

Investor FAQs

Q1) Who will be the Registrar & Transfer Agent (RTA) post-acquisition?

Ans: The current RTA for the schemes of L&T MF i.e.– Computer Age Management Services Pvt. Ltd. will continue to be the RTA post the Effective Date.

Q2) Who will be the Fund Accountant and Custodian post-acquisition?

Ans: Citibank N.A., the current Fund Accountant and Custodian for the schemes of L&T MF will continue to post the Effective Date.

Q3) Will the investor/unit holder be allotted a new folio on the Effective Date?

Ans: There will be no change in the folio number* and the same folio number held with L&T MF shall continue post-merger as well.

*For HSBC MF investors also, the folio number will continue to remain same post-merger.

Q4) What action should the Unitholders take who do not agree with the proposed Transaction?

Ans: The unit holders as on October 15, 2022 (Record Date) who do not consent to the proposed Transaction are provided an option to exit their investment from the scheme at the prevailing NAV without any exit load, from Oct 21, 2022 to Nov 21, 2022 (both days inclusive). However, for investments made during the exit window exit period, there will be no waiver of exit load. The NAV applicable, for the unit holders who choose to exercise the exit option would be based on the date/time of receipt of redemption/switch request during business hours on a business day. These details are also included in the Letter to unitholders sent to the unitholders and uploaded on <https://www.ltfs.com/companies/Int-investment-management/downloads.html>

Q5) Is the option to exit given to all the unit holders?

Ans: All existing unit holders (except the Investors/ unit holders holding investments in L&T Tax Advantage Fund which are in a lock-in period) of L&T MF as of 15/10/2022 are eligible for the said option to exit. Relevant communication has been sent to unitholders in this regard.

Q6) When is the Exit option period?

Ans: The exit option period is for a period of 30 (thirty) days from 21/10/2022 to 21/11/2022 (both days inclusive) up to – 15:00 pm on 21/11/2022.

Q7) Does the investor/unit holder have to do anything if they have “No objection” to the proposed Transaction?

Ans: No action is required from the investor/unit holder if they do not have any objection to the proposed Transaction.



Q8) If I do not exercise the exit option or respond to the letter, what will happen to my investments after the Transaction date?

Ans: Unit holders who do not exercise their exit option on or before the applicable cut-off time on 21/11/2022 would be deemed to have consented to the proposed Transaction. In case of merger of the identified L&T MF / HSBC MF schemes, the transferor schemes will cease to exist and the unit holders of the transferor schemes as at the close of business hours on the effective date will be allotted units under the corresponding option of the respective transferee schemes at the applicable NAV.

Q9) What does 'Transaction' mean in context with the acquisition of L&T Investment Management?

Ans: The entire process of the following is termed as a transaction:

- (i) transfer or merger of mutual fund schemes of L&T MF to HSBC MF.
- (ii) corresponding change in the sponsorship, trusteeship, management, and administration of the L&T MF schemes and
- (iii) transfer of entire share capital of L&T AMC held by the L&T Sponsor and its nominees to HSBC Sponsor and its nominees

Q10) Is PAN/KYC mandatory for redemption/ switch out during the exit period?

Ans: It may be noted that the redemption/switch transactions will be processed only if all the unit holders in the folio (including guardian and POA holders) have provided their PAN, and FATCA declaration and are KYC compliant. Please also note that units need to be free from lien/pledges.

Q11) What is the alternate option available to an investor who does not wish to visit the AMC branch to submit redemption/switch-out requests?

Ans: Investors can use the following Digital transaction options or contact their registered Mutual Fund Distributor for any assistance in this regard:

- L&T Digital Platforms
- RTA Digital Platforms
- MF Utilities India Pvt. Ltd. - <www.mfuindia.com>
- MFCentral - www.mfcentral.com
- Exchange Platform
- Distributor(Channel) Platforms

Q12) How can investors holding units in demat form submit redemption/switch-out requests during the exit window?

Ans: For units held in dematerialized mode, the redemption/switch request will have to be submitted to the respective Depository Participant.



Q13) If an investor / unit holder holds units in demat mode with the DP (Depository Participant), will the change in scheme details reflect in their client account held with the DP?

Ans: Yes, the change will reflect in their client account with the DP as the DP will be intimated about the changes.

Q14) Can an existing investor/unit holder of both Mutual Funds consolidate both folios?

Ans: As part of the acquisition, the folio of a common investor of both Mutual Funds will not be merged and the folios in HSBC Mutual Fund and L & T Mutual Fund will continue to exist. An investor may submit a request for consolidation of his folios at any of the AMC branches or CAMS investor service centers post the effective date for such an action. Alternatively, an Online request can be placed from MF Central (www.mfcentral.com)

Kindly note that consolidation of folios will be processed if all the parameters are the same across the folios (such as the name of the unitholder and joint holders in the same order, address, mode of holding, tax status, bank details, nominee, dividend option in case the folio is under dividend scheme are same across both folios)

Q15) If the investor/unit holder has invested on any date until the Effective Date, will they be eligible to redeem from the Scheme without deduction of any exit load?

Ans: (i) For investments made on or before the date of publication of the notice (regarding the acquisition), and redeemed during the Exit Option Period, exit load will not be applicable

(ii) For investments made during the Exit Option Period by new/existing investors and redeemed during the same period, the exit load will be charged as applicable

(iii) For any investments redeemed post the 30-day Exit Option Period i.e., after 15:00 pm on 21/11/2022, the exit load will be charged as applicable

Q16) Post-merger, which exit load provisions will apply, exit load in force as on date of initial purchase in transferor (source) scheme or exit load in transferee (surviving) scheme post-merger?

Ans: Exit load as on the date of the initial purchase of the transferor scheme will be applicable even after the effective date. The period of holding for the purpose of exit load applicability will be from the date of allotment of such units in the transferor (source) scheme.

Q17) Will the investor/unit holder be charged STT (Securities Transaction Tax) for redemption/switch out of units during the Exit Option Period?

Ans: STT, if any, on all redemption/switch out of units exercised during the Exit Option Period, shall be borne by the respective AMCs.



Q18) When will investors/unit holders receive the redemption proceeds if they exercise the Exit Option?

Ans: The redemption proceeds will be paid out to the investors/unit holders as per the timelines mentioned in the respective scheme information document.

Q19) When is the effective date of the transaction?

Ans: A public notice will be issued informing the Unitholders about the Effective Date.

Q20) What will happen to the unclaimed redemption/ dividend amount of the schemes of L&T MF post the effective date?

Ans: Investors/unit holders may claim the unclaimed amount by updating the bank mandates for changes, if any in the folio and submit a redemption request at any of the Investor Service Centers of HSBC AMC/RTA-Prior to the merger. The unclaimed amount will be paid from HSBC MF post the effective date.

Q21) If investors/unit holders have their units pledged / lien marked, can they exercise the Exit Option?

Ans: Exit Option will not be available to those Unitholders who have pledged/encumbered their units unless the release of pledge/encumbrance is obtained prior to the expiry of the Exit Option Period and communicated to the L&T AMC / Registrar's branches before applying for redemption/switch.

Q22) If the investor/unit holder is holding a dividend/redemption warrant issued by either AMC and if it is not banked, whom can they approach post the Effective date?

Ans: Post the Effective Date, the investor/unit holder can approach the Investor Service Centre of HSBC Mutual Fund / RTA branches for getting the unpaid warrants revalidated.

Q23) If investors/unit holders have submitted Form 15G/H for Financial Year 2021-2022 to L & T MF, do they need to resubmit it to HSBC MF?

Ans: Investors need not submit Form 15G/H for Financial Year 2021-2022 again to HSBC MF If the same was already provided to L&T MF.

Q24) Is there any tax liability if investors/unit holders exit from the Schemes?

Ans: Yes. There may be a tax liability if they exit from schemes that lead to capital gains or losses. For further clarification, we would advise you to consult your tax advisors.

Q25) What will happen to purchases/switch-in made by investors between the end of the exit window period and the Effective Date?

Ans: The units so purchased will undergo changes as applicable and investors will receive units in the surviving scheme.



Q26) If investors/unit holders hold units in L&T Tax Advantage Fund, can they exercise the Exit Option?

Ans: Investors/ unit holders holding investments in L&T Tax Advantage Fund which are in a lock-in period will not have exit options.

Q27) If there is a pledge/lien marked on any of the units in the Transferor Schemes, will units be allotted under the respective Surviving Scheme on the Effective Date?

Ans: The units will be allotted in the Surviving schemes and the pledge/lien shall continue to be marked on the revised units for the corresponding amount which was marked under lien in the Transferor scheme.

Q28) What will be the impact of the scheme merger on Capital Gains?

Ans: There will be no impact of scheme merger on capital gains, as the Transaction is not considered as transfer of capital asset as per Income Tax Act. Further, for any redemption/switch-out post-merger, the cost value shall be considered as per the corresponding purchase made in the transferor scheme i.e., L&T Mutual Fund scheme or HSBC Mutual Fund scheme while computing capital gains.

Q29) Will applicable TDS (Tax Deducted at Source) be waived off to the investors/unit holders redeeming/ switching out during the exit window?

Ans: Applicable TDS will be deducted for the redemptions/ switches processed during the exit window.

Q30) What will happen on the effective date?

Ans: On the effective date, the following activities will be undertaken:

- a. The schemes of L&T MF will be transferred to HSBC MF and will be under the management of HSBC Asset Management (India) Private Limited ("HSBC AMC").
- b. As part of the acquisition, some of the identified L&T MF schemes will merge with identified HSBC MF schemes and vice versa. Further some of the schemes will undergo changes in fundamental attributes of the schemes, while for few schemes there will be only Name change.
- c. The shareholding of L&T AMC will be transferred from the L&T Sponsor and it's nominees to HSBC AMC and it's nominees.

Q31) What will happen to earlier NRI investments from US/Canada made in L&T Mutual Fund post-merger of HSBC?

Ans: Post the Effective Date, transaction requests (other than non-financial transactions and redemptions) from NRI investors residing in US / Canada will not be accepted. However, there shall be no restriction for such categories of unit holders from redeeming their investments.



Q32) What will happen to the registration of IDCW transfer if either the source or the target scheme undergoes changes due to the scheme merger?

Ans: IDCW transfer registrations will continue. If either of source or target scheme is merged, then the IDCW transfer from or to, as the case may be, will happen from/in the surviving scheme.

Q33) Can investors/unit holders submit financial and Non-Financial transactions between the expiry of the Exit Option Period and the Effective date? Where should they submit the same?

Ans: Investors/unit holders can submit the financial and non-financial transaction requests within the above specified period. The same can be submitted to the respective AMCs or RTA Online Transaction Portals or physical requests can be submitted at the nearest Investor Service Centres of respective AMCs/ RTA.

Q34) What will happen to any Non-Financial requests which I have submitted with L&T Mutual fund prior to the merger date and are pending to be processed as of the effective date of the acquisition? Will it be considered and processed post-acquisition?

Ans: All such pending non-financial requests will be processed post the Effective Date and a confirmation for the same shall be sent to you by HSBC MF.

Q35) What will happen to any Financial transactions which I have submitted with L&T Mutual fund prior to the effective date and are pending be processed as of the effective date of the acquisition? Will it be considered and processed post-acquisition?

Ans: All financial requests submitted to L&T MF prior to the effective date will be processed at the applicable NAV as per regulatory guidelines by HSBC MF.

Q36) If I wish to, when can I submit investments in L&T Mutual Fund Schemes, and where should the same be submitted?

Ans: You can submit the request at the designated L&TAMC/RTA Investor Service Centres (the details of which are available on the website) till the Effective Date.

Q37) Will systematic transactions (SIP/STP/SWP) registered in existing Schemes of L&T MF continues after the Effective Date?

Ans: All systematic registrations which are active as of the Effective Date of the Transaction will continue. In case of a scheme merger, future systematic transactions will be triggered in the surviving schemes.

In the case of STP, if either the source or target scheme is merged, then the transfer from or to, (as the case may be) will happen from/in the surviving scheme



Q38) What will happen to the one-time mandate (OTM) or NACH auto debit registration submitted by me to L&T Mutual Fund?

Ans: All your Time Mandate or NACH registrations with L&T MF will continue to be valid even post the effective date. Further all your systematic registrations shall also continue to be active.

Q39) Will my investments continue to be in the same mutual fund distributor ARN code as existing with L&T Mutual Fund?

Ans: The same mutual fund distributor ARN code will continue against your units held in the Transferee scheme for all the existing investments with L&T Mutual Fund

Q40) If I opt for redemption for not agreeing to the T&C of the merger during the exit window, will the systematic transaction registration get canceled automatically?

Ans: No, Investors who do not wish to continue their future investments/installment in the respective schemes are required to provide a written request to the L&T MF and it will take 30 calendar days for SIP Cancellation & 15 Calendar days for SWP/STP cancellations to process such requests. Intervening installments will continue to be processed.

Q41) Will the value of investments go up or down due to the issuance of new units in Surviving Schemes?

Ans: There will be no change in the value of your investments on account of merger of schemes.

The transferor schemes will cease to exist post business hours on the Effective Date. The unit holders of the transferor Schemes as at the close of business hours on the effective date will be allotted units in the surviving schemes, equivalent to the value of their units held in the transferor scheme as per prevailing nav of effective day

Q42) After Completion of the Transaction, how will the investor/unit holder know about the NAV and units allotted for their investments?

Ans: Post completion of the Transaction, a Statement of Account (SOA) will be triggered to the registered email ID and a link will be sent to the registered mobile number to all the investors who hold units as of the Effective Date of the Transaction.

Q43) Will I be able to view my L&T Mutual Fund Folio under the login available on HSBC Online transaction portal?

Ans: Yes, post-merger, you can login to the HSBC Online transaction portal and you will have access to the HSBC MF folios which comprise both the erstwhile L&T MF folios and HSBC folios. You can access the digital properties with existing login IDs.



Q44) If an investor/unit holder is using an online platform / third-party mobile application for their investments, will details of their existing investments and other details be updated automatically?

Ans: Yes. The change in your holdings will be updated in your account held with the third-party platforms / mobile applications as they will be intimated about the changes.

Q45) For any queries regarding the option exercise letter, changes to the schemes, any updation, etc. till the Effective Date, whom can the investor/unit holder contact?

Ans: Investors/unit holders may contact their Mutual Fund Distributor / Financial Advisor / Relationship Manager or alternatively contact the nearest Investor Service Centres, the details of which are available on the website (website link). You may also call us on the customer service toll-free number – 1800 2000 400/ 1800 4190 200. NRI customers can call us at 044-66044650.

[Click here to Contact Us](#)

Q46) If I am the customer of both L&T MF & HSBC MF, how do I log into the online transaction portal post the effective date?

Ans: Post the effective date, the online transaction portal of L&T MF will cease to exist. All investors of L&T MF will be able to access their folio details via the HSBC online transaction portal. A communication regarding the same will be sent to the registered email ID.

Existing investors of L&T MF can continue to use their existing login credentials post the Effective Date as well.

Please note, post the effective date, all existing HSBC users will be required to mandatorily reset the password of their online account. The login user ID will be the PAN of the first holder.

Q47) Will there be any change in the ISIN of L&T MF Schemes?

Ans: ISINs of the surviving schemes will prevail. Please refer to the transferor/ transferee scheme details. www.ltfs.com/companies/Int-investment-management/merger-final-schemes.html

Q48) What will be the impact to the schemes on account of this acquisition? Will investor / unit holder be allotted units in the corresponding (Surviving Scheme)?

Yes, Unit Holders will be allotted units in the surviving scheme. An account statement carrying the latest holding will be shared to the investors.



Q49) If investors / unit holders of the merging scheme(s) are not KYC (Know Your Customer) compliant or do not have the PAN updated, will they still be allotted units in the surviving schemes?

Ans: Yes, the units from the transferor schemes will be transferred into the surviving / Transferee schemes on the date of the Transaction even if all the unit holders in the folio are not KYC compliant/do not have the PAN registered. However, for any subsequent financial / non-financial transaction, all unit holders in the folio need to mandatorily comply with the current KRA-KYC/PAN requirements.

Q50) What will happen to my investments in the ELSS scheme where the units are in the lock-in period?

Ans: Units will continue to be under lock-in for a period of 3 years from the initial date of investment.

