificate (FIRC) from the Bank issuing the draft confirming the debit shall also be enclosed.

- **Non-Repatriation basis:**

In case of NRIs / Persons of Indian Origin applying for Units on a non-repatriation basis, payments may be made by cheques / demand drafts drawn out of Non- Resident Ordinary (NRO) accounts payable at the city where the Application Form is accepted.

- **Redemption by NRIs / FIIs:**

Units held by an NRI and FIIs (subject to applicable regulations) may be redeemed by such investor in accordance with the procedure described above and subject to any procedures laid down by RBI. Such redemption proceeds will be paid by means of a Rupee cheque payable to NRIs / FIIs subject to RBI procedures and approvals, and subject to deduction of tax at source, as applicable, from time to time.

- **Application under Power of Attorney / Body Corporate / Registered Society Trust / Partnership**

In case of an application under Power of Attorney or by a limited company, Body Corporate, registered society, trust, or partnership, etc. the relevant Power of Attorney or the relevant resolution or authority to make the application as the case may be, or duly certified copy thereof, along with the memorandum and articles of association / bye-laws must be lodged at the AMC/ Registrar’s Office along with the application form.

On acceptance of valid application for subscription, the investor shall receive confirmation specifying the number of units allotted by way of email and/ or SMS to the investor’s registered email address and/or mobile number (if provided by the investor) as soon as possible but not later than five business days from the date of receipt of valid subscription request. This is applicable for subscriptions received through both physical and demat mode.

The AMC/ Trustees shall, have absolute discretion to reject any application for purchase of Units, if in its opinion, increasing the size of the Unit Capital is not in the general interest of the Unit holders, or if for any other reason it believes that it would be in the best interest of the Scheme or its Unit holders to not accept such an application.

Investors are requested to note that incomplete applications or those not specifying the Scheme / option and / or accompanied by cheque / demand drafts / account to account transfer instructions favouring scheme / option other than that specified in the application are liable to be rejected.

As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account number, permanent account number (PAN) except for those investors as mentioned under the section “**Permanent Account Number**” and also complete the KYC in their applications for purchase of units. In case such details/ proofs are not mentioned/ provided/ produced, the application forms will be rejected. Further, no cash or third party cheques, except for exceptions mentioned in this document will be accepted towards subscription amount. Please note that the AMC may not verify the signatures while processing any additional purchase / subscription in the existing folio.

The AMC reserves the right to reject the application form in case of insufficient details/ deficiencies in the application form.

- **Facility to hold units in Demat Form through Stock Exchange Mechanism:**

Pursuant to SEBI circular no. CIR/IMD/DF/9/2011 dated May 19, 2011, the Fund, offers an option to its investors to subscribe/ hold/ redeem units of Schemes/ Plans/ Options of the Fund in demat mode subject to

the provisions of the SID/ SAI/ KIM of the said Schemes/ Plans/ Options and in terms of the guidelines/ procedural requirements as laid by the SEBI/ Depositories/ Depository Participant from time to time.

Investors are requested to note that for SIP transactions the units will be allotted based on the applicable Net Asset Value of the respective scheme and will be credited to investors demat account on periodic basis, upon realization of funds.

Accordingly, investors are requested to note that units of the Schemes/ Plans/ Options held in demat mode would be transferable subject to the provisions of the SID/ SAI/ KIM of the said Schemes/ Plans/ Options and in accordance with provisions of the Depositories Act, 1996 and the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time. However, restrictions on transfer of units of Equity Linked Savings Schemes of L&T Mutual Fund during the lock-in period shall continue to be applicable as per the ELSS guidelines.

Unitholders who wish to avail the allotment of units in Schemes of L&T Mutual Fund in Demat Mode are requested to fill in the application form available at Investor Service Centres of the AMC and Transaction Points of CAMS Service Centres. The same is also available on our website www.ltfs.com

In case, an investor desires to convert the units in dematerialized/ physical mode, as the case may be, at a later date, the request for conversion of units held in physical mode to demat mode or vice-versa should be submitted in the prescribed request form to their Depository Participants.

Investors are requested to note that no redemption requests will be accepted by Investor Service Centres (ISCs) for units held in demat mode.

Further Investors/ Unit holders opting to hold units in demat form are requested to take note of the following:

- a) Investors need to have a demat account opened with NSDL/ CDSL as the case may be.
- b) Time stamping evidence by the confirmation slip given by the stock exchange shall be considered for the purpose of determining applicable NAV and cut off timing for the transaction.
- c) Request for non-commercial transactions like change of address, change of bank particulars etc will have to be intimated to the respective Depository Participant.
- d) In case investors desire to convert their existing units held in physical form (represented by SOA) into dematerialized form, the dematerialization request shall be submitted to the Depository Participants. AMC will facilitate the conversion with the help of Registrar & Transfer Agent, Depositories and Depository Participants (DPs).
- e) Where the units are held in the demat form, the demat account statement issued by the DPs would be adequate compliance of the requirements in respect of the dispatch of the statement of accounts.
- f) Since, units are held by the investors in the dematerialized form, the KYC performed by the DPs shall be considered to be in compliance with SEBI circulars issued in this regards from time to time.
- g) Investors who hold the units in Demat form will also have to submit the Delivery Instruction Slip (DIS) to their DPs on the same day of submission of redemption request by 3.00 pm or such other time as may be specified by the recognised Stock Exchanges, failing which the transaction would be rejected.
- h) Units of the Schemes of L&T Mutual Fund which are held in dematerialized form shall be freely transferable.
- i) Since the Stock Exchanges facilitate settlement through pool account, Investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/ clearing member's pool account. L&T Mutual Fund (MF)/ the AMC would pay proceeds to the broker/ clearing member (in case of redemption) and broker/ clearing member in turn to the respective investor and similarly units shall be credited by the MF/ AMC into broker/ clearing member's pool account (in case of purchase) and broker/ clearing member in turn to the respective investor. Accordingly, payment of redemption proceeds to the broker/ clearing members by the MF/ AMC shall discharge the MF/ AMC of its obligation of payment to individual investor. Similarly, in case of

purchase of units, crediting units into broker/ clearing member pool account shall discharge the MF/ AMC of its obligation to allot units to individual investor.

- j) Further, the investors are requested to note that in case of redemption request received through Stock Exchange Platform/DP, the units specified by the investor in the request will be redeemed, and the residual units, if any, will continue to remain in the folio held in the records of the Registrar, and the residual units shall be redeemed only after a separate request from the unit holder is received, clearly specifying the units for redemption.

- **Facility of transacting through the platform of Indian Commodity Exchange Ltd (ICEX):**

An additional facility of transacting in the Units of all the open ended Schemes of L&T Mutual Fund ('Schemes') through the platform is provided by Indian Commodity Exchange Ltd (ICEX).

The above facility in non-Demat form shall be subject to the following:

1. The investor has to approach a trading member of ICEX who is registered with Association of Mutual Funds in India (AMFI) as Mutual Fund Advisor and who is empaneled as a distributor with the LTIM and also registered with ICEX as Member ("AMFI certified stock exchange broker") for ICEX MF Platform i.e. Brokers/Members/Mutual Fund Distributors/Registered Investment Advisors (RIA).
2. The window for the purchase/redemption/switch of units on the ICEX Platform will normally be available between 9 a.m. and 3 p.m. or such other timings as may be decided from time to time by ICEX in line with the cut-off time fixed/revised by SEBI from time to time. Transactions entered beyond the above mentioned time will be considered for next business day.
3. The allotment and/or redemption/switch of Units through ICEX, on any Business Day will depend upon the modalities of processing viz. collection of application form, Account Opening form, cancelled cheque, KYC documentation, order processing/ settlement, etc. upon which the AMC/Fund/RTA has no control. Moreover, transactions conducted through the stock exchange mechanism shall be governed by the operating guidelines and directives issued by respective recognized stock exchange and SEBI from time to time.
4. **Purchase of units: Non-Demat (Physical) Mode:**
 - (i) The investor is required to submit all requisite documents along with the purchase application to his Broker/Member/MF Distributor/RIA.
 - (ii) The Broker/Member/MF Distributor/RIA shall verify the application and documents for mandatory details and KYC compliance.
 - (iii) After completion of the verification, the purchase order will be entered in the ICEX Online Platform and an order number will be issued to the investor.
 - (iv) The investor will transfer the funds to the Broker/Member/MCCIL for onward transmission to the respective Scheme's account of the AMC/Fund through the Clearing Corporation of the Exchange.
 - (v) In case of non-demat i.e. physical mode, the Registrar will intimate the allotment details to the investor directly or through Broker/Member by emailing/issuing the physical statement of accounts or through the monthly Consolidated Account Statement (CAS). The allotment details are also shared with the Exchange and Clearing Corporation.
5. **Redemption of units: Non-Demat (Physical) Mode**
 - (i) The investor is required to submit all the requisite documents along with the redemption application (subject to applicable limits prescribed by ICEX) to the Broker/ Member.

- (ii) The redemption order will be entered in the Stock Exchange system and an order number will get generated through the system. Redemption orders would be created either in terms of amount or quantity as per the choice of the investor.
 - (iii) The redemption proceeds will be credited to the bank account of the Member as per the respective scheme's timeline, who will transfer it to the account of the investor subsequently.
 - (iv) In case of a transaction through the Mutual Fund Distributor, the redemption proceeds will be credited directly to the Bank Account of the investor concerned, as registered in the Folio of the Investor, within the specified timeline of the respective schemes.
6. Payment of redemption proceeds to the Clearing Corporation/Broker/Member by LTIM/Mutual Fund shall discharge the AMC/Mutual Fund of its obligation of payment to respective investor through the Member/Broker. Similarly, in case of purchase of units, crediting units into the Pool Account of the Clearing Corporation/Broker/Member concerned shall discharge the LTIM/ Fund of its obligation to allot units, to respective investor through the Member/Broker.
 7. The cut-off timing and applicability of Net Asset Value (NAV) shall be subject to the guidelines issued by SEBI in this regard. With respect to investors who transact through the stock exchange, the applicable NAV shall be reckoned on the basis of the time stamping as evidenced by the confirmation slip given by the stock exchange mechanism and subject to receipt of funds by AMC/Mutual Fund before the cut- off time of the respective schemes, as set by ICEX, within the existing SEBI guidelines.
 8. The investors are requested to note that the allotment of NAV will be based on the time stamping of transaction on the server of ICEX and the receipt of Funds into the account of the respective schemes of the AMC/Fund from the Clearing Corporation, within the overall guidelines issued by SEBI on the matter, from time to time. The payment by the Investor to the Clearing Corporation will not entitle the investor for the NAV until the same is transferred into the scheme's account of the AMC/Fund by the MCCL, before the stipulated cut off time, if the sum of all transactions by any specific investor in a particular scheme (at portfolio level) during any Business Day equals to Rs. 2 lac or more for non-Liquid Schemes and for all purchase cases of Liquid Fund, irrespective of the amount. The redemption request shall be accepted by the Exchange upto the cut off time stipulated and revised by SEBI, from time to time, failing which the request shall be processed with the NAV applicable for the next permissible business day.
 9. All the authorised offices of ICEX and ICEX MF platform shall be considered as the Official Point of Acceptance (OPA) of the Mutual Fund in accordance with SEBI Circular No. SEBI/IMD/CIR No.11/78450/06 dated October 11, 2006 and conditions stipulated in SEBI Circular dated November 13, 2009 for stock brokers viz. AMFI/NISM certification, code of conduct prescribed by SEBI for Intermediaries of Mutual Fund shall be applicable for such Clearing members.
 10. For any complaints or grievances against the Broker/Member with respect to the transactions done through the stock exchange infrastructure, the investor should contact either the concerned Stock Broker or the investor grievance cell of the ICEX.

Investors may also get in touch with any of the Investor Service Centers (ISCs) of the L&T Mutual Fund/RTA should they require any assistance. LTIM reserves the right to change/modify the features of this facility or discontinue this facility at any time.

Investors are also requested to note that all the terms and conditions of the circular/ guidelines issued by SEBI/ NSE/ BSE/ICEX/ Depositories shall be applicable for purchase/ redemption of units through the Stock Exchange Platform.

Facility in 'Demat' shall be subject to the following:

1. Purchase of units:

- (i) The investors who intend to deal in depository mode are required to have a demat account with any of the Depository Participants (DPs) registered with either of the Depositories i.e. CDSL or NSDL.
- (ii) The investor who chooses the depository mode is required to place an order for purchase of units (subject to applicable limits prescribed by ICEX) with the Brokers/Members.
- (iii) The investor should provide their depository account details to the Members.
- (iv) The purchase order will be entered in the Exchange system and an order number will be generated through the system.
- (v) The investor will transfer the funds to the Broker/Member who in turn shall transfer the funds to Metropolitan Clearing Corporation of India Ltd. (MCCIL) for onward transmission to the AMC.
- (vi) The demat units will be credited into MCCIL account who in turn credit broker/member's account for onward transfer to Investor's Demat account.

2. Redemption of units:

- (i) The investors who intend to deal in demat mode should be holding units in Demat mode or should get their units converted from physical mode to demat mode prior to placing of redemption order.
 - (ii) The investor who chooses the demat mode is required to place an order for redemption/switch with the Broker/Member. The investors should provide their Depository Participant with Depository Instruction Slip with relevant units to be credited to the Pool Account of the Clearing Corporation of ICEX i.e. MCCIL
 - (iii) The redemption order will be entered in the system and an order number will get generated from the system containing time of the server of ICEX. Redemption orders would be created in terms of units or amount as opted by the investor concerned.
 - (iv) The redemption proceeds will be credited to the Bank Account of the investor, as per the Bank Account details in the Demat Account of the investor, as recorded with the Depository Participant (DP), through the Clearing Corporation.
3. Separate folios will be allotted for units held in physical and demat mode.
 4. The redemption request can be given in terms of the number of units or amount, subject to the provisions pertaining to minimum redemption amount.
 5. The cut-off timing and applicability of Net Asset Value (NAV) will be as applicable to physical/non-Demat transactions
 6. Currently, ICEX does not provide the facility of non-financial transactions. However, ICEX is hereby authorised to accept the same as and when they start this facility.
 - i. The Mutual Fund/RTA will not be in a position to accept any request for transactions or any other service requests in respect of units bought under this facility in demat mode.
 - ii. In case of non-financial requests for the change of bank details etc. investors should approach Investor Service Centres (ISCs) of the Mutual Fund or its RTA and to KRA (KYC Registration Agency) for Change of Address/Mobile No/Email ids etc. if units are held in physical mode and to the respective Depository Participant(s) if units are held in demat mode.

- **Additional mode of payment through Applications Supported by Blocked Amount (“ASBA”) (applicable during NFO period):**

Apart from the current process of accepting payment through cheques/ demand drafts, investors also have the ASBA facility as additional mode of payment. The banks which are in SEBI’s list shall extend the said facility in case of the NFO of the Schemes of L&T Mutual Fund to all eligible investors. Further, investors are requested to check with their respective banker before availing ASBA facility. Investors are requested to note that ASBA facility is available only during NFO period of a scheme.

Investors who wish to avail of ASBA facility are requested to submit the ASBA Form with Self Certified Syndicate Bank (SCSB). The investor is required to submit a copy of the acknowledgment receipt of the ASBA Form as submitted to the SCSB along with the NFO application form to L&T Mutual Fund. Eligible Investors for ASBA maintaining their account in any of the prescribed SCSBs may use ASBA facility subject to fulfilling all the terms and conditions stipulated in this regard.

Investors can download the ASBA Form for the Scheme from the website of the Mutual Fund at www.ltfs.com. The current list of SCSBs is available on SEBI website.

Investors are requested to refer to Instructions in the ASBA Form before investing. Further, Investors are requested to check with their respective Banks before availing ASBA facility.

Investors/ Unit holders are requested to note the following points at the time of making application:

- **Mandatory quoting of Bank Mandate:**

SEBI has made it mandatory for investors to provide their bank account details viz. name of bank, branch, address, account type and number, etc. to the Mutual Fund House. Applications without complete bank details are liable to be rejected. Investors should ideally mention account details of the same bank account from where the payment towards purchase is made. If the bank account details mentioned are different from pay-in bank (from where the investment is made), investors should attach additional documents like cancelled cheque with name and account number pre-printed or latest bank statement or latest pass book or bank letter in original or attested for validating the bank account details. Should the investor fail to provide the documents, the AMC/RTA reserve the right to register the pay-in bank details and use such bank account for payment of any redemption/dividend proceeds.

The AMC will not be responsible for any loss arising out of fraudulent encashment of cheques/ warrants and/ or any delay/ loss in transit.

- **Change of Bank**

Investors are requested to refer to the Service Request Form available on Fund’s website www.ltfs.com for change of bank details and submit documents mentioned under section “Guidance Notes” in the Service Request Form.

New bank accounts will be registered basis written request from Investor subject to verification of signature and necessary supporting documents.

The change of bank request for Individuals requires the following supporting documents:

1. Original cancelled cheque of the new bank account with the name & account number printed.
2. Original cancelled cheque or original verified attested cheque copy of the old bank account.

Please note that if the name and bank A/c number is not found on the cheque, additional document like A/c statement (three months), copy of passbook (three months entries), banker’s confirmation on letter head along with PAN and/or address should be provided.

Further, if the investor is unable to provide Old bank cheque leaf due to closure of account, Account statement (three months)/ Copy of the passbook (three months entries) /banker's confirmation on letter head with PAN and/or address confirmation can be provided. Alternatively, Investor can visit AMC branches with original identity proofs and address proofs for verification.

In the absence of the documents as mentioned above, AMC reserves the right to insist for additional document as appropriate so as to consider the same for processing after ensuring authenticity of the same.

If Unit holder(s) provide a new and unregistered bank mandate or a change of bank mandate request with specific redemption/ dividend payment request (with or without necessary supporting documents), such bank account will not be considered for payment of redemption/ dividend proceeds, or the Mutual Fund withhold the payment for upto 10 calendar days to ensure validation of new bank mandate mentioned. Change of bank mandate would not be processed based on the request submitted along with the redemption request and the investor will have to submit a fresh request for change of bank mandate with supporting documents. Any request without the necessary documents will be treated invalid and will not be acted upon and any financial transaction, including redemptions, will be processed with the existing registered details only. Valid change of bank mandate requests with supporting documents will be processed within ten days of documents reaching the head office of the Registrar and any financial transaction request received in the interim will be carried based on the previously registered details.

- **Multiple Bank Accounts Registration:**

AMC has implemented the facility of registering Multiple Bank Accounts in respect an investor folio with effect from November 15, 2010. The Mutual Fund offers its investors' facility to register multiple bank accounts and designate one of the registered bank account as "Default Bank Account". Individuals and HUFs can register upto five bank accounts and upto ten bank accounts in other cases including non individuals. Investor may choose one of the registered bank accounts as default bank accounts for the credit of redemption / dividend proceeds. The investor may, however, specify any other registered bank accounts for credit of redemption proceeds at the time of requesting for the redemption. Further, investors are requested to note that they may change such bank account to any other registered bank account through written instructions to AMC/ Registrar & Transfer Agent (RTA). In case of existing investors, their existing registered bank mandate, and in case of new investors, their bank account details as mentioned in the Application Form shall be treated as default account for bank account, if they have not specifically designated a default bank account. Where an investor proposes to delete his/ her existing default Pay-out account, he/ she shall compulsorily designate another account as default account. In case of modification in Bank Mandate, the AMC will require a cooling period of upto 10 calendar days from the receipt of the duly completed application for implementing the revised mandate/ default Bank Account. The same shall be communicated to the investor through such means as may be deemed fit by the AMC.

If the investor desires to add a new bank mandate and wants to set the new bank account as the default payout mandate, in addition to the new bank mandate, cancelled cheque of the old bank mandate as proof(s) is/are also required.

Investors are requested to note that Terms and Conditions and Form to register the Multiple Bank Accounts is available at nearest Investor Service Centers of the Fund or can be downloaded from our website www.lfs.com.

Investors are requested to note the following with respect to the Multiple Bank Registration Facility / Change of Bank:

- a) Bank registration/deletion request from Unit holder(s) will be accepted and processed only if all the details and necessary documents as are attached. The request is liable to be rejected if it is not filled completely and in case of any ambiguous/incorrect/ incomplete information.

- b) The first/sole Unit holder in the folio should be amongst any one of the bank account holders. Unit holder(s) cannot provide the bank account(s) of any other person or where the first/sole Unit holder is not an account holder in the bank account provided.
- c) Unit holder(s) need to attach any one of the following mandatory documents for both old and new bank account in original, in respect of each bank account for registering the bank accounts, failing which the particular bank account will not be registered. This will help in verification of the account details and register them accurately.
 - I. Cancelled cheque with name and account number pre-printed
 - II. Bank Statement
 - III. Certified Copy of Pass book
- d) If the document is not in original, the copy should be certified by the bank or the original document should be produced for verification at the offices of the AMC.
- e) All documents submitted should clearly evidence the bank name, account number and name of all bank account holders.
- f) While registering multiple bank accounts, the Unit holder(s) has to specify any one bank account as the 'Default Bank Account'.
- g) If the 'Default Bank Account' is not specified or is unclear, the Mutual Fund reserves the right to designate any of the bank accounts as 'Default Bank Account'. Default Bank Account will be used for all dividend, redemption and maturity payouts in case of close ended schemes.
- h) Investors can change the default bank account by submitting the Bank Account Registration form. in case multiple bank accounts are opted for registration as default bank account, the mutual fund retains the right to register any one of them as the default bank account at its discretion.
- i) Bank account Details with redemption request: Please note the following important points related to payment of redemption proceeds:
 - I. Proceeds of any redemption request will be sent only to a bank account that is already registered and validated in the folio at the time of processing redemption transaction.
 - II. Unit holder(s) may choose to mention any of the existing registered bank account with redemption request for receiving redemption proceeds. If no registered bank account is mentioned, default bank account will be used for processing the redemption request.
 - III. If unit holder(s) provides a new bank mandate or a bank mandate which has not been previously registered with a specific redemption request (with or without necessary supporting documents) such bank account may not be considered for payment of redemption proceeds and proceeds will be sent to existing registered bank account only entirely at the risk of the unit holder(s) and the fund will not be liable for the same under any circumstances
 - IV. Change of bank mandate would also not be processed based on the request submitted along with the redemption request and the investor will have to submit a fresh request for change of bank mandate with supporting documents
- j) The registered bank accounts will also be used to identify the pay-in proceeds. Hence, unit holder(s) are advised to register their various bank accounts in advance using this facility and ensure that payments for ongoing purchase transactions are from any of the registered bank accounts only, to avoid fraudulent transactions and potential rejections due to mismatch of pay-in bank details with the accounts registered in the folio.

- k) This facility of multiple bank registration requests or any subsequent addition/change/ deletion in the registered bank accounts would be effected within 10 business days from the receipt of a duly completed application form at the office of the Registrar in Chennai and a confirmation letter will be sent within 15 business days. Unit holder(s) should preserve this letter for their reference, as the account statement will reflect default bank mandate only.
- l) If in an NRI folio, purchases investments are vide NRO bank account, the bank account types for redemption can be NRO only. If the purchase investments are made vide NRE account(s), the bank accounts types for redemption can be NRO/ NRE.
- m) The requests for addition/change/deletion/modification in the registered bank account(s) should be submitted using the designated application form only. Requests received on a plain paper/any other formats are liable to be rejected.
- n) The Mutual fund, AMC, it's registrar and other service providers shall not be held liable for any loss arising to the unit holder(s) due to the credit of the redemption proceeds into any of the bank accounts registered in the folio.

Please note that the payments made in the following forms will not be accepted:

- Cash
- Stock Invest
- Outstation Cheques
- Post-dated Cheques (Except for SIPs and application(s) where the payment instrument is dated as of the immediate next business day)
- **Change of Address**
 - I. KYC Complied Folios/Investors: In case of change of address for KYC complied folios, the investors shall be required to submit the below stated documents to the designated intermediaries of the KYC Registration Agency:
 - Proof of new address (POA) and,
 - Any other document the KYC Registration Agency may specify from time to time.
 - II. In case of folios created before the implementation of KYC norms as amended from time to time: In case of change of address for KYC not complied folios, the investors shall be required to submit the below stated documents:
 - Proof of new address and,
 - Proof of Identity (POI): Only PAN card copy, if PAN is updated in the folio. In case where PAN is not updated, copy of PAN card or the other POI as may be prescribed.

However, it is advisable to these investors to complete the KYC process. It is to be noted that for KYC Complied Investors address is imported from KRA records and hence it is advised to get the address updated in KRA records for the changes to reflect in the folio.

- **Permanent Account Number**

As per provisions of SEBI, all investors (resident and non-resident) transacting in the Schemes of the Mutual Fund, irrespective of the amount of transaction, are required to provide the PAN supported by a copy of the PAN card to the AMC. In case of investors who do not provide a certified copy of the PAN card, the application for transaction in units of the Schemes will be rejected by the Mutual Fund.

Note: Investors are requested to submit a copy along with the original for verification at the investor service centres of the Mutual Fund/CAMS, which will be returned across the counter. Alternatively, a

distributor empanelled with the Mutual Fund can attest a copy. A true copy bearing a Bank Manager's or a Notary Public's attestation will also be accepted.

This clause does not apply to investors residing in the state of Sikkim, officials of Central Government, State Government and those appointed by the Courts e.g. Official Liquidator, Court Receiver, etc. (under the category of Government) and investors investing upto Rs. 50,000 (i.e. Micro Investments) per year (rolling 12 months period).

Investors making Micro Investments shall, in lieu of PAN and KYC requirements, be required to furnish an attested copy (self attested/attested by the AMFI registered distributor bearing its AMFI Registration Number) of any of the following photo identification documents and proof of address.

(a) Voter Identity Card; (b) Driving License; (c) Government/ Defense identification card; (d) Passport; (e) Photo Ration Card; (f) Photo Debit Card; (g) Employee Identity cards issued by companies registered with Registrar of Companies; (h) Photo identification issued by bank managers of scheduled commercial banks/gazetted officer/elected representatives to the Legislative Assembly/Parliament; (i) Identity card issued to employees of scheduled commercial/state/district co-operative banks; (j) Senior Citizen/Freedom Fighter identity card issued by Government; (k) Cards issued by universities/deemed universities or institutes under statutes like The Institute of Chartered Accountants of India, The Institute of Cost and Works Accountants of India, The Institute of Company Secretaries of India; (l) Permanent Retirement Account Number (PRAN) card issued to new pension system (NPS) subscribers by the central recordkeeping agency (National Securities Depositories Limited); (m) Any other photo identity card issued by Central Government/State Governments/municipal authorities/Government organizations like Employees' State Insurance Corporation/Employees Provident Fund Organisation.

It is clarified that where photo identification documents contain the address of the investor, a separate proof of address is not required.

The aforesaid exemption shall be applicable to (i) investments only by individuals (including Non Resident Indians, but not Persons of Indian Origin), minors and sole proprietary firms; and (ii) joint holders.

- **Uniform Know Your Customer (KYC)/ In Person Verification (IPV) Requirements:**

The KYC information of mutual fund investors who have completed their KYC through CDSL Ventures Ltd ("CVLMF") upto December 31, 2011 has been uploaded by CVL in their KRA system ("CVL-KRA"). Hence, the KYC status of such investors currently reflects as "MF - VERIFIED BY CVLMF" in the CVL-KRA system. As and when such investors choose to invest with a new mutual fund i.e. invest in a new mutual fund where they have not invested earlier (or opened a folio earlier), or in case of investors who have not invested in any other SEBI registered intermediaries, such investors will be required to complete the following procedure:

- Fill up and sign the KYC application form (for individual investors or non-individual investors as appropriate) available on the Mutual Fund's website i.e. www.ltfs.com.
- The completed KYC application form along with all the necessary documents as mentioned in the KYC application form should be submitted with any of the SEBI registered intermediary or with any of the offices of the distributors (qualified as per the following note).
- Obtain a temporary acknowledgement for submission of all the documents and completion of In-Person Verification ("IPV").

Note: As per the SEBI circular MIRS/Cir-26/2011 dated December 23, 2011, it is mandatory for SEBI registered intermediaries to carry out an IPV of any investor dealing with a SEBI registered intermediary.

For investments in a mutual fund, the Asset Management Companies, Registrar and Transfer Agents of mutual funds and distributors which comply with the certification process of National Institute of Securities Market or Association of Mutual Funds in India and have undergone the process of "Know Your

Distributors” are authorised to carry out the IPV. Unless the IPV process is completed, the investor will not be considered as KYC compliant under the new KYC compliance procedure and hence will not be permitted to make any investments in the schemes of the Mutual Fund.

For investors proposing to invest with L&T Mutual Fund directly (i.e. without being routed through any distributor), IPV done by a scheduled commercial bank may also be relied upon by the Fund.

The KRA system shall be applicable for client accounts opened from January 1, 2012. Presently there are 5 KRAs, viz., i) CDSL Ventures Limited ii) NDML iii) DOTEX iv) CAMS v) Karvy in the securities market.

- Once all the documents are verified by a KRA, they will send the investor a letter within 10 working days from the date of receipt of necessary documents by them informing the investor either about compliance by the investor of the new KYC compliance procedure (“final acknowledgement”) or any deficiency in submission of details or documents.
- On the basis of the temporary acknowledgement or the final acknowledgement the investor would be eligible to deal with any of the SEBI registered intermediaries.
- Further, in accordance with requirements of SEBI letter no. OW/16541/2012 dated July 24, 2012 and SEBI circular no. CIR/IMD/DF/10/2014 dated May 22, 2014 investors investing up to Rs. 50,000 per year i.e. the aggregate of instalments in a rolling 12 month period (“Micro Investments”), are also required to comply with the above mentioned KYC procedure. However, they are exempt from the requirement of providing PAN as a proof of identification. They will have to complete the PAN Exempt KYC viz., (PEKRN). Eligible Investors are required to undergo Know Your Customer (KYC) procedure with any of the SEBI registered KYC Registration Agency (KRA). Eligible Investors must attach a copy of the KYC acknowledgement letter containing the PAN Exempt KYC Reference No. (PEKRN) issued by the KRA along with the application form. Eligible Investors must hold only one PEKRN.
- Further, investors transacting in the Units of the Schemes through BSE and/or NSE in a dematerialised mode will not be subject to KYC formalities as stated herein. In accordance with the guidelines issued by SEBI, KYC formalities carried out by the Depository Participant will be considered adequate.

The AMC/the Fund reserve the right to update the information in its records on the basis of the information provided by the investor to the KRA.

- **Central KYC Records Registry (“CKYC”)**

SEBI vide its circular no. CIR/MIRSD/66/2016 dated July 21, 2016 read with SEBI circular no. CIR/MIRSD/120/2016 dated November 10, 2016 has intimated about the operationalisation of Central KYC Records Registry (“CKYCR”). Thereafter, AMFI vide Best Practices Guidelines circular no. 135/BP/68/2016-17 dated December 22, 2016 has prescribed guidelines including Central KYC (“CKYC”) forms for implementing the CKYC norms.

In this regard, with effect from February 1, 2017, any individual customer who has not done KYC under the KYC Registration Agency (KRA) regime shall fill the new CKYC form. If such new customer uses the old KRA KYC form, such customer would either fill the new CKYC form or provide additional/ missing information in the Supplementary CKYC form.

The KYC requirements shall be governed by SEBI circulars/ notifications, AMFI guidelines and guidelines prescribed by any other regulatory authority, as issued/ amended from time to time.

- **Mandatory updation of Permanent Account Number (PAN) & Know Your Customer (KYC) for processing of mutual fund transactions**

As per the directives issued by SEBI from time to time, it is mandatory for all unitholders to update the Permanent Account Number (PAN) and complete KYC requirements for all unit holders

- In respect of folios where PAN is not updated/available (non-PAN exempt folios), it is mandatory for all the unit holders in the folio including guardian (in case of a minor) to update PAN
- In respect of non-PAN exempt folios, it is mandatory to complete the KYC requirements for all unit holders in the folio including guardian (in case of a minor).
- In case of PAN Exempt KYC (PEKRAN) folios, it is mandatory for all the unit holders in the folio including guardian (in case of a minor) to update PEKRAN.

In view of the above, financial transactions (including redemptions, switches and all types of systematic plans) and non-financial requests will not be processed if the unit holders have not completed the above requirements.

Investors who wish to update their PAN can visit our website www.ltfs.com for online updation or submit a copy of self-attested PAN at any of the Investor service centres of L&T Investment Management Limited ('AMC') or the Registrar and Transfer Agent ('RTA') with a request letter quoting their folio.

For completing the KYC requirements, Unit holders are advised to use the applicable KYC Form and submit the same at the point of acceptance.

Further in case of non-PAN exempt folios, upon updating of PAN details with the KRA (KRA-KYC)/CERSAI (CKYC), the unit holders are requested to intimate us/our RTA their PAN information along with the folio details for updating in our records.

- **Declaration For 'Ultimate Beneficial Ownership' (UBO)**

Pursuant to SEBI master circular ref. no. CIR/ISD/AML/3/2010 dated December 31, 2010 on anti money laundering standards and guidelines on identification of Beneficial Ownership issued by SEBI vide its circular ref. no. CIR/MIRSD/2/2013 dated January 24, 2013, investors (other than Individuals) are required to provide details of Ultimate Beneficial Owner(s) ('UBO') and submit proof of identity (viz. PAN with photograph or any other acceptable identity proof prescribed in common KYC form) of UBO(s).

- **Foreign Account Tax Compliance Act (FATCA) / Common Reporting Standard (CRS) ("Reporting Guidelines")**

- **FATCA:**

Foreign Account Tax Compliance Act ("FATCA") is a United States of America's ("USA") law. The main objective of FATCA is to target tax non-compliance by USA tax payers having foreign accounts as the taxation in USA is on global income of USA tax payers.

FATCA's focus therefore is reporting by US tax payers of their foreign financial accounts and offshore accounts and foreign financial institutions of all other countries to USA's Internal Revenue Services ("IRS") either directly or through respective local authority, about financial accounts held by USA tax payers or foreign entities in which USA tax payers hold substantial ownership interest.

Indian government is willing to co-operate in this initiative and has signed an agreement with USA.

The impact of this agreement on Indian financial institutions as defined in the agreement will be that such financial institutions (including asset management companies for respective mutual funds) will have to report certain information (like account balance, details of transactions and such other things that may be required from time to time) of specified US persons as defined in the agreement, to IRS through the specified Indian authority, on a periodic basis.

○ **CRS**

On similar lines as FATCA, the Organization of Economic Development (OECD), along with the G20 countries, of which India is a member, has released a "Standard for Automatic Exchange of Financial Account Information in Tax Matters", in order to combat the problem of offshore tax evasion and avoidance and stashing of unaccounted money abroad, requiring cooperation amongst tax authorities. The G20 and OECD countries have together developed a Common Reporting Standard (CRS) on Automatic Exchange of Information (AEOI).

On June 3, 2015, India has joined the Multilateral Competent Authority Agreement (MCAA) on AEOI. The CRS on AEOI requires the financial institutions of the "source" jurisdiction to collect and report information to their tax authorities about account holders "resident" in other countries, such information having to be transmitted "automatically" annually. The information to be exchanged relates not only to individuals, but also to shell companies and trusts having beneficial ownership or interest in the "resident" countries.

In order to comply with the Reporting Guidelines and related rules applicable to Indian financial institutions, L&T Investment Management Limited ("LTIM") may seek certain information and/ or documents from all its investors.

If any investor does not provide the required information or document, LTIM/ the Fund may not be able to provide the information sought under the Reporting Guidelines. In such an event, LTIM and / or the Fund may be considered in non-compliance with the Reporting Guidelines.

The applications that are incomplete with respect to providing of any information pertaining to the Reporting Guidelines, will be liable to be rejected. Any change in the information already provided to LTIM / Fund, should be informed to LTIM/Fund within 30 days of the change.

In case any of the information/document provided is found to be false or untrue or misleading or misrepresenting, the investor shall be held liable for it.

The investor authorizes updation of the records (relating to the Reporting Guidelines) basis the information / documents received by LTIM/Fund/Registrar and Transfer Agent from other SEBI Registered Intermediaries. Further, the investor authorizes LTIM/Fund/Registrar and Transfer Agent, to share the information provided by the investor with other SEBI Registered Intermediaries to facilitate single submission / updation.

Further, as may be required by domestic tax authorities, the investor authorizes LTIM/ Fund/Registrar and Transfer Agent to provide relevant information to upstream payors to enable withholding to occur and pay out any sums from the investor's account or close or suspend investor's account(s) under intimation to the investor.

The penalty of non-compliance with FATCA provisions on the Scheme could be 30% withholding tax on US Sourced income payable to the Scheme (like dividend income and amount of proceeds to be received on sale of any US investment made by the Scheme). This could impact investors, as the amount available for investment by the Scheme will be less to that extent. This withholding being penalty, the amount is not recoverable.

We believe that LTIM and the Fund are in compliance with requirements under the Reporting Guidelines; however since the requirements under the Reporting Guidelines are complex, compliance at all times may not be assured.

LTIM, Trustee Company, the Fund or the Sponsor do not solicit or market any Scheme of the Fund outside of India. Please note that none of our distributors is authorized to solicit business from any place outside of India or market any of the Schemes of the Fund outside of India. Investors who are eligible to invest in the Scheme as per any of the regulations, therefore, may invest after considering tax implications or other regulatory implications of investing in the Scheme of the Fund in their country of residency, tax residency or citizenship other than of India.

- **Transaction through Third Party instruments:**

In accordance with AMFI guidelines, the AMC will not accept Application Form accompanied by a payment instrument issued from a bank account other than that of the applicant / investor (“Third Party cheques”) except in certain circumstances mentioned below:

- a) payments made by an employer on behalf of its employee for investments under a SIP or lumpsum/one-time subscription by deduction from the payroll or deduction out of expense reimbursements;
- b) payments made by a Custodian on behalf of an Foreign Institutional Investor or its client; and
- c) payment by corporate to its agent/distributor/dealer (similar arrangement with Principal agent relationship), on account of commission/incentive payable for sale of its goods/services, in the form of mutual fund units through Systematic Investment Plans or lump sum / one-time subscription, subject to compliance with SEBI Regulations and guidelines issued by AMFI, from time to time.

Please note that: (a) in case of bank accounts held jointly, the first applicant/unit holder is required to be one of the joint holders of the bank account from which the payment instrument has been issued; and (b) a pre-funded instrument issued by a bank against cash for an amount of Rs. 50,000 or more will not be accepted by the Fund.

In order to carry out necessary verification in respect of cases mentioned above, the AMC may seek various information / documents including;

- a) The KYC acknowledgement letter for the applicant / investor and the person who has made the payment.
- b) Declaration from the applicant / investor and the person who has made the payment.
- c) Documentation for verification of source of funds.

Further for identification of the source of the funds, the following process could be implemented by the AMC and the applicant / investor would need to submit documents as mentioned below:

- a) The AMC will identify third party cheques on the basis of either matching of pay-in bank account details with pay-out bank account details provided by the applicant / investor or by matching the bank account number / name / signature of the first applicant / investor with the name / account number / signature available on the cheque. In case the applicant / investor has registered multiple bank accounts with the AMC, pay-in from such registered single or multiple accounts can be treated as payments from the applicant’s / investor’s bank account.
- b) If the payment for investments is made through pre-funded instruments such as pay order, demand draft, banker's cheque etc. investors should attach a certificate (in original) from the issuing banker with the Application Form, stating the bank account holder's name and the bank account number which has been debited for issue of the instrument, to enable the AMC/Registrar to check that the funds for investments have been debited from a pre-registered pay in account or from the account of the first applicant / unit holder.
- c) If the payment for investments is made through a pre-funded instrument issued by the bank against cash for an amount of Rs. 50,000, the investor should submit a certificate (in original) obtained from the bank giving name, address and PAN (if available) of the person who has requested for the payment instrument. The AMC / Registrar may check that the name mentioned in the certificate matches with the first named applicant / unit holder.

- d) If the payment for investments is made by RTGS, NEFT, ECS, bank transfer, etc., applicant / investor should attach to the Application Form, an acknowledged copy of the instruction to the bank also stating the bank account number which has been debited with the investment amount. The account number mentioned on the transfer instruction copy should be a registered bank account number or the first named applicant / unit holder should be one of the account holders in the bank account debited for such electronic transfer of funds.
- e) If the payment for investments is made through net banking and debit cards (if such facility is available), the AMC will endeavour to obtain the details of the bank account debited from the payment gateway service provider and match the same with the registered pay-in accounts. In case, the payment is not made from a registered bank account or is made from an account not belonging to the first named applicant / unit holder, the AMC/Registrar shall reject the application. Currently, where investor details are not made available by the payment gateway service provider, the AMCs shall obtain the name of the bank making the payment for the subscription.

III. RIGHTS OF UNITHOLDERS OF THE SCHEME

1. Unit holders of the Scheme have a proportionate right in the beneficial ownership of the assets of the Scheme.
2. When the Mutual Fund declares a dividend under the Scheme, the dividend warrants shall be dispatched within 30 days of the declaration of the dividend. Consolidated Account Statement shall be dispatched/ mailed to the Unit holder as mentioned in this document. Provided if a Unit holder so desires the Mutual Fund shall issue a Unit certificate (non-transferable) within 5 business days of the receipt of request for the certificate.
In case of Unit Holders holding units in the dematerialised mode, the Fund will not send the account statement / unit certificate to the Unit Holders. The statement provided by the Depository Participant will be equivalent to the account statement.
3. The Mutual Fund shall dispatch Redemption proceeds within 10 Business Days of accepting the Redemption request.
4. The Trustee is bound to make such disclosures to the Unit Holders as are essential in order to keep the Unit Holders informed about any information known to the Trustee which may have a material adverse bearing on their investments.
5. The appointment of the AMC for the Mutual Fund can be terminated by majority of the directors of the Trustee Board or by 75% of the Unit Holders of the respective Scheme.
6. 75% of the Unit Holders of a Scheme can pass a resolution to wind-up that Scheme.
7. The Trustee shall obtain the consent of the Unit Holders:
 - (i) whenever required to do so by SEBI, in the interest of the Unit Holders.
 - (ii) whenever required to do so if a requisition is made by three-fourths of the Unit Holders of that Scheme.
 - (iii) when the Trustee decides to wind up the Scheme or prematurely redeem the Units
8. The Trustee shall ensure that no change in the fundamental attributes of any Scheme or in the trust or fees and expenses payable or any other change which would modify the Scheme and affect the interest of Unit Holders, shall be carried out unless:
 - a written communication about the proposed change is sent to each Unit Hold
 - 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 existing Unit Holders of that Scheme are given an option to exit at the prevailing NAV without any Exit Load.
9. In specific circumstances, where the approval of Unit Holders is sought on any matter, the same shall be obtained by way of a postal ballot or such other means as may be approved by SEBI.

IV. INVESTMENT VALUATION NORMS FOR SECURITIES AND OTHER ASSETS

1. Valuation of Assets:

(1) The assets held by the Scheme(s) shall be valued in “in good faith” by the AMC on the basis of appropriate valuation methods based on principles approved by the trustees.

(2) The valuation shall be documented and the supporting data in respect of each security so valued shall be preserved for such period of time after the expiry of the scheme as may be required under the Regulations.

(3) The methods used to arrive at values ‘in good faith’ shall be periodically reviewed by the Trustees and by the statutory auditor of the mutual fund.

Guidelines for valuation of securities:

Category	Valuation Methodology
	Equity Shares / Preference Shares / Warrants
Traded	<p>The securities shall be valued at the last quoted closing price on the primary stock exchange. When on a particular valuation day, a security has not been traded on the primary stock exchange; the value at which it is traded on another stock exchange may be used.</p> <p>National Stock Exchanges (NSE) has been selected as a primary stock exchange.</p>
Non – Traded	<p>When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the selected stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than thirty days prior to the valuation date.</p> <p>If the security is not traded even after 30 days, the same would be valued as per the norms prescribed by SEBI for thinly traded securities.</p> <p>Intrinsic value will be considered for the valuation of preference shares.</p> <p>Warrants can be valued at the value of the share which would be obtained on exercise of the warrant as reduced by the amount which would be payable on exercise of the warrant, after providing for appropriate discount.</p>
Thinly Traded	<p>Any security for which the trading in a month is less than Rs 5 lakhs and total volume is less than 50,000 shares will be classified as a Thinly traded security.</p> <p>Such Thinly traded securities shall be valued in Good Faith by the AMC as per SEBI Regulations basis the principles described in Note 1.</p>
Unlisted	<p>Shall be valued in Good Faith by the AMC based on the latest available Annual Report of the company as per SEBI Regulations.</p> <p>In case of any deviation due to non-availability of any parameters required for valuation as per SEBI Regulations, the methodology used for valuation shall be documented and recorded. Refer Note 2 for detailed methodology.</p>
Initial Public Offer (IPO's)	<p>Valued at acquisition cost till the date of listing. Post listing, it will be valued as per the norms applicable for Traded equity shares.</p>
Follow-on public offers (FPO's)	<p>Valued as per the normal underlying equity shares. Valuation for the additional quantity (allotted under FPO) will commence only on Actual Allotment only.</p>

Category	Valuation Methodology
Amalgamation / Merger / De-merger / Spin off	In case if any of the resultant entities is not listed, the valuation for the same shall be arrived at in good faith by the Valuation Committee of the AMC basis the principles described in Note 3.
	Rights
Traded (Renunciations)	Where it is decided not to subscribe for the rights but to renounce them and renunciations are being traded, the rights can be valued at the renunciation value.
Pending Listing	<p>Until they are traded, the value of the “rights” shares should be calculated as:</p> $V_r = (P_{ex} - P_{of})$ <p>Where V_r = Value of rights P_{ex} = Ex-rights price P_{of} = Rights Offer Price</p> <p><i>Ratio of rights i.e. (n/m where n = No. of rights offered and m = No. of original shares held) will be adjusted in the Quantity directly while booking the rights and hence not considered again for valuation.</i></p> <p>In case if the rights offer price is higher than the ex-rights price, value of the rights share is to be taken as zero.</p> <p>Valuation to commence from the date of entitlement (ex-date).</p>
Applied Shares more than Entitled shares	The additional quantity to be shown as application money. Valuation for the additional quantity will commence only on receipt of Actual Allotment only.
	Convertible Debentures
Convertible Debentures	In respect of convertible debentures, the non-convertible and convertible components shall be valued separately. The non-convertible component should be valued on the same basis as would be applicable to a debt instrument. The convertible component should be valued on the same basis as would be applicable to an equity instrument. If, after conversion the resultant equity instrument would be traded paripassu with an existing instrument which is traded, the value of the latter instrument can be adopted after an appropriate discount for the non-tradability of the instrument during the period preceding the conversion. While valuing such instruments, the fact whether the conversion is optional, should also be factored in.
	Foreign Securities – Equity
Traded	<p>The securities issued outside India and listed on the stock exchanges outside India shall be valued at the closing price on the stock exchange at which it is listed or at the last available traded price. However in case a security is listed on more than one stock exchange, the AMC reserves the right to determine the stock exchange, the price of which would be used for the purpose of valuation of that security. In such cases, the AMC shall record the justification for selecting a particular stock exchange whose price is used for valuation. Further in case of extreme volatility in the international markets, the securities listed in those markets may be valued on a fair value basis.</p> <p>Due to difference in time zones of different markets, in case the closing prices of securities are not available within a given time frame to enable the AMC to upload the NAVs for a Valuation Day, the AMC may use the last</p>

Category	Valuation Methodology
	available traded price for the purpose of valuation. The use of the closing price/last available traded price for the purpose of valuation will also be based on the practice followed in a particular market.
Non Traded	The same shall be valued on a fair value basis by the Valuation Committee of the AMC.
Assets & Liabilities denominated in foreign currencies	
Exchange Rate available on RBI Website	On the Valuation Day, all assets and liabilities denominated in foreign currency will be valued in Indian Rupees at the exchange rate available on RBI Website at the close of banking hours in India (currently taken as 16:30 p.m. IST).
Exchange Rate not available on RBI Website	In case the exchange rate is not available on RBI Website on a particular Valuation Day, the exchange rate available on Bloomberg / Reuters will be used for conversion. The Trustees reserve the right to change the source for determining the exchange rate.
Shares tendered for Buyback	
On tendering the shares for buyback	Valued normally at the NSE/BSE closing price
Acceptance of offer	On receipt of the information from the custodian / company, the quantity accepted would be removed from the holding at the buyback price.
Futures & Options	
Futures & Options	Traded - Valued as per NSE Settlement price. Non-Traded - Based on settlement price / any other equivalent price provided by the respective stock exchange.
Exchange Traded Funds (ETF's)	
ETF's	The ETF's shall be valued at the last quoted closing price on the primary stock exchange. When on a particular valuation day, a security has not been traded on the primary stock exchange; the value at which it is traded on another stock exchange may be used. When a security is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the selected stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than thirty days prior to the valuation date.

Fixed Income and related Instruments

Category	Valuation Methodology
Debt and Money Market Instruments	
Securities with residual maturity greater than 30 days:	<p>All securities with residual maturity greater than 30 days shall be valued:</p> <p>At the average of the prices provided by the agencies nominated by AMFI (currently CRISIL & ICRA)# on a daily basis.</p> <p>In case security level prices given by valuation agencies are not available for a new security (which is currently not held by any Mutual Fund), then such security may be valued at purchase yield on the date of allotment / purchase.</p> <p>In case if the prices derived by the above methodology do not reflect the fair</p>

Category	Valuation Methodology
	value of securities, Valuation Committee shall adopt such alternate procedures / methodologies in conformance with the guiding principles of fair valuation in good faith to arrive at a true and fair estimation of the realisable value of the security / asset under normal, business-as-usual circumstances.
Securities with residual maturity less than or equal to 30 days:	<p>All securities with residual maturity lesser than or equal to 30 days shall be valued:</p> <p>1) Straight line amortisation from the last valuation price / Purchase price for newly purchased securities.</p> <p>2) The amortised price would be compared to the reference price. which shall be the average of the security level price of such security as provided by the agency(ies) appointed by AMFI for said purpose (hereinafter referred to as “valuation agencies”). In case if the difference between the amortised price and the reference price is greater than +/- 0.025%, the YTM will have to be adjusted to bring the price within the +/- 0.025% band</p> <p>In case security level prices given by valuation agencies are not available for a new security (which is currently not held by any Mutual Fund), then such security may be valued on amortization basis on the date of allotment / purchase.</p> <p>Further, with effect from April 01, 2020 onwards, amortization based valuation shall be dispensed with and irrespective of residual maturity, all money market and debt securities shall be valued At the average of the prices provided by the agencies nominated by AMFI (currently CRISIL & ICRA)# on a daily basis.</p> <p>In case if the prices derived by the above methodology do not reflect the fair value of securities, Valuation Committee shall adopt such alternate procedures / methodologies in conformance with the guiding principles of fair valuation in good faith to arrive at a true and fair estimation of the realisable value of the security / asset under normal, business-as-usual circumstances.</p>
Other Fixed Income related Instruments	
Government Securities, Treasury Bills and Cash Management Bills	At the average of the prices provided by the agencies nominated by AMFI (currently CRISIL & ICRA) # on a daily basis.
Fixed Deposits / TREPS/ Reverse Repo	To be Valued at Cost plus Accrual basis.
Bill Rediscounting	<p>Securities with residual maturity of less than or equal to 30 days will be valued on Straight line amortisation from the last valuation price / cost, whichever is more recent.</p> <p>Securities with residual maturity of more than 30 days would be valued at the average of the prices provided by the agencies nominated by AMFI (currently CRISIL & ICRA) # on a daily basis.</p>
Mutual Fund Units	To be valued as per the same day NAV or last available NAV

Category	Valuation Methodology
Interest Rate Swaps	All Interest Rate Swaps will be valued at net present value after discounting the future cash flows. Future cash flows for IRS contracts will be computed daily based on the terms of the contract and discounted by suitable OIS rates available on Reuters/Bloomberg/any other provider, as approved by Valuation Committee.
Interest Rate Futures	The exchange traded Interest Rate Futures would be valued based on the Daily settlement Price or any other derived price provided by the exchange
Foreign Securities –Debt	In case of investments in foreign debt securities, on the Valuation Day, the securities shall be valued in line with the valuation norms specified by SEBI for Indian debt securities. However, in case valuation of a specific debt security is not covered by SEBI Regulations, then the security will be valued on a fair value basis by the Valuation Committee of the AMC.
Securities with put and Call options	<p>Securities with only call / only Put option:</p> <p>In case of securities with call / put option, the valuation methodology as stated above will be applicable. However, in case of exercise of the option, the securities will deem to mature on the call / put date and accordingly the valuation principles shall be used. In case of securities prices are not provided by Valuation agencies for Call / Put date, the securities shall be valued on the basis of fair valuation ratified by the Valuation Committee.</p> <p>Securities with both Put and Call option on the same day:</p> <p>The securities with both Put and Call option on the same day will be deemed to mature on the Put/Call day and be valued accordingly.</p>
<u>Money Market & Debt Securities Which are rated below Investment grade</u>	<p>Circular No. SEBI/HO/IMD/DF4/CIR/P/2019/41 dated March 22, 2019.</p> <p><u>Valuation of money market and debt securities which are rated below Investment grade:</u></p> <ul style="list-style-type: none"> • All money market and debt securities which are rated below investment grade shall be valued at the price provided by valuation agencies (ICRA & CRISIL) • In case valuation not available from valuation agencies then valuation will be on the basis of indicative haircuts provided by these agencies. <p>Consideration of Traded Price for Valuation:</p> <ul style="list-style-type: none"> • AMCs shall consider such traded price for valuation if it is lower than the price post standard haircut. The said traded price shall be considered for valuation till the valuation price is determined by the valuation agencies. • INR 25 Crores consider as marketable lot for traded price or Minimum size of marketable lot as determined by valuation agencies <p>AMCs may deviate from the indicative haircuts and/or the valuation price for money market and debt securities rated below investment grade provided</p>

Category	Valuation Methodology
	by the valuation agencies with detailed rationale for deviation, as per prescribed in SEBI Circulars, Rules, Regulation and Master Circulars time to time.

Investment in ReITs, InvITs

Category	
ReITs / InvITs	On the valuation day, at the last quoted closing price on the National Stock Exchange (NSE)/ Bombay Stock Exchange (BSE) or other stock exchange, where such security is listed. If not traded on the primary stock exchange, the closing price on the other stock exchange will be considered. NSE will be the primary stock exchange. In case if it's not traded on the valuation day the valuation committee would recommend appropriate valuation methodology to determine the fair value.

Notes:

1. Non traded/ thinly traded securities shall be valued "in good faith" by the asset management company on the basis of the valuation principles laid down below :
 - (a) Based on the latest available Balance Sheet, net worth shall be calculated as follows
 - (b) Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
 - (c) Average capitalisation rate (P/E ratio) for the industry based upon either BSE or NSE data (which should be followed consistently and changes, if any noted with proper justification thereof) shall be taken and discounted by 75% i.e. only 25% of the Industry average P/E shall be taken as capitalisation rate (P/E ratio). Earnings per share of the latest audited annual accounts will be considered for this purpose.
 - (d) The value as per the net worth value per share and the capital earning value calculated as above shall be averaged and further discounted by 10% for ill-liquidity so as to arrive at the fair value per share.
 - (e) In case the EPS is negative, EPS value for that year shall be taken as zero for arriving at capitalised earning.
 - (f) In case where the latest balance sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies shall be valued at zero.
 - (g) In case an individual security accounts for more than 5% of the total assets of the scheme, an independent valuer shall be appointed for the valuation of the said security.
2. Unlisted equity shares of a company shall be valued "in good faith" on the basis of the valuation principles laid down below:
 - (a) Based on the latest available audited balance sheet, net worth shall be calculated as lower of (i) and (ii) below:
 - i. Net worth per share = [share capital plus free reserves (excluding revaluation reserves) minus Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] divided by Number of Paid up Shares.
 - ii. After taking into account the outstanding warrants and options, Net worth per share shall again be calculated and shall be = [share capital plus consideration on exercise of Option/Warrants received/receivable by the Company plus free reserves(excluding

revaluation reserves) minus Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] divided by {Number of Paid up Shares plus Number of Shares that would be obtained on conversion/exercise of Outstanding Warrants and Options}

- (b) Average capitalisation rate (P/E ratio) for the industry based upon either BSE or NSE data (which should be followed consistently and changes, if any, noted with proper justification thereof) shall be taken and discounted by 75% i.e. only 25% of the Industry average P/E shall be taken as capitalisation rate (P/E ratio). Earnings per share of the latest audited annual accounts will be considered for this purpose.
- (c) The value as per the net worth value per share and the capital earning value calculated as above shall be averaged and further discounted by 15% for illiquidity so as to arrive at the fair value per share.

The above methodology for valuation shall be subject to the following conditions:

- i. All calculations as aforesaid shall be based on audited accounts.
- ii. In case where the latest balance sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies shall be valued at zero. All calculations as aforesaid shall be based on audited accounts.
- iii. If the net worth of the company is negative, the share would be marked down to zero.
- iv. In case the EPS is negative, EPS value for that year shall be taken as zero for arriving at capitalised earning.
- v. In case an individual security accounts for more than 5% of the total assets of the scheme, an independent valuer shall be appointed for the valuation of the said security. To determine if a security accounts for more than 5% of the total assets of the scheme, it should be valued in accordance with the procedure as mentioned above on the date of valuation.

At the discretion of the AMC and with the approval of the trustees, an unlisted equity share may be valued at a price lower than the value derived using the aforesaid methodology.

In case of any deviation due to non-availability of any parameters required for valuation as per SEBI Regulations quoted above, the methodology used for valuation shall be documented and recorded.

3. Valuation of merged entity:

Valuation of merged entity will be arrived at by summation of previous day's last quoted closing price of the companies prior to merger.

Where one of the demerged companies is not immediately listed, valuation price will be worked out by using previous day's last quoted closing price before demerger ("Pre-demerger Price") reduced for the last quoted closing price of the listed company after demerger ("Listed Price"). In cases where the Listed Price is equal to or in excess of the Pre-demerger Price, it is proposed that the non - traded share of the hived off company be valued at zero. Currently if the Listed Price is less, the hived off company is valued at the difference between the Pre-demerger Price and Listed Price ("Valuation Price").

In cases where the hived off company is more than one and such companies are not listed, it is proposed that the Valuation Price be allocated between the unlisted hived off companies on an appropriate basis like price earnings ratio/ net worth/any other measure, as per the decision of the Valuation Committee.

In cases where post demerger, none of the companies are listed, it is proposed that Pre-demerger Price be allocated between all the resultant companies on an appropriate basis like price earnings ratio/ net worth/ any other measure, as per the decision of the Valuation Committee.

Cost allocation shall be proportionate to the derived value of all the resultant companies.

3.1 Un-Listed / Thinly Traded Securities by way of Corporate Action:

In case of corporate actions where the possible re-listing of the entity is envisaged or an adequate guidance is provided by the company, then no discount shall be applied to the derived price of unlisted entity. However, derived price shall be periodically (every three months from ex-date) reviewed by Valuation Committee.

4. Reference price. which shall be the average of the security level price of such security as provided by the agency(ies) appointed by AMFI for said purpose
5. In case of Certificate of Deposits and Commercial Papers, valuation will be done on the basis of the trades reported on the exchange platforms in the order of CDSIL. The qualifying criteria are to be observed at the exchange/platform level. In case of Corporate Bonds and Securitised Debts Traded price available across various public platforms like NSE OTC, and BSE WDM. would be considered for valuation. In case of multiple platforms reporting trades on the same day, the order of preference for considering the traded price would be NSE OTC, BSE WDM. The qualifying criteria are to be observed at the exchange/platform level.

In case of Government Securities, Treasury Bills and Cash Management Bills, Weighted average traded price available on The Clearing Corporation of India (CCIL) website will be considered.

In case of newly purchased/Allotted securities, if the security level pricing is not available, the same would be valued at yield plus accruals / on the day of the purchase and the following non-business days.

If the price is not available on designated agencies except on date of Allotment/purchase of the security then following procedure shall be followed:

- a) Traded price/yield would be considered as mentioned below:

For Instruments with residual maturity greater than 365 days - At least 2 trades aggregating to Rs. 25 crores or more are reported on a public platform.

For Instruments with residual maturity greater than 30 days and less than or equal to 365 days - At least 3 trades aggregating to Rs. 100 crores or more are reported on a public platform.

- b) Further if price is not available for 3 business day from date of allotment/last trade date the same would be valued at purchase yield on the following days.
- c) If price is not available after 3 business day, the Valuation Committee shall adopt such alternate procedures / methodologies in conformance with the guiding principles of fair valuation in good faith to arrive at a true and fair estimation of the realisable value of the security / asset under normal, business-as-usual circumstances.

- d) Broad principles for Waterfall approach adopted will be as per SEBI Circular SEBI/HO/IMD/DF4/CIR/P/2019/102 September 24, 2019. AMFI shall ensure Valuation agencies have a documented waterfall approach for valuation of money market and debt securities. The said waterfall approach shall be documented in consultation with SEBI.

“If at any point a conflict of interpretation / information between this Policy and any Regulations, Rules, Guidelines, Notification, Clarifications, Circulars, Master Circulars/ Directions by Securities Exchange Board of India (SEBI) arise then Regulations, Rules, Guidelines, Notification, Clarifications, Circulars, Master Directions issued by SEBI shall prevail.

Disclaimer:

By using the valuation contained in this document, the user acknowledges and accepts that the valuations are provided severally (and not jointly) by the service providers and are subject to the following disclaimers and exclusion of liability which operate severally to the benefit of the relevant service provider and AMFI. The valuation uses the methodology discussed by the service providers with the Association of Mutual Funds of India (AMFI) and reflects the service providers’ assessment as to the value of the relevant securities as at the date of the valuation. This is an indicative value of the relevant securities on the valuation date and can be different from the actual realizable value of the securities. The valuation is based on the information provided or arranged by or on behalf of the asset management company concerned (AMC) or obtained by the service providers from sources they consider reliable. Neither AMFI nor the service providers guarantee the completeness or accuracy of the information on which the valuation is based. The user of the valuations takes the full responsibility for any decisions made on the basis of the valuations. Neither AMFI nor the service providers accept any liability (and each of them expressly excludes all liability) for any such decision or use.

2. Inter scheme transfer

Inter-scheme transfers shall be done in conformance with regulatory requirements and applicable internal policies at prevailing market prices.

For debt Securities with residual maturity less than or equal to 30 days:

Inter-Scheme transfers would be done at average of prices received from two independent agencies (presently CRISIL and ICRA) provided the same is in accordance with the principles of fair valuation.

In case the prices are received from only one independent agency:

It will be done at the price provided by the agency from which the price is received, provided the same is in accordance with the principles of fair valuation.

If the Inter-scheme price is not available from any of the above agencies, it will be valued as follows:

Traded Securities:

At least 3 trades aggregating to Rs. 100 crores or more are reported on a public platform. The traded price would be compared to the amortised price. In case if the difference between the traded price and the amortised price is greater than +/- 0.025% band, the YTM will have to be adjusted to bring the price within the +/- 0.025% band.

Outlier trades, if any, will be ignored after suitable justification.

However, in respect of Fixed Income Securities, if traded price / yields are not available, Inter-scheme transfers would be done at the reference price, while ensuring that the reference price reflects fair market value.

For Securities including Sovereign Securities with residual maturity greater than 30 days:

Inter-Scheme transfers would be done at average of prices received from both the independent agencies (presently CRISIL and ICRA) provided the same is in accordance with the principles of fair valuation.

In case the prices are received from only one independent agency:

It will be done at the price provided by the agency from which the price is received, provided the same is in accordance with the principles of fair valuation.

If the Inter-scheme price is not available from any of the agencies, it will be valued as follows:

Inter-Scheme transfers would be done at the Weighted Average traded price/yield

*** Traded price/yield would be considered as mentioned below:**

For Instruments with residual maturity greater than 365 days – At least 2 trades aggregating to Rs. 25 crores or more are reported on a public platform.

For Instruments with residual maturity greater than 30 days and less than or equal to 365 days - At least 3 trades aggregating to Rs. 100 crores or more are reported on a public platform.

Outlier trades, if any, will be ignored after suitable justification

In case if traded price / yields are not available, Inter-scheme transfers would be done at previously valued yield to maturity/price provided by valuation agencies (presently CRISIL and ICRA)

In case of Government Securities, Treasury Bills and Cash Management Bills if prices not available from both agencies (CRISIL and ICRA) then, inter scheme transfer would be done at the last traded yield to maturity on NDS-OM at the time of inter-scheme. In case if at the time of inter-scheme there is no trade on NDS-OM, inter-scheme would be done at previous day's yield to maturity.

3. Dealing with Exceptional Events

Exceptional events are events during which reliance cannot, reasonably and in good faith, be placed on the available market information for a fair valuation of securities. These events generally lead to artificial, non-sustainable prices and may therefore warrant a departure from the established valuation methodology / procedures and adoption of alternate methods / judgement to reflect the realisable value of the securities / assets in conformance with the principles of fair valuation.

Following events could potentially be classified as exceptional events:

- a. Major policy announcements by the Reserve Bank of India, the Government or Regulator ;
- b. Natural disasters or public disturbances that force markets to close unexpectedly ;
- c. Absence of trading in specific security;
- d. Significant volatility in the capital markets ;
- e. Liquidity crunch in debt markets ;
- f. Heavy redemption pressures.

The above list is illustrative and not exhaustive.

Given the exceptional nature of these events and the lack of clarity on how it would impact the markets, it is not possible to define a standard methodology to be adopted for fair valuation of securities for such events.

The Valuation Committee shall be responsible for identifying and monitoring exceptional events and recommending appropriate alternate procedures / valuation methodologies with necessary guidance from

the AMC Board, wherever required. The Valuation Committee shall adopt such alternate procedures / methodologies in conformance with the guiding principles of fair valuation in good faith to arrive at a true and fair estimation of the realisable value of the security / asset under normal, business-as-usual circumstances. These alternate procedures / methodologies would be progressively and prospectively applied during the continuance of the exceptional events unless otherwise decided by the Valuation Committee in consultation with the AMC Board of Directors, wherever required.

The rationale for any such deviations from the valuation policy would be recorded in writing and placed before the Board of Directors of the AMC and Trustee Company.

Please note that the above mentioned Valuation Policy may change from time to time in accordance with changes in SEBI (Mutual Funds) Regulations as amended from time to time.

4. Expenses and Incomes Accrued

All expenses and incomes accrued up to the valuation date shall be considered for computation of NAV. For this purpose, major expenses like management fees and other periodic expenses would be accrued on a day to day basis. The minor expenses and income will be accrued on a periodic basis, provided the non-daily accrual does not affect the NAV calculations by more than 1%.

5. Changes in securities and in number of Units

Any changes in securities and in the number of Units will be recorded in the books not later than the first valuation date following the date of transaction. If this is not possible, given the frequency of NAV disclosure, the recording may be delayed up to a period of 7 days following the date of the transaction, provided as a result of such non recording, the NAV calculation shall not be affected by more than 1%

In case the NAV of the Scheme(s) differs by more than 1%, due to non - recording of transactions, the investors or Scheme(s) as the case may be, shall be paid the difference in amount as follows:-

- If the investors are allotted units at a price higher than NAV or are given a price lower than NAV at the time of sale of their Units, they shall be paid the difference in amount by the Scheme(s).
- If the investors are charged lower NAV at the time of purchase of their Units or are given higher NAV at the time of sale of their Units, the AMC shall pay the difference in amount to the Scheme(s). The AMC may recover the difference from the investors.

The valuation guidelines as outlined above are as per prevailing Regulations and are subject to change from time to time in conformity with changes made by SEBI.

6. Accounting Policies and Standards

In accordance with SEBI Regulations, the AMC will follow the accounting policies and standards detailed below:

1. The AMC shall keep and maintain proper books of accounts, records and documents, for all the Schemes so as to explain its transactions and to disclose at any point of time the financial position of any Scheme and, in particular, to give a true and fair view of the state of affairs of the Fund.
2. For the purposes of the financial statements, the Fund shall mark all investments to market and carry investments in the balance sheet at market value. However, since the unrealised gain arising out of appreciation on investments cannot be distributed, a provision shall be made for exclusion of this item when arriving at the distributable income.
3. In respect of all interest-bearing investments, income shall be accrued on a day to day basis as it is earned. Therefore, when such investments are purchased, interest paid for the period from the last interest due date up to the date of purchase shall not be treated as a cost of purchase but shall be

debited to interest recoverable account. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale shall not be treated as an addition to sale value but shall be credited to interest recoverable account.

4. In determining the holding cost of investments and the gains or loss on sale of investments, the "average cost" method shall be followed.
5. Transactions for purchase or sale of investments shall be recognised as of the trade date and not as of the settlement date, so that the effect of all investments traded during a financial year are recorded and reflected in the financial statements for that year. Where investment transactions take place outside the stock market (for example, acquisitions through private placement or purchases or sales through private treaty), the transaction shall be recorded, in the event of a purchase, as of the date on which any Scheme obtains an enforceable obligation to pay the price, or, in the event of a sale, when the Scheme obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.
6. Where income receivable on investments has accrued but has not been received for the period as specified in the SEBI guidelines for identification and provisioning for NPAs, provision shall be made by debiting to the revenue account the income so accrued in the manner specified in the SEBI guidelines for identification and provisioning for NPAs. Insofar as provision for the principal amount is concerned, the same shall be provided as specified in the aforesaid guidelines.
7. When Units are sold, the difference between the sale price and the face value of the Unit, if positive, shall be credited to reserves and if negative, shall be debited to reserves, the face value being credited to the capital account. Similarly, when Units are repurchased, the difference between the Purchase Price and face value of the Unit, if positive, shall be debited to reserves and, if negative, shall be credited to reserves, the face value being debited to the capital account.
8. When Units are sold, an appropriate part of the sale proceeds shall be credited to an equalisation account, and when Units are repurchased an appropriate amount shall be debited to equalisation account. The net balance on this account shall be credited or debited to the revenue account. The balance on the equalisation account debited or credited to the revenue account shall not decrease or increase the net income of any Scheme but shall only be an adjustment to the distributable surplus. It shall therefore be reflected in the revenue account only after the net income of a Scheme is determined.
9. The cost of investments acquired or purchased shall include securities transaction tax, brokerage, stamp charges and any charge customarily included in the broker's bought note. In respect of privately placed debt instruments, any front-end discount offered shall be reduced from the cost of the investment.
10. Dividend income earned by the Scheme shall be recognised on the date on which the investment is quoted on an ex-dividend basis, not on the date on which the dividend is declared. For investments, which are not quoted on the stock exchange, dividend income shall be recognised on the date of declaration.
11. Bonus shares to which the Scheme becomes entitled shall be recognised only when the original shares to which the bonus entitlement accrues are traded on the stock exchange on an ex-bonus basis. Similarly, rights entitlements shall be recognised only when the original shares on which the rights entitlement accrues are traded on the stock exchange on an ex-rights basis.

The accounting policies and standards outlined above are consistent with the existing SEBI Regulations and are subject to changes made from time to time by the AMC and / or Trustee Company. However, such changes must be in conformity with the SEBI Regulations.

V. TAX AND LEGAL AND GENERAL INFORMATION

Taxation (As per Finance Act, 2020)

The Income-tax benefits described in this document are as available under the present Income-tax Act, 1961 (the Act) as amended by Finance Act, 2020 and are available subject to relevant conditions. The information given is included only for general purpose and is based on advice received by the AMC regarding the law and practice currently in force in India and the Investors/Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor / Unit holder is advised to consult his / her own professional tax advisor.

TAX IMPLICATIONS TO UNITHOLDERS

Tax on income in respect of units:

As per the provisions of Section 10(35) of the Act, income other than Capital Gains received upto 31st March, 2020 in respect of units of a mutual fund specified under Section 10(23D) of the Act is exempt from income tax in the hands of the recipient unit holders.

With effect from 1st April, 2020, such income is taxable in the hands of the recipient units holders as per the applicable tax rates.

Equity Oriented Mutual Fund Scheme

Tax on capital gains:

As per section 2(42A) of the Act, units of the equity oriented scheme held as capital assets, for a period of not more than 12 months immediately preceding the date of transfer, will be treated as short-term capital assets for the computation of capital gains; where the holding period is more than 12 months, they would be treated as long-term capital assets. Section 47 of the Act, provides that transfer of units in relation to consolidation of two or more similar schemes of mutual fund and transfer of units in relation to consolidation of plans within a scheme of mutual fund in accordance with SEBI (Mutual Fund) Regulations will not be regarded as a transfer under the Act and thus would not liable to capital gains tax.

Long-term and short-term capital gains arising to unit holders from the transfer of units of the Scheme will be taxable at the following rates:

Nature of income	Tax rate*
Short-term capital gains on transfer of units in an equity oriented mutual fund, either to the Mutual Fund or on a recognized stock exchange	Income-tax payable at 15 percent provided transfer of such units is subject to Securities Transaction Tax ('STT') Additionally, STT is charged by the Mutual Fund on the said redemption / buy back of the units.
Long-term capital gains on transfer of units in an equity oriented mutual fund either to the Mutual Fund or on a recognized stock exchange	Income tax payable at 10% on long term capital gains (computed without indexation benefit) exceeding Rs. 1 lakh provided transfer of such units is subject to STT. Additionally, STT is charged by the Mutual fund on the said redemption / buy back of the units.

* In addition to the aforesaid tax, surcharge at the following rates is also payable:

- In case of Individuals / HUF/ AOP/ BOI, where the total income exceeds Rs. 50 lakhs but not exceeding Rs. 1 crore - at the rate of 10% of the tax liability; where the total income exceeds Rs. 1crore – at the

- rate of 15% of the tax liability; Higher surcharge rate of 25% and 37% is not applicable on short term capital gains taxable under section 111A and long term capital gains taxable under section 112A.
- In case of partnership firms, - at the rate of 12% of the tax liability if income exceeds Rs. 1 crore
 - In case of domestic companies opting for concessional tax rate under Section 115BAA or 115BAB – at the rate of 10% of the tax liability
 - In case of domestic companies other than those opting for concessional tax rate under Section 115BAA or 115BAB, where the income exceeds Rs. 1 crore - at the rate of 7% of the tax liability and if income exceeds Rs 10 crores then at the rate of 12%.
 - *In case of FPI/FII, the tax rate and surcharge will depend on the structure of FPI/FII
- In all cases, additional cess called - Health and Education Cess at 4%, will also be levied on the aggregate of tax liability and applicable surcharge.

In the case of non-resident investors, the above rates would be subject to relief under the applicable Double Tax Avoidance Agreement / Treaty (DTAA). As per circular no. 728 dated October 1995 by CBDT read with provision of Section 90(2) of the Act, in the case of a remittance to a country with which a DTAA is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in DTAA whichever is more beneficial to the assessee. As per the Finance Act 2013 sub-sections (4) and (5) of Section 90, in order to claim the benefits under the DTAA, the assessee would have to provide a “certificate of his being resident” from the government of the country in which he/she is a resident. In addition to the said certificate, the concerned non-resident is also required to provide certain information in Form 10F such as status, nationality, Tax Identification Number, period for which the assessee is a resident in the concerned country, address and a declaration that the certificate of him/her being a resident is obtained. If any information in Form 10F is already provided in the “certificate of residency”, the same need not be provided again in the form.

However, where the unit holder, resident or non-resident, does not furnish his /her/ its Permanent Account Number (PAN) to the mutual fund, then tax will be withheld at the rate of 20% even if the relevant DTAA or the Act provide for a lower rate. However, this higher withholding tax rate of 20% may not apply for non-residents if the following details are furnished by the non-resident recipient:

- Name, e-mail id, contact number;
- Address in the country or specified territory outside India of home country of the non-resident;
- Tax residency certificate (TRC)
- Tax Identification Number of the non-resident in the country or specified of his residence.

Note: “Equity oriented fund” is defined as -

Equity oriented fund means a fund set up under a scheme of a mutual fund specified under clause (23D) of section 10 and,—

(i) in a case where the fund invests in the units of another fund which is traded on a recognised stock exchange,—

(A) a minimum of ninety per cent of the total proceeds of such fund is invested in the units of such other fund; and

(B) such other fund also invests a minimum of ninety per cent of its total proceeds in the equity shares of domestic companies listed on a recognised stock exchange; and

(ii) in any other case, a minimum of sixty-five per cent of the total proceeds of such fund is invested in the equity shares of domestic companies listed on a recognised stock exchange:

The percentage of equity shareholding or unit held in respect of the fund, as the case may be, would be calculated as the annual average of the monthly averages of the opening and closing figures.

Disallowance of losses:

(ii) Additionally, sub-section 8 of section 94 of the Act provides that in case of units purchased within a period of 3 months prior to the record date (for entitlement of bonus) and sold/transferred (including redeemed) within 9 months after such date, the loss, if any, arising on transfer of original units shall be ignored for the purpose of computing the income chargeable to tax if all or any of the bonus units are

continued to be held by the unit holder. The loss so ignored shall be treated as cost of acquisition of such bonus units.

Deduction of interest expense:

W.e.f. F.Y. 2020-21, unit holders would be eligible to take deduction u/s 57 for interest expense from income received from units not exceeding 20 percent of such income.

Tax deducted at source:

Income in respect of units:

Dividend Payment to resident unit holder - TDS is to be deducted under the newly inserted Sec. 194K of the Act, at the rate of 10% if the aggregate amount of income credited or paid or likely to be credited or paid during a financial year exceed an amount of Rs. 5,000/-

Dividend Payment to non-resident unit holder - TDS is to be deducted under Sec. 196A r.w.s.115A of the Act at the rate of 20% (plus applicable surcharge and health and education cess). Such rate is subject to applicable tax treaty benefits.

Dividend Payment to Overseas Financial Organisation unit holder - TDS is to be deducted under Sec. 196B r.w.s. 115AB of the Act, 1961 at the rate of 10% (plus applicable surcharge and cess) on the aggregate amount of income credited or paid or likely to be credited or paid during a financial year.

Capital gains:

- No tax is required to be deducted at source from capital gains arising at the time of repurchase or redemption of the units for resident investors.
- As per the provisions of Section 195 of the Act, tax is required to be deducted at source from the redemption proceeds paid to investors; this withholding is in addition to the Securities Transaction Tax payable, if any, by the investor.
- Tax would be withheld at 10% (plus surcharge and Health and Education Cess as applicable) from proceeds paid to non-residents from long-term capital gains arising out of redemption of units held in an equity oriented mutual fund. The rate of withholding tax for short-term capital gains earned by a non-resident on redemption of units held in an equity oriented mutual fund would be 15 percent (plus surcharge and Health and Education Cess as applicable).
- No tax would be deductible at source from the capital gains (whether long-term or short-term) arising to an FPI on repurchase/redemption of units in view of the provisions of Section 196D (2) of the Act.
- As per circular no. 728 dated 30th October 1995 issued by CBDT read with provision of Section 90(2) of the Act, in the case of a remittance to a country with which a DTAA is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in DTAA whichever is more beneficial to the assessee. As per the Finance Act 2013, in order to claim the benefits under the DTAA, the assessee would have to provide a “certificate of his being resident” from the government of the country in which he is a resident. In addition to the said certificate, the concerned non resident is also required to provide certain information in Form 10F such as status, nationality, Tax Identification Number, period for which the assessee is a resident in the concerned country, address and a declaration that the certificate of him being a resident is obtained. If any information in Form 10F is already provided in the “certificate of residency”, the same need not be provided again in the form.
- However, where the unit holder, resident or non-resident, does not furnish his / its PAN to the mutual fund, then tax will be withheld at the rate of 20% even if the relevant DTAA or the Act provide for a lower rate. However, this higher withholding tax rate of 20% may not apply for non-residents if the following details are furnished by the non-resident recipient:
 - Name, e-mail id, contact number;

- Address in the country or specified territory outside India of home country of the non-resident;
- Tax residency certificate (TRC)
- Tax Identification Number of the non-resident in the country or specified of his residence.

Set-off and carry forward of losses:

The capital loss resulting from sale of units would be available for set off against other capital gains made by the investor. However, losses on transfer of long-term capital assets would be allowed to be set-off only against gains from transfer of long-term capital assets. Losses arising on transfer of short-term capital assets would be allowed to be set-off against any capital gains, whether short-term or long-term.

Unabsorbed loss under the head capital gains can be carried forward and set off against the income under the head Capital Gains in subsequent eight assessment years provided the return of income is filed within the prescribed time limit. Brought forward loss arising from transfer of long term capital assets can be set-off only against gain arising from transfer of long term capital assets, however brought forward loss arising from transfer of short term capital assets can be set-off against gains arising from both long term and short term capital assets.

Deduction for Securities Transaction Tax paid:

- The Securities Transaction Tax paid would be available for deduction as business expenditure to tax payers whose income from redemption of units in an equity oriented mutual fund is charged to tax as their business income. Where the income from redemption of units is treated as capital gains, no deduction shall be allowed for the securities transaction tax paid. It can neither form part of the cost of acquiring the units nor can it be reduced from the sale/redemption amount.

TAX IMPLICATIONS TO MUTUAL FUND

L&T Mutual Fund is registered with SEBI and as such, the entire income of the Fund is exempt from income tax under Section 10(23D) of the Act. In view of the provisions of Section 196(iv) of the Act, no income tax is deductible at source on the income earned by the mutual fund.

Securities Transaction Tax:

L&T Mutual Fund is liable to recover/pay Securities Transaction Tax as follows:

Taxable securities transaction	Payable by	Rate (as a % of value of the transaction)
Purchase/ Sale of an equity share in a company where the transaction of such purchase is entered into in a recognized stock exchange; and the contract for the purchase of such share is settled by the actual delivery or transfer of such share	Purchaser/ Seller	0.1
Sale of a unit of an equity oriented fund, where the transaction of such purchase is entered into in a recognized stock exchange; and the contract for the purchase of such unit is settled by the actual delivery or transfer of such unit	Seller	0.001
Sale of an equity share in a company or a unit of an equity oriented funds on non delivery basis	Seller	0.025
Sale of an option in securities	Seller	0.05
Sale of an option in securities where option is exercised	Purchaser	0.0125
Sale of a futures in securities	Seller	0.01

Taxable securities transaction	Payable by	Rate (as a % of value of the transaction)
Sale of unlisted equity shares by any holder of such shares under an offer for sale to the public included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange	Seller	0.20

The value of a taxable securities transaction will be as follows:

- in the case of a taxable securities transaction relating to “option in securities”, the aggregate of the strike price and the option premium of such “option in securities”;
- in the case of taxable securities transaction relating to “futures”, the price at which such “futures” are traded; and
- in the case of any other taxable securities transaction, the price at which such securities are purchased or sold.

“Taxable securities transaction” has been defined as a purchase or sale of an equity share in a company or a derivative or a unit of an equity oriented fund, entered into in a recognized stock exchange; or sale of a unit of an equity oriented fund to the Mutual Fund or sale of unlisted equity shares by any holder of such shares under an offer for sale to the public included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange.

Debt Oriented Mutual Fund Scheme

Tax on capital gains:

As per section 2(42A) of the Act, units of the scheme held as a capital asset, for a period of not more than 36 months immediately preceding the date of transfer, will be treated as short-term capital assets for the computation of capital gains; where the holding period is more than 36 months, they would be treated as long-term capital assets. Section 47 of the Act, provides that transfer of units in relation to consolidation of two or more similar schemes of mutual fund and transfer of units in relation to consolidation of plans within a scheme of mutual fund in accordance with SEBI (Mutual Fund) Regulations will not be regarded as a transfer under the Act and would thus not liable to capital gains tax.

Long-term and short-term capital gains arising to unit holders from the transfer of units of the Scheme will be taxable as under:

Long Term Capital Gain on transfer of units:

The provisions for taxation of long-term capital gains for different categories of assessee are as under:

i) For Individuals, HUFs, Partnership Firms, Non-residents (other than Non-Resident Indians), Indian Companies, Foreign Companies

Long-term capital gains in respect of units of a non equity oriented Mutual Fund held for a period of more than 36 months will be chargeable under Section 112 of the Act at a rate of 20% plus surcharge (as applicable) and Health and Education Cess . Capital gains would be computed after taking into account cost of acquisition as adjusted by Cost Inflation Index notified by the Central Government and expenditure incurred wholly and exclusively in connection with such transfer. In the case of a resident individual or HUF where taxable income as reduced by long term capital gains is below the exemption limit, the long term capital gains will be reduced to the extent of the shortfall and only the balance long term capital gains will be charged at the flat rate of 20% plus Health and Education Cess.

It is further provided that in case of non-residents (not being companies) or foreign companies, tax rate of 10% (plus applicable surcharge and cess) computed without indexation benefit will be applicable in case of unlisted Schemes.

The applicable surcharge would be as under:-

- In case of Individuals / HUF/ AOP/ BOI, where the total income exceeds Rs. 50 lakhs but not exceeding Rs. 1 crore - at the rate of 10% of the tax liability; where the total income exceeds Rs. 1 crore but not exceeding Rs 2 crore – at the rate of 15% of the tax liability; where the total income exceeds Rs 2 crores but not exceeding Rs 5 crores- at the rate of 25% of the tax liability, where the total income exceeds Rs 5 crores at the rate of 37% of the tax of the tax liability. Higher surcharge rate of 25% and 37% is not applicable on short term capital gains taxable under section 111A and long term capital gains taxable under section 112A.
- In case of partnership firms, - at the rate of 12% of the tax liability if income exceeds Rs. 1 crore
- In case of domestic companies opting for concessional tax rate under Section 115BAA or 115BAB – at the rate of 10% of the tax liability
- In case of domestic companies other than those opting for concessional tax rate under Section 115BAA or 115BAB, where the income exceeds Rs. 1 crore but not exceeding Rs. 10 crores- at the rate of 7% of the tax liability and if income exceeds Rs 10 crores then at the rate of 12%.
- In case of Foreign companies where the income exceeds Rs. 1 crore but not exceeding Rs 10 crores - at the rate of 2% of the tax liability and if income exceeds Rs 10 crores then at the rate of 5%.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, the tax rate and surcharge will depend on the structure of the FII/FPI.

ii) For Non-resident Indians

Under Section 115E r.w.s. 115D of the Act for non-resident Indians, as applicable, income by way of long-term capital gains in respect of Units is chargeable at the rate of 20% plus applicable surcharge and Health and Education Cess. Such long-term capital gains would be calculated without indexation of cost of acquisition.

In terms of Sec. 115-I, It may be possible for non-resident Indians to opt for computation of long term capital gains as per Section 112, which provides for 10% tax (without indexation benefit) in case of unlisted Schemes and 20% (with indexation benefit) in case of listed Schemes, if he/she undertakes to forego all the benefits of concessional rate of tax available to Non-Resident Indians under Chapter XII-A of the Act.

iii) For Overseas Financial Organisations (Section 115AB) and Foreign Institutional Investors / Foreign Portfolio Investors (115AD)

Under Section 115AB of the Act, income earned by way of long-term capital gains in respect of units purchased in foreign currency held for a period of more than 36 months by Overseas Financial Organisation will be chargeable to tax at the rate of 10%, plus applicable surcharge and Health and Education Cess . Such gains would be calculated without indexation of cost of acquisition. Similarly, the long term capital gain is chargeable at the rate of 10% in case of Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI) covered by Section 115AD.

Exemption from Long Term capital gain:

In respect of long term capital gains, certain exemptions are available under section 54EE and 54F of the Act subject to the conditions specified therein.

Short Term Capital Gains on Transfer of Units

Short term capital gains in respect of units held for a period not more than 36 months is added to the total income. Total income including short-term capital gains is chargeable to tax as per the relevant slab rates for resident as well as non-resident individuals. In case of partnership firms,

domestic companies and Foreign Institutional Investors/ Foreign Portfolio Investor (other than foreign companies), short term capital gains will be chargeable to tax at the rate of 30% (25% for domestic companies having turnover upto Rs. 400 crores in FY 2018-19) .In case of domestic companies opting for concessional tax rate under section 115BAA or 115BAB, short term capital gains will be chargeable to tax at the rate of 22% subject to conditions mentioned therein. In case of foreign companies, the tax rate would be 40%.

The above rates shall be further increased by applicable surcharge which would be as under:-

- In case of Individuals / HUF/ AOP/ BOI, where the total income exceeds Rs. 50 lakhs but not exceeding Rs. 1 crore - at the rate of 10% of the tax liability; where the total income exceeds Rs. 1crore but not exceeding Rs 2 crore– at the rate of 15% of the tax liability;where the total income exceeds Rs 2 crores but not exceeding Rs 5 crores- at the rate of 25% of the tax liability, where the total income exceeds Rs 5 crores at the rate of 37% of the tax of the tax liability. Higher surcharge rate of 25% and 37% is not applicable on short term capital gains taxable under section 111A and long term capital gains taxable under section 112A.
- In case of partnership firms, - at the rate of 12% of the tax liability if income exceeds Rs. 1 crore
- In case of domestic companies opting for concessional tax rate under Section 115BAA or 115BAB – at the rate of 10% of the tax liability
- In case of domestic companies other than those opting for concessional tax rate under Section 115BAA or 115BAB, where the income exceeds Rs. 1 crore - at the rate of 7% of the tax liability and if income exceeds Rs 10 crores then at the rate of 12%.
- Foreign companies - 2% in case the income exceeds Rs.1 crore but does not exceed Rs. 10 crores and 5% in case income exceeds Rs. 10 crores
- In case of Foreign Institutional Investors / Foreign Portfolio Investors, the tax rate and surcharge will depend on the structure of the FII/FPI.

In all the cases mentioned above, the tax payable shall be increased by Health and Education Cess (4%).

Disallowance of losses:

(ii) Additionally, sub-section 8 of section 94 of the Act provides that in case of units purchased within a period of 3 months prior to the record date (for entitlement of bonus) and sold/transferred (including redeemed) within 9 months after such date, the loss, if any, arising on transfer of original units shall be ignored for the purpose of computing the income chargeable to tax if all or any of the bonus units are continued to be held by the unitholder. The loss so ignored shall be treated as cost of acquisition of such bonus units.

Deduction of interest expense:

W.e.f. F.Y. 2020-21, unit holders would be eligible to take deduction u/s 57 for interest expense from income received from units not exceeding 20 percent of such income.

Tax deducted at source:

Income in respect of units:

Dividend Payment to resident unit holder - TDS is to be deducted under the newly inserted Sec. 194K of the Act, 1961 at the rate of 10% if the aggregate amount of income credited or paid or likely to be credited or paid during a financial year exceed an amount of Rs. 5,000/-

Dividend Payment to non-resident unit holder - TDS is to be deducted under Sec. 196A r.w.s. 115A of the Act, at the rate of 20% (plus applicable surcharge and cess) on the aggregate amount of income credited or paid or likely to be credited or paid during a financial year

Dividend Payment to Overseas Financial Organisation unit holder - TDS is to be deducted under Sec.196B r.w.s. 115AB of the Act, 1961 at the rate of 10% (plus applicable surcharge and cess

Capital gains:

1. No tax is required to be deducted at source from capital gains arising at the time of repurchase or redemption of the units in case of resident investors
2. As per the provisions of Section 195 of the Act, tax is required to be deducted at source from the redemption proceeds paid to non-resident investors.
The rate of withholding for short-term capital gains would be 30 percent (plus Health and Education Cess as applicable) and for long-term capital gains would be 20 percent (plus Health and Education Cess as applicable) if listed and 10 percent if unlisted (plus Health and Education Cess as applicable) if the payee is a Non-Resident Indian ('NRI') / Person of Indian origin ('PIO'). The rate of 10% on unlisted Schemes will apply if the NRI elects not to be governed by the provisions of Chapter XII-A. The rate of withholding tax for long term capital gain and short-term capital gains earned by a Foreign Company would be 20 percent and 40 percent respectively (plus surcharge and Health and Education Cess as applicable).
3. No tax would be deductible at source from the capital gains (whether long-term or short-term) arising to an FII / FPI on repurchase/redemption of units in view of the provisions of Section 196D(2) of the Act. In case of Overseas Financial Organisations, tax would be deducted at the rate of 10% under section 196B.
4. The above rates would be subject to relief under the applicable DTAA Agreement/Treaty in case of non-resident unit holders. As per the Finance Act 2013, in order to claim the benefits under the DTAA, the assessee would have to provide a "certificate of his being resident" from the government of the country in which he is a resident. In addition to the said certificate, the concerned non-resident is also required to provide certain information in Form 10F as status, nationality, Tax Identification Number, period for which the assessee is a resident in the concerned country, address and a declaration that the certificate of him being a resident is obtained. If any information in Form 10F is already provided in the "certificate of residency, the same need not be provided again in the form.
5. However, where the unit holder, resident or non-resident, does not furnish its PAN to the mutual fund, then tax will be withheld at the rate of 20% even if the relevant DTAA or the Act provide for a lower rate. However, this higher withholding tax rate of 20% may not apply for non-residents if the following details are furnished by the non-resident recipient:
 - Name, e-mail id, contact number;
 - Address in the country or specified territory outside India of home country of the non-resident;
 - Tax residency certificate (TRC)
 - Tax Identification Number of the non-resident in the country or specified of his residence.

Set-off and carry forward of losses:

The capital loss resulting from sale of units would be available for set off against other capital gains made by the investor. However, losses on transfer of long-term capital assets would be allowed to be set-off only against gains from transfer of other long-term capital assets. Losses arising on transfer of short-term capital assets would be allowed to be set-off against any capital gains, whether short-term or long-term. Unabsorbed capital losses of a particular year can be carried forward to subsequent year(s) upto a maximum of 8 years provided the return of income is filed within the prescribed time limit. Brought forward loss arising from transfer of long term capital assets can be set-off only against gain arising from transfer of long term capital assets, however brought forward loss arising from transfer of short term capital assets can be set-off against gains arising from both long term and short term capital assets.

Levy of Stamp duty on Mutual Fund transactions:

Pursuant to Notification No. S.O. 4419(E) dated December 10, 2019 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 and Notification dated March 30, 2020 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019, a stamp duty @ 0.005% of the transaction value would be levied on mutual fund investment transactions with effect from July 1, 2020. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchases, switch-ins, SIP/STP installments, (including dividend reinvestment) to the unit holders would be reduced to that extent.

G. Legal Information

- **Lien/ pledge of Units for Loans**

In conformity with the guidelines and notifications issued by SEBI / Government of India / any other regulatory body from time to time, Units under the Schemes may be offered as security by way of a lien / charge in favour of scheduled banks, financial institutions, non-banking finance companies (NBFCs), or any other body. The Registrar will note and record the lien against such Units. A standard form for this purpose is available on request with the Registrar.

The Unit Holder will not be able to redeem / switch Units under lien until the lien holder provides written authorisation to the Fund that the lien / charge may be vacated. As long as Units are under lien, the lien holder will have complete authority to exercise the lien, thereby redeeming such Units and receiving payment proceeds. In such instance, the Unit Holder will be informed by the Registrar through an account statement. In no case will the Units be transferred from the Unit Holder to the lien holder. Dividends declared on Units under Lien will be paid / re-invested to the credit of the Unit Holder and not the Lien Holder.

In case of L&T Tax Advantage Fund, as per the Equity Linked Savings Scheme, 2005 as notified by Ministry of Finance (Department of Economic Affairs) vide notification dated November 03, 2005 and amended vide notification dated December 13, 2005 ("ELSS"), the Units issued under the Scheme can be transferred, assigned or pledged only after a period of three years of its issue.

- **Litigations/ Regulatory Order(s)**

The AMC shall freeze/lock the folio(s) of investor(s)/Unitholder(s) for further transactions or reject any applications for subscription or redemption of units pursuant to receipt of any correspondence/ directions/orders issued by any Governmental, judicial, quasi-judicial or other similar authority ("Authority"), including orders restricting the investor(s)/Unitholder(s) from dealing in securities or for attachment of units held by the investor(s)/Unitholder(s) or payment of redemption proceeds as may be directed under said correspondence/ directions/orders.

Additionally, the AMC shall be entitled to freeze/lock the folio(s) of investor(s)/Unitholder(s) for further transactions or reject any applications for subscription or redemption of units at its sole and absolute discretion upon the AMC becoming aware of initiation of any investigation/action/litigation relating to the investments or transactions of the Unitholder by any Authority, upon receipt of any complaints for fraud, or upon commencement of any disputes /litigations among unitholders/nominees/legal heir/ other claimants to the units relating to the investments or transactions of the Unitholder, including disputes/litigations where AMC has been impleaded as a party.

The freeze/lock/rejection/restriction so imposed by the AMC as herein above mentioned may continue till receipt of a specific written instruction/direction/order from such Authority authorizing the removal of such freeze/rejection/restriction and/ or completion of the investigation by AMC as the case may be. It is hereby clarified that the AMC/Mutual Fund shall not be liable for any loss or damage suffered by Unitholder, either directly or indirectly, on account of such freeze/lock/rejection/ rejection as the case may be.

- **Nomination Facility**

A Unit Holder has the facility to nominate one or more person(s) to receive the Units upon his / her death, subject to the completion of certain necessary formalities e.g. providing proof of the death of the Unit Holder, signature of the nominee, furnishing proof of guardianship if the nominee is a minor, and the

execution of an indemnity bond or such other documents as may be required from the nominee in favour of and to the satisfaction of the AMC / Registrar.

The maximum number of nominees shall be limited to 3 (three). The Unit Holder shall be mandatorily required to indicate clearly the percentage of allocation of Units in favour of each of the nominees against their name. In the event the Unit Holder does not indicate the percentage of allocation of Units for each of the nominees, transfer of Units in favour of the nominees / payment to the nominees shall be made in equal proportion by the AMC.

Nomination can be made only on the prescribed format available on our website and only by individuals on their own behalf, either singly or jointly. If the Units are held jointly, all joint Unit Holders must sign the nomination form. Power of attorney holders of the applicants/investors cannot nominate. Nomination cannot be made in a folio held 'on behalf of a minor'.

Only the following categories of Indian residents can be nominated: (a) individuals; (b) minors through parent / legal guardian (whose name and address must be provided); (c) religious or charitable trusts; and (d) Central Government, State Government, a local authority or any person designated by virtue of his office. For nomination to a religious or charitable trust, the investor should attach a proof or certificate that the trust being nominated is religious or charitable trust. The Nominee shall not be a trust, other than a religious or charitable trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family or a Power of Attorney holder. A non-resident Indian can be a Nominee subject to the exchange controls in force, from time to time.

It is also to be noted that non-individuals including society, trust other than a religious or charitable trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of Power of Attorney or any other artificial/judicial person cannot nominate.

In case of an Application Form submitted at the ISC along with the nomination form, where the nominee falls under the category of "Who cannot invest" as mentioned in the SID of the Schemes, the AMC shall reject the nomination form while the valid Application Form will be accepted and processed.

Cancellation of a nomination can be made only by the Unit Holders who made the original nomination and must be notified in writing. On receipt of a valid cancellation, the nomination shall be treated as rescinded and the AMC / Fund shall not be under any obligation to transfer the Units in favour of the nominee.

At the time of transfer of Units to the nominee, if based on the documents submitted for such transfer, the nominee(s) fall under the category of "Who cannot invest" as specifically mentioned in the SID of the Schemes, the Units proposed to be transferred shall be compulsorily redeemed immediately after transfer and the redemption proceeds will be paid to the nominee(s) in the manner stated in the paragraph "Payment of proceeds".

The transfer of Units / payment to the nominee of the redemption proceeds shall be valid and effectual against any demand made upon the Fund / AMC / Trustee and shall discharge the Fund / AMC / Trustee of all liability towards the estate of the deceased Unit Holder and his / her legal personal representative or other successors. Nomination in respect of units stands cancelled upon transfer of units and every new nomination for a folio /account will overwrite the existing nomination. Nominee shall be a valid discharge by the Asset Management Company against the legal heir.

The Fund, the AMC and the Trustee are entitled to be indemnified from the deceased Unit Holder's estate against any liabilities whatsoever that any of them may suffer or incur in connection with a nomination.

In case of L&T Tax Advantage Fund, as per ELSS, in the event of the death of the assessee as defined under ELSS ("assessee"), the nominee or legal heir as the case may be, shall be able to withdraw the investment only after the completion of 1 year from the date of allotment of the units to the assessee.

For multiple nomination form please contact the nearest AMC office or Registrar. The form can be obtained from the website www.ltfs.com

- **Investor's personal information**

The AMC and its Registrar reserve the right to disclose/share investors' personal information with the following third parties:

- Registrar, Banks and / or authorised external third parties who are involved in transaction processing, dispatches, etc. of investors' investment in any Scheme;
- Distributors through whom applications of investors are received for the Schemes; or
- Any other organisations for compliance with any legal or regulatory requirements or to verify the identity of investors for complying with anti-money laundering requirements.

- **Listing and transfer of units**

All the Schemes of the Fund (except the closed-ended schemes launched from time to time), the Units of the Schemes are not proposed to be listed on any stock exchange and no transfer facility is provided. However, the Fund may at its sole discretion list the Units on one or more stock exchanges at a later date.

The Fund will offer and redeem the Units at Applicable NAV. If a person becomes a Unit Holder in a Scheme consequent to operation of law, the Fund will, subject to production of satisfactory evidence, effect the transfer, if the transferee is otherwise eligible to hold the Units. Similarly, in cases of transfers taking place consequent to death or insolvency, the transferee's name will be recorded by the Fund subject to production of satisfactory evidence and if the transferee is otherwise eligible to hold the Units. In all such cases, if the transferee is not eligible to hold the Units, the Units will be redeemed and the proceeds will be disbursed to the transferee if such transferee is entitled to the same.

However the Units held in dematerialised mode are freely transferable.

Investors are requested to refer to the websites of DPs/Exchanges for latest information on transacting through exchanges/demat related matters.

- **Transfer and Transmission of units**

Transfer:

Units held in physical form in respect of which Account Statements or Unit certificates have been issued by the Mutual Fund are not transferable. The Mutual Fund permits redemption/ repurchases (subject to completion of lock-in period of 3 years from the date of allotment, in case of ELSS schemes) and subscription, except in respect of closed- ended schemes of units on an ongoing basis on all Business Days and as such transfer facility is not required.

However, units which are held in dematerialized form shall be freely transferable under the depository system in accordance with the provisions of Depositories Act, 1996, as amended from time to time. However, restrictions on transfer of units of ELSS schemes during the lock-in period shall continue to be applicable as per the ELSS guidelines. Transfer can be made only in favour of transferees who are capable of holding units and having a demat account. The delivery instructions for transfer of units will have to be lodged with the DP in requisite form as may be required from time to time and transfer will be effected in accordance with such rules / regulations as may be in force governing transfer of securities in dematerialized mode.

Any addition, deletion of name from the folio of the Unit holder is deemed as transfer of Units. In view of the same, additions /deletions of names will not be allowed under any folio of the Scheme. The said provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in respect of joint holdings) as this is treated as transmission of Unit and not transfer.

Transmission:

If a transferee becomes a holder of the Units by operation of law, or upon enforcement of a pledge, or due to the death, insolvency or winding up of the affairs of a sole holder or the survivors of a joint holder, the

transferee's name will be recorded by the Mutual Fund subject to production of satisfactory evidence and completion of formalities as specified by the AMC..

Subject to production of satisfactory evidence and completion of formalities as specified by the AMC, Units shall be transmitted in favour of the surviving joint holder(s)/ nominee/ claimant upon the execution of suitable indemnities in favour of the Mutual Fund and the Asset Management Company/ Trustee Company by the surviving joint holder(s)/ nominee/ claimant. Transmission of units / payment of sums standing to the credit of the deceased unit holders in favour of the surviving unit holders/ nominee/ claimant shall discharge the Mutual Fund/ Asset Management Company/ Trustee Company of all liability towards the estate of the deceased unit holders and his / her successors and legal heirs. Further, if either the mutual fund or the Asset Management Company incur any loss whatsoever arising out of any litigation or harm that it may suffer in relation to the transmission, they will be entitled to be indemnified absolutely from the deceased Unit holder's estate.

In case of L&T Tax Advantage Fund, unit holders should, however, note that in the event of death of the Unit holder, the legal heir, subject to production of requisite documentary evidence, will be able to redeem the investment only after the completion of one year or anytime thereafter, from the date of allotment of Units to the deceased Unit holder. Units issued under this Scheme can be transferred, assigned or pledged after a period of 3 years from the date of allotment.

Further, no redemption request will be accepted from the unitholder during the pending completion of the transmission request in his / her favour. In case of 'Transmission-cum- Redemption' request, AMC will first accept and process the request for transmission of units in his / her favour subject to proper documentation and only thereafter accept and process the redemption request. Stamp duty payable w.r.t. the indemnity bond & affidavit will be in accordance with the stamp duty prescribed by law.

(i) Deletion of names of the deceased unit holders in case of death of 2nd and/or 3rd Holder:

- a. Request Form (Form T1) from surviving unitholder(s) requesting for Deletion of Name of Deceased 2nd and/or 3rd Holder.
- b. Death Certificate in original or photocopy duly attested by a Notary Public or a Gazetted Officer.
- c. Fresh Bank Mandate Form along with cancelled cheque of the new bank account (only if there is a change in existing bank mandate)
- d. Fresh Nomination Form in case there is no nomination or a change in existing nomination is desired by the surviving unit holders.
- e. KYC Acknowledgment OR KYC Form of the surviving unit holder(s), if not KYC compliant.

(ii) Transmission of Units to surviving unit holder(s) in case of death of the 1st holder:

In case units are held by more than one registered unit holder, then upon death of first unit holder, units shall be transmitted in favour of the second named holder on production of the following documents to the satisfaction of the Mutual Fund, AMC/Trustee or Registrar:

- a. Transmission Request Form (Form T2) for Transmission of Units to the surviving unitholder/s.
- b. Death Certificate of the deceased unitholder(s) in original OR photocopy duly attested by a Notary Public or a Gazetted Officer.
- c. Copy of PAN Card of the Surviving Joint Holder(s) (if PAN is not provided already)
- d. Cancelled cheque of the new first unitholder, with the claimant's name pre-printed OR Recent Bank Statement/Passbook (not more than 3 months old) of the new first holder.
- e. KYC Acknowledgment OR KYC Form of the surviving unit holder(s), if not KYC compliant.

(iii) Transmission of Units to the registered Nominee/s in case of death of Sole or All unitholders:

Units shall be transmitted in favour of the registered nominee(s) in case of death of sole or all Unit holders upon production of the following documents to the satisfaction of the Mutual Fund, AMC/Trustee or Registrar:

- a. Transmission Request Form (Form T3) for Transmission of Units in favour of the Nominee(s).
- b. Death Certificate of the deceased unitholder(s) in original OR photocopy duly attested by a Notary Public or a Gazetted Officer.
- c. Copy of Birth Certificate, in case the Nominee is a minor.
- d. Copy of PAN Card of the Nominee(s) / Guardian (in case the Nominee is a minor)
- e. KYC Acknowledgment OR KYC Form of the Nominee(s) / Guardian (where Nominee is a Minor)
- f. Cancelled cheque with the Nominee's name pre-printed OR Copy of the Nominee's recent Bank Statement/Passbook (which is not more than 3 months old).
- g. If the transmission amount is upto ₹2 Lakh, Nominee's signature attested by the Bank Manager as per Annexure-Ia. In case the Nominee is a Minor, signature of the Guardian (as per the bank account of the Minor or the joint account of the Minor with the Guardian) shall be attested. If the transmission amount is for more than ₹2 Lakh, as an operational risk mitigation measure, signature of the Nominee shall be attested by a Notary Public or a Judicial Magistrate First Class (JMFC) in the space provided for signature attestation in the TRF itself below the signature of the claimant.

(iv) Transmission of Units to the Claimant/s on death of Sole unitholder or All unitholders, where there is no Nomination registered :

If the Unit holder has not appointed a nominee, the Units shall be transmitted in favour of the Unit holder's executor/administrator of estate/legal heir(s), as the case may be, on production of the following documents, to the satisfaction of the Mutual Fund, AMC/Trustee or Registrar:

- a. Transmission Request Form (Form T3) for Transmission of Units to the Claimant
- b. Death Certificate of the deceased unitholder(s) in original OR photocopy duly attested by a Notary Public or a Gazette Officer.
- c. Copy of Birth Certificate in case the Claimant is a minor.
- d. Copy of PAN Card of the Claimant / Guardian (in case the Claimant is a minor).
- e. KYC Acknowledgment OR KYC Form of the Claimant / Guardian (in case the Claimant is a Minor)
- f. Cancelled cheque with the claimant's name pre-printed OR Copy of the Claimant's recent Bank Statement/Passbook (which is not more than 3 months old).

If the transmission amount is up to ₹2 Lakh:

- a. Bank Attestation of signature of the Claimant by the Bank Manager as per Annexure-Ia. In case the Claimant is a Minor, the signature of the Guardian (as per the bank account of the Minor or the joint account of the Minor with the Guardian) shall be attested.
- b. Any appropriate document evidencing relationship of the claimant/s with the deceased unitholder/s.
- c. Bond of Indemnity - as per Annexure-II to be furnished by Legal Heirs for Transmission of Units without production of Legal Representation.
Provided that in case the legal heir(s)/claimant(s) is submitting the Succession Certificate or Probate of Will or Letter of Administration wherein the claimant is named as a beneficiary, an affidavit as per Annexure-III from such legal heir/claimant(s) alone would be sufficient; i.e., Bond of Indemnity is not required.
- d. Individual Affidavits to be given by each legal heir as per Annexure-III
- e. NOC from other Legal Heirs as per Annexure – IV, where applicable.

If the transmission amount is more than ₹2 Lakh:

- a. Signature of the Claimant duly attested by a Notary Public or a Judicial Magistrate First Class (JMFC) in the space provided for signature attestation in the TRF itself below the signature of the claimant. In case the Claimant is a Minor, the signature of the Guardian (as per the bank account of the Minor or the joint account of the Minor with the Guardian) shall be attested.
- b. Individual Affidavits to be given each legal heir as per Annexure-III
- c. Any one of the documents mentioned below:

- Notarised copy of Probated Will; OR
- Succession Certificate issued by a competent court; OR
- Letter of Administration or court decree, in case of Intestate Succession.

(v) Change of Karta upon death of the Karta of Hindu Undivided Family (HUF):

If the case of a HUF, the property of the HUF is managed by the Karta and the HUF does not come to an end in the event of death of the Karta. In such a case, the members of the HUF will need to appoint a new Karta, who needs to submit following documents for transmission:

- a. Request Form (Form T4) for change of Karta upon demise of the registered Karta.
- b. Death Certificate of the deceased Karta in original OR photocopy duly attested by a Notary Public or a Gazette Officer.
- c. Bank's letter certifying that the signature and details of new Karta have been updated in the bank account of the HUF & attesting the Signature of the new Karta as per Annexure-1b.
- d. KYC Acknowledgment OR KYC Form of the new Karta and the HUF, if not KYC compliant.
- e. Indemnity Bond as per Annexure V signed by all surviving coparceners (including new Karta).
- f. If the transmission amount is upto ₹2 Lakh, any appropriate document evidencing relationship of the new Karta and the other coparceners with the deceased Karta.
- g. If the transmission amount is more than ₹2 Lakh, any one of the documents mentioned below –
 - Notarized copy of Settlement Deed, OR
 - Notarized copy of Deed of Partition, OR
 - Notarized copy of Decree of the relevant competent Court.

(vi) Transmission of Units to the Claimant/s upon death of the Karta of HUF, where there is no surviving co-parcener or the HUF has been dissolved/partitioned after demise of the Karta:

- a. Transmission Request Form (Form T5) for Transmission of Units to the Claimant.
- b. Death Certificate of the deceased Karta in original OR photocopy duly attested by a Notary Public or a Gazette Officer.
- c. Copy of Birth Certificate in case the Claimant is a minor.
- d. Copy of PAN Card of the Claimant(s) / Guardian (in case the Claimant is a minor)
- e. KYC Acknowledgment OR KYC Form of the Claimant(s) / Guardian (in case the Claimant is a Minor)
- f. Cancelled cheque with the claimant's name pre-printed OR Copy of the Claimant's recent Bank Statement/Passbook (which is not more than 3 months old).
- g. If the transmission amount is upto ₹2 Lakh, attestation of signature of the claimant by Bank Manager as per Annexure-Ia. In case the claimant is a Minor, the signature of the Guardian (as per the Minor's bank account / Minors joint account with the Guardian) shall be attested.
- h. If the transmission amount is for more than ₹2 Lakh, signature of the claimant shall be attested by a Notary Public or a Judicial Magistrate First Class (JMFC) in the space provided for signature attestation in the TRF itself below the signature of the claimant.
- i. Bond of Indemnity to be furnished by the Claimant as per Annexure-VI.
- j. If the HUF has been dissolved/partitioned by the surviving members after demise of the Karta, the transmission of units should be effected only on the basis of any of the following documents:
 - Notarized copy of Settlement Deed, OR
 - Notarized copy of Deed of Partition, OR
 - Notarized copy of Decree of the relevant competent Court.

Note: Investors are requested to note that the relevant forms for the transmission process are available on our website viz. www.ltfs.com.

“On Behalf of Minor” Accounts

In the case of investments made “on behalf of minor”, investors may please note the following:

The minor shall be the sole holder in an account/folio (account). There shall not be any joint accounts with the minor, either as the first holder or as joint holder.

- a. Payment for investment by means of Cheque, Demand Draft or any other mode shall only be accepted from the bank account of the minor or from a joint account where the minor is one of the holders with the guardian.
- b. Pay-out for redemption processed in minor folios, can be credited only into the bank account of the minor or to a joint account where minor is one of the holder. If in case any other bank account is registered in the folio, which is not in the name of the minor or if minor is not part of the account with the guardian, change of pay-out bank mandate would be insisted and only post registration of the minor account redemption would be processed.
- c. Guardian can be either natural guardian (i.e. father or mother) or a court appointed legal guardian
- d. It is mandatory for guardian to submit documentary evidence confirming the relationship status.
- e. In case of natural guardian, a document evidencing the relationship with the Minor .
- f. In case of court appointed legal guardian, a copy of the court order in respect of the appointment of the Legal Guardian shall be obtained.
- g. It is mandatory to provide minor's date of birth in application form along with any of following supporting documents:
 - Birth certificate of the minor, or
 - School leaving certificate / Mark sheet issued by Higher Secondary Board of respective states, ICSE, CBSE etc., or
 - Passport of the minor, or
 - Any other suitable proof evidencing the date of birth of the minor.

• **Minor attaining majority – Status Change**

Prior to the minor investor turning major, the AMC/ Mutual Fund will send a notice to the minor Unitholder at the registered correspondence address advising such minor Unitholder to submit, on attaining the age of majority, an application form along with prescribed documents to change the status of the folio/s from 'minor' to 'major'. Upon investor turning major, the folio/s should be regularized forthwith for which the investor shall be required to provide PAN, complete KYC formalities, bank account details along with the copy of Old bank cheque leaf and cancelled original cheque leaf of new account (If the registered details are not of minor's). The AMC may specify such procedures for regularisation of the Folio/s, as it may deem appropriate from time to time. Till the receipt of such intimation/information from the minor turned major Unitholder, existing contract as signed by the parent/legal guardian of the minor Unitholder and the standing instruction shall stand suspended when the minor attains majority, till the status is changed to major. However, from the date of minor investor turning major, Folio/s of the minor Unitholder will be frozen for operation by the representing guardian and all transactions will be suspended. No transactions will be permitted in the Folio(s) till the regularization of the Folio/s in a manner prescribed by the AMC / Mutual Fund.

The AMC/ Mutual Fund will register standing instructions like SIP/ STP/SWP etc. for a folio held by a minor Unitholder from the parent/ legal guardian only till the date when the minor investor turns major, even though the instructions may be for a period beyond that date.

The unitholder (erstwhile minor) will need to submit a fresh SIP/ STP/SWP mandate in the prescribed form while applying for change in status from minor to major, in order to continue the SIP, STP, SWP.

List of standard documents to change account status from minor to major:

- a. Signature of the applicant (minor who has turned major) in the Minor attaining Majority (MAM) form shall be duly attested in the space provided therein by the parent/guardian whose signature is registered in the records of the mutual fund against the folio of the minor unit holder or by a Notary or a Judicial Magistrate First Class. Alternatively, the applicant's signature may be attested by the

unit holder's bankers in the prescribed form as per format given in Annexure 1 (Bank Attestation of Account Details & Account-holder's signature).

- b. Copy of PAN Card of the applicant
- c. KYC Acknowledgment or a duly completed KYC form.
- d. A cancelled cheque leaf with the applicant's name pre-printed or the applicant's. Latest Bank Statement/Passbook.
- e. Nomination Form.
- f. FATCA declaration of the minor who attained major.

- **Change in Guardian**

Guardian can be changed in a folio held "on behalf of minor", either due to mutual consent or demise of the existing guardian. However, the new guardian can only be either a natural guardian (i.e. father or mother) or a court appointed legal guardian. New guardian should submit documentary evidence confirming the relationship with the minor, bank attestation attesting his/her signature, along with various documents as mentioned below

List of documents to be obtained for change of guardian:

- a. Request Form for Change in Guardian of Minor Unitholder
- b. PAN card copy of the new guardian
- c. KYC acknowledgement of the new guardian
- d. Cancelled cheque evidencing the change of guardian in respect of the minor's registered bank account with the new guardian's name.
- e. A Consent Letter from existing guardian or Court Order for new guardian, in case the existing guardian is alive.
- f. A copy of the Death Certificate of the deceased guardian, where applicable attested by a Notary Public or a Judicial Magistrate First Class (JMFC) or a Gazetted Officer. The attestation may also be done by authorised official of the AMC after verifying the original.

In the case of a court appointed legal guardian, a copy of the court order in respect of the appointment of Legal Guardian will be required.

The new guardian must be a natural guardian (i.e. father or mother) or a court appointed legal guardian and the new guardian's name & signature should have been registered as the guardian with the minor's bankers in respect of the minor's bank account.

In case of change in guardian with mutual consent between the parents, the signature of the new guardian shall be duly attested by the existing guardian whose signature is registered in the records of the mutual fund against the folio of the minor unit holder in the space provided in the form.

In all other cases, Bank attestation in respect of the signature of the new guardian shall be obtained on a separate letter / form as per format given in Annexure 1 (Bank Attestation of Account Details & Account-holder's signature) from the bank where the bank account of the minor where the new guardian should have been registered as the guardian.

The new guardian shall be registered as the guardian in respect of the registered bank account of the minor unit holder.

- **Fractional Units**

Since a request for Purchase or Redemption is generally made in rupee amounts and not in terms of a fixed number of Units of a Scheme, an investor may be left with fractional Units. Fractional Units will be computed and accounted for up to three decimal places in case of all the schemes of the Fund. However, fractional Units will in no way affect the investor's ability to redeem the Units standing to the Unit Holder's credit, either in part or in full.

- **Mode of Holding**

An application can be made by up to a maximum of three applicants. Applicants must specify the 'mode of holding' in the Application Form.

If an application is made by one Unit Holder only, then the mode of holding will be considered as "Single".

If an application is made by more than one investors, they have an option to specify the mode of holding as either 'Single' or 'Jointly' or 'Anyone or Survivor'.

In either of the cases referred above i.e. application made by one investor / more than one investors, the Fund shall not entertain requests for including any other person as a joint holder once the application has been accepted.

If the mode of holding is specified as 'Jointly', all instructions to the Fund would have to be signed by all the Unit Holders, jointly. The Fund will not be empowered to act on the instruction of any one of the Unit Holders in such cases.

If the mode of holding is specified as 'Anyone or Survivor', an instruction signed by any one of the Unit Holders will be acted upon by the Fund. It will not be necessary for all the Unit Holders to sign.

If an application is made by more than one investor and the mode of holding is not specified, the mode of holding would be treated as 'Any one or Survivor' and all the investors shall be deemed to have given express consent to treat the mode of holding as 'Any one or Survivor'. The Fund will be empowered to act on the instruction of any one of the Unit Holders in such cases.

In all cases, all communication to Unit Holders (including account statements, statutory notices and communication, etc.) will be addressed to the first applicant. All payments, whether for redemptions, dividends, etc will be made favouring the first applicant. The first applicant shall have the right to exercise the voting rights associated with such Units as per the applicable guidelines.

- **Provisions applicable to redemption of Units**

The Units can be redeemed/ repurchased (subject to completion of lock-in period, if any) on every Business Day at the redemption price.

The redemption request can be made for minimum redemption amount specified in KIM/ SID of schemes of L&T Mutual Fund. A Unit holder may request redemption of a specified amount or a specified number of Units. If the redemption request is made for a specified amount and the number of Units are also specified by the Unit holder, the number of Units specified will be considered for deciding the redemption amount.

In case an investor has purchased Units on more than one Business Day (either under the New Offer Period or through subsequent purchases) the Units purchased first (i.e. those Units which have been held for the longest period of time), will be deemed to have been redeemed first i.e. on a First-In-First-Out basis.

The AMC may mandatorily redeem Units of any Unit holder in the event it is found that the Unit holder has submitted information either in the application or otherwise that is false, misleading or incomplete or if the minimum balance is not maintained.

If a Unit holder makes a redemption request immediately after purchase of Units, the Fund shall have a right to withhold the redemption request till sufficient time has elapsed to ensure that the amount remitted by him (for purchase of Units) is realized and the proceeds have been credited to the concerned Scheme's Account. However, this is only applicable if the value of redemption is such that some or all of the freshly purchased Units may have to be redeemed to effect the full redemption.

The redemption request can be made on a pre - printed form that should be submitted at any of the Investor Service Centres of the AMC or the Registrar on any business day post allotment of units.

The repurchase would be permitted to the extent of credit balance in the Unit holder's account. The repurchase request can be made by specifying the rupee amount or the number of Units to be repurchased.

If, in the course of redemption/switch-out from the Scheme, the balance units/amount available under a Scheme falls below the minimum redemption size requirement, all units in the Scheme would be redeemed/switched-out.

Unit holders may also request for redemption of their entire holding and close the account by indicating the same at the appropriate place in the Redemption Request Form. Where however, the Unit holder wishes to redeem Units for a specified amount, then the amount to be paid on redemption will be divided by the redemption price, and the resultant number of Units will be redeemed.

The redemption cheque will be payable at par at all the places where the Investor Service Centres are located. The bank charges for collection of cheques at all other places will be borne by the Unit holder. For redemptions by way of cheques is proposed to be sent by courier (where such facilities are available). With a view to safeguarding their interest, it is desirable that the Unit holders indicate their Bank Account No., name of the Bank and Branch in the application for purchasing Units of the Scheme.

A fresh Account Statement will also be sent to the redeeming investors, indicating the new balance to the credit in the Account, along with the redemption cheque.

- **Redemption by NRIs / FIIs / FPIs:**

Balances in the account of an NRI / FIIs/ FPIs investor, may be redeemed by such investors in accordance with the procedure described above and subject to any procedures laid down by the RBI, if any. Such redemption proceeds will be paid by means of a Rupee cheque/ Electronic Transfer payable to the NRIs / FIIs /FPIs or by a foreign currency draft drawn at the then current rates of exchange less bank charges thereof subject to RBI procedures and approvals.

- **Delay in payment of redemption / repurchase proceeds**

As per the Regulations, the Fund shall dispatch the redemption/ repurchase proceeds within 10 business days from the date of acceptance of redemption request. In the event of delay / failure to dispatch the redemption / repurchase proceeds within the aforesaid 10 working days, the AMC will be liable to pay interest to the Unit holders @ 15% p.a. for the period of delay. However, under normal circumstances, the Fund will endeavor to dispatch the redemption / repurchase proceeds within 3 business days from the date of the Applicable NAV.

- **Restrictions, if any, on the right to freely retain or dispose of units being offered / Right to Limit Redemptions**

The Trustee may, in the general interest of the Unit holders of all or any of the Schemes 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 in issue, under each Scheme and Plan(s) thereof, or such other percentage as the Trustees may determine from time to time. 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 order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing load) 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, redemptions 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). In addition, the Trustees reserve the right in their sole discretion, to limit redemptions with respect to any single account to an amount of Rs. 100 lakhs (Rupees One hundred lakhs only) in a single day.

- **How to Redeem**

The redemption requests can be made on the transaction slip for redemption available on the Account Statement. The redemption request can be made at any of the Investor Service Centres of the AMC or the Registrar. The addresses of the sales offices and Investor Service Centres of the AMC and CAMS are given in SID and KIM of the Fund.

In case the Units are standing in the names of more than one Unit holder, where mode of holding is specified as 'Jointly', redemption requests will have to be signed by all joint holders. However, in cases of holding specified as 'Anyone or Survivor', any one of the Unit holders will have the power to make redemption requests, without it being necessary for all the Unit holders to sign.

- **Unclaimed Redemption and Dividend Amount**

The unclaimed redemption amounts and dividend amounts may be deployed by the mutual fund in call money market or money market instruments, as may be permitted by the RBI from time to time.

Further, pursuant to SEBI circular dated February 25, 2016, the unclaimed redemption and dividend amounts shall also be allowed to be invested in a separate plan of Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. Further, AMC shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plan shall be capped at 50 bps.

Investors who claim the unclaimed amounts during a period of three years from the due date shall be paid initial unclaimed amount along-with the income earned on its deployment. Investors, who claim these amounts after 3 years, shall be paid initial unclaimed amount along-with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education.

The AMC will make continuous efforts to remind the investors through letters / email / SMS to take their unclaimed amounts.

Further, with respect to all open ended schemes except L&T Tax Advantage Fund for folios where dividend warrants are returned undelivered and/or the dividend warrants remains unclaimed on 4 (four) consecutive occasions, the AMC reserve the right to compulsorily reinvest the future dividend amounts; wherein re-investment option is available under the respective scheme. The dividend option of the scheme in such cases will be changed to 'Reinvestment' accordingly.

The AMC may follow uniform process for treatment of unclaimed funds in respect of the deceased unitholder to be transferred/paid to the claimant.

On receipt of a Transmission Request Form, the AMC/RTA shall ascertain whether there are any unclaimed amounts, including units in the dedicated Plan / Schemes (created specifically for deployment of the unclaimed amounts) to the credit of the deceased unitholder. The AMC/RTA shall also ascertain whether there is any unclaimed redemption/dividend or refund amount payable to the deceased unit holder, which is yet to be transferred to such separate/ dedicated Plan under Liquid Funds for unclaimed amounts.

If there is any such unclaimed amounts and/or units, such amount shall be paid by direct credit to the claimant's registered bank account via NEFT/RTGS/Direct Fund transfer etc. immediately upon the successful completion of the transmission process, with a suitable intimation to the claimant giving complete details / account statement.

- **Procedure for claiming unclaimed dividend or redemptions amounts by unit holders**

The requests for reissue/ revalidation of instruments towards unclaimed dividends or redemptions should be made by the Unit holder to the Investor Service Centres of the AMC or of CAMS quoting the folio number, Scheme name and details of payments not received. This will be verified with the records with regard to Bank Mandate, correctness of amount claimed, signature etc also cross verified with the Bank Reconciliation records of the Mutual Fund to check whether the claim is genuine. Once the claim is established to be genuine, in case the amount is outstanding for more than 3 months, the amount along with interest/ NAV, as applicable will be paid to the unit holders by means of cheque/ Demand Draft or any other electronic mode of payment. In case the original unencashed instrument is not made available along

with the request, indemnity bond is insisted upon, based on which the above details are verified before effecting the payment.

- **Effect of Redemptions**

The number of Units held by the Unit Holder in his / her / its folio will stand reduced by the number of Units Redeemed.

The minimum balance to be maintained at all times under the Schemes shall be equal to the minimum redemption size under a Scheme. If, in the course of redemption/switch-out from the Scheme, the balance units/amount available under a Scheme falls below the minimum redemption size requirement, all units in the Scheme would be redeemed/switched-out.

In respect of Units held in dematerialised mode, the provisions pertaining to minimum balance amount/number of Units will not be applicable.

- **Suspension of Sale and Redemption of Units**

Suspension or restriction of repurchase / redemption facility under any scheme of the mutual fund shall be made applicable only after the approval from the Board of Directors of the AMC and the Trustee Company. The approval from the Board of Directors of the AMC and the Trustee Company giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.

Accordingly, the Board of Directors of Trustee Company and AMC may decide to temporarily suspend determination of NAV of any of the Schemes of L&T Mutual Fund, and consequently sale and redemption of units, in any of the following events:

1. When one or more stock exchanges or markets, which provide basis for valuation for a substantial portion of the assets of the Scheme are closed otherwise than for ordinary holidays.
2. When, as a result of political, economic or monetary events or any circumstances outside the control of the Trustee and the AMC, the disposal of the assets of the Scheme is not reasonable, or would not reasonably be practicable without being detrimental to the interests of the Unit holders.
3. 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 of the Scheme cannot be accurately calculated.
4. During periods of extreme volatility of markets, which in the opinion of the AMC are prejudicial to the interests of the Unit holders of the Scheme.
5. In case of natural calamities, strikes, riots and bandhs.
6. In the event of any force majeure or disaster that affects the normal functioning of the AMC or the Registrar & Transfer Agent.
7. If so directed by SEBI.

In the above eventualities, the time limits indicated above, for processing of requests for purchase and redemption of Units will not be applicable. The redemption cheque in such extraordinary circumstances shall be mailed to the investor within a reasonable period of time.

The mutual fund reserves the right in its sole discretion to withdraw the sale of units in the scheme temporarily or indefinitely, if the Trustee Company or the AMC views that increasing the scheme's size further may prove detrimental to the existing unit holders of the scheme.

Restriction on redemption: The following requirement shall be observed before imposing restriction on redemptions:

A) Restriction may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as:

- I. Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security.
 - II. Market failures, exchange closures - when markets are affected by unexpected events which impact the functioning of exchanges or the regular course of transactions. Such unexpected events could also be related to political, economic, military, monetary or other emergencies.
 - III. Operational issues - when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). Such cases can only be considered if they are reasonably unpredictable and occur in spite of appropriate diligence of third parties, adequate and effective disaster recovery procedures and systems.
- B) Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period.
- C) Any imposition of restriction would require specific approval of Board of AMC and Trustees.
- D) When restriction on redemption is imposed, the following procedure shall be applied:
- I. No redemption requests upto INR 2 lakh shall be subject to such restriction.
 - II. Where redemption requests are above INR 2 lakh, AMC shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction.

- **Investor Data**

Investors desiring to invest/transact in mutual fund schemes are required to familiarize with the data protection / privacy guidelines of Indian laws and such defined policy of the mutual fund /AMC with respect to collection, use, disclosure and transfer of information by the mutual fund /AMC/ RTAs and/or affiliate(s), which operates through various branch(es) of its own and/or its RTAs, various websites and other services including but not limited to delivery of information and content via any mobile or internet connected devices or otherwise (collectively referred to as “Services”). AMC/RTA will take utmost care in processing, storing and maintaining such information so that such sensitive and personal information shall not get exposed to any unrelated third party(ies) and used for specific & associated purpose for which such information is collected. AMC/RTA has implemented all required processes and controls as required under local data protection & privacy laws (Information Technology Act, 2000 & amendments thereof from time to time) and will continue to abide by all such data protection & privacy laws as notified by Government of India from time to time. Mutual Fund / AMC / RTAs, who shall be collecting, using and sharing as indicated above, shall comply with local laws of India, which may or may not be in line with the requirements of other territorial laws. By choosing to invest in the Mutual Fund, it is construed that investor is providing explicit consent to AMC, RTA and other entities engaged by AMC to process investor data in their roles as per existing & prospective processes determined by MF/AMC from time to time.

- **Duration of the Schemes**

The duration of the open-ended Schemes is perpetual while the closed-ended Schemes will mature at the end of the maturity period as specified in the respective SIDs. However, in accordance with SEBI Regulations, a Scheme may be wound up after repaying the amount due to the Unit Holders:

- a) on the happening of any event which, in the opinion of the Trustee, requires the Schemes to be wound up; or
- b) if 75% of the Unit Holders of the Scheme pass a resolution that the Scheme be wound up; or
- c) if SEBI so directs in the interests of Unit Holders.

If the Scheme is so wound up, the Trustee shall give notice of the circumstances leading to the winding up of the Schemes:

- a) to SEBI; and
- b) in two daily newspapers having a circulation all over India and in a vernacular newspaper with circulation in Mumbai.

On and from the date of the publication of notice of winding up, the Trustee or the AMC, as the case may be, shall

- a) cease to carry on any business activities in respect of the Schemes so wound up;
- b) cease to create or cancel Units in the Schemes; and
- c) cease to issue or redeem Units in the Schemes.

- **Procedure and Manner of Winding Up**

The Trustee shall call a meeting of the Unit Holders to approve, by simple majority of the Unit Holders present and voting at the meeting, a resolution authorising the Trustee or any other person to take steps for winding up of the Scheme.

The Trustee, or other person authorised as above, shall dispose of the assets of the Scheme concerned in the best interest of the Unit Holders of the Scheme. The proceeds of sale shall be first utilised towards discharge of such liabilities as are due and payable under the Scheme and after meeting the expenses connected with the winding up, the balance shall be paid to the Unit Holders in proportion to their respective interests in the assets of the Scheme, as on the date when the decision for winding up was taken.

On completion of the winding up, the Trustee shall forward to SEBI and the Unit Holders, a report on the winding up, detailing, the circumstances leading to the winding up, the steps taken for disposal of the assets of the Scheme before winding up, net assets available for distribution to the Unit Holders and a certificate from the Auditors of the Fund.

Notwithstanding anything contained herein above, the provisions of the SEBI Regulations in respect of disclosures of half-yearly reports and annual reports shall continue to be applicable until winding up is completed or the Scheme ceases to exist.

After the receipt of the Trustee's report referred to above, and if SEBI is satisfied that all measures for winding up of the Scheme have been complied with, the Scheme shall cease to exist.

- **Dealing with the AMC**

Any investor who deals with the AMC through the any means including dealing through "Channels" shall be deemed to have accepted all the Terms and Conditions laid down by the AMC (as may be amended from time to time).

"Channels" shall mean various electronic channels including but not limited to internet, telephone, mobile phone, etc. provided by the AMC/ through which you can deal with the AMC. Some of these will be the official points of acceptance of transactions in the schemes of the Fund and necessary disclosure will be made in the Scheme Information Document.

Terms and conditions for transaction instructions received through facsimile

In case an investor chooses to transact through fax with the Mutual Fund, the following terms and conditions shall apply and the investor would be deemed to have agreed and accepted the following terms and conditions:

1. The investor shall comply with all the instructions/procedures laid down by the AMC / CAMS from time to time, with regard to the transactions through facsimile.

2. The investor shall arrange to send clear transaction instructions through the facsimile along with the necessary relevant documents to the AMC and the AMC shall not be obliged to act on unclear transaction instructions and shall in no manner whatsoever be held responsible for the delay in acting or refusal to act on such unclear transaction instructions.
 3. All transactions instructions sent through the facsimile shall be subject to verification and will be accepted only if they are found complete in all respects as per the SEBI Regulations and / or provisions contained in the respective scheme information documents and shall be processed based on the date and time of receipt of the transaction instructions through the facsimile evidenced by the electronic time stamp machines.
 4. The transaction instructions sent through the facsimile are non-revocable and all actions of the AMC based on such transaction instructions shall be final and un-questionable.
 5. The AMC shall not be held responsible for use of incorrect information(s) or failure of the transmission or any error in the information from investor and that neither the AMC nor the Fund nor the Trustees nor any of their officers, employees or agents shall be liable for any acts carried out upon on receipt of such transaction instructions through the facsimile notwithstanding that it shall be subsequently proved that it was not signed by an authorised person and / or it was not sent by the investor .
 6. The transaction instructions sent through the facsimile to the AMC and the AMC's subsequent actions on the same is a valid discharge by AMC towards its obligations and all actions of the AMC with respect to such transaction instructions shall be valid and binding on the investor.
 7. The AMC, the Fund, the Trustees and their directors, employees, associates, agents, registrar and transfer agent and representatives shall not be held liable for loss of interest and / or opportunity loss and / or any loss arising due to movement in the net asset values of the schemes or any other losses, liabilities, damages, costs, charges, expenses which the investor may sustain, incur or suffer or be put to or become liable or incur directly or indirectly by reason or as a consequence of any such action or any delay thereof or for any action taken on the transaction instructions sent through the facsimile.
 8. The AMC, the Fund, the Trustees and their directors, employees, associates, agents, registrar and transfer agent and representatives shall be indemnified for any claim that may be made against them by any third party for any reason whatsoever in respect of the actions of the AMC on the transaction instructions received from the investor through the facsimile and against all costs and expenses, including legal costs, it may incur in defending such claims.
 9. The transaction instructions sent through the facsimile may not be received properly by the AMC and there could be a risk of error in processing the transaction instructions and the investor agrees to assume and bear all the risks involved in respect of such errors and it agrees that the AMC, the Fund, the Trustees and their directors, employees, associates, agents, registrar and transfer agent and representatives shall not be liable for any claims, loss, damage, cost or expense and liability arising therefrom.
 10. The AMC may stop/terminate accepting the transaction instructions through the facsimile without intimation to the investor. However, any such termination shall not affect anything done or any rights or liabilities accrued or incurred prior to the termination and all the above indemnities given by us to the AMC hereunder shall survive any such termination.
- **Treatment of transactions received through suspended distributors & permanently debarred distributors.**

Process to be followed for treatment of purchase/switch/SIP/STP transactions received through suspended distributors & permanently debarred distributors (i.e., whose AMFI registration/ARN has been permanently terminated):

1. During the period of suspension, no commission shall be accrued or payable to the distributor whose ARN is suspended. In other words, during the period of suspension, commission on the business canvassed prior to the date of suspension shall stand forfeited.
2. All Purchase and Switch transactions, including transactions triggered out of SIP/STP registered prior to the date of suspension and fresh SIP / STP registrations received under the ARN code of a suspended distributor during the period of suspension, shall be processed under "Direct" Plan"

Further, the same will continue to remain under Direct Plan unless and until a written request / instruction from the unitholder/s is received by AMC/Mutual Fund to shift back to Regular Plan under the ARN of the distributor post the revocation of suspension of ARN by AMFI.

A suitable intimation will be made to unitholder/s mentioning that the distributor has been suspended from doing mutual fund distribution.

3. All Purchase and Switch transactions including SIP/STP transactions received through the stock exchange platforms through a distributor whose ARN is suspended/ permanently debarred shall be rejected.
4. In cases where the ARN has been permanently terminated as per SEBI/AMFI list, suitable intimation will be made to the unitholder/s with following options for the existing investments under the respective code:
 - I. the option to switch their existing investments under Regular Plan to Direct Plan (with capital gain tax implications); or
 - II. the option to continue their existing investments under Regular Plan under ARN another distributor of their choice.

H. General Information

• Underwriting Activity

L&T Triple Ace Bond Fund, L&T Ultra Short Term Fund, L&T Money Market Fund, L&T Liquid Fund, L&T Conservative Hybrid Fund, L&T Gilt Fund, L&T Credit Risk Fund, L&T Equity Savings Fund and L&T Short Term Bond Fund may undertake underwriting activities in order to augment its income. The Fund will get necessary permissions from SEBI and other concerned authorities before undertaking such activity. The total underwriting obligations of the Scheme(s) at any time shall not exceed the total value of the net assets under the Scheme(s). The decision to take up any underwriting commitment shall be made as if the Scheme(s) is actually investing in that particular security and as such, all investment restrictions and prudential guidelines relating to investments, individually and in aggregate, as mentioned in the SEBI Regulations shall, in so far as may be applicable, apply to underwriting commitments which may be undertaken under the Scheme(s).

• Borrowing Powers:

Under SEBI Regulations, the Fund is allowed to borrow to meet the temporary liquidity needs of a Scheme for the purpose of repurchase, Redemption of Units or payment of interest or dividend to the Unit Holders. Further, as per the SEBI Regulations, the Fund shall not borrow more than 20% of the net assets of a Scheme and the duration of such borrowing shall not exceed a period of 6 months.

The Fund may enter into necessary arrangements with banks / financial institutions for borrowing purposes. The respective Scheme may bear the interest charged on such borrowings.

- **Securities Lending by the Mutual Fund**

If permitted by SEBI under extant Regulations/guidelines and if permitted by the respective scheme information documents, the Schemes of the Fund may also engage in scrip lending. The AMC shall comply with all reporting requirements and the Trustee shall carry out periodic review as required by SEBI guidelines. Scrip lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation. The securities lent will be returned by the borrower on expiry of the stipulated period.

The Investment Manager will apply the following limits, should it desire to engage in scrip lending:

1. not more than 20% of the net assets of the Scheme can generally be deployed in scrip lending; and
2. Not more than 5% of the net assets of the Scheme can generally be deployed in scrip lending to any single counter-party.

- **Inter-Scheme Transfer of Investments:**

Transfers of investments from one scheme to another scheme in the same mutual fund shall be allowed only if-

- (a) such transfers are done at the prevailing market price for quoted instruments on spot basis.

Explanation: “spot basis” shall have same meaning as specified by stock exchange for spot transactions.

- (b) the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

- **Underwriting obligations with respect to issues of Associate Companies**

The Mutual Fund/ AMC have till date not entered into any underwriting contracts in respect of any public issue made by any of its associate companies.

- **Subscriptions in issues lead managed by the Sponsor or any of its Associates**

Mutual Fund may subscribe to issues lead managed by the Sponsor or any of its associates. Such subscriptions shall be in accordance with the applicable regulatory requirements. Disclosures pertaining to such subscriptions is as follows:

Year	Scheme	Amount (Rs. in Cr.)
2017-18	Nil	Nil
2018-19	L&T Resurgent India Bond Fund	100
2019-20	Nil	Nil

- **Associate Transactions**

Dealing with Sponsor/ Associate/ Group Companies

The AMC, for the purpose of conducting its normal business, uses the services of the Sponsor(s) and its subsidiaries, associates, employees or their relatives for the purpose of any securities transaction and distribution and sale of securities under the Scheme.

The AMC, on behalf of the Fund, shall conduct its business with the aforesaid companies (including their employees or relatives) on commercial terms and on arms-length basis and at mutually agreed terms and conditions to the extent permitted under the SEBI Regulations.

The details of commission / brokerage paid are as mentioned below:

Amount paid to Associate/ Group Companies (April 1, 2019 to March 31, 2020):

Name of associate/related parties/group companies of Sponsor /AMC	Value of transactions (Rs. In Crs)	% of total value of transaction of the Fund (%)	Brokerage paid (Rs. In Crs)	% of total brokerage paid by the Fund (%)
L&T Capital Company Ltd (Group Company)				
L&T Liquid Fund	0.00	0.00	0.00	0.00
L&T Overnight Fund	2425.00	2.40	0.06	3.00
L&T Tax Advantage Fund	0.00	0.00	0.00	0.00
L&T Emerging Businesses Fund	0.00	0.00	0.00	0.00
L&T Finance Ltd (Associate Company)	Value of transactions (Rs. In Crs)	% of total value of transaction of the Fund	Brokerage paid	% of total brokerage paid by the Fund
L&T Infrastructure Fund	0.00	0.00	0.00	0.00
L&T Conservative Hybrid Fund	0.00	0.00	0.00	0.00
L&T Midcap Fund	0.02	0.00	0.00	0.00
L&T Triple Ace Bond Fund	0.00	0.00	0.00	0.00
L&T Hybrid Equity Fund	0.00	0.00	0.00	0.00
L&T Overnight Fund	0.01	0.00	0.00	0.00
L&T Equity Fund	0.06	0.02	0.00	0.00
L&T India Large Cap Fund	0.05	0.03	0.00	0.00
L&T Large and MidCap Fund	0.00	0.00	0.00	0.00
L&T India Value Fund	0.00	0.00	0.00	0.00
L&T Tax Advantage Fund	0.02	0.01	0.00	0.00
L&T Emerging Businesses Fund	0.00	0.00	0.00	0.00
L&T Short Term Bond Fund	0.00	0.00	0.00	0.00
L&T Equity Savings Fund	0.00	0.00	0.00	0.00
L&T Capital Markets Limited (Associate Company)	Value of transactions (Rs. In Crs)	% of total value of transaction of the Fund	Brokerage paid	% of total brokerage paid by the Fund
L&T Ultra Short Term Fund	126.20	1.88	0.33	16.99
L&T Infrastructure Fund	0.82	0.25	0.18	1.30
L&T Liquid Fund	98,242.45	18.44	0.38	22.71
L&T Midcap Fund	8.05	0.22	0.13	0.28
L&T Credit Risk Fund	0.70	0.33	1.19	8.27
L&T Money Market Fund	152.67	6.94	0.55	32.45
L&T Triple Ace Bond Fund	1.95	0.07	0.00	0.07
L&T Hybrid Equity Fund	2.07	0.22	0.24	0.34

L&T Overnight Fund	3,306.71	3.27	0.20	10.28
L&T Balanced Advantage Fund	0.47	0.16	0.31	4.44
L&T Equity Fund	0.25	0.08	0.02	0.12
L&T India Large Cap Fund	0.24	0.14	0.00	0.05
L&T Large and MidCap Fund	1.33	0.55	0.14	1.50
L&T India Value Fund	6.64	0.37	0.63	1.05
L&T Banking and PSU Debt Fund	37.26	0.88	0.04	1.93
L&T FMP Series 14 - Scheme C (1150 Days)	0.54	21.09	0.00	0.00
L&T FMP - Series IX - Plan J(1141D)	0.00	0.00	0.00	0.00
L&T Low Duration Fund	0.14	0.07	0.08	2.08
L&T Tax Advantage Fund	0.98	0.26	0.01	0.08
L&T Arbitrage Opportunities Fund	17.58	2.55	0.06	2.60
L&T Emerging Opportunities Fund - Series II	0.00	0.00	0.00	0.00
L&T Resurgent India Bond Fund	15.43	7.72	0.90	7.27
L&T Business Cycles Fund	0.59	0.71	0.10	1.88
L&T Emerging Businesses Fund	4.49	0.22	0.20	0.46
L&T Emerging Opportunities Fund - Series I	0.01	0.06	0.00	0.00
L&T Focused Equity Fund	3.98	1.34	0.08	1.21
L&T Short Term Bond Fund	303.16	8.37	1.52	37.52
L&T Equity Savings Fund	-0.10	-0.90	0.00	0.25
L&T Gilt Fund	-0.10	-0.24	0.00	0.06
L&T FMP Series XVIII - Plan C (1178 Days)	-0.10	-2.64	0.00	0.45
L&T Access Distribution Services Limited (Group Company)	Value of transactions (Rs. In Crs)	% of total value of transaction of the Fund	Brokerag e paid	% of total brokerag e paid by the Fund
L&T Ultra Short Term Fund	0.00	0.00	0.00	0.00
L&T Gilt Fund	0.00	0.00	0.00	0.00
L&T Infrastructure Fund	0.05	0.01	0.00	0.00
L&T Liquid Fund	0.00	0.00	0.00	0.00
L&T Conservative Hybrid Fund	0.00	0.00	0.00	0.00
L&T Midcap Fund	0.14	0.00	0.00	0.00
L&T Credit Risk Fund	0.00	0.00	0.00	0.00
L&T Triple Ace Bond Fund	0.00	0.00	0.00	0.00
L&T Hybrid Equity Fund	0.02	0.00	0.00	0.00
L&T Balanced Advantage Fund	0.01	0.00	0.00	0.00
L&T Equity Fund	0.11	0.03	0.00	0.00
L&T India Large Cap Fund	0.02	0.01	0.00	0.00
L&T Large and MidCap Fund	0.09	0.04	0.00	0.00
L&T India Value Fund	0.05	0.00	0.00	0.00
L&T Low Duration Fund	0.00	0.00	0.00	0.00
L&T Flexi Bond Fund	0.00	0.00	0.00	0.00
L&T Tax Advantage Fund	0.04	0.01	0.00	0.00
L&T Arbitrage Opportunities Fund	0.00	0.00	0.00	0.00
L&T Business Cycles Fund	0.07	0.08	0.00	0.00
L&T Emerging Businesses Fund	0.03	0.00	0.00	0.00
L&T Short Term Bond Fund	0.00	0.00	0.00	0.00

L&T Equity Savings Fund	0.01	0.09	0.00	0.00
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Amount paid to Associate/ Group Companies (April 1, 2018 to March 31, 2019):

Name of associate/related parties/group companies of Sponsor /AMC	Value of transactions (Rs. In Crs)	% of total value of transaction of the Fund (%)	Brokerage paid (Rs. In Crs)	% of total brokerage paid by the Fund (%)
L&T Capital Company Ltd (Group Company)				
L&T Infrastructure Fund	0.00	0.00	0.00	0.00
L&T Liquid Fund	0.00	0.00	0.00	0.01
L&T Equity Fund	0.00	0.00	0.00	0.00
L&T Tax Advantage Fund	0.00	0.00	0.00	0.00
L&T Emerging Businesses Fund	0.00	0.00	0.00	0.00
L&T Finance Ltd (Associate Company)				
L&T Infrastructure Fund	0.00	0.00	0.00	0.00
L&T Conservative Hybrid Fund	0.00	0.00	0.00	0.00
L&T Midcap Fund	0.03	0.00	0.00	0.00
L&T Triple Ace Bond Fund	0.00	0.00	0.00	0.00
L&T Hybrid Equity Fund	0.00	0.00	0.00	0.00
L&T Cash Fund	0.00	0.00	0.00	0.00
L&T Dynamic Equity Fund	0.00	0.00	0.00	0.00
L&T Equity Fund	0.47	0.10	0.00	0.00
L&T India Large Cap Fund	0.05	0.04	0.00	0.00
L&T Large and MidCap Fund	0.00	0.00	0.00	0.00
L&T India Value Fund	0.00	0.00	0.00	0.00
L&T Tax Advantage Fund	0.01	0.00	0.00	0.00
L&T Emerging Businesses Fund	0.00	0.00	0.00	0.00
L&T Short Term Bond Fund	0.00	0.00	0.00	0.00
L&T Equity Savings Fund	0.00	0.00	0.00	0.00
L&T Capital Markets Limited (Associate Company)				
L&T Ultra Short Term Fund	154.46	3.38	0.50	23.65
L&T Gilt Fund	0.09	0.48	0.00	0.00
L&T Infrastructure Fund	5.07	0.75	0.28	1.51
L&T Liquid Fund	1,83,899.68	18.29	0.67	25.41
L&T Midcap Fund	5.91	0.21	0.22	0.60
L&T Credit Risk Fund	89.82	10.83	1.99	6.88

L&T Money Market Fund	153.78	6.06	0.45	18.48
L&T Triple Ace Bond Fund	0.25	0.03	0.00	0.01
L&T Hybrid Equity Fund	14.95	0.44	0.37	0.33
L&T Cash Fund	11.66	0.30	0.02	0.83
L&T Dynamic Equity Fund	6.83	3.14	0.36	5.62
L&T Equity Fund	1.28	0.28	0.02	0.13
L&T India Large Cap Fund	0.20	0.15	0.00	0.04
L&T Large and MidCap Fund	7.96	1.65	-0.04	-0.36
L&T India Value Fund	23.91	0.78	0.98	1.23
L&T FMP Series 14 - Scheme C (1150 Days)	0.11	3.57	0.00	0.00
L&T FMP Series XVII - Plan C (1114 Days)	0.50	0.23	0.01	1.97
L&T FMP Series XVIII - Plan A (1104 Days)	0.20	0.35	0.00	0.51
L&T FMP Series XVIII - Plan C (1178 Days)	0.12	0.36	0.00	0.43
L&T FMP - Series X - Plan S (1500 Days)	0.21	26.25	0.00	0.15
L&T FMP - Series X - Plan T (1500 Days)	0.07	1.36	0.00	4.41
L&T Low Duration Fund	2.84	0.51	0.13	2.63
L&T Tax Advantage Fund	2.15	0.29	0.01	0.05
L&T Arbitrage Opportunities Fund	5.90	0.76	0.08	2.98
L&T Emerging Opportunities Fund - Series II	45.67	21.03	2.29	41.85
L&T Resurgent India Bond Fund	13.09	6.08	0.81	5.88
L&T Business Cycles Fund	1.05	0.81	0.17	2.37
L&T Emerging Businesses Fund	11.00	0.34	0.42	0.76
L&T Emerging Opportunities Fund - Series I	0.03	0.36	0.00	0.00
L&T Focused Equity Fund	4.76	0.86	0.03	1.36
L&T Short Term Bond Fund	71.53	2.98	1.16	31.08
L&T Equity Savings Fund	0.00	0.00	-0.03	-1.32
L&T Banking and PSU Debt Fund	0.00	0.00	0.01	5.57
L&T FMP - Series X - Plan M (1520 Days)	0.00	0.00	0.00	21.10
L&T FMP - Series XI - Plan A (1484 Days)	0.00	0.00	0.00	32.33
L&T Access Distribution Services Limited (Group Company)	Value of transactions (Rs. In Crs)	% of total value of transaction of the Fund (%)	Brokera ge paid (Rs. In Crs)	% of total brokerage paid by the Fund (%)
L&T Ultra Short Term Fund	0.01	0.00	0.00	0.00
L&T Gilt Fund	0.00	0.00	0.00	0.00
L&T Infrastructure Fund	0.09	0.01	0.00	0.00
L&T Liquid Fund	0.00	0.00	0.00	0.00
L&T Conservative Hybrid Fund	0.00	0.00	0.00	0.00
L&T Midcap Fund	0.13	0.00	0.00	0.00
L&T Credit Risk Fund	0.01	0.00	0.00	0.00
L&T Triple Ace Bond Fund	0.00	0.00	0.00	0.00
L&T Hybrid Equity Fund	0.04	0.00	0.00	0.00
L&T Dynamic Equity Fund	0.01	0.00	0.00	0.00
L&T Equity Fund	0.17	0.04	0.00	0.00
L&T India Large Cap Fund	0.03	0.02	0.00	0.00
L&T Large and MidCap Fund	0.11	0.02	0.00	0.00

L&T India Value Fund	0.06	0.00	0.00	0.00
L&T FMP - Series X - Plan T (1500 Days)	0.01	0.19	0.00	0.00
L&T Low Duration Fund	0.00	0.00	0.00	0.00
L&T Flexi Bond Fund	0.00	0.00	0.00	0.00
L&T Tax Advantage Fund	0.05	0.01	0.00	0.00
L&T Arbitrage Opportunities Fund	0.00	0.00	0.00	0.00
L&T Business Cycles Fund	0.10	0.08	0.00	0.01
L&T Emerging Businesses Fund	0.05	0.00	0.00	0.00
L&T Short Term Bond Fund	0.00	0.00	0.00	0.00
L&T Equity Savings Fund	0.00	0.00	0.00	0.00

Amount paid to Associate/ Group Companies (April 1, 2017 to March 31, 2018):

Name of associate/related parties/group companies of Sponsor /AMC	Value of transactions (Rs. In Crs)	% of total value of transaction of the Fund (%)	Brokerage paid (Rs. In Crs)	% of total brokerage paid by the Fund (%)
L&T Capital Company Ltd. (Group Company)				
L&T Ultra Short Term Fund	100.51	1.41	0.03	1.03
L&T Infrastructure Fund	0.00	0.00	0.00	0.00
L&T Liquid Fund	0.00	0.00	0.00	0.01
L&T Cash Fund	0.00	0.00	0.00	0.00
L&T Equity Fund	0.00	0.00	0.00	0.00
L&T Banking and PSU Debt Fund	100.00	7.23	0.04	15.05
L&T Tax Advantage Fund	0.00	0.00	0.00	0.00
L&T Emerging Businesses Fund	0.01	0.00	0.00	0.00
L&T Finance Ltd (Associate Company)				
L&T Ultra Short Term Fund	0.00	0.00	0.00	0.00
L&T Gilt Fund	0.00	0.00	0.00	0.00
L&T Infrastructure Fund	0.01	0.00	0.00	0.00
L&T Liquid Fund	0.00	0.00	0.00	0.00
L&T Monthly Income Plan	0.00	0.00	0.00	0.00
L&T Midcap Fund	0.03	0.00	0.00	0.00
L&T Income Opportunities Fund	0.00	0.00	0.00	0.00
L&T Floating Rate Fund	0.00	0.00	0.00	0.00
L&T Triple Ace Bond Fund	0.00	0.00	0.00	0.00
L&T Tax Saver Fund	0.00	0.00	0.00	0.00
L&T India Prudence Fund	0.00	0.00	0.00	0.00
L&T Cash Fund	0.01	0.00	0.00	0.00
L&T Dynamic Equity Fund	0.00	0.00	0.00	0.00
L&T Equity Fund	0.07	0.02	0.00	0.00
L&T India Large Cap Fund	0.06	0.09	0.00	0.00
L&T India Special Situations Fund	0.00	0.00	0.00	0.00

L&T India Value Fund	0.00	0.00	0.00	0.00
L&T Banking and PSU Debt Fund	0.00	0.00	0.00	0.00
L&T Short Term Income Fund	0.00	0.00	0.00	0.00
L&T Tax Advantage Fund	0.02	0.00	0.00	0.00
L&T Business Cycles Fund	0.00	0.00	0.00	0.00
L&T Emerging Businesses Fund	0.01	0.00	0.00	0.00
L&T Emerging Opportunities Fund - Series I	0.00	0.00	0.00	0.00
L&T Short Term Opportunities Fund	0.00	0.00	0.00	0.00
L&T Equity Savings Fund	0.00	0.00	0.00	0.00
L&T Capital Markets Limited (Associate Company)	Value of transactions (Rs. In Crs)	% of total value of transaction of the Fund (%)	Brokerage paid (Rs. In Crs)	% of total brokerage paid by the Fund (%)
L&T Ultra Short Term Fund	283.95	3.98	0.51	16.05
L&T Gilt Fund	0.00	0.00	0.00	0.01
L&T Infrastructure Fund	13.35	0.72	0.37	1.60
L&T Liquid Fund	62,017.35	10.00	0.34	16.62
L&T Monthly Income Plan	0.00	0.00	0.00	0.01
L&T Midcap Fund	7.11	0.34	0.25	0.76
L&T Income Opportunities Fund	97.82	6.05	1.68	5.65
L&T Floating Rate Fund	70.40	2.52	0.11	9.22
L&T India Prudence Fund	20.86	0.28	0.58	0.40
L&T Cash Fund	2.20	0.14	0.00	0.04
L&T Dynamic Equity Fund	18.87	7.67	1.28	18.13
L&T Equity Fund	0.98	0.26	0.03	0.13
L&T India Large Cap Fund	0.06	0.09	0.01	0.23
L&T India Special Situations Fund	81.20	17.46	2.36	17.50
L&T India Value Fund	42.37	0.86	1.47	1.57
L&T Banking and PSU Debt Fund	11.27	0.82	0.04	12.42
L&T FMP Series 14 - Scheme C (1150 Days)	0.21	1.89	0.00	0.00
L&T FMP Series 16 - Plan A (1223 Days)	1.00	1.57	0.01	8.64
L&T FMP - Series 9 - Plan H	0.00	0.00	0.00	2.24
L&T FMP - Series X - Plan M (1520 Days)	1.22	96.06	0.00	20.94
L&T FMP - Series X - Plan S (1500 Days)	0.20	12.42	0.00	0.47
L&T FMP - Series X - Plan T (1500 Days)	0.07	1.05	0.00	4.07
L&T FMP - Series XI - Plan A (1484 Days)	0.54	13.67	0.01	32.27
L&T FMP - Series XI - Plan C (1139 days)	0.05	6.41	0.00	0.00
L&T Short Term Income Fund	11.96	1.16	0.25	5.67
L&T Flexi Bond Fund	0.00	0.00	0.02	5.19
L&T Tax Advantage Fund	1.72	0.14	0.02	0.03
L&T Arbitrage Opportunities Fund	17.85	1.38	0.04	3.94
L&T Resurgent India Corporate Bond Fund	82.38	6.04	2.95	14.96
L&T Business Cycles Fund	10.35	3.77	0.36	3.13
L&T Emerging Businesses Fund	46.81	1.11	1.42	2.26
L&T Emerging Opportunities Fund - Series I	78.63	19.73	3.99	47.87
L&T Short Term Opportunities Fund	80.31	1.14	1.14	35.31
L&T Equity Savings Fund	12.66	6.31	0.31	12.43

L&T Access Distribution Services Limited (Group Company)	Value of transactions (Rs. In Crs)	% of total value of transaction of the Fund (%)	Brokerage paid (Rs. In Crs)	% of total brokerage paid by the Fund (%)
L&T Ultra Short Term Fund	0.00	0.00	0.00	0.00
L&T Infrastructure Fund	0.15	0.01	0.00	0.00
L&T Liquid Fund	0.02	0.00	0.00	0.00
L&T Monthly Income Plan	0.00	0.00	0.00	0.00
L&T Midcap Fund	0.28	0.01	0.00	0.00
L&T Income Opportunities Fund	0.01	0.00	0.00	0.00
L&T Floating Rate Fund	0.00	0.00	0.00	0.00
L&T Triple Ace Bond Fund	0.00	0.00	0.00	0.00
L&T India Prudence Fund	0.14	0.00	0.00	0.00
L&T Cash Fund	0.00	0.00	0.00	0.00
L&T Dynamic Equity Fund	0.01	0.00	0.00	0.00
L&T Equity Fund	0.26	0.07	0.00	0.00
L&T India Large Cap Fund	0.06	0.09	0.00	0.01
L&T India Special Situations Fund	0.19	0.04	0.00	0.00
L&T India Value Fund	0.16	0.00	0.00	0.00
L&T FMP - Series VIII - Plan I (1127 Days)	0.00	0.00	0.00	0.00
L&T FMP - Series X - Plan T (1500 Days)	0.01	0.15	0.00	0.00
L&T Short Term Income Fund	0.00	0.00	0.00	0.00
L&T Flexi Bond Fund	0.26	0.93	0.00	0.00
L&T Tax Advantage Fund	0.08	0.01	0.00	0.00
L&T Arbitrage Opportunities Fund	0.01	0.00	0.00	0.00
L&T Business Cycles Fund	0.21	0.08	0.00	0.01
L&T Emerging Businesses Fund	0.06	0.00	0.00	0.00
L&T Short Term Opportunities Fund	0.00	0.00	0.00	0.00
L&T Equity Savings Fund	0.01	0.00	0.00	0.00

Amount less than Rs. 1 lac is mentioned as 0.00

% less than 0.01 is mentioned as 0.00

Investors are requested to note that the above transactions were considered sound. The transactions done with the Associate/ Group Companies were done on arm's length basis; in accordance with the objective of the scheme.

• **Policy for investing in Group Companies of the Sponsor:**

- a) The investments made shall be sound and backed by justification;
- a) Before making an investment, the AMC shall evaluate the same on merits and on arm's length basis;
- b) The investments shall be made in accordance with the objective and investment pattern of the Scheme and
- c) The Scheme retains the right to invest in the listed securities of group companies of the Sponsor provided that such investments are not in excess of 25% of the net assets.

- **Investments in Group Company**

During the period April 1, 2019 to March 31, 2020:

Equity:

(Rs. In Crores)

Scheme Name	Buy	Sell
L&T Arbitrage Opportunities Fund	76.23	69.35
L&T Business Cycles Fund	1.17	12.43
L&T Balanced Advantage Fund	47.03	11.27
L&T Equity Fund	7.66	73.79
L & T Equity Savings Fund	0.00	1.54
L&T Hybrid Equity Fund	0.00	87.22
L&T Large and Midcap Fund	14.21	28.93
L&T India Value Fund	21.02	56.08
L&T Infrastructure Fund	0.00	40.75
L&T Tax Advantage Fund	15.28	9.70
L&T Focused Equity Fund	6.98	7.37
L&T India Large Cap Fund	5.00	2.60
L&T Conservative Hybrid Fund	0.00	0.04
L&T Mid cap Fund	0.00	8.38

Debt:

(Rs. In Crores)

Scheme Name	Buy	Sell
L&T Credit Risk fund	54.15	16.32
L&T Resurgent India Bond Fund	0.00	53.82
L&T Low Duration Fund	14.25	0.00
L&T Short Term Bond Fund	75.52	0.00

The above investments were considered sound. Before making an investment, the AMC evaluated the same on merits and on arm's length basis and in accordance with the objective of the scheme.

- **Investment in the Scheme by Sponsors/ Associates/AMC**

From time to time, subject to the Regulations, the Sponsors/ Associate/ AMC may acquire a substantial portion of the Scheme's units and collectively constitute a majority investor in the Scheme. AMC shall not be entitled to charge management fees on its own investment for the period it is retained in the Scheme.

Documents Available for Inspection

The following documents will be available for inspection at the office of the L&T Mutual Fund at 6th Floor, Brindavan, Plot No 177, CST Road, Kalina, Santacruz (E), Mumbai 400 098 during business hours on any day (excluding Saturdays, Sundays and public holidays):

- Memorandum and Articles of Association of the AMC
- Investment Management Agreement and amendments thereto
- Trust Deed and amendments thereto
- Mutual Fund Registration Certificate
- Annual Report (Full and Abridged Scheme wise)

- Custodian Agreement
- Registrar & Transfer Agent Agreement
- Consent of the Auditors and Legal Advisors to act in the said capacity
- Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments from time to time thereto.
- Indian Trusts Act, 1882.

- **Investor Grievances Redressal Mechanism**

Mr. Ankur Banthiya is the Investor Grievance Officer and can be contacted at:

6th floor, KGN Towers, No.62, Ethiraj Salai, (Commander-In-Chief Road),
Egmore, Chennai - 600 105

Tel: 044-66881139 Fax: 044-4902 2818

E-mail: investor.line@lfs.co.in

Investors can also post their grievances/ feedback/ suggestions on our website www.lfs.com.

Investors are requested to note that the complaints received at various points by the AMC are entered and tracked through dedicated Software presently Customer Relationship Management Software. The AMC endeavours to redress these complaints on timely basis. In case the resolution of the complaint takes time, an interim reply shall be given to the Investor regarding the delay.

Unitholder Grievances Redressal Status

Summary of the Complaints from Unitholders of the Schemes of the Fund as on November 30, 2020

Type of Complaint	(a) No. of complaints pending at the beginning of the period	(b) No. of complaints received during the given period	Action on (a) and (b)								
			Resolved				Non-Actionable	Pending			
			Within 30 days	30-60 days	60-180 days	Beyond 180 days		0-3 months	3-6 months	6-9 months	9-12 months
Non receipt of Dividend on Units	0	1	0	0	0	0	0	1	0	0	0
Interest on Delayed payment of Dividend	0	0	0	0	0	0	0	0	0	0	0
Non receipt of Redemption Proceeds	2	20	21	0	1	0	0	0	0	0	0
Interest on delayed payment of Redemption	0	0	0	0	0	0	0	0	0	0	0
Non receipt of Statement of Account/Unit Certificate	1	4	5	0	0	0	0	0	0	0	0
Discrepancy in Statement of Account	0	0	0	0	0	0	0	0	0	0	0
Data Corrections in Investor details	1	74	74	0	0	0	0	1	0	0	0
Non receipt of Annual Report/Abridged Summary	0	0	0	0	0	0	0	0	0	0	0
Wrong switch between Schemes	0	2	2	0	0	0	0	0	0	0	0
Unauthorized switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0
Wrong or excess charges/load	0	0	0	0	0	0	0	0	0	0	0
Non updation of changes viz. address, PAN, bank details, nomination, etc.	6	58	58	0	0	0	0	6	0	0	0
Others	12	133	133	0	0	0	0	11	0	1	0
Total	22	292	293	0	1	0	0	19	0	1	0

I. April 2019 – March 2020

Type of Complaint	(a) No. of complaints pending at the beginning of the period	(b) No. of complaints received during the given period	Action on (a) and (b)								
			Resolved				Non-Actionable	Pending			
			Within 30 days	30-60 days	60-180 days	Beyond 180 days		0-3 months	3-6 months	6-9 months	9-12 months
Non receipt of Dividend on Units	0	14	14	0	0	0	0	0	0	0	0
Interest on Delayed payment of Dividend	0	2	2	0	0	0	0	0	0	0	0
Non receipt of Redemption Proceeds	1	164	160	2	1	0	0	2	0	0	0
Interest on delayed payment of Redemption	0	2	2	0	0	0	0	0	0	0	0
Non receipt of Statement of Account/Unit Certificate	0	60	60	0	0	0	0	0	0	0	0
Discrepancy in Statement of Account	0	9	9	0	0	0	0	0	0	0	0
Data Corrections in Investor details	0	206	206	0	0	0	0	0	0	0	0
Non receipt of Annual Report/Abridged Summary	0	2	2	0	0	0	0	0	0	0	0
Wrong switch between Schemes	0	5	4	1	0	0	0	0	0	0	0
Unauthorized switch between Schemes	0	3	2	1	0	0	0	0	0	0	0
Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0
Wrong or excess charges/load	0	3	1	2	0	0	0	0	0	0	0
Non updation of changes viz. address, PAN, bank details, nomination, etc.	1	207	207	1	0	0	0	0	0	0	0
Others	8	755	756	2	3	1	0	1	0	0	0
Total	10	1432	1425	9	4	1	0	3	0	0	0

II. April 2018 – March 2019

Type of Complaint	(a) No. of complaints pending at the beginning of the period	(b) No. of complaints received during the given period	Action on (a) and (b)								
			Resolved				Non-Actionable	Pending			
			Within 30 days	30-60 days	60-180 days	Beyond 180 days		0-3 months	3-6 months	6-9 months	9-12 months
Non receipt of Dividend on Units	2	13	14	1	0	0	0	0	0	0	0
Interest on Delayed payment of Dividend	0	1	1	0	0	0	0	0	0	0	0
Non receipt of Redemption Proceeds	8	71	73	2	3	0	1	0	0	0	1
Interest on delayed payment of Redemption	0	2	2	0	0	0	0	0	0	0	0
Non receipt of Statement of Account/Unit Certificate	6	27	31	2	0	0	0	0	0	0	0
Discrepancy in Statement of Account	1	13	14	0	0	0	0	0	0	0	0
Data Corrections in Investor details	1	153	154	0	0	0	0	0	0	0	0
Non receipt of Annual Report/Abridged Summary	0	2	2	0	0	0	0	0	0	0	0
Wrong switch between Schemes	0	3	3	0	0	0	0	0	0	0	0
Unauthorized switch between Schemes	0	1	1	0	0	0	0	0	0	0	0
Deviation from Scheme attributes	1	0	0	1	0	0	0	0	0	0	0
Wrong or excess charges/load	0	0	0	0	0	0	0	0	0	0	0
Non updation of changes viz. address, PAN, bank details, nomination, etc.	5	44	43	3	2	0	1	0	0	0	1
Others	66	592	601	22	27	0	8	0	0	0	8
Total	90	922	939	31	32	0	10	0	0	0	10

III. April 2017 – March 2018

Type of Complaint	(a) No. of complaints pending at the beginning of the period	(b) No. of complaints received during the given period	Action on (a) and (b)								
			Resolved				Non-Actionable	Pending			
			Within 30 days	30-60 days	60-180 days	Beyond 180 days		0-3 months	3-6 months	6-9 months	9-12 months
Non receipt of Dividend on Units	0	10	8	0	0	0	0	2	0	0	0
Interest on Delayed payment of Dividend	0	0	0	0	0	0	0	0	0	0	0
Non receipt of Redemption Proceeds	0	34	21	2	3	0	0	8	0	0	0
Interest on delayed payment of Redemption	0	0	0	0	0	0	0	0	0	0	0
Non receipt of Statement of Account/Unit Certificate	0	23	13	3	1	0	0	6	0	0	0
Discrepancy in Statement of Account	0	10	8	1	0	0	0	1	0	0	0
Data Corrections in Investor details	0	259	258	0	0	0	0	1	0	0	0
Non receipt of Annual Report/Abridged Summary	0	1	0	0	1	0	0	0	0	0	0
Wrong switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
Unauthorized switch between Schemes	0	1	1	0	0	0	0	0	0	0	0
Deviation from Scheme attributes	0	2	0	1	0	0	0	1	0	0	0
Wrong or excess charges/load	0	1	1	0	0	0	0	0	0	0	0
Non updation of changes viz. address, PAN, bank details, nomination, etc.	0	33	23	3	2	0	0	4	1	0	0
Others	3	646	528	38	17	0	0	62	4	0	0
Total	3	1020	861	48	24	0	0	85	5	0	0

Jurisdiction

The jurisdiction for any matters arising out of this Document shall reside with the courts in India.

Notwithstanding anything contained in this Statement of Additional Information, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.