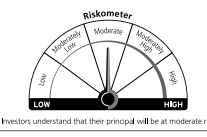




L&T FLOATING RATE FUND																										
Particulars	Existing Provisions			Revised provisions																						
Scheme Name	L&T Floating Rate Fund			L&T Money Market Fund																						
Scheme Category	-			A Money Market Fund																						
Type of the Scheme	An open ended income scheme			An open ended debt scheme investing in money market instruments																						
Product Labelling & Riskometer	<p><b>This product is suitable for investors who are seeking*</b></p> <ul style="list-style-type: none"> <li>• Generation of regular income over short to medium term</li> <li>• Investment substantially in floating rate debt/money market instruments, fixed rate debt/money market instruments swapped for floating rate returns, and fixed rated debt securities, government securities and money market instruments</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>			 <p><b>This product is suitable for investors who are seeking*</b></p> <ul style="list-style-type: none"> <li>• Generation of regular income over short to medium term</li> <li>• Investment in money market instruments</li> </ul> <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>																						
Investment Objective	To generate regular income through investment in a portfolio comprising substantially of floating rate debt/money market instruments, fixed rate debt/money market instruments swapped for floating rate returns, and fixed rated debt securities, Government securities and money market instruments.			To generate regular income through investment in a portfolio comprising substantially of money market instruments.																						
Asset Allocation	<table border="1"> <thead> <tr> <th>Type of security</th> <th>Maximum Allocation of the Corpus</th> <th>Minimum Allocation of the Corpus</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Floating Rate Securities and Money Market Instruments</td> <td>100%</td> <td>65%</td> <td>Low to Medium</td> </tr> <tr> <td>Debt Instruments including Floating Rate Securities</td> <td>35%</td> <td>0%</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>The Scheme may invest upto 100% of its net assets in securitized debt. The gross investments in Debt and Money Market Instruments including Securitised Debt and Derivatives shall not exceed 100% of net assets of the Scheme. The Scheme may take exposure in derivatives, either exchange traded or OTC, upto 100% of Net Assets as permitted by SEBI regulations, as amended from time to time. The exposure in Derivatives shall be subject to limit and in accordance with the conditions as may be stipulated by SEBI/RBI from time to time. Further, exposure in Derivatives will be calculated on notional value of the derivative contracts.</p>			Type of security	Maximum Allocation of the Corpus	Minimum Allocation of the Corpus	Risk Profile	Floating Rate Securities and Money Market Instruments	100%	65%	Low to Medium	Debt Instruments including Floating Rate Securities	35%	0%	Low to Medium	<table border="1"> <thead> <tr> <th rowspan="2">Instruments</th> <th colspan="2">Normal Allocation (% of total Assets)</th> <th rowspan="2">Risk Profile</th> </tr> <tr> <th>Maximum</th> <th>Minimum</th> </tr> </thead> <tbody> <tr> <td>Money Market Instruments<sup>^</sup></td> <td>100%</td> <td>0%</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>Investments will be made in line with the asset allocation of the scheme and the applicable SEBI and / or AMFI guidelines as specified from time to time</p> <p><sup>^</sup>Money market instruments would include certificate of deposits, commercial papers, T-bills, repo, reverse repos and CBLO, bill rediscounting, bills of exchange / promissory notes, standby letter of credit (SBL) backed commercial papers and government securities with unexpired maturity of 1 year and such other instruments as eligible from time to time.</p> <ol style="list-style-type: none"> <li>1. The fund may also enter into "Repo" and "Stock Lending".</li> <li>2. The Scheme may invest in securitized debt upto 50% of its total assets.</li> <li>3. The scheme will take exposure in repos of corporate bonds up to 10% and foreign securities up to 25% of total assets of the Scheme.</li> <li>4. The cumulative gross exposure through repo transactions in corporate debt securities along with debt and derivative positions will not exceed 100% of the total assets of a Scheme.</li> <li>5. The fund may also invest into deposits of scheduled commercial banks as permitted under the extant Regulations.</li> <li>6. The Scheme may invest in derivatives up to 100% of the total assets of the Scheme for the purpose of hedging and portfolio balancing purposes. The instruments may include instruments such as interest rate swaps, interest rate futures, credit default swaps, forward rate agreements, etc.</li> </ol> <p>Due to market conditions, the AMC may invest beyond the range set out in the asset allocation . Such deviations shall normally be for a short term purpose only, and the intention being at all times to protect the interests of the Unit Holders. In the event of deviations, rebalancing will normally be carried out within 30 days.</p> <p>The other instruments are further elaborated in the SID, currently only key differentiators have been mentioned.</p>	Instruments	Normal Allocation (% of total Assets)		Risk Profile	Maximum	Minimum	Money Market Instruments <sup>^</sup>	100%	0%	Low to Medium
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Investment Strategy	<p>In line with the investment objective of the Scheme, the investments would be made predominately in a portfolio comprising substantially of floating rate debt/money market instruments, fixed rate debt/money market instruments swapped for floating rate returns, and fixed rate debt securities, government securities and money market instruments.</p> <p>The Investment Manager would apply multiple objective criteria for selection of securities in the portfolio. These criteria would include yield, credit rating, tenure, liquidity and value added features of the instrument.</p> <p>The aim of the investment strategy is to generate reasonable returns with investment in securities predominantly with short term maturity/reset period and with a low risk, particularly minimal interest rate risk. The domestic debt markets are maturing rapidly with liquidity emerging in various debt segments through the introduction of new instruments and investors. The development of the derivatives markets, particularly Swaps and Forward Rate Agreements (FRAs) have made the environment more dynamic and have provided the opportunity to manage interest rate more actively. The aim of the Investment Manager will be to allocate the assets of the Scheme between various fixed interest rate securities and floating interest rate securities and use derivatives like Swaps and FRAs effectively with the objective of achieving reasonable returns.</p> <p>In the absence of floating rate securities, the same can be created synthetically with a combination of derivatives like Interest Rate Swaps and FRAs and fixed interest rate securities. The fixed income derivatives market has developed considerably during the last 5 years in India. The Scheme intends to use derivatives as permitted by RBI/SEBI for hedging interest rate risk. The actual percentage of investments in various floating and fixed interest rate securities and the position of derivatives will be decided after considering the prevailing market conditions, economic environment (including interest rates and inflation), the performance of the corporate sector and general liquidity as well as other considerations in the economy and markets.</p> <p>Investment decisions are made by the Fund Manager of the Scheme. The Investment committee which also includes the Fund Managers reviews all investments on a regular basis and also records justification for the investments made and periodically reviews the investments decisions and policies with the Chief Executive Officer. The Board of Directors of the AMC and the Trustee Company review the performance of the scheme vis-à-vis similar schemes of other mutual funds.</p>			<p>In line with the investment objective of the Scheme, the investments would be made predominately in a portfolio comprising of money market instruments.</p> <p>The scheme will invest in short term instruments, which may comprise of certificates of deposit, commercial papers, CBLO, repos, reverse repos, treasury bills and government securities having unexpired maturity upto 1 year and all other eligible money market instruments as specified by SEBI and RBI from time to time.</p> <p>The scheme will evaluate securities based on parameters such as liquidity, yield, credit profile, etc. before including in the portfolio.</p>																						
Where will the scheme invest?	<p>Subject to the Regulations, the corpus of the Scheme may be invested in all or any one of (but not exclusively) the following securities:</p> <ul style="list-style-type: none"> <li>• Securities created and issued by the Central and State Governments and/or repos/reverse repos/in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills);</li> <li>• Securities guaranteed by the Central, State Governments and local bodies (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills);</li> <li>• Debt obligations of domestic government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee;</li> <li>• Corporate debt of both public and private sector undertakings;</li> <li>• Obligations of banks (both public and private sector) and development financial institutions;</li> </ul>			<p>The Scheme will invest the entire corpus in money market securities. There will be no investment in equity and equity related products, where returns have linkages with the equity movement.</p> <ol style="list-style-type: none"> <li>1. Money Market Instruments such as certificate of deposits, commercial papers, T-bills, repo, reverse repos and CBLO, bill rediscounting, bills of exchange / promissory notes, standby letter of credit (SBL) backed commercial papers and government securities with unexpired maturity of 1 year.</li> <li>2. Repo in corporate bonds of public sector or private sector undertakings.</li> <li>3. Investments in international funds / foreign securities.</li> <li>4. The fund may also invest into deposits of scheduled commercial banks as permitted under the extant Regulations.</li> <li>5. Securitised debt (asset backed securities, mortgage backed securities, pass through certificates, single loan sell-downs collateralised debt obligations or any other instruments as may be prevailing and permissible under the Regulations from time to time).</li> </ol> <p>For the purpose of further diversification and liquidity, the Scheme may invest in other schemes managed by the same AMC or by the asset management company of any other mutual fund without charging any fees on such investments, provided that aggregate inter-scheme investment made in all schemes managed by the same AMC or in schemes managed by the AMC of any other mutual fund shall not exceed 5% of the total asset value of the Mutual Fund.</p> <p>The other instruments are further elaborated in the SID, currently only key differentiators have been mentioned.</p>																						

Please note that the particulars mentioned above only provide the material changes. Various forms of representations, disclosures, descriptions, references may vary in the actual disclosure of the scheme information document of the scheme after the effective date.

Unit holders of the abovementioned schemes can may redeem / switch-out their units at applicable NAV without payment of exit load between April 12, 2018 and May 11, 2018 (both days inclusive) by 3.00 pm. in case if they do not agree with the proposed change. If the unitholders do not exercise this option to exit during this period, they shall be deemed to have consented to the change.

Investors wishing to exit from the above-mentioned schemes can submit redemption requests, at any of the Official Point of Acceptance of the Fund on any business day during the exit period. The redemption proceeds will be mailed / credited within 10 business days of receipt of valid redemption request. Unitholders may note that the offer to exit is merely an option and not compulsory.

However, this exit option will not be available to those unitholders who have pledged their units and on which the Mutual Fund has marked a lien unless the release of pledge is obtained and communicated to the Mutual Fund / Registrar before applying for redemption. If not, such lien or encumbrance will continue on the units even after the above-mentioned change.

Necessary amendments will be appropriately incorporated in the SID and KIM (to the extent applicable) of the Schemes to reflect the changes stated above.

The updated Scheme Information Documents ("SIDs") & Key Information Memorandums ("KIMs") of the abovementioned schemes shall be made available with our Official Points of Acceptance and also displayed on the website [www.ltf.com](http://www.ltf.com)

All the other material detail as contained in the SIDs and KIMs of the schemes will remain unchanged. Unit holders have also been informed by individual communication of the details of the proposed changes. For further information / assistance in this regard please contact our nearest Official Point of Acceptance.