

VALUATION POLICY

The updated Valuation Policy of Debt and Money Market Instruments is given below:

Sr. No.	Instrument	Valuation applicable on the day of valuation
1.	CBLO, REPO, Fixed Deposit, Call Money , etc and such Similar Instruments	On Amortization basis / Accrual basis.
2.	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc.	
	i)	Same security traded and reported on public platforms.
	ii)	If Same Security not reported on any of the public platforms.
3.	Central Government Securities / State Government Securities / Treasury Bills	Valuation as per aggregator for such securities by Crisil or any other agencies entrusted by SEBI from time to time for that day.

II) Valuation of Inter Scheme Transfer (ISTs):

Sr. No.	Instrument	Valuation applicable on the day of valuation
1.	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc.	
	i) Same security traded and reported on FTRAC up to the time of IST.	On Weighted Average Yield of all trades on FTRAC (Excluding abnormal and retail trades) irrespective of settlement day.
	ii) If Same Security not traded and reported up to the time of IST on FTRAC	Previous end of the day valuation price shall be taken.
2.	Central Government Securities / State Government Securities / Treasury Bills	
	i) Same security traded and reported on NDS-OM section of CCIL website.	On last traded price as given on NDS-Section of CCIL Website (Excluding abnormal trade).
	ii) Same security not traded and reported on NDS-OM section of CCIL website	Previous end of the day valuation price shall be taken

AMC may take screen shot/ downloaded excel file from FTRAC / NDS-OM for the same purpose.

Notes:

1. For the purpose of Valuation of securities and Inter Scheme Transfer, Weighted average of all trades of Rs.5 crs and above shall be taken. Since retail trades are of small value and generally deviate materially from the yield at which the market lots in WDM is traded, it would be appropriate to exclude the retail trades for the more realistic valuation of the security.

For the valuation purpose, all the trades of various public platform shall be considered where the total traded value in security is Rs. 5 crs and above. If in any given day in same security, the value of total trade is less than minimum market lot of Rs.5 Crs, the same shall be ignored for the valuation purpose.

2. Abnormal Trade is defined as those transaction/s which is/are over+/- 250 Basis Point compared to the previous day valuation yield of the security in question.
3. Public Platform for the purpose of end of the day valuation of security shall mean FIMMDA managed FTRAC, NSE, BSE, (except NSER- NSE retail and BSER- BSE Retail), RBI managed NDS-OM or any other Public platform for Debt market launched from time to time. Market trades from different Platforms are usually collected by BILAV Information LLP, which may be used for the purpose of Valuation of traded security.
4. The data on yield and prices are generally provided upto 4 decimal point which may be considered for arriving at the weighted average yield and in turn the valuation of the security. In case, on any other day because of technical and other reason, if the required Bilav file is not sent by 7.30 PM, FIMMDA managed FTRAC platform may be used for the valuation of traded CP/CD/NCDs etc, and NDS-OM for the valuation of Central Government, State Government Securities, T-Bills etc for the timely release of NAV.

Related matters

- i)** In case of any other instruments not mentioned above and not covered in the policy above, the same shall be referred to the Investment and Valuation Committee which is empowered to take decision.
- ii)** In case of any perceived conflict of interest while valuating the securities, the matter shall be dealt and decided by Investment and Valuation Committee.
- iii)** For non – business day the valuation shall be done on amortization/accrual basis based on last valuation of Securities in the portfolio.
- iv)** Valuation of Equity shall be done as per elaborate SEBI Regulation/Guidelines announced from time to time.
- v)** In case of exceptional circumstances like, major policy announcements by government/regulatory bodies, natural disasters, public disturbances, significant volatility in capital market, liquidity stress in system, war, non-availability of matrices, etc. valuation of securities in portfolio shall be approved by the Investment and Valuation Committee and the same shall be reported to the Board of Trustees.
- vi)** Valuation Policy as updated and approved by the Board of AMC shall be applicable for the schemes of Sahara Mutual Fund. The valuation policy shall be reviewed by the Statutory Auditor at least once in a financial year.

NOTE:

1) Reference is drawn to SEBI Circular dated 28th February, 2012.

2. The Valuation policy has been approved by Board of AMC and the Board of Trustees.

Date: October 4, 2012