L&T Long Term Advantage Fund – I

A 10 year Close Ended Equity Linked Saving Scheme, subject to a lock in for a period of three years from date of allotment

This product is suitable for investors who are seeking:* • Long term capital growth • Investment predominantly in equity and equity-related securities • High risk	(BROWN)
Note: Risk may be represented as: (BLUE) investors understand that their principal will be at low risk; (YELLOW) investors understand that their principal will be at medium risk; (BROWN) investors understand that their principal will be at high risk. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them.	

L&T Mutual Fund
6th Floor, Mafatlal Centre, Nariman Point, Mumbai - 400 021

SPONSOR
L&T Finance Holdings Limited
Registered Office: L&T House, Ballard Estate, P.O. Box 278, Mumbai – 400 001

INVESTMENT MANAGER
L&T Investment Management Limited
Registered Office: L&T House, Ballard Estate, P.O. Box 278, Mumbai – 400 001
Head Office: 6th Floor, Mafatlal Centre, Nariman Point, Mumbai - 400 021

TRUSTEE COMPANY
L&T Mutual Fund Trustee Limited
Registered Office: 'L&T House', Ballard Estate, P.O.Box No. 278, Mumbai, 400 001
Head Office: 6th Floor, Mafatlal Centre, Nariman Point, Mumbai - 400 021

Website: www.lntmf.com

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document (SID) sets forth concisely the information about the Scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this SID after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of L&T Mutual Fund, Tax and Legal issues and general information on www.lntmf.com

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website - www.lntmf.com

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated June 28, 2013.

Index

HIGHLIGHTS/ SUMMARY OF THE SCHEME

Name of the Scheme	**L&T Long Term Advantage Fund – I**
Type	A 10 year close ended Equity Linked Saving Scheme, subject to a lock in for a period of three years from date of allotment.
Investment Objective	To seek to generate long-term capital growth from a diversified portfolio of predominantly equity and equity-related securities and also enabling investors to get income tax rebate as per the prevailing Tax Laws and subject to applicable conditions. The investment policies shall be framed in accordance with SEBI (Mutual Funds) Regulations, 1996 and rules and guidelines for Equity Linked Savings Scheme (ELSS), 2005 (and modifications to them).
Benchmark Index	S&P BSE 200
Options	➢ Dividend Payout ➢ Growth
Minimum Application amount for first purchase	Not Applicable, as the Scheme is close ended in nature.
Minimum Repurchase Amount/ Number of units	Available after expiry of lock-in period of 3 years from the date of allotment A minimum of 500 per application or 50 units.
Liquidity	The Scheme is a 10 year Close-ended Equity Linked Tax Savings Scheme. Redemptions can be made only after completion of lock-in-period of 3 years from the date of allotment of the units proposed to be redeemed, at NAV based prices.
Systematic Investment Plan (SIP)	Not available, as the Scheme is close ended in nature.
Systematic Transfer Plan (STP)	Not available, as the Scheme is close ended in nature.
Systematic Withdrawal Plan (SWP)	Available, post completion of the 3 year lock in period
Entry Load	Not applicable
Exit Load	NIL
Transparency/ NAV Disclosure	L&T Mutual Fund shall calculate NAV on every Business Day and publish the same in at least two daily newspapers having circulation all over India and declare on AMFI's website www.amfiindia.com by 9.00 PM and also at www.lntmf.com every Business Day. In case of any delay, the reasons for such delay would be explained to AMFI in writing.

Name of the Scheme	L&T Long Term Advantage Fund – I
	If the NAVs are not available before commencement of Business Hours on the following day due to any reason, the Fund shall issue a press release giving reasons and explaining when the Fund would be able to publish the NAVs. The Mutual Fund shall before the expiry of one month from the close of each half year that is on 31st March and on 30th September, publish the portfolio of the Scheme in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the mutual fund is situated. The mutual fund may opt to send the portfolios to all unit holders in lieu of the advertisement (if applicable). The Fund/ AMC will disclose portfolio (along with ISIN) of all its Schemes as on the last day of the month on its website www.lntmf.com on or before the tenth day of the succeeding month in a user-friendly and downloadable format. The format for monthly portfolio disclosure shall be same as that of half yearly portfolio disclosure.
Applicable NAV	**Purchases/ Switch-ins:** Not Applicable, as the Scheme is close ended in nature. **Redemptions/ Switch- outs:** • In respect of valid applications received up to 3.00 p.m. on a day, the NAV of the date of the receipt of application shall be applicable. • In respect of valid applications received after 3.00 p.m. on a day, the closing NAV of the next Business Day shall be applicable.

PRODUCT DIFFERENTIATION

The investment themes of the existing schemes of the Mutual Fund (along with the asset under management and number of folios) are as stated below:

No.	Name of the Scheme	Asset Allocation Pattern	Primary Investment Pattern/Strategy	Differentiation	AUM as on May 31, 2013 (Rs. in crores)	Number of folios as on May 31, 2013
1.	L&T Midcap Fund	a) Equity and equity related instruments 80%-100% of net assets. b) Debt Securities, Securitized Debt & Money Market instruments (including cash/call money): 0 - 20% of net assets.	The investment strategy of the Scheme would be primarily to invest in mid cap equity and equity related securities as mentioned in the investment objective of the Scheme. The Scheme will invest in a universe of stocks, which has been arrived at using various filters like management quality, liquidity, competitive position and valuations. Using various analytical tools, management meetings and so on, the universe is continuously updated by our investment team. The strategy will be to build up diversified portfolio of quality stocks, with medium to long term potential	The Scheme seeks to generate return by investing primarily in midcap stocks as per the investment objective and asset allocation. The scheme will invest primarily in companies whose market capitalization falls between the highest and the lowest constituent of the CNX Midcap Index.	48.04	15,964
2.	L&T Equity Fund	a) Equity and equity related securities: 80%-100% of net assets b) Money market instruments: 0-20% of net assets	The investment approach is bottom-up stock picking. The Scheme seeks to add the best opportunities that the market presents, without any sector/cap bias. The key features of the Fund's investment strategy include diversification, bottom-up stock picking and no cap bias.	The scheme is a diversified open-ended equity scheme that predominantly invests in the Indian markets without any sector or market cap bias. The scheme does not have any style bias. The investment approach is bottom up stock picking.	2175.40	2,19,691

No.	Name of the Scheme	Asset Allocation Pattern	Primary Investment Pattern/Strategy	Differentiation	AUM as on May 31, 2013 (Rs. in crores)	Number of folios as on May 31, 2013
3.	L&T Tax Saver Fund	a) Equity and equity related instruments 80%-100% of net assets. b) Debt* and Money market instruments: 0 - 20% of net assets * Investment in securitized debt, if undertaken, will not exceed 20% of corpus of the scheme.	The Scheme will endeavour to generate superior return by investing in equity and equity related instruments across the market capitalizations. The scheme will use top-down/ bottom-up stock selection to build its portfolio. The investment strategy of the AMC is directed to investing in stocks, which, in the opinion of the Investment Manager, are priced at a material discount to their intrinsic value. Such intrinsic value is a function of both past performance and future growth prospects. The process of discovering the intrinsic value is through in-house research supplemented by research available from other sources.	The Scheme follows a multi-cap investment approach i.e., the Scheme invests in a well-diversified portfolio of equity & equity related instruments across all ranges of market capitalization. The Scheme enables the investors to get income tax rebate as per the prevailing Tax Laws, subject to lock in period of 3 years from the date of allotment.	26.48	17,532
4.	L&T Tax Advantage Fund	a) Equity and equity related securities: 80%-100% of net assets b) Money market instruments: 0-20% of net assets	The investment strategy adopted by the Scheme is similar to L&T Equity Fund. However, it differs to a certain extent on account of the mandatory lock-in period for the subscriptions received under the Scheme.	The scheme is an equity linked savings scheme as per the Equity Linked Savings Scheme, 2005 notified by Ministry of Finance (Department of Economic Affairs). The scheme is a diversified equity scheme with a mandatory 3 year lock-in period. The scheme predominantly invests in the Indian markets without any	1,112.26	2,82,963

No.	Name of the Scheme	Asset Allocation Pattern	Primary Investment Pattern/Strategy	Differentiation	AUM as on May 31, 2013 (Rs. in crores)	Number of folios as on May 31, 2013
				sector or market cap bias.		
5.	L&T India Special Situations Fund	a) Equity and equity related securities: 80%-100% of net assets b) Money market instruments: 0-20% of net assets	The Scheme is a diversified equity fund seeking to invest in undervalued companies for long term investment with key theme focus being "Special Situations" - these are situations that are out-of-the-ordinary and which therefore present interesting stock picking opportunities. The type of companies which falls within the scope of such Special Situations include but are not limited to; - companies with recovery potential. - companies whose growth potential, may not be fully recognised by the market. - companies with hidden/undervalued assets whose value, may not be fully recognised by the market. - companies with interesting product pipelines which could offer good earnings potential. - companies undertaking corporate restructuring. - companies which could be potential candidates for mergers and	The scheme is a diversified, thematic open-ended equity scheme. The key theme focus is seeking investment opportunities in companies that could be facing situations that are out of the ordinary ('Special Situations").	590.55	90,654

No.	Name of the Scheme	Asset Allocation Pattern	Primary Investment Pattern/Strategy	Differentiation	AUM as on May 31, 2013 (Rs. in crores)	Number of folios as on May 31, 2013
			acquisitions related activities. Such investments will be made across sectors and market caps.			
6.	L&T Indo Asia Fund	a) Equity and equity related securities (including Indian and foreign equity securities as permitted by SEBI/RBI): 80%-100% of net assets b) Money market instruments: 0-20% of net assets	The scheme is primarily a diversified equity fund which seeks to invest in undervalued companies in Indian and international markets to generate long-term capital appreciation. The investment approach is bottom-up stock picking. The Scheme seeks to invest in the best opportunities in the Indian and international markets, without any sector/cap bias. However, the fund managers expect to have a high focus on opportunities in Asia Pacific region including India.	The scheme is a diversified open-ended equity scheme that invests in equity and equity related instruments of companies in the Indian and international markets, without any sector or market cap bias. The fund managers expect to have a high focus on opportunities within the Asia Pacific region including India.	269.04	69,740
7.	L&T India Large Cap Fund	a) Equity and equity related securities (including Indian and foreign equity securities as permitted by SEBI/RBI): 80%-100% of net assets b) Money market instruments: 0-20% of net assets	The Scheme will primarily be a diversified equity fund which will likely (in normal market conditions) invest predominantly in large cap stocks to generate long term capital appreciation. The investment approach is bottom-up stock picking. A limited exposure to various equity derivatives instruments is likely - for the purposes of hedging, portfolio balancing and	The scheme is a diversified, equity scheme that invests largely in large cap stocks to generate long term capital appreciation.	311.83	90,506

No.	Name of the Scheme	Asset Allocation Pattern	Primary Investment Pattern/Strategy	Differentiation	AUM as on May 31, 2013 (Rs. in crores)	Number of folios as on May 31, 2013
			optimizing returns.			
8.	L&T Infrastructure Fund	a) Equity and equity related instruments (including equity derivative instruments) 65%-100% of net assets. b) Debt and Money market instruments * : 0 - 35% of net assets * Investment in securitized debt, if undertaken, will not exceed 35 % of net assets of scheme.	The Scheme will invest primarily in companies that are engaged in the area of infrastructure. The industries that fall under infrastructure sector would broadly include Banking & Financial Services, Cement & Cement Products, Capital Goods, Construction & related Industry, Electrical & Electronic components, Energy, Engineering, Metals/ Mining/Minerals, Housing, Oil & Gas and Allied Industries, Petroleum & Related Industry, Ports, Power and Power Equipment, Telecom, Transportation. The scheme will also use derivative instruments such as Index/stock futures or options for portfolio rebalancing, hedging and return optimization.	The Scheme will predominantly invest in securities of the companies in the infrastructure sector.	26.50	13,053
9.	L&T India Value Fund	Equity and equity related securities: a) Indian equity securities: 80-100% of net assets b) Foreign Securities including overseas ETFs (as permitted by SEBI/RBI): 0-10% of net assets. c) Debt Securities, Money market instruments, Cash and domestic ETFs:	The Fund Managers aim to identify undervalued stocks having the potential to deliver long term superior risk-adjusted returns. Undervalued stocks would include stocks which the Fund Managers believe are trading at less than the it assessed values.	The scheme is a diversified, open-ended, value style bias equity fund that invests largely in undervalued companies across sectors and market caps. Such companies include companies whose shares, as per fund managers' analysis, are trading at less than their assessed	48.48	8,092

No.	Name of the Scheme	Asset Allocation Pattern	Primary Investment Pattern/Strategy	Differentiation	AUM as on May 31, 2013 (Rs. in crores)	Number of folios as on May 31, 2013
		0-20% of net assets.		values.		
10.	L&T India Prudence Fund	a) Equity and equity related securities: 65%-75% of net assets b) Debt and money market instruments including units of debt/fixed income schemes launched by mutual funds registered with SEBI: 25%-35% of net assets.	For equity and equity related instruments, the Fund Manager(s) will generally aim to identify stocks which as per the Fund Manager's belief are sound, but which are mispriced. The Fund Manager(s) does this by analyzing a company's business model and financial parameters, valuations and business expectations. For investments in debt and money market instruments, the portfolio will be constructed and managed to generate returns to match the investment objective and to maintain adequate liquidity to accommodate funds movement. Capital appreciation opportunities could be explored by extending credit and duration exposure.	The Scheme is an open ended equity growth fund wherein the maximum exposure to equity and equity related securities is 75% and minimum exposure to debt and money market instruments (including units of debt/fixed income scheme launched by mutual fund registered with SEBI) is 25% of net assets.	30.61	8,464
11.	L&T India Equity and Gold Fund	a) Equity and equity related securities: 65% - 90% of net assets b) Gold ETFs: 10% - 25% of net assets c) Debt and money market instruments including units of debt/fixed income schemes launched by mutual funds registered with SEBI: 0-10% of net assets.	For equity and equity related instruments, the Fund Manager(s) will generally aim to identify stocks which as per the Fund Manager's belief are sound, but which are mispriced. The Fund Manager(s) does this by analyzing a company's business model and financial parameters, valuations and business	The Scheme is an open ended equity growth fund with additional investments in the range of 10%-25% of net assets in Gold ETFs launched/registered in India. Investments in Gold ETFs differentiate the Scheme from the existing equity	36.72	10,347

No.	Name of the Scheme	Asset Allocation Pattern	Primary Investment Pattern/Strategy	Differentiation	AUM as on May 31, 2013 (Rs. in crores)	Number of folios as on May 31, 2013
			expectations. For investments in debt and money market instruments, the portfolio will be constructed and managed to generate returns to match the investment objective and to maintain adequate liquidity to accommodate funds movement. Capital appreciation opportunities could be explored by extending credit and duration exposure. Further, investment in Gold ETFs will be made in accordance with the investment objective and the strategy of the Fund for the purposes of efficient portfolio management and optimizing return.	growth oriented Schemes of the Mutual Fund.		

I. Introduction

A. RISK FACTORS

➢ Standard Risk Factors

1. Mutual Fund investments are subject to market risks, read all scheme related documents carefully
2. Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, price risk, default risk including the possible loss of principal.
3. Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Scheme will be achieved.
4. As the price / value / interest rates of the securities in which the Scheme invest fluctuates, the value of your investment in the Scheme may go up or down.
5. Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the Scheme.
6. L&T Long Term Advantage Fund – I does not in any manner indicate either the quality of the Scheme or its future prospects and returns.
7. The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 lakh made by it towards setting up the Fund.
8. The present Scheme is not guaranteed or assured return Scheme.

➢ Scheme's Specific Risk Factors:

(i) Risk Factors Associated with investment in Equity and Equity Related Instruments:

- Equity securities and equity related securities are volatile and prone to price fluctuations on a daily basis. The liquidity of investments made in the Scheme may be restricted by trading volumes and settlement periods. Settlement periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases, due to settlement problems, could cause the Scheme to miss certain investment opportunities. Similarly, the inability to sell securities held in the Scheme's portfolio would result at times, in potential losses to the Scheme, should there be a subsequent decline in the value of securities held in the Scheme's portfolio.
- The performance and the value of the Scheme's investments may be affected by factors affecting the securities markets such as price and volume volatility in the capital markets, currency exchange rates, changes in law/ policies of the Government, taxation laws and political, economic or other developments which may have an adverse bearing on individual securities, a specific sector or all sectors. Consequently, the NAV of the Units may be affected.
- The liquidity and valuation of the Scheme's investments due to its holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment.
- The Scheme may invest in securities which are not quoted on a stock exchange ("unlisted securities") which in general are subject to greater price fluctuations, less liquidity and greater risk than those which are traded in the open market. Unlisted securities may lack a liquid secondary market and there can be no assurance that the Scheme will realize its investments in unlisted securities at a fair value.

(ii) Risks associated with investing in Fixed Income Securities and Money Market Instruments:

Investment in Debt is subject to price, credit, reinvestment, liquidity risk and interest rate risk. The NAV of the Scheme may be affected, inter alia, by changes in the market conditions, interest rates, trading volumes, settlement periods and transfer procedures. Investing in Bonds and Fixed Income securities are subject to the risk of an Issuer's inability to meet principal and interest payments obligation (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk).

The timing of transactions in debt obligations, which will often depend on the timing of the Purchases and Redemptions in the Scheme, may result in capital appreciation or depreciation because the value of debt obligations generally varies inversely with the prevailing interest rates.

- **Interest Rate Risk:** As with all debt securities, changes in interest rates will affect the Scheme's Net Asset Value as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of longer-term securities generally fluctuate more in response to interest rate changes than do shorter-term securities. Interest rate movements in the Indian debt markets can be volatile leading to the possibility of large price movements up or down in debt and money market securities and thereby to possibly large movements in the NAV. Liquidity or Marketability Risk: This refers to the ease at which a security can be sold at or near its true value. The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer. Liquidity risk is characteristic of the Indian fixed income market.

- **Credit Risk**: Credit risk or default risk refers to the risk which may arise due to default on the part of the issuer of the fixed income security (i.e. will be unable to make timely principal and interest payments on the security). Because of this risk debentures are sold at a yield spread above those offered on Treasury securities, which are sovereign obligations and generally considered to be free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the actual changes in the perceived level of credit risk as well as the actual event of default.

- **Reinvestment Risk**: This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme or from maturities in the Scheme is reinvested. The additional income from reinvestment is the "interest on interest" component. The risk refers to the fall in the rate for reinvestment of interim cash flows.

- **Liquidity Risk:** Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. The AMC may choose to invest in unlisted securities that offer attractive yields. This may increase the risk of the portfolio.

- **Prepayment Risk:** The risk associated with the early unscheduled return of principal on a fixed-income security. The early unscheduled return of principal may result in reinvestment risk.

(iii) Risk associated with investing in Derivatives:

As and when permitted by ELSS guidelines and clarification in this regard issued by SEBI; in this regard; the AMC, on behalf of the Scheme may use various derivative products, from time to time, in an attempt to protect the value of the portfolio and enhance Unitholders' interest. Derivative products are specialized instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the fund manager to identify such opportunities. Identification and execution of the strategies to be pursued by the fund manager involve uncertainty and decision of fund manager may not always be profitable. No assurance can be given that the fund manager will be able to identify or execute such strategies

The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments

As and when the Scheme(s) trades in the derivatives market, there are risk factors and issues concerning the use of derivatives that Investors should understand. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks. The use of a derivative requires an understanding not only of the underlying instrument but of the derivative itself. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price or interest rate movements correctly. There is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counter party") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mis-pricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

(iv) Risk Associated with Securitized Debt and PTC:

Currently, Scheme cannot invest in securitized debt unless as and when permitted by ELSS guidelines and clarification in this regard issued by SEBI.

If the Scheme intends to invest in Securitized Debt, the same may be in domestic securitized debt such as Asset Backed Securities (ABS), Mortgage Backed Securities (MBS) etc. ABS are securitized debts where the underlying assets are receivables arising from automobile loans, personal loans, loans against consumer durables, etc. MBS are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential/ commercial properties. ABS/ MBS instruments reflect the undivided interest in the underlying pool of assets and do not represent the obligation of the issuer of ABS/ MBS or the originator of the underlying receivables. The ABS/ MBS holders have a limited recourse to the extent of credit enhancement provided. If the delinquencies and credit losses in the underlying pool exceed the credit enhancement provided, ABS/MBS holders will suffer credit losses. ABS/ MBS are also normally exposed to a higher level of reinvestment risk as compared to the normal corporate or sovereign debt.

Typically, investments in securitized debt carry credit risk (where credit losses in the underlying pool exceed credit enhancement provided, (if any) and the reinvestment risk (which is higher as compared to the normal corporate or sovereign debt).

Generally the following asset classes for securitization are available in India:
(a) Commercial Vehicles
(b) Auto and Two wheeler pools
(c) Mortgage pools (residential housing loans)
(d) Personal Loan, credit card and other retail loans
(e) Corporate loans/ receivables
(f) Single Loan PTC

In terms of specific risks attached to securitization, each asset class would have different underlying risks, however, residential mortgages are supposed to be having lower default rates as an asset class. On the other hand, repossession and subsequent recovery of commercial vehicles and other auto assets is fairly easier and better compared to mortgages. Some of the asset classes such as personal loans, credit card receivables, etc., being unsecured credits in nature, may witness higher default rates. As regards corporate loans/receivables, depending upon the nature of the underlying security for the loan or the nature of the receivable the risks would correspondingly fluctuate. However, the credit enhancement stipulated by rating agencies for such asset class pools is typically much higher and hence their overall risks are comparable to other AAA rated asset classes. The rating agencies have an elaborate system of stipulating margins, over collateralization and guarantee to bring risk limits in line with the other AA rated securities.

A single loan PTC is a securitization transaction in which a loan given by an originator (Bank/ NBFC/ FI etc.) to a single entity (obligor) is converted into pass through certificates and sold to investors. The transaction involves the assignment of the loan and the underlying receivables by the originator to a trust, which funds the purchase by issuing PTCs to investors at the discounted value of the receivables. The PTCs are rated by a rating agency, which is based on the financial strength of the obligor alone, as the PTCs have no recourse to the originator.

The advantage of a single loan PTC is that the rating represents the credit risk of a single entity (the obligor) and is hence easy to understand and track over the tenure of the PTC. The primary risk is that of all securitized instruments, which are not traded as often in the secondary market and hence carry an illiquidity risk. The structure involves an assignment of the loan by the originator to the trustee who then has no interest in monitoring the credit quality of the originator. The originator that is most often a bank is in the best position to monitor the credit quality of the originator. The investor then has to rely on an external rating agency to monitor the PTC. Since the AMC relies on the documentation provided by the originator, there is a risk to the extent of the underlying documentation between the seller and underlying borrower.

Investors are requested to note the following additional risks associated with investments in securitized debt and PTC:

- **Tenor risk:** While building the planned amortization schedule for a PTC there can be a clause stating a minimum percentage of receivable by the issue to stick to the initial cash flows. If the receivables are less than the minimum stated receivables then the tenor of the PTC can get elongated or vice versa.

- **Credit risk:** The PTC holders/ Contributors are taking a direct exposure to the repayment ability of the underlying borrowers. Hence the timely payment on the PTCs/ Contributions will depend on the credit quality of the pool borrowers. The credit-cum-liquidity enhancement stipulated for the PTCs/ Contributions adequately covers the credit risk.

- **Commingling risk:** This risk arises on account of time lag between pool collections and investor payouts, during which the Collection Agent continues to hold the pool collections. The risk of loss of cash flows on account of commingling depends on the credit standing of the issuer.

- **Prepayment risk:** Since the PTCs/ Contributions are structured at “par”, prepayment of loans in the pool will not lead to any loss. The prepaid principal will be passed on in its entirety to the PTC holders. However, prepayments result in higher reinvestment risk to the PTC holders/ Contributors than originally envisaged. This risk is borne by the PTC holders/ Contributors.

Investors are requested to refer section on “Guidelines for investments in Securitized Debt”, mentioned in this Document.

(v) Risk associated with investing in Overseas/ Foreign Securities: Some part of the assets of the Scheme may be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by the changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital also may be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment. Since the Scheme would invest only partially in overseas securities, there may not be readily available and widely accepted benchmarks to measure performance of the Scheme. To manage risks associated with foreign currency, the Fund may use derivatives for efficient portfolio management including hedging (and for such other matter as may be permitted by RBI/ SEBI from time to time) and in accordance with conditions as may be stipulated by SEBI / RBI from time to time. Investors are requested to note that the investment in overseas/ foreign securities shall be as permitted by RBI and/ or SEBI.

(vi) Risk associated with Short Selling and Securities Lending: A mutual fund may lend and borrow securities in accordance with the framework relating to short selling and securities lending and borrowing specified by the Board. The risk associated with upward movement in market price of security sold short may result in loss. The losses on short position may be unlimited as there is no upper limit on rise in price of a security. Subject to the Regulations and the applicable guidelines, the Scheme may, if the Trustee permits, engage in securities lending. Securities lending means the lending of securities 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. It may be noted that Securities Lending activity would have the inherent probability of collateral value drastically falling in times of strong downward market trends or due to it being comprised of tainted/

forged securities, resulting in inadequate value of collateral until such time as that diminution in value is replenished by additional security. It is also possible that the borrowing party and/ or the approved intermediary may suddenly suffer severe business setback and become unable to honour its commitments. This alongwith a simultaneous fall in value of collateral would render potential loss to the Scheme. Besides, there can also be temporary illiquidity of the securities that are lent out and the Scheme may not be able to sell such lent out securities. The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of another party, in this case the approved intermediary, to comply with the terms of agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure to comply can result in the possible loss of rights in the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary.

Inter Scheme Transfers:

Transfer of investments from one scheme to another scheme in the same Mutual Fund shall be allowed only if:

(a) such transfers are made at the prevailing market price for quoted Securities on spot basis
Explanation: spot basis shall have the 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.

In case of unquoted securities, the transfer will be effected based on valuation methods prescribed by SEBI from time to time.

Borrowing Powers:

As per SEBI Regulations, the scheme may borrow in order meet temporary liquidity needs of the Fund for the purpose of repurchase, redemption, or payment of interest / dividend to Unit Holders. Further as per SEBI Regulations, the Fund may borrow upto 20% of the Net Assets of the Scheme for a period of upto 6 months. The Fund may enter into required arrangements with banks, financial institutions or other bodies corporate.

These loans will be secured, if necessary, by securities or assets of the Scheme or such other collateral security as may be agreed upon at the time of borrowing. Such borrowing will have an impact of investment gains or losses on the NAV of the Scheme. The scheme may bear the interest charged on such borrowings.

(vii) Other Scheme Specific Risk factors:

1. **Returns:** Investors of the Scheme covered in this document of L&T Mutual Fund are not being offered any guaranteed returns.

2. **Dividends:** The Scheme does not guarantee or assure any monthly or quarterly or semi-annual dividend etc. The dividend distributions in Dividend Options of the Scheme will be dependent on the returns achieved through active management of the portfolio(s). Dividend distributions of the Scheme may vary from month to month or quarter to quarter or semi annual to semi annual based on the investment results of the portfolio(s). Investors should note that pursuant to the payment of dividend, the NAV of the Dividend Options of the Scheme will fall to the extent of payout and statutory levy, if any. .

3. **Performance Risk:** Scheme's performance can decrease or increase, depending on a variety of factors, which may affect the values and income generated by a Scheme's portfolio of securities. The returns of a Scheme's investments are based on the current yields of the securities, which may be affected generally by factors affecting capital markets such as price and volume, volatility in the stock markets, interest rates, currency exchange rates, foreign investment, changes in government and Reserve Bank of India policy, taxation, political, economic or other developments and closure of the stock exchanges. Investors should understand that the investment pattern indicated for the Scheme, in line with prevailing market conditions, is only a hypothetical example as all investments involve risk and there can be no assurance that the Scheme's investment objective will be attained nor will the Scheme be in a position to maintain the model percentage of investment pattern / composition particularly under exceptional circumstances so that the interest of the unitholders are protected. The AMC will endeavor to invest in highly researched growth companies, however the growth associated with equities may be generally high as also the erosion in the value of the investments/portfolio in the case of the capital markets passing through a bearish phase is a distinct possibility. A change in the prevailing rates of interest is likely to affect the value of the Scheme's investments and thus the value of the Scheme's Units. The value of money market instruments held by the Scheme generally will vary inversely with the changes in prevailing interest rates.

4. **Basis Risk (Interest Rate Movement):** During the life of floating rate security or a swap the underlying benchmark index may become less active and may not capture the actual movement in the interest rates or at times the benchmark may cease to exist. These types of events may result in loss of value in the portfolio.

5. **Liquidity & Settlement Risk:** Investors may note that AMC/ Fund Manager's investment decisions may not be always profitable. The Scheme proposes to invest substantially in equity and equity related instruments. The Scheme will, to a lesser extent, also invest in debt and money market securities. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Scheme to make intended securities purchases due to settlement problems could cause the Scheme to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the Scheme's portfolio due to the absence of a well developed and liquid secondary market would result, at decline in the value of securities held in the Scheme's portfolio.

6. **Exchange Rate Risk:** Companies with high export earnings may generate revenues and make investments in foreign currencies. Changes in exchange rates may have a positive or negative impact on the prospects of such companies.

7. **Changes in Government Regulations:** The businesses in which companies operate are exposed to a range of government regulations, related to tax benefits, liberalization, provision of infrastructure and the like. Changes in such regulations may affect the prospects of companies.

8. **Political Risk:** Whereas the Indian market was formerly restrictive, a process of deregulation has been taking place over recent years. This process has involved the removal of trade barriers and other protectionist measures, which could adversely affect the value of investments. It is possible that future changes in the Indian political situation, including political, social, or economic instability, diplomatic developments and changes in laws or regulations could have an effect on the value of investments. Expropriation, confiscatory taxation, or other relevant developments could also affect the value of investment

9. **Market Risk:** Securities are subject to price volatility due to factors and forces affecting the stock market, changes in interest rates and market liquidity.

10. **Interest rate Risk:** As interest rates increase or decline, the prices of individual debt securities will increase or decrease thus affecting the NAV. Interest rate movements in the Indian debt markets can be volatile leading to large price movements and hence large movements in NAV.

11. **Tax exemption risks**: In the event that the investible funds of more than 65% of the total proceeds of the Scheme is not invested in equity shares of domestic companies, the tax exemptions on income distribution will not be available to the Scheme. This is however subject to change as per Income Tax laws of India.

12. **Risk of Rating Migration:** It may be noted that the price of a rated security would be impacted with the change in rating and hence, there is risk associated with such migration.

Following are some of the measures to mitigate risks associated with the Scheme:

1) The overall portfolio structuring of the Scheme would aim at controlling risk at moderate level.
2) Stock/ Instrument specific risk shall be minimised by investing in those companies that have been thoroughly researched in-house.
3) Risk would also be managed through broad diversification of the portfolios within the framework of the Scheme's investment objective and policies.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme. These conditions were complied with immediately after the close of the NFO itself i.e. at the time of allotment. In case of non-fulfillment with the condition of minimum 20 investors, the Scheme shall be wound up in accordance with Regulation 39(2)(c) of SEBI (MF) Regulations automatically without any reference from SEBI. In case of non-fulfillment with the condition of 25% holding by a single investor on the date of allotment, the application to the extent of exposure in excess of the stipulated 25% limit would be liable to be rejected and the allotment would be effective only to the extent of 25% of the corpus collected. Consequently, such exposure over 25% limits will lead to refund within 5 business days of the date of closure of the New Fund Offer. However L&T Long Term Advantage Fund – I; being a close ended scheme, the same shall not be applicable on an ongoing basis since the requirement has already been complied with after the closure of its NFO i.e. at the time of allotment.

C. SPECIAL CONSIDERATIONS

- **Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**
- From time to time, the Sponsor, their affiliates, associates, subsidiaries, the Mutual Fund and the AMC may invest directly or indirectly in the Scheme. These entities may acquire a substantial portion of the Scheme's Units and collectively constitute a major investor in the Scheme.
- Redemption by the Unitholder due to change in the fundamental attributes of the Scheme or due to any other reasons or Winding-up of the Scheme for reasons mentioned in this Document may entail tax consequences. The Trustee, AMC, Mutual Fund, their Directors, officers or their employees shall not be liable for any such tax consequences that may arise.
- The tax benefits described in this Scheme Information Document and/ or Statement of Additional Information are as available under the taxation laws (as available at the time of updation of this Document) and are available subject to amendments/ conditions. The information given is included for general purpose only and is based on advice received by the AMC regarding the law and practice in force in India and the Unitholders 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 Unitholder is advised to consult his/ her/ its own professional tax advisor.

- Neither this Scheme Information Document nor the Units have been registered in any jurisdiction. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or totally prohibited to registration requirements and accordingly, persons who come into possession of this Scheme Information Document are required to inform themselves about and to observe any such restrictions.
- No person has been authorised to give any information or to make any representation not confirmed in this Scheme Information Document in connection with the scheme or the issue of Units, and any information or representation not contained herein must not be relied upon as having been authorised by the Mutual Fund or the Asset Management Company.
- Investors are advised to consult their Legal, Tax, Finance and other Professional Advisors before making decision to invest in or redeem the units in regard to tax/ legal issues relating to their investments in the Scheme. Investors in the Scheme are not being offered any guaranteed returns.
- As the liquidity of the Scheme investments could, at times, be restricted by trading volumes and settlement periods, the time taken by the Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or of a restructuring of the Scheme's portfolio. Investors are requested to please refer "Right to Limit Redemptions" in Statement of Additional Information for further details.
- The Scheme at times may receive large number of redemption requests which may have an adverse impact on the performance of the Scheme and may also affect all the Unitholders as the fund manager needs to liquidate securities to meet the redemptions post which the portfolio is likely to be less liquid.
- Mutual funds and securities investments are subject to market risks and there can be no assurance or guarantee that the Scheme's objectives will be achieved. Investors should study this Scheme Information Document and the Statement of Additional Information carefully in its entirety before investing.
- In terms of the Prevention of Money Laundering Act, 2002, the Rules issued there under and the guidelines/circulars issued by SEBI regarding the Anti Money Laundering (AML Laws), all intermediaries, including Mutual Funds, have to formulate and implement a client identification programme, verify and maintain the record of identity and address(es) of investors. If after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, failure to provide required documentation, information, etc. the AMC shall have absolute discretion to report such suspicious transactions to FIU-IND and / or to freeze the folios of the investor(s), reject any application(s) / allotment of units and effect mandatory redemption of unit holdings of the investor(s) at the applicable NAV subject to payment of exit load, if any.

D. DEFINITION:

In this Scheme Information Document the following words and expressions shall have the meaning specified herein unless the context otherwise requires:

Asset Management Company/ AMC/ Investment Manager	L&T Investment Management Limited, the Asset Management Company set up under the Companies Act, 1956 and authorized by SEBI to act as Asset Management Company to the Schemes of L&T Mutual Fund.
AMFI/ NISM Certified Stock Exchange Brokers	A person who is registered with AMFI as Mutual Fund Advisor and who are empanelled with L&T Investment Management Limited and also registered with BSE & NSE as Participant.
ARN Holder/ AMFI registered Distributors	Intermediary registered with Association of Mutual Funds in India (AMFI) to carry out the business of selling and distribution of mutual fund units and having AMFI Registration Number (ARN) allotted by AMFI.
Applicable NAV	**Purchases/ Switch ins:** Not Applicable, as the Scheme is close ended in nature. **Redemptions/ Switch outs:** • In respect of valid applications received upto 3.00 p.m. on a day, the NAV of the date of the receipt of application shall be applicable. • In respect of valid applications received after 3.00 p.m. on a day, the closing NAV of the next Business Day shall be applicable.
Business Day	Any day other than : 1) Saturday; 2) Sunday; 3) Day on which any one of Banks / RBI in Mumbai or the Bombay Stock Exchange Limited or the National Stock Exchange of India Ltd. are required or obliged by law or executive order to remain closed including the occasions when the functioning of any of the above banks or stock exchanges is affected due to bandhs / strike call made by a recognized union / management at any part of the country; 4) A book closure period as may be announced by the Trustee / AMC, or day on which normal business cannot be transacted due to storms, floods or such other events as the Trustee / AMC may specify from time to time 5) Day on which the sale and redemption of units is suspended by the Trustee / AMC.
Business Hours	Presently 9.30 a.m. to 5.30 p.m. on any Business Day or such other time as may be applicable from time to time.
CDSL	Central Depository Services (India) Limited
Growth Option	This Option will aim to provide capital appreciation and will not declare any dividends.
Custodian	Citibank N.A. is acting as the Custodian of the Schemes and having office at 3rd Floor, Trent House, G Block, Plot No. 60, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.
Cut off Timing	Cut off Timing, in relation to an investor making an application to a Mutual Fund for purchase or sale of units, shall mean, the outer limit of timing within a particular day which is relevant for determination of the NAV applicable for his transaction.
Depository	Depository as defined in the Depositories Act, 1996 (22 of 1996).
Derivative	Derivative includes (i) a security derived from a debt instrument, share, loan whether secured or unsecured, risk instrument or contract for differences or any other form of security; (ii) a contract which derives its value from the prices, or index of prices, or underlying securities.
Distributor	Such Persons / Firms / Companies/ Corporate as may be appointed by the AMC to distribute/ sell/ market the Scheme of the Fund.
Dividend Option	Under this Option the Trustees may declare dividend from time to time subject to

	the availability of distributable surplus. The dividend will be paid to only those Unitholders whose names appear on the register of Unitholders of the Dividend Option on the record date.
Equity related Instruments	Equity Related Instruments includes convertible bonds and debentures, convertible preference shares, warrants carrying the right to obtain equity shares, equity derivatives and any other like instrument.
Entry Load	Load on purchase/ Switch in of units by the investor.
Exit Load	Load on redemption/ Switch out of units by the investor.
Government Securities	Securities created and issued by the Central Government and/or a State Government (including Treasury Bills) or Government Securities as defined in the Public Debt Act, 1944, as amended or re-enacted from time to time.
Investment Management Agreement (IMA)	The Investment Management Agreement dated October 23, 1996, executed between L&T Mutual Fund Trustee Limited and L&T Investment Management Limited as amended from time to time.
Investor Service Centre (ISC)/ CAMS Service Centres (CSC)	Designated Branches or Offices of L&T Investment Management Limited/ Registrar or such other centres / offices as may be designated by the AMC from time to time.
Money Market Instruments	Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills and any other like instruments as specified by the Reserve Bank of India from time to time.
Mutual Fund or Fund	L&T Mutual Fund, a Trust set up under the provisions of Indian Trust Act, 1882 and registered with SEBI vide Registration No. MF/035/97/9 dated 03/01/1997.
NAV	Net Asset Value of L&T Long Term Advantage Fund – I (including Options if any, therein) calculated in the manner provided in this SID or as may be prescribed by the Regulations from time to time.
NSDL	National Securities Depository Limited
National Stock Exchange or NSE	National Stock Exchange of India Limited
Overseas investments/ Foreign Securities	ADRs/ GDRs issued by Indian or Foreign companies, Equity of overseas companies listed on recognized stock exchanges overseas, Initial public offer (IPO) and Follow on public offerings (FPO) for listing at recognized stock exchanges overseas, Foreign debt securities in the countries with fully convertible currencies, with rating not below investment grade by accredited/registered credit rating agencies, Money market instruments rated not below investment grade, Repos - only as pure investment avenues, where the counterparty is rated not below investment grade; also repos should not however, involve any borrowing of funds by mutual funds, Government securities where the countries are rated not below investment grade, Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities, Short term deposits with banks overseas where the issuer is rated not below investment grade, Units/securities issued by overseas mutual funds registered with overseas regulators and investing in approved securities or Real Estate Investment Units/securities issued by overseas mutual funds registered with overseas regulators and investing in approved securities or Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or unlisted overseas securities (not exceeding 10% of their net assets) or such other security/ instrument as stipulated by SEBI/RBI/ other Regulatory Authority from time to time.

Pass Through Certificates/ PTCs	PTCs are an important financing technique used to convert cash generating assets into marketable securities for sale to investors. The objective of securitization is to separate business risk from the risk of sold assets. This enables investors to assess the credit quality and the cash flow of the pool of assets rather than looking to the business risk. It involves pooling together of similar loans (eg, home mortgages) into standardised bonds, or mortgage-backed bonds. These bonds use the interest paid on the underlying loans to pay interest to the bondholders. This process is called securitization.
RBI	Reserve Bank of India, established under the Reserve Bank of India Act, 1934
Registrars	Computer Age Management Services Pvt. Limited, (CAMS) Chennai, performing the functions of a Registrar or any other Registrar appointed by the AMC from time to time.
Regulations/ SEBI Regulations	SEBI (Mutual Funds) Regulations, 1996, as amended from time to time, for the operation and management of mutual funds.
Repo/ Reverse Repo	Sale/purchase of Government securities with simultaneous agreement to repurchase/resell them at a later date.
Statement of Additional Information (SAI)	The document issued by L&T Mutual Fund containing details of its constitution, and certain tax, legal and general information. SAI is legally a part of the Scheme Information Document.
Scheme Information Document (SID)	This document issued by L&T Mutual Fund offering Units of L&T Long Term Advantage Fund – I at NAV based prices.
Scheme	L&T Long Term Advantage Fund – I
SEBI	Securities and Exchange Board of India established under Securities and Exchange Board of India Act, 1992.
Sponsor	L&T Finance Holdings Limited, having its registered office at L&T House, Ballard Estate, P.O. Box 278, Mumbai – 400 001
The Trustee	L&T Mutual Fund Trustee Limited., a company set up under the Companies Act, 1956
Trust Deed	The Registered Trust Deed dated October 17, 1996 establishing L&T Mutual Fund as a Trust under the Indian Trusts Act, 1882 as amended from time to time
Unit or Units	The interest of an investor which consists of one undivided share in the NAV of L&T Long Term Advantage Fund – I
Unitholder	A holder of Units in L&T Long Term Advantage Fund – I.

INTERPRETATION

For all purposes of this Scheme Information Document, except as otherwise expressly provided or unless the context otherwise requires:

a) the terms defined in this Scheme information document include the plural as well as the singular.
b) pronouns having a masculine or feminine gender shall be deemed to include the other.
c) all references to "dollars" or "$" refer to United States Dollars and "Rs." refer to Indian Rupees.
d) all references to timings relate to Indian Standard Time (IST).

Words and expressions used herein but defined in the SEBI Act, 1992 or the SEBI Regulations shall have the meanings respectively assigned to them therein.

DUE DILIGENCE CERTIFICATE

A Due Diligence Certificate duly signed by the Compliance Officer of L&T Mutual Fund has been submitted to SEBI, which reads as follows:

It is confirmed that:

i. This Scheme Information Document has been prepared in terms of SEBI Circular SEBI/IMD/CIR No. 5/126096/08 dated May 23, 2008 and is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.

ii. All legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.

iii. The disclosures made in the Scheme Information Document of the Scheme are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed Scheme.

iv. The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

For L&T Investment Management Limited
(Investment Manager to L&T Mutual Fund)

sd/-

Date: June 28, 2013 **Apurva Rathod**
Place: Mumbai **Compliance Officer**

II. INFORMATION ABOUT THE SCHEME

NAME OF THE SCHEME: L&T Long Term Advantage Fund – I

A. TYPE OF THE SCHEME

A 10 year Close Ended Equity Linked Saving Scheme, subject to a lock in for a period of 3 years from date of allotment.

B. INVESTMENT OBJECTIVE

The investment objective of the Scheme is to seek to generate long-term capital growth from a diversified portfolio of predominantly equity and equity-related securities and also enabling investors to get income tax rebate as per the prevailing Tax Laws and subject to applicable conditions.

The investment policies shall be framed in accordance with SEBI (Mutual Funds) Regulations, 1996 and rules and guidelines for Equity Linked Savings Scheme (ELSS), 2005 (and modifications to them).

C. ASSET ALLOCATION

Under normal circumstances, the asset allocation of the Scheme will be as under:-

Type of Security	Maximum Allocation of the Corpus	Minimum Allocation of the Corpus	Risk Profile
Equity and Equity Related instruments*	100%	80%	High
Debt securities and Money market instruments**	20%	0	Low to medium

* In accordance with the ELSS notification of November 2005, the funds collected under the Scheme shall be invested in the equities, cumulative convertible preference shares and fully convertible debenture and bonds of the companies. Investment may also be made in partly convertible issues of debenture and bonds including those issued on rights basis subject to the condition that, as far as possible, the non convertible portion of the debenture so acquired or subscribed, shall be disinvested within a period of 12 months.

** Scheme will not engage in stock lending and will not invest in securitized debt unless as and when permitted by ELSS guidelines and clarification in this regard issued by SEBI.

The Trustees may, from time to time, pending deployment of the funds of the Scheme in securities in terms of the Investment objective of the scheme, invest the funds of the Scheme in short term deposits of the scheduled commercial bank in accordance with SEBI Circular No. SEBI/ IMD/CIR No. 1/91171/07 dated April 16, 2007.

The corpus of the asset of the Scheme shall be predominantly invested in equity and equity related instruments. In accordance with the ELSS notification, investment in equity and equity related instruments shall be to the extent of at least 80% of the net asset of the Scheme.

The AMC may from time to time for a short term period under exceptional circumstances on defensive consideration modify / alter the investment pattern / asset allocation the intent being to protect the Net Asset Value of the Scheme & the interests of Unitholders without seeking consent of the Unitholders.

D. WHERE WILL THE SCHEME INVEST?

Subject to the provisions of ELSS and SEBI Regulations, the corpus of the Scheme may be invested in all or any of the following securities:

- Equities, Equity related instruments;
- Cumulative convertible preference shares and fully convertible debentures and bonds of companies;
- Partly convertible issues of debentures and bonds including those issued on rights basis however the Scheme will disinvest the nonconvertible portion of the debentures so acquired or subscribed within a period of twelve months;
- 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);
- Money market instruments as permitted by SEBI/ RBI, having maturities of up to one year and more than one year, in call money market or in alternative investment for the call money market as may be provided by the RBI to meet the liquidity requirements;
- Certificate of Deposit (CDs);
- Commercial Paper (CPs);
- Any other instruments/ securities as may be permitted by RBI/ SEBI or such other regulatory bodies from time to time.

The securities mentioned above could be listed, unlisted, privately placed, secured unsecured, rated or unrated and of any maturity. The securities may be acquired through initial public offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals. All investments in securities whether privately placed or otherwise will be in line with SEBI guidelines as applicable and the investment objectives and policies of the Scheme. Investment in unrated securities will be in accordance with SEBI guidelines as applicable.

When investments are made in Government Securities, such securities may be supported by the ability to borrow from the treasury or supported only by sovereign guarantee or of the State Government or supported by GOI/ State Government in some other way.

E. INVESTMENT STRATEGY

The investment policies shall be framed in accordance with SEBI (Mutual Funds) Regulations, 1996 and rules and guidelines for Equity Linked Savings Scheme (ELSS), 2005 (and modifications to them).

Consistent with the objective of the Scheme and subject to Regulations, the corpus of the Scheme will be invested in equities, cumulative convertible preference shares and fully convertible debentures and bonds of companies. Investment may also be made in partly convertible issues of debentures and bonds including those issued on rights basis subject to the condition that, as far as possible, the non-convertible portion of the debentures so acquired or subscribed, shall be disinvested within a period of twelve months.

The investment strategy of the AMC is directed to investing in stocks, which, in the opinion of the Investment Manager, are priced at a material discount to their intrinsic value. Such intrinsic value is a function of both past performance and future growth prospects. The process of discovering the intrinsic value is through in-house research supplemented by research available from other sources.

For selecting particular stocks as well as determining the potential value of such stocks, the AMC is guided, inter alia, by one or more of the following considerations:

1. The financial strength of the companies, as indicated by well recognised financial parameters;
2. Reputation of the management and track record;

3. Companies that are relatively less prone to recessions or cycles, either because of the nature of their businesses or superior strategies followed by their management;
4. Companies which pursue a strategy to build strong brands for their products or services and those which are capable of building strong franchises; and
5. Market liquidity of the stock.

L&T Mutual Fund uses a system that it believes can assemble a portfolio of securities that is style and sector neutral and that consistently outperforms traditional strategies that focus on a single style, such as value or growth. The Scheme aim would be to select fundamentally sound companies having potential to deliver superior earnings growth in the long run. The fund manager would adopt both Top-down and Bottom-up approach for stock selection. Under Top -down approach, the aim would be to identify sectors that can offer long-term growth. Under Bottom-up approach, the aim would be to identify companies with high profitability and scalability supported by sustainable competitive advantages. These companies will have a long-term growth prospect and will be measured on earning potential.

The Benchmark Index will be S&P BSE 200.

All investments made by the scheme will be made in accordance with SEBI (Mutual Funds) Regulations, 1996.

- The overall portfolio structuring would aim at controlling risk at moderate level. Security specific risk will be minimized by investing only on those companies that have been thoroughly researched in house. Risk will also be managed through broad diversification of the portfolios within the framework of the Scheme' investment objective and policies.
- The AMC will follow a structured investment process in order to identify the best securities for investment and has developed an internal research framework for consistently examining all securities which will focus on the follow key factors:

    - Enduring business model
    - Management quality
    - Change in business fundamentals
    - Valuation

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 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.

F. HOW HAS THE SCHEME PERFORMED

Scheme: L&T Long Term Advantage Fund – I

Returns data (As on May 31, 2013) **

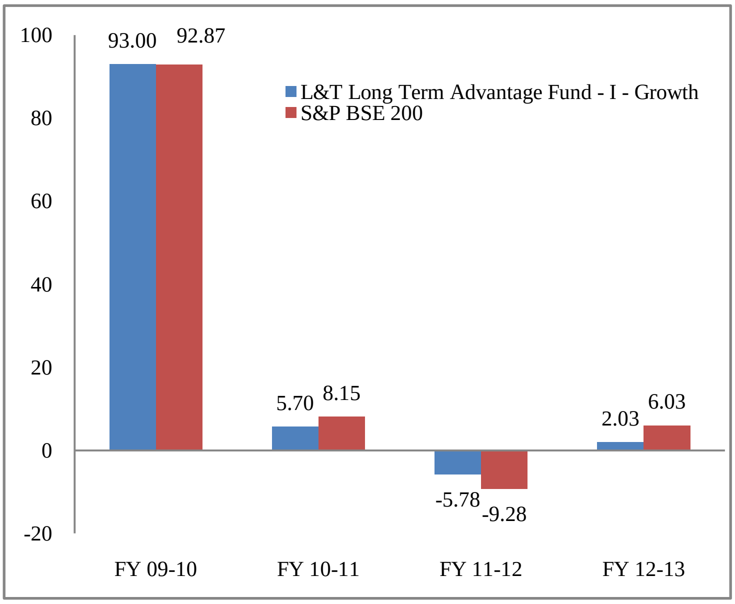
Compounded Annualized Returns	Scheme Returns %	Benchmark Returns % *
Returns for the last 1 year	12.94	20.27
Returns for the last 3 years	0.64	3.83
Returns since inception (27/03/09)	18.13	18.84

* S&P BSE 200 is the Benchmark index for the scheme. ‘Since inception’ returns are calculated on Rs 10 invested at inception. Calculations are based on Growth NAVs.

** Units allotted on March 27, 2009, hence, the returns for 5 years are not available

Bar Diagram

Year-wise returns for the last 4 financial years



Past Performance may or may not be sustained in future.

G. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the Scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a Scheme: Please refer to the details mentioned section "**Information about the Scheme".**
(ii) Investment Objective: Please refer to the details mentioned section "**Information about the Scheme".**
(iii) Investment pattern: Please refer to the details mentioned section "**Information about the Scheme".**
(iv) Terms of Issue:

Liquidity provisions such as listing, repurchase and redemption: Please refer the Highlights/ Summary section of the Scheme.

Aggregate fees and expenses charged to the scheme: Please refer Section IV on Page nos. 58-59 of this SID.

Any safety net or guarantee provided:

The Scheme does not provide guaranteed or assured returns.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme and the Option(s) there under or the trust or fee and expenses payable or any other change which would modify the Scheme and affect the interests of Unitholders is carried out unless:

- A written communication about the proposed change is sent to each Unitholder and 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 Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

H. HOW WILL THE SCHEME BENCHMARK THEIR PERFORMANCE?

The Benchmark for the Scheme is as follows:

Name of the Scheme	Benchmark	Justification
L&T Long Term Advantage Fund – I	S&P BSE 200	The Scheme is a diversified scheme with no market capitalization and no sector bias; hence the appropriate benchmark index will be the one which truly reflects the market behavior in all stages of the market cycle. The suggested benchmark, S&P BSE 200 is a broad based, free float market capitalization based index. As the name indicates, the index has 200 companies in the index which represents wider market capitalization of the market. Companies are selected based on current market capitalization of the listed stocks and the market activity of the companies. The final rank is calculated at by assigning 75% weightage to the rank on the basis of three-month average full market capitalization and 25% weightage to the liquidity rank based on three-month average daily turnover & three-month average impact cost. Considering above facts, we believe S&P BSE 200 index as benchmark would enable us to meet the asset allocation and objectives of the scheme.

However, the Scheme's performance may not be strictly comparable with the performance of the Indices due to the inherent differences in the construction of the portfolios.

The Board of AMC and Trustee will review the performance of the Scheme in comparison to the benchmark. The Trustees reserve the right to change the benchmark for evaluation of performance of the Scheme from time to time in conformity with the Investment objectives and appropriateness of the benchmark subject to SEBI Regulations, and other prevailing guidelines, as amended from time to time.

I. WHO MANAGES THE SCHEME?

Name and Age	Qualifications	Total No. of years of experience	Brief Experience
Mr. Rajesh Pherwani 42 years	B.E. (Electronics), M.M.S. (Finance), CFA- (CFA Institute, USA)	16	L&T Investment Management Limited-Head of Research- Equities (November 2012 till date) Prior Assignments: HDFC Asset Management Company Limited as Senior Equity Analyst from December 2004 to November 2012; Housing Development Finance Corporation Limited as Manager-Treasury from July 1996 to November 2004. •

Investment Decision:

Investment decisions are made by the Fund Manager. 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 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

J. WHAT ARE THE INVESTMENT RESTRICTIONS?

As per the Trust Deed read with the Regulations and circulars issued by SEBI from time to time, the following investment restrictions apply in respect of the Scheme at the time of making investments. However, all investments by the Scheme will be made in accordance with their investment objectives, investment focus and investment patterns, as described above, as well as the Regulations, including Schedule VII thereof.

Pursuant to the SEBI Regulations, the following investment and other limitations are presently applicable to the Scheme, as the case maybe:

1. The Mutual Fund under all its Schemes shall not own more than 10% of any Company's paid up capital carrying voting rights.
2. The Scheme(s) shall not invest more than 10% of its NAV in the equity shares or equity related instruments of any company.
3. The Scheme(s) shall not invest more than 10% of its NAV in the unlisted equity shares or equity related instruments.
4. 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 (spot basis shall have the same meaning as specified by a Stock Exchange for spot transactions); and transfers of unquoted securities will be made as per the policy laid down by the Trustee from time to time; and
   b. the securities so transferred shall be in conformity with the investment objective of the Scheme to which such transfer has been made.
5. The Scheme may invest in another Scheme under the same asset management company or any other mutual fund without charging any fees, provided that aggregate inter scheme investment made by all schemes under the same management or in Schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund.
6. The Scheme(s) shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities. Provided that it may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by SEBI. Provided further that Scheme(s) may enter into derivatives transactions in a recognised stock exchange, subject to the framework specified by SEBI. Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.
7. The Fund shall get the securities purchased / transferred in the name of the Scheme(s).
8. No term loans for any purpose may be advanced by the Fund and the Fund shall not borrow except to meet temporary liquidity needs of the Scheme(s) for the purpose of repurchase, redemption of Units or payment of interest or dividends to Unitholders, provided that the Fund shall not borrow more than 20% of the net assets of Scheme(s) and the duration of such borrowing shall not exceed a period of 6 months.
9. Pending deployment of the scheme in securities in accordance with the investment objectives of the scheme, the fund can invest the moneys of the scheme in short term deposits of scheduled commercial banks subject to SEBI Circular No. SEBI/IMD/CIR No.9/20306/03 dated November 12, 2003; SEBI Circular No. SEBI/IMD/Cir No.1/91171/07 dated April 16, 2007 and Clause 8 of Seventh Schedule of SEBI Mutual Funds Regulations, 1996; as amended from time to time.
10. The Scheme of the Fund shall not make any investment in:
    a. Any unlisted security of any associate or group company of the sponsor; or
    b. Any security issued by way of private placement by an associate or group company of the sponsor; or
    c. The listed securities of group companies of the Sponsor, which is in excess of 25% of the net assets.
11. The Scheme of the Fund shall not make any investment in any fund of fund schemes.
12. The Scheme shall comply with any other Regulation applicable to the investments of mutual funds from time to time.
13. The AMC may invest in one or more Scheme of the Mutual Fund. However, it shall not charge any investment management fee on such amounts invested by it.

These investment limitations / parameters as expressed (linked to the net asset / net asset value / capital) shall in the ordinary course apply as at the date of the most recent transaction or commitment to invest, and changes do not have to be effected merely because, owing to appreciation or depreciation in value or by reason of the receipt of any rights, bonuses or benefits in the nature of capital or of any scheme of arrangement or for amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Fund, any such limits would thereby be breached. If these limits are exceeded for reasons beyond its control, AMC shall adopt as a priority objective the remedying of that situation, taking due account of the interests of the Unitholders. In case of the underlying overseas mutual fund, the investment restriction as applicable shall be complied with.

Apart from the Investment Restrictions prescribed under the Regulations, internal risk parameters for limiting exposure to a particular scheme may be prescribed from time to time to respond to the dynamic market conditions and market opportunities. The Trustee / AMC may alter the above stated limitations from time to time, and also to the extent the Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments in order to achieve its investment objectives.

Investment Norms:

The cumulative gross exposure through Equity, Debt and Derivative positions shall not exceed 100% of net assets of the Scheme.

However, following will not be considered while calculating the cumulative gross exposure:

a) Exposure due to hedging positions and
b) Exposure in Cash or cash equivalents with residual maturity of less than 91 days.

The exposure to Derivatives will be calculated on notional value of the derivative contracts. Further, exposure in Derivatives would be in accordance with conditions as may be stipulated by SEBI/ RBI from time to time.

Change in Investment Pattern:

Subject to the SEBI (Mutual Funds) Regulations, as amended from time to time the asset allocation pattern indicated above may change from time to time, depending on liquidity considerations or on account of high levels of repurchase or redemptions relative to fund size, or upon considerations that optimise returns of the schemes through investment opportunities or upon various defensive considerations including market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions may vary substantially depending upon the perception of the AMC, the intention being at all times to seek to protect the interests of the Unitholders. Such changes in the investment pattern will be for short term and only for defensive considerations. In addition, as part of the investment process, the Investment Committee of the AMC will conduct a periodic review of the asset allocation and may suggest rebalancing of the portfolio**.**

Such changes in the investment pattern will be for short term and defensive considerations.

Portfolio Turnover:

The portfolio may be churned in order to take advantage of movements in the securities market and to maximize the average returns on the portfolio while maintaining a desirable risk profile and adequate liquidity. The Fund will attempt to balance the increased cost on account of higher portfolio turnover with the benefits derived there from.

Investment in the Scheme of the Mutual Fund 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.

Further, the AMC may invest in one or more Schemes of the Fund depending upon its cash flows and investment opportunities. In such an event, the Investment Manager will not charge management fees on its investment for the period it is retained in the scheme.

Policy for investing in group companies of the Sponsor of the Mutual Fund:

The Scheme of the Mutual Fund 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.

Trading in Derivatives and Strategies:

In accordance with the SEBI Circular Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010, investments in derivatives shall adhere to the following restrictions:

Exposure Limits:

1. The cumulative gross exposure through Equity, Debt and Derivative positions shall not exceed 100% of net assets of the Scheme.

2. Mutual Funds shall not write options or purchase instruments with embedded written options.

3. The total exposure related to option premium paid must not exceed 20% of the net assets of the Scheme.

4. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.

5. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following

a) Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
b) Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1 above.
c) Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
d) The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.

6. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.

7. Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the Scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the Scheme.

The use of derivative instruments is explained below by an example of interest rate swaps.

Interest rate swaps act as a hedge for short-term securities, with the minimum credit risk and cost. The swap agreement is a two-part agreement in which both the parties agree to exchange cash flows based on a specified formula and on specified dates. An Interest Rate Swap (IRS) is a contract between two counter parties to exchange interest payments on specified date(s) over a specified period.

For example one party would pay the other a fixed rate of interest in return for a floating rate. The fixed rate would be known and would remain unchanged for the tenor of the swap while the floating rate will be unknown until after the passage of the reset date. The floating rate is usually a variable benchmark rate like the MIBOR, Bank PLR etc. In the case of IRS the principal amount is not exchanged. The net interest amounts are settled between the counter parties on the settlement date(s) of the contract.

An example of an overnight interest swap is as below:

A mutual fund has inflows of Rs.10 crores for 7 days. It intends to deploy the money in the call money market. The call money market is volatile and the fund wants to minimise risk. The fund therefore enters into an interest rate swap wherein it swaps the floating rate (i.e. the daily call money interest) and would receive a fixed rate of say 8%

Details of the swap:

Principal Rs.10 crore
Start date 3rd January 2012
Maturity date 10th January, 2012
Duration of swap 7 days
Fixed rate 8%

The call rates over the next 7 days as well as the accruals are as below:

Date	Day	Call Rate	Opening Principal	Interest	Closing Principal
3rd January	1	7%	10,00,00,000/-	19,178/-	10,00,19,178/-
4th January	2	8%	10,00,19,178/-	21,922/-	10,00,41,100/-
5th January	3	6%	10,00,41,100/-	16,445/-	10,00,57,545/-
6th January	4	6%	10,00,57,545/-	16,448/-	10,00,73,993/-
7th January	5	9%	10,00,73,993/-	24,675/-	10,00,98,668/-
8th January	6	7%	10,00,98,668/-	19,197/-	10,01,17,865/-
9th January	7	7%	10,01,17,865/-	19,201/-	10,01,37,066/-

Interest on floating leg Rs. 1,37,066/-
Interest on fixed leg Rs. 1,53,424/-
Net interest receivable by the fund Rs. 16,358/-

Please note that the above example is hypothetical in nature and the figures etc. are assumed. The transaction costs, if any, associated with such trades may vary from case to case. Actual returns will vary depending on various market-related factors. Such instruments would also carry certain risks like basis point risk, counter party risk etc.

The total exposure to derivative instruments shall not exceed such limits, if any, as may be prescribed by the relevant authorities from time to time.

8. Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:

Position	**Exposure**
Long Future	Futures Price * Lot Size * Number of Contracts
Short Future	Futures Price * Lot Size * Number of Contracts
Option bought	Option Premium Paid * Lot Size * Number of Contracts

In accordance with SEBI circular DNPD/Cir-29/2005 dated September 14, 2005; SEBI circular DNPD/Cir-30/2006 dated January 20, 2006 and SEBI circular DNPD/Cir-31/2006 dated September 22, 2006 (including circulars issued by SEBI/ RBI/ other Regulatory bodies thereafter from time to time) Mutual Funds are allowed to trade in derivatives. Mutual Funds can trade in index futures, index options, stock options, stock futures contracts etc. Earlier Mutual Funds were only allowed to use derivatives for hedging and portfolio balancing.

Position Limits for Mutual Funds:
(i.e. aggregate of all schemes)

Trading Limits (Index Options & Futures)

Position limit for the Mutual Fund in Index Options contracts	On a particular underlying index option contracts Rs. 500 crore or 15% of the total open interest of the market in index options whichever is higher, per stock exchange.
Position limit for the Mutual Fund in Index Futures contracts	On a particular underlying index Rs. 500 crore or 15% of the total open interest of the market in index futures whichever is higher, per stock exchange

The above limits are applicable on open positions in all options and futures contracts on a particular underlying index.

Trading Limits (Stock Options & Futures)

For stocks having applicable market-wise position limit (MWPL) of Rs. 500 crore or more	The combined futures and options position limit shall be 20% of applicable MWPL or Rs. 300 crore, whichever is lower and within which stock futures position cannot exceed 10% of applicable MWPL or Rs. 150 crore, whichever is lower.
For stocks having applicable market-wise position limit (MWPL) less than Rs. 500 crore	For stocks having applicable market-wise position limit (MWPL) less than Rs. 500 crore, the combined futures and options position limit would be 20% of applicable MWPL and futures position cannot exceed 20% of applicable MWPL or Rs. 50 crore whichever is lower.

Additional position limit for hedging

Hedging Limits

Hedge against a fall in share prices (short futures, short calls and long puts)	Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
Hedge to protect against a rise in share prices (long futures, long calls and short puts)	Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.

Position Limits applicable for the Scheme:

1. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of:

1% of the free float market capitalization (in terms of number of shares)

OR

5% of the open interest in the derivatives contracts on a particular underlying stock (in terms of number of contracts).

2. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.

3. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

The following example seeking to explains the above limits numerically, are purely illustrative and should not be perceived as any limits or restriction or assurance or otherwise of the probable outcome of such transactions.

Example 1: Using Index futures to increase investment in equities

This strategy is used for generating returns on idle cash or new inflows, pending its investment in equities. There may be a time lag between the inflow of funds and their deployment in equities. If so desired, the AMC would be able to take immediate exposure to equities via index futures. The position in index futures may be reversed in a phased manner, as the funds are deployed in the equity markets.

The scheme has a corpus of Rs. 100 crore and there is an inflow of Rs. 10 crore in a day. The AMC may buy index futures contracts of a value of Rs. 10 crore. Later as the money is deployed in the underlying equities, the value of the index futures contracts can be suitably reduced.

Portfolio	% change in prices	Equity portfolio gain/loss (Rs cr)	Derivative portfolio gain/ loss (Rs cr)	Total Portfolio gain/ loss (Rs cr)
Rs 100 cr equity exposure	10% rise in equity prices	10	Nil	10
Rs 100 cr equity exposure + Rs 10 cr long position in index Future	10% rise in equity prices	10	1	11
Rs 100 cr equity exposure	10% fall in equity prices	(10)	Nil	(10)
Rs 100 cr equity exposure + Rs 10 cr long position in index Future	10% fall in equity prices	(10)	(1)	(11)

Risks

The strategy of taking a long position in index futures increases the exposure to the market. The long position is positively correlated with the market. However, there is no assurance that the stocks in the portfolio and the index behave in the same manner and thus this strategy may not provide gains perfectly aligned to the movement in the index. The fact that long position will have as much loss as a gain in the underlying index is true only for futures contracts held till maturity. In the event that a futures contract is closed out before its expiry, the quoted price of the futures contract may be different from the gain/ loss due to the movement of the underlying index. This is called the basis risk. While futures markets are typically more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time, for the Scheme to purchase or close out a specific futures contract.

Example 2: Using Index futures to decrease investment in equities

Similarly, in case of pending outflow of funds from AMC, so in order to reduce exposure in equities it may enter into future contract to sell the index at future date. This position can be unwound over a period in time by simultaneously selling the equity shares from the investment portfolio of the Scheme. Since the price of the futures contracts is expected to be positively correlated with the index, the value of a short position will move in the direction opposite to the movement in the index. The strategy of taking a short position in the index future would reduce the market exposure, in line with the reduced net assets.

The scheme has a corpus of Rs. 100 crore and there is an outflow of Rs. 10 crore in a day, so if fund wishes to reduce exposure to Rs. 90 crore, it would sell index futures worth Rs. 10 crore. Later as the equities in sold, the value of the short index futures contracts can be suitably reduced.

Portfolio	% change in prices	Equity portfolio gain/loss (Rs cr)	Derivative portfolio gain/loss (Rs cr)	Total Portfolio gain/loss (Rs cr)
Rs 100 cr equity exposure	10% fall in equity prices	(10)	Nil	(10)
Rs 100 cr equity exposure + Rs 10 cr long position in index Future	10% fall in equity prices	(10)	(1)	(11)
Rs 100 cr equity exposure	10% rise in equity prices	10	Nil	10
Rs 100 cr equity exposure + Rs 10 cr long position in index Future	10% rise in equity prices	10	1	11

Portfolio Protection Using Index Put and Stock Put Options

The purchase of an index put option gives the scheme the option of selling the index to the writer of the put at a predetermined level of the index, called the strike price. If the index falls below this level, the scheme benefits from the rise in the value of the put option.

Similarly, as a stock hedging strategy, the purchase of a put option on the underlying stock would give the scheme the option to sell the stock to the writer of the option at the predetermined strike price. This would lead to a capping of the loss in value of a stock. The contract value of options on individual stocks will be limited to 5% of the net assets of the Scheme.

Example: Let us assume a scheme with a corpus of Rs. 50 crore. Let us also assume an index level of 1000. The scheme is fully invested (Rs. 50 crore. In equities). The scheme purchases a put option on the index with a strike price of 950 for an assumed cost of Rs. 50 lakhs. The following table illustrates the portfolio returns:

% change in index	Index Value	Equity Portfolio Value Rs. in Crore	Option Value Rs. in Crore	Cost of the Put Option Rs. in Crore	Portfolio Value Rs. in Crore	% returns from portfolio
		A	**B**	**C**	**(A+B+C)**	
10	1100	55.0	0	(0.5)	54.5	9
5	1050	52.5	0	(0.5)	52.0	4
(5)	950	47.5	0	(0.5)	47	(6)
(10)	900	45.0	2.5	(0.5)	47	(6)
(15)	850	42.5	5	(0.5)	47	(6)

A similar put option can be purchased on any individual stock and the downside can be capped.

Risks

- The table shows that the portfolio value will not fall below Rs. 47 crore, while the scheme benefits from any increase in stock prices. The table assumes perfect correlation between the equity portfolio and the index. However, this may not be the case. Therefore, the minimum portfolio value cannot be assured, but the loss is expected to be lower in a portfolio with a put option on the index, as compared to a normal portfolio.
- The put option would lead to a gain based on the difference between the strike price and the index level at expiration date, if positive. However, in case the option is reversed before the expiration date, the market price received on the sale of the option may be different from the price calculated.
- While options markets can be more liquid than the underlying cash market, there can be no assurance that ready liquidity would exist at all points in time for the scheme to purchase or close out a specific options contracts.
- In the case of purchase of a stock put, the strategy is a perfect hedge on the expiration date of the put option. On other days, there may be (temporary) imperfect correlation between the share price and the put option, which can potentially take the stock value below the minimum under the hedge.

Strategies for Debt Derivatives:

1. **Bond – OIS Swap:** Under this strategy, the fund manager pays fixed rate on Overnight Indexed Swap (OIS) against an underlying bond of a similar or greater tenor and receives Mumbai Inter-Bank Offer Rate (MIBOR). This is essentially done for hedging interest rate risk or for rebalancing portfolio allocation to fixed and floating rate bonds. Effectively, through this trade the fund manager is able to convert a fixed rate bond into a floating rate MIBOR linked instrument. The trade has exposure to 'basis movement' - the relative movement of bond versus OIS.

2. **Receive OIS:** Here the fund manager receives fixed rate on OIS against either cash or a floating rate bond of a similar or greater tenor, and pays MIBOR. The objective is to rebalance portfolio in favor of fixed rate exposure if the view is that overnight rates will fall.

3. **Buy Interest Rate Futures:** To hedge an underlying exposure of government securities or corporate bonds, the fund manager may sell similar tenor bonds under Interest Rate futures contracts if he has a bearish view. When rates rise, the market value of the gilt/ bonds will go down but the market value of the futures contract will go up and hence the overall loss could be minimized.

4. **Interest Rate Swaps (IRS):** All swaps are financial contracts, which involve exchange (swap) of a set of payments owned by one party for another set of payments owned by another party, usually through an intermediary (market maker). An IRS can be defined as a contract between two parties (Counter Parties) to exchange, on particular dates in the future, one series of cash flows, (fixed interest) for another series of cashflows (variable or floating interest) in the same currency and on the same principal for an agreed period of time. The exchange of cashflows need not occur on the same date.

   Bond markets in India are not very liquid. Investors run the risk of illiquidity in such markets. Investing for short-term periods for liquidity purposes has its own risks. Investors can benefit if the Fund remains in call market for the liquidity and at the same time take advantage of fixed rate by entering into a swap. It adds certainty to the returns without sacrificing liquidity.

5. **Forward Rate Agreements (FRA):** A FRA is an agreement between two counter parties to pay or to receive the difference between an agreed fixed rate (the FRA rate) and the interest rate prevailing on a stipulated future date, based on a notional amount, for an agreed period. In short, in a FRA, interest rate is fixed now for a future period. The special feature of FRAs is that the only payment is the difference between the FRA rate and the Reference rate and hence are single settlement contracts. As in the case of IRS, notional amounts are not exchanged. However, there is the possibility that a loss may be sustained by the portfolio as a result of the failure of another party to comply with the terms of the

contract. To the extent that settlements of contracts are not guaranteed by an exchange or clearing corporation, hence, there is the risk of counterparty to a deal defaulting in payment.

Guidelines for Investments in Securitized Debt:

1. **Rationale for investment in securitized debt and how the risk profile of securitized debt fits into the risk appetite of the Scheme**

The risk profile for debt portion of the Scheme/ Plan is defined as low to medium. The debt portion of the Scheme is intended to be invested in high quality debt instruments like gilts, corporate bonds and money market instruments which would give accrual as well as capital appreciation. Investments would also be made across various tenors depending on interest rate conditions.

The Scheme may invest in securitized debt provided there are suitable opportunities available from time to time. Primarily the reasons for making such investments are:

1. To increase the yield of the portfolio;
2. Provides access to good quality highly rated debt;
3. Diversification to multiple asset classes to spread out risk;
4. Securitized debt can give access to exposures to various asset backed receivables like mortgage loans, auto loans, commercial vehicle loans etc which may not be directly available.

Hence, investing in good quality rated securitized debt would fit the risk profile of the Scheme, as it can give high yield and capital appreciation.

2. **Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitized debt, etc**

The fund management team shall evaluate the originators based on the following parameters:

- Track record;
- Willingness to pay, through credit enhancement facilities etc;
- Ability to pay;
- Business risk assessment, wherein following factors are considered:
  - Outlook for the economy (domestic and global)
  - Outlook for the industry
  - Company specific factors

Apart from above, the fund management team shall critically evaluate the originator and underlying issuer before investing in pool loan or in single loan securitization transactions. The evaluation shall be done based on following parameters which would be captured in a detailed credit note and placed before the Investment Committee (IC) for its approval:

- Default track record/ frequent alteration of redemption conditions/ covenants;
- High leverage ratios of the ultimate borrower (for single-sell downs) – both on a standalone basis as well on a consolidated level/ group level;
- Higher proportion of reschedulement of underlying assets of the pool or loan, as the case may be;
- Higher proportion of overdue assets of the pool or the underlying loan, as the case may be;
- Poor reputation in market;
- Insufficient track record of servicing of the pool or the loan, as the case may be.

If there are concerns on the above-mentioned issues regarding the originator/ underlying issuer, the fund management team would avoid investing in securitization transaction without specific risk mitigant strategies/ additional cash/ security collaterals/ guarantees.

Further, for single sell down structures, the originator's name should be in the approved list of issuers for corporate debt which are laid down separately and are approved by the IC. For any originator who is not in the approved list a separate credit note on the originator needs to be made and approved by the IC. In order to ensure certain standards while investing in securitized debt, the IC has laid down guidelines with respect to minimum rating.

In addition to a detailed credit note prepared in house by the credit analyst, a detailed review and assessment of rating rationale shall be done including interactions with the Company/ Agency.

3. Risk mitigation strategies for investments in securitized debt with each kind of originator

The various risks associated with investment in securitized debt include credit risk, liquidity risk, counterparty risk, market risk, prepayment risk and price risk. Investors are requested to refer Risk associated with Securitized Debt and PTC investment mentioned in this Document under the heading "Scheme Specific Risk Factors".

With an objective to make securitized debt investments comparable with the other Debt instruments, the Fund Management team shall follow following risk mitigation strategies:

1. Minimum rating criteria for short term and long term debt: The minimum rating criteria for investment in less than one year securitized debt would be P1+(SO) or equivalent by any other rating agency whilst for long term investments of more than one year would be AA(SO) or equivalent by any other rating agency. The rating agency also sets certain terms and conditions before assigning the top notch rating. These pertain to collateral and credit enhancements, average seasoning, background of the originator, systems and processes followed by the originator, etc. The rating agency also scrutinizes the legal agreement to assess that the transaction has been structured to protect investors' interests and ensure it's a true sale.
2. Maximum tenor of securitized debt: The maximum tenor for any class of securitized debt (door to door maturity) shall be five years (or such other tenor as may be approved by the IC from time to time). This would endeavour that the duration risk and price risk is reduced considerably.
3. Maximum single securitized debt exposure: In order to further mitigate risk, the Scheme shall not invest more than 10% (or such other limit as may be approved by IC from time to time) in a single securitized debt structure and on an aggregate basis the investments in securitized debt will be as laid down in the Scheme Information Document. By putting a ceiling on the single issuer exposure, the credit risk is controlled and it also ensures diversification of the Scheme assets.

4. The level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments

The table below illustrates the framework that will be applied while evaluating investment decision relating to a pool securitization transaction:

Characteristics/ Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	Two wheelers	Micro Finance Pools	Personal Loans	Single Sell Downs	Others
Approximate Average maturity (in Months)	36-60 months	12-60 months	12-60 months	12-60 months	15-80 weeks	5 months-3 years	1-60 months	To be applied as and when.
Collateral margin (including cash,	3-10%	4-12%	4%-13%	4-15%	5-15%	5-15%	NA	To be applied

Characteristics/ Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	Two wheelers	Micro Finance Pools	Personal Loans	Single Sell Downs	Others
guarantees, excess interest spread, subordinate tranche)								as and when.
Average Loan to Value Ratio	75%-95%	80%-98%	75%-95%	70%-95%	Unsecured	Unsecured	Secured/ Unsecured	To be applied as and when.
Average seasoning of the Pool	3-5 months	3-6 months	3-6 months	3-5 months	2-7 weeks	1-5 months	NA	To be applied as and when
Maximum single exposure range	5%	5%	5%	5%	5%	5%	NA	To be applied as and when.
Average single exposure range %	2-3%	1-3%	1-3%	2-3%	1-2%	1-3%	NA	To be applied as and when.

Other Risk mitigating measures:

- **Size of the loan**

The ticket size of the loan varies depending on the type of pool being securitized. Hence, the credit analyst would accordingly discern the same at the time of investment. For example, the average ticket size of loan in a microfinance pool may be in the range of Rs. 5,000 to Rs. 25,000, whereas in a mortgage pool it may be in the range of Rs. 1,000,000 to Rs. 10,000,000.

Here the analysis would take into account the general trend in ticket size of similar types of pools rated in the past.

- **Average original maturity of the pool**

This indicates the original repayment period and whether the loan tenors are in line with industry averages and borrower's repayment capacity. To illustrate, in a car pool consisting of 60 month contracts, the original maturity and the residual maturity of the pool viz. number of remaining installments to be paid gives a better idea of the risk of default of the pool itself. If in a pool of 100 car loans having original maturity of 60 months, if more than 70% of the contracts have paid more than 50% of the installments and if no default has been observed in such contracts, this is a far superior portfolio than a similar car loan pool where 80% of the contracts have not even crossed 5 installments.

- **Loan to Value Ratio:** As mentioned above.

- **Average seasoning of the pool:** As mentioned above.

- **Default rate distribution**

  The fund management team shall generally ensure that all the contracts in the pools are current to ensure zero default rate distribution. Indicates how much % of the pool and overall portfolio of the originator is current, how much is in 0-30 DPD (days past due), 30-60 DPD, 60-90 DPD and so on. The rationale here being, as against 0-30 DPD, the 60-90 DPD is certainly a higher risk category.

- **Geographical Distribution**

  A geographically well diversified pool of receivables in a securitized debt structure is preferable as it mitigates risk by avoiding undue concentration. Such information is typically disclosed in the rating rationale or the Information Memorandum of the issue and would be analysed at the time when investment is considered.

- **Credit enhancement facility/ Liquid facility**

  Most originators/ issuers of securitized debt provide for various types of credit enhancement or liquidity which are taken into due consideration by the rating agency.

- **Structure of the pool**

  The legal structure as well as the cash flows of the pool would be analysed including factors such as whether it's a par/premium structure at the time of investment.

  However, investors are requested to note that that most of the above mentioned factors are not applicable to single loan sell downs which are comparable to a plain vanilla bond or debenture. Here the entire risk is only on the originator/ borrower and hence the borrower's risk profile, financials etc are to be analysed before arising at an investment decision. As mentioned earlier, the originator would have to be in the approved list of corporate debt, which is reviewed and approved by the Investment Committee.

  Investors are requested to note that the above format and factors mentioned in point no. 4 shall be mentioned in the credit note at the time of investment in any securitized debt.

5. **Minimum retention period of the debt by originator prior to securitization and Minimum retention percentage by originator of debts to be securitized**

   Investors are requested to refer point number 2, 3 and 4 above and Table mentioned herein above which illustrates the average seasoning of the debt by the originator prior to securitization and additional collaterals taken against each type of asset class, which is preferred over the minimum retention percentage by the originator of the loan.

   However, above shall be subject to RBI Guidelines/ Circulars, as amended from time to time.

6. **The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund**

   All investments made by the Scheme will be made in accordance with its investment objectives, investment focus, investment patterns/ policies and subject to SEBI (Mutual Funds) Regulations, 1996. At the time of investment the exposure of the originator in the Scheme shall be explicitly mentioned in the credit note which is then approved by IC. To ensure that there is no conflict of interest (in case the originator holds investments in the Scheme); the fund management team shall ensure that the issue is not completely subscribed to by them and that there are other investors as well. Accordingly, total issue amount and the amount subscribed to by the Scheme shall be specified in the credit note. Subsequently, if the originator makes investments in the Scheme this need not necessarily be due to subscription to their issue but can be based on other parameters like fund performance etc.

7. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt

The investments in securitized debt are done after appropriate research by the credit analyst. The credit analyst goes through the Draft Information Memorandum, rating rationale, underlying receivables, pool principal, financials etc and prepares a credit note for investments in securitized debt. The ratings are monitored on a daily basis by way of e-mail by the credit analyst after tracking the websites of all the major rating agencies

Investors are requested to note that the information contained in this Guideline is based on an Internal Securitization Policy and on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, investment strategy, risk mitigation measures and other information contained herein may change without notice.

III. UNITS AND OFFER

This section provides details you need to know for investing in the Scheme.

A. NEW FUND OFFER (NFO)

Not applicable

B. ONGOING OFFER DETAILS

❖ **Options offered under each Scheme:**

Name of Scheme	Options available	Sub-Option	Default Option	Default Sub-Option
L&T Long Term Advantage Fund – I	Dividend* and Growth Both Options have a common portfolio.	Payout	Growth	Payout

*As and when decided by the Trustees

❖ **Allotment**

All applicants will receive full and firm allotment of Units, provided the applications are complete in all respects and are found to be in order. The AMC retain the sole and absolute discretion to reject any application. Allotment to NRIs/ FIIs will be subject to RBI approval, if any, required.

❖ **Cut off timing for subscriptions/redemptions/switches**

Please refer to section on “Applicable NAV”.

The Trustees/ AMC has the right to amend cut off timing subject to SEBI (MF) Regulations for the smooth and efficient functioning of the Scheme.

- ❖ **Who can invest?**

This is an indicative list and investors are requested to consult their financial advisors to ascertain whether the Scheme is suitable to their risk profile.

The following persons (subject to, wherever relevant, purchase of units of mutual funds is being permitted under respective constitutions and relevant statutory regulations) are eligible and may apply for subscription to the Units of the Scheme:

- Resident Adult Individuals, either singly or jointly (not exceeding Three);
- Parents / Legal Guardians on behalf of Minors;
- Non-resident Indians (NRIs)/ Persons of Indian origin resident abroad on repatriation and non-repatriation basis;
- Karta of Hindu Undivided Families (HUF);
- Companies, Bodies Corporate, Public Sector Undertakings, association of persons or bodies of individuals whether incorporated or not and societies registered under the Societies Registration Act, 1860 (so long as the purchase of Units is permitted under the respective constitutions);
- Wakfs and Trustee of private trusts authorised to invest in mutual fund scheme under the Trust Deed;
- Banks (including Cooperative Banks and Regional Rural Banks), Financial Institutions & Investment Institutions;
- Mutual Funds registered with SEBI;
- Partnership Firms;
- Societies;
- Religious, Charitable and Private Trusts, under the provisions of 11(5) of Income Tax Act, 1961 read with Rule 17C of Income Tax Rules, 1962 (subject to receipt of necessary approvals as "Public Securities", wherever required);
- Foreign Institutional Investors registered with SEBI;
- Foreign investors/companies/firms/other bodies corporate incorporated outside India subject to FIPB/ RBI approval and meeting KYC/ AML requirement;
- Army / Air Force / Navy and other para military units and bodies created by such institutions;
- Scientific & Industrial Research Organisations;
- International Multilateral Agencies approved by the Government of India;
- Non-Government Provident / Pension / Gratuity funds as and when permitted to invest;
- Others who are permitted to invest in the Scheme as per their respective constitutions;
- Trustees, AMC or Sponsor or their associates (if eligible and permitted under prevailing laws), may subscribe to the Units under the Scheme;
- The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations, and other prevailing statutory regulations, if any.

Please note that this being a closed – ended scheme, fresh applications is not accepted under the Scheme.

- ❖ **Where can the applications for redemption/ switches be submitted?**

Investors should complete the Application Form for redemption/ switches and deliver the same along with other supporting documents at any of the branches of L&T Investment Management Limited or Investor Service Centres (ISCs)/ CAMS Service Centres (CSCs). The addresses of the branches of L&T Investment Management Limited ISCs/ CSCs are given at the end of this SID.

- ❖ **How to Apply?**

Not Applicable, as the Scheme is close ended in nature.

Registering Multiple Bank Accounts:

Pursuant to AMFI Best Practice Circular dated October 22, 2010, AMC is implementing 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.

For the purpose of registration of bank account(s), Investor should submit Bank Mandate Registration Form together with any one of the following documents:

(i) Cancelled cheque leaf in respect of bank account to be registered; or

(ii) Bank Statement / Pass Book page with the Investor's bank account number, name and address.

The AMC will register the bank account only after verifying that the sole/ first joint holder is the holder/ one of the joint holders of the bank account. In case if the copy of documents is submitted, Investor shall submit the original to the AMC / Service Center for verification, and the same shall be returned.

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.lntmf.com.

❖ **Listing of units**

The Scheme is a 10 year Close Ended Equity Linked Saving Scheme, subject to a lock in for a period of three years from date of allotment. . Redemptions can be made only after a lock-in period of 3 years from the date of allotment of the units proposed to be redeemed, on all business days at NAV based prices. The Units of the Scheme are not proposed to be listed on any stock exchange.

However, the Trustee/ AMC may at its sole discretion, list the units of any Scheme on one or more stock exchanges, at a later date.

❖ **Special facilities available**

a) Systematic Investment Plan (SIP): Not available
b) Systematic Transfer Plan (STP): Not available
c) Systematic Withdrawal Plan (SWP): SWP is available after expiry of lock-in period of 3 years from the date of allotment.

This facility enables the unitholders to withdraw sums i.e. fixed sums or appreciation amount if any, from their Unit accounts in the Scheme at periodic intervals through a onetime request.

Appreciation option is allowed only in growth option.

SWP Frequency: Monthly/ Quarterly

An Unit holder may establish SWP in the Scheme and can withdraw monthly/ quarterly amount at regular intervals in case of Fixed Amount Withdrawal Plan or appreciation amount in case of Capital Appreciation Plan from their account.

The amount withdrawn by redemption will be converted into Units at Applicable NAV based prices and the number of Units so arrived at will be subtracted from the Units balance to the credit of that Unit holder.

SWP Dates:

Monthly/ Quarterly: 1st, 5th, 10th, 15th or 25th of a month.

If any of the dates mentioned above is not a Business Day, then the immediately following Business Day will be the date on which redemptions will be considered.

Minimum Amount of each Withdrawal: Rs. 1,000
Minimum amount for registering SWP: Rs. 25,000
Minimum Number of instalments: 6

Options available under SWP:

(i) Fixed Amount Withdrawal: A minimum fixed amount of Rs. 1000/- in all schemes where SWP is allowed can be withdrawn subject to availability of a minimum account balance of Rs. 25,000/- in the Scheme at the time of opting for the Plan.

(i) Capital Appreciation Withdrawal: An investor can alternatively withdraw capital appreciation in growth option of all schemes where SWP is allowed subject to minimum amount of Rs. 1000/- and with a maintenance of minimum account balance of Rs. 25,000/- in the Scheme/ plan.

Cooling Period: A minimum period of 7 days shall be required for registration under SWP.

Default Options (SWP Date/ Frequency)

Default SWP date:
Monthly/ Quarterly - 10th of the month

Default SWP frequency: Monthly

End Period - Until further instructions

Normally, the redemption cheque will be dispatched to the unitholders within 3 Business Days of the Redemption date.

Unitholders may change the amount indicated in the SWP, subject to minimum amounts as mentioned above by giving appropriate written notice to the Registrar/ AMC. The Fund may close a Unitholder’s account if the balance falls below Rs. 1,000.

The Unitholder may avail of SWP by filling up the relevant portion of the transaction statement or by completing an Application Form and sending it to any of the CSCs/ AMC Offices mentioned in the Scheme Information Document of the Schemes.

Business Day:

If any of the dates mentioned above is not a business day, then the immediately following Business Day will be the date on which redemption will be considered.

Load Structure:

For applicable load on Redemptions through SWP, please refer Section on “Load Structure” given in the Scheme Information Document.

Termination of SWP:

Unitholders may change the amount indicated in the SWP, subject to the minimum amounts mentioned above by giving appropriate written notice to the Registrar/ AMC. SWP may be terminated by the unitholder by giving at least 15 days written notice prior to the due date of the next withdrawal date and it will terminate automatically if all Units are redeemed, liquidated or withdrawn from the account or upon the Funds receipt of notification of death or incapacity of the Unitholder.

AMC Right:

The AMC reserve the right to change rules, terms, conditions and features relating to this facility from time to time.

d) Ongoing price for redemption (sale)/ switch-outs (to other schemes/plans of the Mutual Fund):

This is the price an investor will receive for redemptions/switch outs. The Redemption Price of the Units will be calculated on the basis of the Applicable NAV subject to prevailing CDSC and the Exit Load, if any.

In the case of Schemes which currently have no Exit Load, the Redemption Price will be the Applicable NAV. In the case of Schemes having an Exit Load / CDSC or in which an Exit Load/ CDSC is introduced, the Redemption Price will be calculated as under:

Redemption Price = Applicable NAV * (1 - CDSC) or
Redemption Price = Applicable NAV * (1 - Exit Load)
For Example: if the applicable NAV is Rs. 10.00 and the Exit Load is 1 per cent then the redemption price will be Rs. 9.90.

Investors may note that the AMC has a right to modify the existing Load Structure in any manner subject to a maximum as prescribed under the Regulations with prospective effect. Should the AMC on any date, change the Load structure in any manner, the investments made by the Unitholders prior to such date will be subject to the Load structure applicable prior to such change.

❖ **Applicable NAV for subscriptions/ redemptions/ switches:**
Please refer applicable NAV of the scheme in Highlights/ Summary of the Scheme

❖ **Minimum amount for purchase/ redemption/ switches:**
Please refer Minimum Application amount of the scheme in Highlights/Summary of the Scheme

❖ **Minimum balance to be maintained and consequences of non maintenance:**

The Fund may close a Unit holder’s account if the balance falls below Rs. 1,000.

Statements of Account/ Consolidated Account Statement (CAS)

• A Consolidated Account Statement (CAS) shall be sent by mail/ email to the investors for each calendar month on or before tenth day of succeeding month. The said Account Statement shall contain details relating to all the transactions* and holding at the end of the month including transaction charges paid to the distributor, across all schemes of all mutual funds, to all the investors in whose folios transaction has taken place during that month.

• Further, the CAS shall be sent by mail/ email to the investors for every half year (September/ October), on or before tenth day of succeeding month, detailing holding at the end of the six month, across the schemes of all mutual funds, to all such investors in whose folios no transaction* has taken place during that period.

• Investors are requested to maintain uniform email IDs across schemes of all mutual funds.

*The word "transaction" shall include purchase, redemption, switch, dividend payout, dividend reinvestment, SIP/SWP/STP/DIP and bonus transactions.

Investors are requested to take note of the following in respect of dispatch of Statement of Account/ CAS:

• If an investor desires, the AMC shall issue the unit certificates to within five business days of the receipt of request for the certificate.

• For those investors who have provided an email address, the AMC will send the statement of account by e-mail.

• The investor may request for a physical statement of account by writing/calling the AMC/ISC/ Registrar & Transfer Agent.

• For the purpose of sending CAS, common investors across mutual funds shall be identified by their Permanent Account Number (PAN). Thus CAS shall not be received by the investor for the folio(s) not updated with PAN/ invalid PAN. Such folios will receive CAS from L&T Investment Management Limited (AMC) in respect of their investment in schemes of L&T Mutual Fund only. Investors are therefore requested to ensure that the folio(s) are updated with their PAN at the earliest.

• The CAS shall not be received by the investor in respect of Applications on behalf of Minor (Minor Folios). Such folios shall receive CAS from AMC in respect of their investment in schemes of L&T Mutual Fund only, till the time status of folio is changed from minor to major.

• In the event the folio having more than one registered holder, the first named holder shall receive CAS/ Statement of Account. Investors are requested to note that Consolidation for the purpose of sending CAS shall be done only for folios in which the unitholders and the order of holding in terms of first, second and third is similar.

• The statement of holding of the beneficiary account holder for units held in demat mode will be sent by the respective Depository Participants periodically.

❖ **Dividend Proceeds:**

The dividend warrants/ proceeds shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.

❖ **Redemption Proceeds:**

The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of valid redemption/ repurchase request.

❖ **Delay in payment of redemption / dividend proceeds/ warrants:**

The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).

❖ **Receiving Account Statement / Correspondence by E-mail:**

The Mutual Fund will encourage the investor to provide their e-mail addresses for all correspondence. The Mutual Fund would endeavor to send all correspondences using e-mail as the mode for communication instead of physical statement as may be decided from time to time. The Unitholder will be required to download and print the Account Statement after receiving the e-mail from the Mutual Fund. Should the Unitholder experience any difficulty in accessing the electronically delivered Account Statement, the Unitholder shall promptly advice the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. Failure to advice the Mutual Fund of such difficulty within 24 Hours after receiving the e-mail would serve as an affirmation regarding the acceptance by the Unitholder of the Account Statement.

It is deemed that the Unitholder is aware of all security risks including possible third party interception of the Account Statements and content of the Account Statements being known to third parties.

Under no circumstances, including negligence, shall the Mutual Fund or anyone involved in creating, producing, delivering or managing the Accounts Statement of the Unitholders, be liable for any direct, indirect, incidental, special or consequential damages that may result from the use of or inability to use the service or out of breach of any warranty. The use and storage of any information including, without limitation, the password, account information, transaction activity, account balances and any other information available on the Unitholder's personal computer is at the and sole responsibility of the unitholders.

❖ **Mode of Holding:**

Applicants have to specify the 'mode of holding' in the application form. The mode of holding may be "Single", "Joint" or "Anyone or Survivor".

❖ **Joint Holdings**:

Where Units are jointly held, the person first-named in the Application Form will receive all notices and correspondences with respect to the Folio, as well as any distributions through dividends, redemptions or otherwise. Such person shall hold the voting right, if any, associated with the Units. However, all documentation shall necessarily be signed by all the holders. The liability of the Mutual Fund in this regard shall be only to the first-named holder.

Further, the investors are requested to note that that when subscription for units of the Scheme(s) are remitted through joint bank accounts of investors, the default option for applying for such units of the Scheme(s) shall be in the joint names of all the account holders of the bank account. Additionally, investors are also be given an option to apply for units in single name of any one or more names of the joint account holders of the bank account with nomination facility.

❖ **Any one or Survivors:**

When Units are held as anyone or survivor, the person first-named in the Application Form will receive all notices and correspondences with respect to the Account, as well as any distributions through dividends or otherwise. The first named holder shall exercise the voting right, if any, associated with the Units. All documentation may be signed by any one of the joint holders and the Mutual Fund will act on the instructions of any one of the account holders. If two or more persons apply for units without specifying the mode of holding, they shall be deemed to have elected to hold the units jointly. Any change in the mode of holding will require the signature of all the holders. By following the above procedure, the Mutual Fund and the AMC shall be discharged of all liability towards the joint / remaining Unitholders.

❖ **Repurchase/ Redemption of Units:**

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

Redemption request per application can be made for minimum of Rs. 500 or 50 units. A Unitholder 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 Unitholder, the number of Units specified will be considered for deciding the redemption amount. If only the Unitholder specifies the redemption amount, the Fund will divide the repurchase amount so specified by the Repurchase Price to arrive at the number of Units to be redeemed.

In case an investor has purchased Units on more than one Business Day (either under the Initial 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 Unitholder in the event it is found that the Unitholder 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 Unitholder 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 repurchase request can be made on a pre - printed form that should be submitted at any of the Investor Service Centres / Registrar or at the offices of the AMC on any business day post allotment of units.

The repurchase would be permitted to the extent of credit balance in the Unitholder’s account. The repurchase request can be made by specifying the rupee amount or the number of Units to be repurchased. Where a request for a repurchase is for both amount and number of Units, the units requested for repurchase will be considered as the definitive request. If the balance in the Unitholder's account does not cover the amount of repurchase request, then the Mutual Fund is authorised to close the account of the Unitholder and send the entire such (lesser) balance to the Unitholder.

Unitholders 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 Unitholder 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. In case the Units are standing in the names of more than one Unitholder, 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 Unitholders will have the power to make redemption requests, without it being necessary for all the Unitholders to sign. However, in all cases, the proceeds of the redemption will be paid to the first-named holder only. The redemption proceeds shall be mailed to the first named Unitholder at the registered address.

The redemption cheque will be issued in favour of the sole / first Unitholder's registered name and bank account number, if provided and will be sent to the registered address of the sole / first holder as indicated in the original Application Form. The redemption cheque will be payable at par at all the places where the Investor Service Centres or at the Designated Centres are located. The bank charges for collection of cheques at all other places will be borne by the Unitholder. For redemptions of amounts above Rs. 5,000 the 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 Unitholders 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 and FIIs:

Credit balances in the account of an NRI / FIIs 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 subject to deduction of tax at source, as applicable by means of a Rupee cheque payable to the NRIs / FIIs or by a foreign currency draft drawn at the then current rates of exchange less bank charges thereof subject to RBI procedures and approvals.

In terms of the Schedule 5 of Notification No. FEMA 20/2000 dated May 3, 2000 issued under the Foreign Exchange Management Act, 1999 (FEMA) the RBI has granted general permission to NRIs and FIIs who have purchased units issued by mutual funds in accordance with the aforesaid notification to tender units to the mutual funds for repurchase or for the payment of maturity proceeds.

For the purpose of this section, the term "mutual funds" is as referred to in Clause (23D) of Section 10 of Income-Tax Act, 1961.

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

As per the Regulations, the Fund shall despatch the redemption/ repurchase proceeds within 10 Business Days from the date of acceptance of redemption request. In the event of delay / failure to despatch the redemption / repurchase proceeds within the aforesaid 10 working days, the AMC will be liable to pay interest to the Unitholders @ 15% p.a. for the period of delay.

- **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 Unitholders of the Scheme offered under this Scheme Information Document, 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 the Scheme, 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.

❖ Transfer / Transmission

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.**

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, then subject to the production of evidence which in the opinion of the Mutual Fund is sufficient, the Mutual Fund will effect the transfer if the intended transferee is otherwise eligible to hold the Units. 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 unitholders in favour of the surviving unitholders/ nominee/ claimant shall discharge the mutual fund/ Asset Management Company/ Trustee Company of all liability towards the estate of the deceased unitholders 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 Unitholder's estate.

❖ Bank Mandate

It is mandatory for every applicant to provide the name of the bank, branch, address, account type and number as per requirements laid down by SEBI and any other requirements stated in the Application Form without these details will be treated as incomplete. Such incomplete applications will be rejected. The Registrar / AMC may ask the investor to provide a blank cancelled cheque or its photocopy for the purpose of verifying the bank account number. This provision is not applicable as the Scheme is a close ended scheme.

❖ Switching

On an ongoing basis, the Unitholders have the option to switch-out (post completion of the lock in period) from the Scheme to any of the other Scheme offered by the Fund, which is available for investment at that time, subject to prevailing load structure.

A switch by NRIs / FIIs Unitholders will be subject to the compliance of procedures and / or final approval of the Reserve Bank of India or and any other agency, as may be required.

A switch has the effect of redemption from the Scheme and a purchase in the other Scheme /Plan/ Option to which the switching has been done and the terms and conditions pertaining to same are specified below.

To effect a switch, a Unitholder must provide clear instructions. Such instructions may be provided in writing or by completing the transaction slip / form attached to the account statement or telephonically by providing PIN number. Requests for switching can be sent to the Fund through CAMS Service Centres / Designated Centres of the AMC / Registrar. All switch requests received prior to the cut off timing on any Business Day will be considered accepted on that Business Day, subject to the request being complete in all respects and provided the Business Day is a Business Day for both, the Scheme from which one is switching out and the Scheme/Plan/Option into which one is switching in. When a switching request is received after the cut off time, then the request will deemed to have been received on the next Business Day. An account statement reflecting the new holding will be dispatched to the Unitholder within 3 Business Days of the completion of the switch transaction.

The switch will be effected by redeeming Units from the Scheme in which the Units are held and investing the net proceeds in the other Scheme / Plans / Options, subject to the minimum balance, minimum application amount and subscription / redemption criteria applicable for the Scheme/ Plan/ Option.

Applicable NAV for switches would be NAV per unit as applicable to Redemptions in respect of switch out scheme/plan/option and NAV per unit as applicable to subscriptions in respect of switched in scheme/plan/option. Please refer Applicable NAV, Entry Load and Exit Load of the scheme/plan/option in Highlights/Summary of the Scheme.

C. PERIODIC DISCLOSURES

Net Asset Value:

(This is the value per unit of the scheme on a particular day. Investors can ascertain the value of their investments by multiplying the NAV with unit balance.)

The NAV of the Scheme shall be declared on every business day and announced by the Fund. The Unitholders may obtain the information on NAV on any business day, by calling the office of the AMC or any of the Investor Service Centres or on the website of the AMC. Further, the AMC shall publish the NAV of Units on every business day in 2 newspapers, with all India circulation. The AMC shall update the NAV on the website of Association of Mutual Funds in India - AMFI (www.amfiindia.com) by 9.00 p.m of the same business day. In case of any delay, the reasons for such delay would be explained to AMFI by the next day. If the NAVs are not available before commencement of business hours on the following day due to any reason, the Fund shall issue a press release providing reasons and explaining when the Fund would be able to publish the NAV.

1. Half yearly Disclosures –

Portfolio:

This is a list of securities where the corpus of the Schemes is invested. The market value of these investments is also stated in the portfolio disclosures. Full portfolio details, in the prescribed format, shall be disclosed either by publishing it in the newspapers or by sending to the Unit Holders within one month from the end of each half-year (i.e. March 31 and September 30) and it shall also be displayed on the website of the Mutual Fund.

Financial Results:

The Mutual Fund shall before the expiry of one month from the close of each half year (i.e. March 31 and September 30) display its unaudited financial results on the website of the Mutual Fund. Further, an advertisement disclosing the hosting of the aforesaid results on the website shall be published in one national English daily newspaper circulating in the whole of India and in a Marathi daily newspaper.

2. Annual Report:

An annual report of the Schemes will be prepared as at the end of each financial year (i.e. March 31) and copies of the report or an abridged summary thereof will be sent to all Unit Holders as
soon as possible but not later than 4 months from the closure of the relevant financial year. In case of an Unit Holder whose e-mail address is available with the AMC/Mutual Fund, the annual report or abridged summary thereof will be sent by way of an e-mail at the e-mail address provided by the Unit Holder and such Unit Holder will not receive physical copies of the annual report or abridged summary thereof unless a specific request is received by the AMC/Mutual Fund in this behalf from the Unit holder.

The Unit Holder may request for physical copies of the annual report or abridged summary thereof by calling the toll-free investor line of the AMC at 1800 2000 400 or 0124 3915655 (at long distance rates).

An Unit holder whose-mail address is not available with the AMC/ Mutual Fund, the AMC shall continue to dispatch the annual report or an abridged summary thereof in physical form.

The full report or the abridged summary thereof will be displayed on the website of the Mutual Fund i.e. www.lntmf.com and will also be available for inspection at the registered office of the AMC and a copy thereof will be provided on request to the Unit Holder.

3. Associate Transactions:

Please refer to Statement of Additional Information for transactions with associates.

4. Taxation:

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the Scheme.

	Resident Investors	**Mutual Fund**
Tax on dividend	Not Taxable[1]	Not Taxable[2]
Capital Gains[3]:		Nil - Since income is exempt from tax subject to comments mentioned above
Long Term[4]	Exempt from tax[5]	
Short Term[6]	15%7 (plus applicable surcharge and education cess)	

1 Under section 10(35) of the Income-tax Act, 1961 ('Act')

2 Under section 10(23D) of the Act. Further, income distributed by an equity oriented scheme is exempt from tax. However, the Fund may be subject to tax outside India on account of its investment outside India, based on the tax laws prevailing in the respective jurisdiction of investment.

3 The characterization of gains/losses arising from sale/transfer of units as 'capital gains' or 'business income' would depend on whether the units are treated as 'capital asset' or 'stock in trade' respectively. The tax rates mentioned above shall apply if the investor holds the asset as 'capital asset'.

4 Units of a mutual fund are treated as a long-term capital asset if they are held for a period of more than or equal to 12 months preceding the date of transfer.

5 In respect of units of equity oriented scheme which invests at least 65% of its corpus in the equity shares of domestic companies

6 Units of a mutual fund are treated as a short-term capital asset if they are held for a period not more than 12 months preceding the date of transfer.

7 In respect of units of equity oriented scheme which invests at least 65% of its corpus in the equity shares of domestic companies

The Scheme will also attract securities transaction tax (STT) at applicable rates.

6. Investor Services:

Mr. John Vijayan is the Investor Relations Officer and can be contacted at:

3rd Floor, Investwell Centre, 91, G. N. Chetty Road, T Nagar, Chennai-600 017

Tel: 1800 2000 400 Fax: 044-4902 2818

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

D. COMPUTATION OF NAV

NAV of Units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs)} = \frac{\text{Market or Fair Value of Scheme's investments (+) Current Assets (-) Current Liabilities and Provisions}}{\text{No. of Units outstanding under Scheme}}$$

NAV will be declared as of the close of every business day. NAVs will be rounded off to two decimal places in case of all the Scheme in this SID. The valuation of the Scheme' assets and calculation of the Scheme' NAV shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

The Scheme currently do not propose to invest in overseas/ foreign securities. However, the Schemes may invest some part of its assets in foreign/ overseas securities. There are no specific SEBI guidelines on valuation of foreign securities at present. In the absence of any guidelines, the following policy will be followed:

In case of investment in foreign securities, on the Valuation Day, the securities shall be valued in line with the valuation norms specified by SEBI for Indian equity/ debt securities. However, in case valuation for a specific equity/ debt security is not covered by SEBI (MF) Regulations, then the security will be valued on fair value basis.

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 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. In case any particular security is not traded on the Valuation Day, the same shall be valued on a fair value basis by the Valuation Committee of the AMC.

On the Valuation Day, all assets and liabilities denominated in foreign currency will be valued in Indian Rupees at the exchange rate available on Bloomberg / Reuters / RBI at the close of banking hours in India. The Trustees/ AMC reserve the right to change the source for determining the exchange rate.

The exchange gain / loss resulting from the aforesaid conversion shall be recognized as unrealized exchange gain / loss in the books of the Scheme on the day of valuation. Further, the exchange gain / loss resulting from the settlement of assets / liabilities denominated in foreign currency shall be recognized as realized exchange gain / loss in the books of the scheme on the settlement of such assets / liabilities.

NAV Information/ Sale and Repurchase price:

a) NAV shall be published at least in two daily newspapers on every business days.
b) The repurchase price shall not be lower than 93% of the NAV and the sale price shall not be higher than 107% of the NAV and the difference between the repurchase price and sale price shall not

exceed 7% on the sale price. In the case of close-ended scheme the repurchase price shall not be lower than 95% of the NAV.

IV. FEES AND EXPENSES

A. NEW FUND OFFER (NFO) EXPENSES: Not Applicable

B. ANNUAL SCHEME RECURRING EXPENSES:

These are the fees and expenses for operating the Scheme. For the actual current expenses being charged, the investor should refer to the website of the mutual fund. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that upto the percentages mentioned in the table below of the daily average net assets of the scheme, will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the Mutual Fund.

Estimate of recurring expenses have been made in good faith as per information available to the AMC and the total expenses may be more than as specified in the table below. Expenses over and above the following limits specified by SEBI will be borne by the AMC. This information is provided to assist the investor in understanding the various costs & expenses that the investor will bear directly or indirectly.

The total annual recurring expenses are estimated at 2.70% of the daily average net assets, as given below. These expenses are subject to inter-se change and may increase/decrease as per actual and/or any change in the regulations.

- On the first Rs.100 Crore of the daily net assets - 2.70%
- On the next Rs.300 Crore of the daily net assets - 2.45%
- On the next Rs.300 Crore of the daily net assets – 2.20%
- On the balance of the assets – 1.75%

The total annual recurring expenses for the Scheme is estimated at 2.70% of the daily net assets (for first Rs. 100 crore) as given below:

(% per annum of daily net assets)

Particulars	L&T Long Term Advantage Fund – I
Investment Management & Advisory Fees	1.45
Other Operating & Marketing Expenses	1.25
Total Recurring Expenses	**2.70%**

In addition to the limits specified under the schemes, the following cost or expenses may be charged to the Scheme, namely:

(I) Brokerage and transaction cost incurred for the purpose of execution of trade may be capitalized to the extent of 12bps and 5bps for cash market transactions and derivatives transactions respectively. Any payment towards brokerage and transaction cost, over and above
the said 12 bps and 5bps for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996. Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the AMC or by the trustee or sponsors.

(II) Additional expenses not exceeding of 0.30 per cent of daily net assets, if the new inflows from beyond top 15 cities are at least:

(i) 30 per cent of gross new inflows in the Scheme, or;
(ii) 15 per cent of the average assets under management (year to date) of the Scheme, whichever is higher:

Provided that if inflows from such cities is less than the higher of sub-clause (i) or sub- clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis.

Provided further that expenses charged under this clause shall be utilized for distribution expenses incurred for bringing inflows from such cities.

Provided further that amount incurred as expense on account of new inflows from such cities be credited back to the Scheme in case the said inflows are redeemed within a period of one year from the date of investment.

(III) Service Tax on investment and advisory fees shall be charged to the Scheme in addition to the maximum limit of Annual Scheme Recurring Expenses as prescribed in the Regulation 52, as amended from time to time.

(IV) Further, the AMC/ Mutual Fund shall annually set apart at least 2 basis points on the daily net assets within the limits of Annual Scheme Recurring Expenses as prescribed in the Regulation 52, as amended from time to time, for investor education and awareness initiatives.

C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the Scheme. This to amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC www.lntmf.com or you may call at (toll free no.) 1800-209-7575 or your distributor.

Entry Load: Not Applicable

Exit Load:

Name of the Scheme	**Exit Load**
L&T Long Term Advantage Fund – I	Nil

In accordance with SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012; L&T Mutual Fund shall credit, exit load (net off service tax, if any, payable in respect of the same) to the Scheme of the Fund.

Bonus units and units issued on reinvestment of dividends shall not be subject to exit load.

Subject to the SEBI Regulations/ Circulars issued from time to time, the Trustees/ AMC reserves right to modify/ alter the load structure on a prospective basis.

The investor is requested to check the prevailing load structure of the scheme before investing.

For any change in load structure AMC will issue an addendum/ notice-cum-addendum and display it on the website/ Investor Service Centers.

Any imposition or enhancement of Load in future shall be applicable on prospective investments only. At the time of changing the Load Structure:

(i) The addendum detailing the changes will be attached to the Scheme Information Document and Key Information Memorandum. The addendum will be circulated to all the distributors/ brokers so that the same can be attached to all the Scheme Information Documents and Key Information Memorandum already in stock.

(ii) Arrangements will be made to display the changes / modifications in the Scheme Information Document in the form of a notice in all the Investor Service Centers and distributors / brokers' office.

(iii) The introduction of the Exit Load along with the details will be stamped in the acknowledgement slip issued to the investors on submission of the application form and will also be disclosed in the Account Statement or in the covering letter issued to the Unitholders after the introduction of such Load.

(iv) A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated.

(v) Any other measures which the mutual funds may feel necessary.

Usage of Load Account

• Pursuant to SEBI Circular no. CIR/IMD/DF/4/2011 dated October 9, 2011, load balances can be used for marketing and selling expenses including distributors/ agent commissions.

• One-third of the Load balances as on July 31, 2009 can be used in any financial year. The unutilized balances can be carried forward, provided the total spending, in any financial year, is not more than one-third of the Load balances as on July 31, 2009.

• With effect from October 1, 2012, L&T Mutual Fund shall credit, exit load (net off service tax, if any, payable in respect of the same) to the Scheme of the Fund.

V. RIGHTS OF UNITHOLDERS

Investors are requested to refer SAI for these details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY.

1) All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income/ revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed. –NIL

2) In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed. - SEBI passed a consent order dated December 16, 2010 read with the corrigendum dated December 20, 2010 in respect of certain alleged violations/ contraventions of the SEBI Act, 1992 and Regulations 25(2), 25(3) and 68(h) of the SEBI

(Mutual Funds) Regulations, 1996 by L&T Investment Management Limited (formerly known as DBS Cholamandalam Asset Management Limited), for which adjudication proceedings were initiated by SEBI, in relation to certain third parties being aware of the trading strategy of L&T Investment Management Limited during the period from April 2008 to May 2008, prior to the acquisition of DBS Cholamandalam Asset Management Limited by L&T Finance Limited.

3) Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed. - Based on the information made available to the AMC, adjudication proceedings have been initiated by SEBI against two equity Fund Managers (of which one Fund Manager has already resigned) and one equity Dealer of the AMC, in connection with the alleged contravention of Section 12A(e) of the SEBI Act, 1992 and Regulation 3 and Regulation 4(1) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003.

4) Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately. - As per the Regulations, mutual fund schemes are permitted to invest in securitised debt. Accordingly the Fund had made investment in certain Pass Through Certificates of a securitisation trust (“the Trust).

The Fund received a notice from the Income Tax Department demanding tax on income earned by some of the Fund’s schemes (L&T Liquid Fund and L&T Ultra Short Term Fund) in respect of the investment made in Pass Through Certificates of the Trust. The demand was initially raised on the Trust, which was created as a Special Purpose Vehicle for securitisation purpose. The Trust contested the demand on the ground of it being a pass-through vehicle. Subsequently, the demand was also raised on the Fund for a sum of Rs. 9.63 crores pursuant to the provisions of section 177 (3) of the Income Tax Act in the capacity of a contributor to/beneficiary from the Trust.

The Fund, in consultation with its Legal and Tax advisors has contested the applicability of such demand and believes at the moment that there is no need to make any provision in the financial statements and accordingly has not made any provision but made the necessary disclosure by way of a note in the financial statements of the Fund. We believe that similar demands have been made by the Income Tax department against such mutual funds, the schemes of which invested in the PTC of the Trust and hence this is not a matter restricted only to the Fund but is a matter impacting the entire mutual fund industry.

Further, through AMFI, the matter has also been raised with the ministry of finance to seek necessary clarifications in the matter from them as well requesting them to make amendments in the provisions of the Income Tax Act, if necessary.

5) Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed. - NIL

Jurisdiction:

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

Omnibus Clause:

Besides the AMC, the Trustee / Sponsor may also absorb expenditures in addition to the limits laid down under Regulation 52. Further, any amendment / clarification and guidelines including in the form of notes or circulars issued from time to time by SEBI for the operation and management of mutual fund shall be applicable.

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

For L&T Investment Management Limited
(Asset Management Company for L&T Mutual Fund)

sd/-
Date: June 28, 2013 **Ashu Suyash**
Place: Mumbai **Chief Executive Officer**

L&T Investment Management Limited - Investor Service Centres:

Ahmedabad: 301, Raindrops Building, Opp. Cargo Motors, C. G. Road, Ellis Bridge, Ahmedabad 380006, Gujarat. **Bengaluru:** #205-207, 2nd floor, Phoenix towers, 16 & 16/1, Museum Road, Bangalore 560025, Karnataka. **Chandigarh:** SCO-487-488, Cabin No. 9-10,Second Floor, Sector 35 C, Chandigarh - 160022, Punjab & Haryana. **Chennai:** 3rd Floor, Investwell Centre, 91, G.N. Chetty Road, T. Nagar, Chennai 600017, Tamil Nadu. **Cochin :** 2nd Floor, Ventura, Edapally Bye pass Road, Edapally P.O., Cochin-682024, Kerala **Goa :** Edcon Towers, 1st Floor, Shop No. F 2, First Floor, Menezes Braganza Road, Tanaji Goa - 403001. **Hyderabad:** 4th Floor, APDL Estates, 7-1-21/A, Survey No.341/1, Begumpet, Hyderabad – 500017. Andhra Pradesh. **Indore:** 118 City Centre, 570 M.G. Road, Indore- 452001- M.P., Madhya Pradesh. **Jaipur:** Unit No 201 & 202,Trimurty,V-Jay City Point, D-52, Ahinsa Circle, Ashok Marg, C-Scheme, Jaipur, Rajasthan-302 001.**Kolkata :** 408, 4th floor, Azimganj House, 7,Camac Street, Kolkata 700017, West Bengal. **Lucknow:** Office no. 104, 1st Floor, Sky High Chambers, 5 Park Road, Lucknow. UP - 226 001, Uttar Pradesh. **Mumbai (HO):** 6th Floor, Mafatlal Centre, Nariman Point, Mumbai 400021, Maharashtra. **Nagpur:** Chamber No S3 , Yoshoda Apartment, Plot No.20,Near Mata Mandir, Dharampeth,Nagpur-440010, Maharashtra. **New Delhi:** 6th Floor, DCM Building, 16, Barakhambha Road,Connaught Place, New Delhi - 110001, New Delhi. **Patna:** 3004, 3rd Floor, Grand Plaza, Fraser Road, Near Dakbunglow Chowraha,Patna-800001, Bihar. **Pune:** Unit No. 406, 4th Floor, Nucleus Mall, 1, Church Road, Camp, Pune 411001, Maharashtra. **Surat:** Ground Floor "C" wing, Office No. G-9, ITC Building, Majuragate, Surat-395002,Tel: (0261) 2475888, Gujarat. **Vadodara:** UG/09, Concord, R C Dutt Road, Alkapuri, Vadodara – 390007, Gujarat .

L&T Investment Management Limited - Sales Offices

Agra: Shop No. F, C-6, Block No. 41/4B, Friends Tower, Sanjay Place, Agra-282002, Uttar Pradesh. **Allahabad:** Shop No.5, AnnantRaj Plaza, 132 B/28, Mahatma Gandhi Marg (opposite Rana Jewellers), Civil Lines, Allahabad – 211001, Uttar Pradesh. **Amritsar:** S.C.O 25, Mezzanıne Floor, Distt.Shoppıng Complex, Ranjıt Avenue B-Block, Amrıtsar-143001. Ph. 01835030353/54, Punjab. **Bhavnagar:** Shop No. FF-5, Gopi Arcade, Waghawadi Road, Bhavnagar 364002, Gujarat. **Bhopal :** 2nd Floor 131/3 M P Nagar, Major Shopping Centre Zone II, Scheme No 30, Bhopal 462011, Madhya Pradesh. **Bhuvaneshwar :** 1st Floor, Rajdhani House, 77 Janpath, Kharvel Nagar, Bhuvaneshwar, Orissa - 751001. **Cochin :** 2nd Floor, Ventura, Edapally Bye pass Road, Edapally P.O., Cochin-682024, Kerala. **Coimbatore:** Kovai Towers, 2nd Floor, 44, Balasundram Road, (RTO Office Road) Coimbatore - 641 018, Tamil Nadu. **Cuttack:** Plot no - 905/1735 Near college square post office College square Cuttack - 753003 Odisha, Odisha. **Dehradun:** Ground Floor - 23, Sri Radha Palace, 78,Rajpur Road, Opp. Pizza Hut, Dehradun - 248 001, Uttarakhand. **Dhanbad:** 1st Floor, Rathod Mansion, Bank More, Below UCO Bank, Dhanbad-826001, Jharkhand. **Durgapur :** B-27, Biplabi Rashbihari Basu Sarani, Bidhan Nagar, Sector 2 A, Durgapur-713 212 WB, West Bengal. **Gorakhpur:** Shop No 20, 2nd Floor, Cross road The Mall, Bank Road, Gorakhpur-273001, Uttar Pradesh. **Gwalior:** 2nd Floor, J.J.Plaza, Huzrat Chauraha, lashkar, Gwalior - 474001, Madhya Pradesh. **Guwahati:** Milanpur Road, Bamuni Maidan, Guwahati - 781021, Assam. **Hubli :** z, Karnataka. **Jalandhar :** SCO: 47, 2nd Floor, Gauri Tower, Puda Complex, Opp. Tehsil Complex, Jalandhar- 144001, Punjab. **Jammu:** 70D/C, Gandhi Nagar, Near Valmiki Chowk, Jammu-180004, Jammu & Kashmir. **Jamnagar:** G-43, Ground Floor, Madhav Plaza, Opp sbi Bank, Near Lal Banglow,Jamnagar-361001, Gujarat. **Jamshedpur :** L&T Investment Management Limited, Shop No.5, Ground Floor, R R Square, Bistupur, Jamshedpur-831001, Jharkhand. **Jodhpur :** 2nd Floor, DhanLaxmi Tower, Above IDBI Bank, Chopasni Road, Sardarpura, Jodhpur-342001, Rajasthan. **Kanpur:** 717, 7th Floor, Kan Chambers, 14/113 Civil Lines, Kanpur-208001, Uttar Pradesh. **Kolhapur :** Anant Towers, 1st Floor, Skys extension, Rajarampuri Road, Kolhapur - 416008, Maharashtra. **Ludhiana :** SCO-10-11, 2nd Floor,Feroze Gandhi Market, Ludhiana -141 001, Punjab. **Madurai :** No 489,First Floor West First Street KK Nagar, Madurai-625020, Tamil Nadu. **Mangalore :** No-14-4-511-50,3rd floor, Crystal-ARC, Balmata Road, Hampanakatta, Mangalore – 575001, Karnataka. **Meerut :** 2nd Floor, Metro Arcade, Tejgarhi, Near BSNL Office, Meerut-250004, Uttar Pradesh. **Mysore :** No: 133, 3rd floor, Shikha Towers, Ramavilas Road, Mysore-570024, Karnataka. **Nashik:** Shop no. 10, 1st Floor, Kapadia Commercial Complex,Opp Janalaxmi Bank (HO), Old Agra Road, Nashik 422 001, Maharashtra. **Raipur :** 1st Floor, Office No. FF 08, Avinash House, Maruti Business Park, G E Road, Raipur, Chattisgarh - 492001, Chattisgarh. **Rajkot:** 302-Metro Plaza, Near Eagle Travels, Moti Taki Chowk, Rajkot - 360 001.**Ranchi:** 1st Floor,45,Garikhana,Nr, PNB,Harmu Road, Ranchi - 834001, Jharkhand. **Rourkela:** Sector - 19, L&T House, Ambagan, Rourkela - 769005 ORISSA, Odisha.**Siliguri:** c/o sonamotors, 3rd mile,3rd floor Sevoke Road, Siliguri - 734 008, West Bengal. **Thiruvananthapuram:** L&T Investment Management Limited, T C26/1309,3rd floor, Uthradam Building, Panavila Junction, RBI Station, Road Trivandrum -695001, Kerala. **Trichy :** 2nd Floor, Sterling Biz Park, C-86, North East Extn, Fort Station Road,thillai Nagar, Trichy 620 018, Tamil Nadu. **Varanasi :** Unit No D64/127, CH,Arihant Complex, Sigra, Varanasi - 221010., Uttar Pradesh. **Vijaywada:** Door no. 40-5-6/1, Brundavana Colony, Tikkil Road, Labbipeta,Vijaywada 520 010, Andhra Pradesh. **Vishakhapatnam:** L&T Investment Management, door no-10-1-6, flat no 305, 3rd floor, Vinayaghar heights, near Sampath Vinayaka temple, Waltair uplands, Visakhapatnam-530003, Andhra Pradesh. -520 010. **Visakhapatnam:** Door No. 10-1-6, Flat No. 305, 3rd Floor, Vinayaghar Heights, Near Sampath Vinayaka Temple, Waltair Uplands, Visakhapatnam-530 003.

Computer Age Management Services Private Limited (CAMS)

Ahmedabad: 402-406, 4th Floor-Devpath Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, Ahmedabad-380 006. **Agartala:** Advisor Chowmuhani (Ground Floor), Krishnanagar, Agartala, Agartala-799001. **Agra:** No. 8, II Floor, Maruti Tower, Sanjay Place, Agra-282002. **Ahmednagar:** 203-A,Mutha Chambers, Old Vasant Talkies, Market Yard Road, Ahmednagar , Ahmednagar -414 001 . **Ajmer:** AMC No. 423/30, Near Church, Brahampuri,Opp T B Hospital, Jaipur Road, Ajmer-305001. **Akola:** Opp. RLT Science College, Civil Lines, Akola-444001. **Aligarh:** City Enclave, Opp.Kumar Nursing Home, Ramghat Road, Aligarh-202001. **Allahabad:** 30/2, A&B, Civil Lines Station, Besides Vishal Mega Mart, Strachey Road, Allahabad-211001. **Alleppey:** Doctor's Tower Building, Door No. 14/2562, 1st floor, North of Iorn Bridge, Near Hotel Arcadia Regency, Alleppey-688011. **Alwar:** 256A, Scheme No:1, Arya Nagar, Alwar-301001. **Amaravati:** 81, Gulsham Tower, 2nd Floor, Near Panchsheel Talkies, Amaravati-444601.**Ambala:** Opposite PEER, Bal Bhavan Road, Ambala, Ambala-134003. **Amritsar:** SCO-18J, 'C', BLOCK RANJIT AVENUE, Amritsar-140001. **Anand:**101, A.P. Tower, B/H, Sardhar Gunj, Next to Nathwani Chambers, Anand-388001. **Anantapur:** 15-570-33, I Floor, Pallavi Towers, Anantapur , Anantapur -515 001 . **Andheri:** CTS No 411, Citipoint, Gundivali, Teli Gali, Above C.T. Chatwani Hall, Andheri, Andheri-400069. **Ankleshwar-Bharuch:** Shop No-F -56, First Floor,Omkar Complex, Opp Old Colony,Nr Valia Char Rasta, GIDC, Ankleshwar- Bharuch -393002. **Asansol:** Block – G 1st Floor, P C Chatterjee Market Complex, Rambandhu Talab P O Ushagram, Asansol-713303. **Aurangabad:** Office No. 1, 1st Floor, Amodi Complex, Juna Bazar, Aurangabad-431001. **Balasore:** B C Sen Road, Balasore-756001. **Bangalore:** Trade Centre, 1st Floor, 45, Dikensen Road, (Next to Manipal Centre), Bangalore-560 042. **Bareilly:** F-62-63, Butler Plaza, Civil Lines, Bareilly, Bareilly-243001. **Basti:** Office no 3, Ist Floor, Jamia Shopping Complex,(Opposite Pandey School), Station Road, Basti-272002. **Belgaum:** 1st Floor, 221/2A/1B, Vaccine Depot Road, Near 2nd Railway gate, Tilakwadi, Belgaum-590006. **Bellary:** 60/5, Mullangi Compound, Gandhinagar Main Road, (Old Gopalswamy Road), Bellary-583101. **Berhampur:** First Floor, Upstairs of Aaroon Printers, Gandhi Nagar Main Road, Orissa, Berhampur-760001. **Bhagalpur:** Krishna, I Floor, Near Mahadev Cinema, Dr.R.P.Road, Bhagalpur, Bhagalpur-812002. **Bharuch:** F-108, Rangoli Complex, Station Road, Bharuch, Bharuch-392001. **BHATINDA:** 2907 GH,GT Road, Near Zila Parishad, BHATINDA, BHATINDA-151001. **Bhavnagar:** 305-306, Sterling Point, Waghawadi Road, OPP. HDFC BANK, Bhavnagar-364002. **Bhilai:** 209, Khichariya Complex, Opp IDBI Bank, Nehru Nagar Square, Bhilai-490020. **Bhilwara:** Indraparstha tower, Second floor, Shyam ki sabji mandi, Near Mukharji garden, Bhilwara-311001. **Bhopal:** Plot no 10, 2nd Floor, Alankar Complex, Near ICICI Bank, MP Nagar, Zone II, Bhopal-462011. **Bhubaneswar:** Plot No-111, Varaha Complex Building, 3rd Floor, Station Square, Kharvel Nagar,Unit 3, Bhubaneswar-751 001. **Bhuj-Kutch:** Data Solution, Office No:17, I st Floor, Municipal Building Opp Hotel Prince, Station Road, Bhuj-Kutch-370001. **Bhusawal:** 3, Adelade Apartment, Christain Mohala, Behind Gulshan-E-Iran Hotel, Amardeep Talkies Road, Bhusawal, Bhusawal-425201. **Bikaner:** F 4,5 Bothra Complex, Modern Market, Bikaner, Bikaner-334001. **Bilaspur:** Beside HDFC Bank, Link Road, Bilaspur, Bilaspur-495 001. **Bokaro:** Mazzanine Floor, F-4, City Centre, Sector 4, Bokaro Steel City, Bokaro-827004. **Burdwan:** 399, G T Road, Basement of Talk of the Town, Burdwan-713101. **Calicut:** 29/97G 2nd Floor, Gulf Air Building, Mavoor Road, Arayidathupalam, Calicut-673016. **Chandigarh:** Deepak Tower, SCO 154-155,1st Floor, Sector 17-C, Chandigarh-160 017. **Chennai:** Ground Floor No.178/10, Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam, Chennai-600 034. **Chennai:** Ground Floor, 148 Old Mahabalipuram Road, Okkiyam, Thuraipakkam, Chennai-600097. **Chhindwara:** Office No-1, Parasia Road, Near Mehta Colony, Chhindwara-480 001. **Chittorgarh:** 3 Ashok Nagar, Near Heera Vatika, Chittorgarh-312001. **Cochin:** Ittoop's Imperial Trade Center , Door No. 64/5871 – D, 3rd Floor, M. G.Road (North), Cochin-682 035. **Coimbatore:** Old # 66 New # 86, Lokamanya Street (West), Ground Floor, R.S.Puram, Coimbatore-641 002. **Cuttack:** Near Indian Overseas Bank, Cantonment Road, Mata Math, Cuttack-753001. **Darbhanga:** Shahi Complex,1st Floor, Near RB Memorial hospital,V.I.P. Road, Benta, Laheriasarai, Darbhanga, Darbhanga-846001. **Devengere:** 13, Ist Floor, Akkamahadevi Samaj Complex, Church Road, P.J.Extension, Devengere-577002. **Dehradun:** 204/121 Nari Shilp Mandir Marg, Old Connaught Place, Dehradun-248001. **Deoghar:** S S M Jalan Road, Ground floor, Opp. Hotel Ashoke, Caster Town, Deoghar-814112 . **Dhanbad:** Urmila Towers, Room No: 111(1st Floor), Bank More, Dhanbad-826001. **Dharmapuri:** 16A/63A, Pidamaneri Road, Near Indoor Stadium, Dharmapuri, Dharmapuri-636 701. **Dhule:** H. No. 1793/A, J.B. Road, Near Tower Garden, Dhule-424 001. **Durgapur:** City Plaza Building, 3rd floor, City Centre, Durgapur-713 216. **Erode:** 197, Seshaiyer Complex, Agraharam Street, Erode-638001. **Faizabad:** 64 Cantonment, Near GPO, Faizabad, Faizabad-224001. **Faridhabad:** B-49, Ist Floor, Nehru Ground, Behind Anupam Sweet House, NIT, Faridhabad-121001. **Gandhidham:** Plot No. 261, 1st Floor, Sector 1A, Om Mandap Galli, Gandhidham-370 201. **Gazhiabad:** 113/6 I Floor, Navyug Market, Gazhiabad-201001. **Panaji (Goa):** No.108, 1st Floor, Gurudutta Bldg, Above Weekender, M G Road, Panaji (Goa)-403 001. **GONDAL:** A/177, Kailash Complex, Opp. Khedut Decor, GONDAL-360 311. **Gorakhpur:** Shop No. 3, Second Floor, The Mall, Cross Road, A.D. Chowk, Bank Road, Gorakhpur-273001. **Gulbarga:** Pal Complex, Ist Floor, Opp. City Bus Stop,SuperMarket, Gulbarga, Gulbarga-585 101. **Guntur:** Door No 5-38-44, 5/1 BRODIPET, Near Ravi Sankar Hotel, Guntur-522002. **Gurgaon:** SCO-16, Sector-14, First floor, Gurgaon-122001. **Guwahati:** A.K. Azad Road, Rehabari, Guwahati-781008. **Gwalior:** G-6 Global Apartment, Kailash Vihar Colony, Opp. Income Tax Office,City Centre, Gwalior-474002.**Haldia:** 2nd Floor, New Market Complex, 2nd Floor, New Market Complex, Durgachak Post Office,Purba Medinipur District, Haldia, Haldia-721 602. **Haldwani:** Durga City Centre, Nainital Road, Haldwani, Haldwani-263139. **Hazaribagh:** Municipal Market, Annanda Chowk, Hazaribagh, Hazaribagh-825301. **Himmatnagar:** D-78 First Floor, New Durga Bazar, Near Railway Crossing, Himmatnagar, Himmatnagar-383 001. **Hisar:** 12, Opp.Bank of Baroda, Red Square Market, Hisar, Hisar-125001. **Hoshiarpur:** Near Archies Gallery, Shimla Pahari Chowk, Hoshiarpur, Hoshiarpur-146 001.**Hosur:** Shop No.8 J D Plaza, OPP TNEB Office, Royakotta Road, Hosur-635109. **Hubli:** No.204-205, 1st Floor, ‘ B ‘ Block, Kundagol Complex, Opp.Court, Club Road, Hubli-580029. **Secunderabad:** 208, II Floor, Jade Arcade, Paradise Circle, Secunderabad-500 003. **Indore:** 101, Shalimar Corporate Centre, 8-B, South tukogunj, Opp.Greenpark, Indore-452 001. **Jabalpur:** 8, Ground Floor, Datt Towers, Behind Commercial Automobiles, Napier Town, Jabalpur-482001. **Jaipur:** R-7, Yudhisthir Marg,C-Scheme, Behind Ashok Nagar Police Station, Jaipur-302 001. **Jalandhar:** 367/8, Central Town, Opp.Gurudwara Diwan Asthan, Jalandhar-144001. **Jalgaon:** Rustomji Infotech Services, 70, Navipeth, Opp. Old Bus Stand, Jalgaon-425001. **Jalna:** Shop No 6, Ground Floor, Anand Plaza Complex, Bharat Nagar,Shivaji Putla Road, Jalna, Jalna-431 203. **Jammu:** JRDS Heights, Lane Opp. S&S Computers, Near RBI Building, Sector 14, Nanak Nagar, Jammu-180004. **Jamnagar:** 217/218, Manek Centre, P.N. Marg, Jamnagar-361008. **Jamshedpur:** Millennium Tower, “R” Road, Room No:15 First Floor, Bistupur, Jamshedpur-831001. **Jaunpur:** 248, FORT ROAD, Near AMBER HOTEL, Jaunpur -222001.**Jhansi:** Opp SBI Credit Branch, Babu Lal Kharkana Compound, Gwalior Road, Jhansi-284001. **Jodhpur:** 1/5, Nirmal Tower, Ist Chopasani Road, Jodhpur-342003. **Junagadh:** Circle Chowk, , Near Choksi Bazar Kaman, , Gujarat, Junagadh-362001. **Kadapa:** Bandi Subbaramaiah Complex, No:3/1718, Shop No: 8, Raja Reddy Street, Kadapa, Kadapa-516 001. **Kakinada:** No.33-1, 44 Sri Sathya Complex, Main Road, Kakinada, Kakinada-533 001. **Kalyani:** A-1/50, Block-A, Dist Nadia, Kalyani-741235. **Kannur:** Room No.14/435, Casa Marina Shopping Centre, Talap, Kannur, Kannur-670004.**Kanpur:** I Floor 106 to 108, CITY CENTRE Phase II, 63/2, THE MALL, Kanpur-208 001. **Karimnagar:** HNo.7-1-257, Upstairs S B H, Mangammathota,Karimnagar, Karimnagar-505 001. **Karnal:,** 7, Ist Floor, Opp Bata Showroom, Kunjapura Road, Karnal, Karnal-132001. **Karur:** 126 G, V.P.Towers, Kovai Road, Basement of Axis Bank, Karur, Karur-639002. **KATNI:** 1st Floor, Gurunanak Dharmakanta, Jabalpur Road, BARGAWAN, KATNI-483 501.**Kestopur:** 148,Jessore Road, Block -B (2nd Floor), Kolkata, Kestopur-700101. **Khammam:** Shop No: 11-2-31/3, 1st floor, Philips Complex, Balajinagar, Wyra Road, Near Baburao Petrol Bunk, Khammam-507 001. **Kharagpur:** H.NO.291/1, WARD NO-15, MALANCHA MAIN ROAD, OPPOSITE UCO BANK, Kharagpur, Kharagpur-721301. **Kolhapur:** 2 B, 3rd Floor, Ayodhya Towers, Station Road, Kolhapur-416001. **Kolkata:** Saket Building, 44 Park Street, 2nd Floor, Kolkata-700016. **Kollam:** Kochupilamoodu Junction, Near VLC, Beach Road, Kollam-691001. **Kota:** B-33 ‘Kalyan Bhawan, Triangle Part,Vallabh Nagar, Kota-324007. **Kottayam:** KMC IX/1331 A, Opp.: Malayala Manorama, Railway Station Road, Thekkummoottil, Kottayam-686001. **Kumbakonam:** Jailani Complex, 47, Mutt Street, Kumbakonam-612001. **Kurnool:** H.No.43/8, Upstairs, Uppini Arcade, N R Peta, Kurnool, Kurnool-518 004. **Lucknow:** Off # 4,1st Floor,Centre Court Building, 3/c, 5-Park Road, Hazratganj, Lucknow-226 001. **Ludhiana:** U/GF, Prince Market, Green Field,Near Traffic Lights, Sarabha Nagar Pulli, Pakhowal Road, Ludhiana-141 002. **Madurai:** Ist Floor,278, North Perumal Maistry street, Nadar Lane, Madurai-625 001. **Malda:** Daxhinapan Abasan, Opp Lane of Hotel Kalinga, SM Pally, Malda, Malda-732 101. **Mangalore:** No. G 4 & G 5, Inland Monarch, Opp. Karnataka Bank, Kadri Main Road, Kadri, Mangalore-575 003. **Manipal:** Trade Centre, 2nd Floor, Syndicate Circle, Starting Point,Manipal-576104. **Mapusa:** Office no.CF-8, 1st Floor, Business Point, Above Bicholim Urban Co-op Bank, Angod, Mapusa, Mapusa-403 507. **Margao:** Virginkar Chambers I Floor, Near Kamath Milan Hotel, New Market, Near Lily Garments, Old Station Road, Margao, Margao-403 601. **Mathura:** 159/160 Vikas Bazar, Mathura-281001. **Meerut:** 108 Ist Floor Shivam Plaza, Opposite Eves Cinema, Hapur Road, Meerut-250002. **Mehsana:** 1st Floor, Subhadra Complex, Urban Bank Road, Mehsana, Mehsana-384 002. **Moga:** Gandhi Road, Opp Union Bank of India, Moga, Moga-142001. **Moradabad:** B-612 ‘Sudhakar’, Lajpat Nagar, Moradabad-244001. **Mumbai:** Rajabahdur Compound, Ground Floor, Opp Allahabad Bank, Behind ICICI Bank, 30, Mumbai Samachar Marg, Fort, Mumbai-400 023. **Muzaffarpur:** Brahman toli, Durgasthan, Gola Road, Muzaffarpur-842001. **Mysore:** No.1, 1st Floor, CH.26 7th Main, 5th Cross, (Above Trishakthi Medicals), Saraswati Puram, Mysore-570009. **Nadiad:** 8, Ravi Kiran Complex, Ground Floor Nanakumbhnath Road, Nadiad, Nadiad-387001. **Nagpur:** 145 Lendra, New Ramdaspeth, Nagpur-440 010. **Namakkal:** 156A/1, First Floor, Lakshmi Vilas Building, Opp. To District Registrar Office, Trichy Road, Namakkal, Namakkal-637001. **Nasik:** Ruturang Bungalow, 2 Godavari Colony, Behind Big Bazar, Near Boys Town School, Off College Road, Nasik-422005. **Navasari:** Dinesh Vasani & Associates, 103 -Harekrishna Complex, above IDBI Bank, Nr. Vasant Talkies, Chimnabai Road, Navasari-396445. **Nellore:** 97/56, I Floor Immadisetty Towers, Ranganayakulapet Road, Santhapet, Nellore-524001. **New Delhi:** 7-E, 4th Floor, Deen Dayaal Research Institute Building, Swami Ram Tirath Nagar, Near Videocon Tower Jhandewalan Extension, New Delhi-110 055. **Noida:** C-81,1st floor, Sector-2, Noida-201301. **Palakkad:** 10/688, Sreedevi Residency, Mettupalayam Street, Palakkad, Palakkad-678 001. **Palanpur:** 3rd Floor, T-11, Opp.Goverment Quarter, College Road, Palanpur, Palanpur-385001. **Panipat:** 83, Devi Lal Shopping Complex, Opp ABN Amro Bank, G.T.Road, Panipat-132103. **Patiala:** 35, New lal Bagh Colony, Patiala-147001. **Patna:** G-3, Ground Floor, Om Vihar Complex, SP Verma Road, Patna-800 001. **Pondicherry:** S-8, 100, Jawaharlal Nehru Street, (New Complex, Opp. Indian Coffee House), Pondicherry-605001. **Pune:** Nirmiti Eminence, Off No. 6, I Floor, Opp Abhishek Hotel Mehandale Garage Road, Erandawane, Pune-411 004. **RaeBareli:** 17, Anand Nagar Complex, Rae Bareli, Rae Bareli-229001. **Raipur:** HIG,C-23 , Sector-1, Devendra Nagar, Raipur-492004. **Rajahmundry:** Door No: 6-2-12, 1st Floor,Rajeswari Nilayam, Near Vamsikrishna Hospital, Nyapathi Vari Street, T Nagar, Rajahmundry-533 101. **Rajapalayam:** No 59 A/1, Railway Feeder Road, Near Railway Station, Rajapalayam, Rajapalayam-626117. **Rajkot:** Office 207-210, Everest Building, Harihar Chowk, Opp Shastri Maidan, Limda Chowk, Rajkot-360001. **Ranchi:** 4, HB Road, No: 206, 2nd Floor Shri Lok Complex, H B Road Near Firayalal, Ranchi-834001. **Ratlam:** Dafria & Co, 18, Ram Bagh, Near Scholar's School, Ratlam-457001. **Ratnagiri:** Kohinoor Complex, Near Natya Theatre, Nachane Road, Ratnagiri, Ratnagiri-415 639. **Rohtak:** 205, 2ND Floor, Blg. No. 2, Munjal Complex, Delhi Road, Rohtak-124001. **Roorkee:** 22 CIVIL LINES GROUND FLOOR, HOTEL KRISH RESIDENCY, Roorkee, Roorkee-247667. **Rourkela:** 1st Floor, Mangal Bhawan, Phase II, Power House Road, Rourkela-769001. **Sagar:** Opp. Somani Automobiles, Bhagwanganj, Sagar, Sagar-470 002 . **Saharanpur:** I Floor, Krishna Complex, Opp. Hathi Gate, Court Road, Saharanpur, Saharanpur-247001. **Salem:** No.2, I Floor Vivekananda Street, New Fairlands, Salem-636016. **Sambalpur:** C/o Raj Tibrewal & Associates, Opp.Town High School,Sansarak, Sambalpur-768001. **Sangli:** Diwan Niketan, 313, Radhakrishna Vasahat, Opp. Hotel Suruchi, Near S.T. Stand, Sangli, Sangli-416416. **Satara:** 117/A/3/22, Shukrawar Peth, Sargam Apartment, Satara-415002. **Shahjahanpur:** Bijlipura, Near Old Distt Hospital, Near Old Distt Hospital, Shahjahanpur-242001. **Shimla:** I Floor, Opp. Panchayat Bhawan Main gate, Bus stand, Shimla, Shimla-171001. **Shimoga:** Nethravathi, Near Gutti Nursing Home, Kuvempu Road, Shimoga, Shimoga-577 201. **Siliguri:** No 7, Swamiji Sarani, Ground Floor, Ground Floor,Hakimpara, Siliguri-734001. **Sirsa:** Beside Overbridge, Next to Nissan car showroom, Hissar Road, Sirsa, Sirsa-125055. **Sitapur:** Arya Nagar, Near Arya Kanya School, Sitapur, Sitapur-261001. **Solan:** 1st Floor, Above Sharma General Store, Near Sanki Rest house, The Mall, Solan, Solan-173 212. **Solapur:** Flat No 109, 1st Floor, A Wing, Kalyani Tower, 126 Siddheshwar Peth, Near Pangal High School, Solapur-413001. **Sri Ganganagar:** 18 L Block, Sri Ganganagar, Sri Ganganagar-335001. **Srikakulam:** Door No 5-6-2, Punyapu Street, Palakonda Road, Near Krishna Park, Srikakulam, Srikakulam-532 001. **Sultanpur:** 967, Civil Lines, Near Pant Stadium, Sultanpur-228 001. **Surat:** Plot No.629,2nd Floor, Office No.2-C/2-D, Mansukhlal Tower, Beside Seventh Day Hospital, Opp.Dhiraj Sons, Athwalines, Surat-395 001. **Surendranagar:** 2 M I Park, Near Commerce College, Wadhwan City, Surendranagar, Surendranagar-363035. **Thane:** 3rd Floor, Nalanda Chambers, "B" Wing, Gokhale Road,Near Hanuman Temple, Naupada, Thane-400 602. **Thiruppur:**1(1), Binny Compound, II Street, Kumaran Road, Thiruppur-641601. **Thiruvalla:** Central Tower, Above Indian Bank, Cross Junction, Thiruvalla-689101.**Tinsukia:** Dhawal Complex, Ground Floor, Durgabari, Rangagora Road,Near Dena Bank, Tinsukia-786125. **Tirunelveli:** 1 Floor, Mano Prema Complex, 182/6, S.N High Road, Tirunelveli-627001. **Tirupathi:** Door No: 18-1-597, Near Chandana Ramesh Showroom, Bhavani Nagar, Tirumala Byepass Road, Tirupathi-517 501. **Trichur:** Room No. 26 & 27, DEE PEE PLAZA, Kokkalai, Trichur-680001. **Trichy:** No 8, I Floor, 8th Cross West Extn, Thillainagar, Trichy-620018. **Trivandrum:** R S Complex, Opposite of LIC Building, Pattom PO, Trivandrum-695004. **Tuticorin:** Ground Floor, Mani Nagar, Tuticorin, Tuticorin, Tuticorin-628 003. **Udaipur:** 32 Ahinsapuri, Fatehpura Circle, Udaipur-313004. **Ujjain:,** 123, 1st Floor, Siddhi Vinanyaka Trade Centre, Saheed Park, Ujjain-456 010. **Unjha:** 10/11, Maruti Complex, Opp. B R Marbles, Highway Road, Unjha, Unjha-384 170. **Vadodara:** 103 Aries Complex,BPC Road, Off R.C. Dutt Road, Alkapuri, Vadodara-390 007. **Valsad:** 3rd floor, Gita Nivas, opp Head Post Office, Halar Cross Lane, Valsad-396001.**Vapi:** 215-216, Heena Arcade, Opp. Tirupati Tower, Near G.I.D.C, Char Rasta, Vapi, Vapi-396195. **Varanasi:** C-28/142-2A, Near Teliya Bagh Crossing,Teliya Bagh, Varanasi-221002. **Vasco da gama:** No DU 8, Upper Ground Floor, Behind Techoclean Clinic, Suvidha Complex, Near ICICI Bank, Vasco da gama-403802. **Vellore:** No.1, Officer's Line, 2nd Floor, MNR Arcade, Opp. ICICI Bank, Krishna Nagar, Vellore-632 001. **Vijayawada:** 40-1-68, Rao &Ratnam Complex, Near Chennupati Petrol Pump, M.G Road, Labbipet, Vijayawada-520 010. **Visakhapatnam:** 47/9/17, 1st Floor, 3rd Lane, Dwaraka Nagar, Visakhapatnam-530 016. **Warangal:** (w.e.f. 1st June, 203) A.B.K Mall, Near Old Bus Depot Road, F-7, 1st Floor, Ramnagar, Hanamkonda, Warangal -506001. **Yamuna Nagar:** 124-B/R Model Town, Yamunanagar, Yamuna Nagar-135 001. **Yavatma:** Pushpam, Tilakwadi, Opp. Dr. ShrotriHospital, Yavatma, Yavatma-445 001.

The Fund's website www.lntmf.com will be an official point of acceptance for accepting transactions in the units of the schemes of the Fund.

Further, CAMS will be the official point of acceptance for electronic transactions received from specified banks, financial institutions, distribution channels, etc. (mobilised on behalf of their clients) with whom the AMC has entered/may enter into specific arrangements for purchase/sale/switch of units.

Offices of stock brokers registered with BSE and/or NSE shall also be the official points of acceptation.

Applications from Institutional investors will be accepted by LTIML via facsimile as well as via an electronic email sent at - transact@lntmf.co.in, subject to satisfaction of requirements specified by LTIML.

For further details please call at 1800 2000 400.

L&T Investment Management Limited
Registered Office: 'L&T House', Ballard Estate, P.O.Box No. 278, Mumbai - 400 001.
Head Office: 6th Floor Mafatlal Centre, Nariman Point, Mumbai - 400 021.