

SAHARA MUTUAL FUND
Annual Report 2019-20



www.saharamutual.com

ANNUAL REPORT 2019-20

BOARD OF TRUSTEES

Mr M R Siddiqui- Independent Trustee
Mr S P Srivastava- Associate Trustee

SAHARA MUTUAL FUND

97-98, 9th Floor,
Atlanta
Nariman Point
Mumbai-400 021

SPONSOR

Sahara India Financial Corporation Limited
Sahara India Bhavan
Kapoorthala Complex
Lucknow-226 024

INVESTMENT MANAGER

Sahara Asset Management Company Private Limited
97-98, 9th Floor,
Atlanta
Nariman Point
Mumbai-400 021

REGISTRAR AND TRANSFER AGENT

KFin Technologies Private Limited
No 23 , Cathedral Garden Road
Nungambakkam,
Chennai - 600034

CUSTODIAN

HDFC BANK LTD
Empire Plaza 1, 4th Floor,
LBS Marg,
Vikhroli (W),
Mumbai 400083

STATUTORY AUDITORS

Chaturvedi & Partners

Chartered Accountants
B-102,Safalaya
Behind Profit Center, Mahavir Nagar
Kandivali (West),
Mumbai 400067.

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Note: Auditors Report, Balance Sheet, Revenue, Schedules, Historical per Unit Statistics and Notes to Accounts form part of each scheme.

REPORT OF THE TRUSTEES

We are pleased to present before you the **ANNUAL REPORT** of **SAHARA MUTUAL FUND** for the year ended March 31, 2020.

Overview of Equity Markets in 2019-20.

Market may have bottomed in March 2020...

During previous crisis of 1992, 2000 and 2008, markets have seen much sharper falls (down by 50-60%). But such drawdown occurred after sharp rallies. While in 2020, even before the fall of 38% from top, the broader market was falling/consolidating since January 2018. Therefore, the market may not fall with same intensity. Further, global monetary policies remain expansionary, which is supportive for riskier assets. US Fed is ramping up asset purchases and though Fed has ruled out scope for negative interest rates, yet, real US rates have turned negative. Similarly, UK sovereign yields indicate negative interest rates coming soon. BoJ and ECB will also persist with balance sheet expansion. Needless to mention, fiscal bazooka announced by governments across the globe and the current up-move in equities is result of the same. Liquidity flows indicate that relentless selling in EMs has peaked out. Market breadth in India has improved, with strength in RIL, HUL and many counters offering comfort.

...but market will remain volatile in 2020

Dow Jones regained lost ground and jumped back to above 24,000. Dow valuations look expensive again and can get frothy with more participation from FAANG stocks. Correction in global equities is one risk. Likewise, possibilities around re-emergence of Covid may trigger a possible slide. There could be news flow of stress emerging, slowing GDP data and so on (just announced downgrade on India sovereign ratings), which will be one of the many reasons that will keep market volatile in 2020. Negative triggers could also be posed by some companies or stressed sectors needing bailout of sorts/more moratorium. US-China cold war would also keep the markets on the edge.

2021-22 could see start of a secular rally*

Markets tend to move in cycles. Taking lessons from Great Financial crisis of 2008, governments have moved even more swiftly to address the crisis. China's announcement of a 4trn renminbi fiscal support package in November 2008, marked the trough in the MSCI EM index. China is loosening fiscal purse strings again. The augmented budget deficit (including "special" bonds and off-budget spending) will rise by 4.5% of GDP this year, very similar to the 4.4% increase in the deficit back in 2009. In India, more policy response is expected from RBI in the future, in terms of further rate cuts, Open Market Operations to bring down the yield curve. Low cost of capital will help Indian enterprises, while benign oil prices and overall low inflation will remain supportive for the economy. Some structural reforms to induce growth are expected from the government in the areas of land and labour, which will incentivize domestic manufacturing. This can be a big positive.

Overview of Debt Market in 2019-20

The year 2019 has been marked by challenging times on the economy front. Starting off with a growth rate expectation of 7% plus, the expectation has been rolled back closer to 5%. 10-years benchmark yields showed sharp fall in the range of 7.49% to 6.12%.

Many major economies slipped into the slowdown mode and the fears of global economic recession confronted the markets. With slower pace of economic growth, stagnant investment and declining private consumption, the RBI adopted an accommodative stance and lowered repo rate by cumulative 135bps in CY2019.

The bond market in the year 2019 was driven by easing monetary stance by RBI, liquidity conditions in the banking space, movement in crude oil prices, fiscal worries on the back of major policy announcements, weak macro numbers, fears of cyclical slowdown in the economy and major global events.

This year also witnessed yield inversion in U.S for a brief period which sent shock waves on concerns over impending recession globally. Terms spreads and credit spreads both head north due continued stress by few corporate defaults, however these spreads moderated near the end of the year. The yields on the corporate bonds have not seen commensurate decline with the reduction in the GSec yields in the first half

of 2019. The corporate bond spreads remained range bound given the credit risk associated with them. However, some moderation in the spreads has been witnessed since Oct 2019.

Unexpected 50 bps rate cut by the US Federal Reserve (Fed) on March 3 – a move aimed at countering the economic impact of the rapid spread of Covid-19, with the threat of a recession due to Covid-19 mounting, the Fed and global central banks cut their policy rates in a concerted effort. On March 15, the Fed again cut its policy rate – by 100 bps this time. This raised expectation of a rate cut by the RBI on or before the Monetary Policy Committee's (MPC) scheduled meeting.

After the announcement of the lockdown on March 24, the Union Ministry of Finance announced a relief package of Rs.1.7 lakh crore on March 26. There was, however, no mention of additional market borrowings to fund the package, which eased the yield by 10 bps. Subsequently, the MPC meeting was advanced and it cut policy rate by 75 bps and also announced a host of other measures to boost liquidity. This tamped the yield down by a further 9 bps and the benchmark security finally closed the month at 6.12%.

Macro-Economic Highlights:

GDP: Expected GDP growth which was 7% at the start of the year are now in sub 5% levels. The Indian economy expanded 4.5% y-o-y in the third quarter of 2019.

Economic growth was dragged down by the decline in private consumption and slower growth in the manufacturing, financial services and construction sectors. Fall in factory output and exports and a slowdown in investment across all sectors was observed. Government spending lifted the numbers in Q3 2019. Gross fixed capital formation (GFCF) improved marginally on a sequential basis but remained muted. Slowdown is broad based with both manufacturing and services activity indicators showing signs of weakness.

Inflation: CPI inflation picked up in the last two months owing to surge in food prices. Within food, the increase in inflation is reasonably broadbased, led by normalization of last year's very low base and an unseasonal spike in vegetable prices. Good monsoons, lack of sharp movement in crude oil prices and softening of manufactured goods kept whole sale price numbers in check. India's retail inflation surged to 5.54% (highest in three years) in November, while the WPI Inflation stood at 0.58% in November against 0.16% in the previous month. The gap between two inflation rates (WPI and CPI) continued to widen with wholesale inflation remaining flat while retail inflation inching higher.

IIP: Industrial production rates were subdued at the beginning of the year due to high base effect. Overall weakness in the economy began to reflect in IIP which saw de-growth in last three months annual numbers. Broad-based decline in industrial output across sectors chiefly owing to weak consumer demand conditions and weak investment climate. Industrial output in India dropped 3.8% from a year earlier in October 2019.

Fiscal Deficit: The country's fiscal deficit hit 114.8% of 2019-20 Budget Estimate at Rs 8.07 lakh crore at the end of November. In September, the government decided to lower the tax rate for corporates and has pegged that it will have an impact of Rs 1.45 lakh crore on its revenue mobilisation. Tax sops were intended to boost the investment cycle in the face of slowing GDP growth. Due to slowdown, the GST collection has also been subdued putting pressure on overall revenue mobilisation effort of the government.

MPC Meeting: RBI change its stance from interest rate hike to rate cuts – repo rate moved from 6.50% to 5.15%. MPC went into easing stance and had cut the repo rate by cumulative 135bps in 5 out of the 6 meetings during the year. The overall tone of the monetary policy was dovish with slowing growth - both on the global and domestic front - being a major concern. The RBI joined other central banks across the region in easing policy to battle an intensifying global slowdown. With inflation concerns subdued RBI switched to accommodative stance.

Outlook for the 2020-2021

We expect GDP growth to drop to nearing 3.5% in fiscal 2021 compared with an estimated 5% in fiscal 2020. Correction in food inflation, moderate core inflation (given mild economic recovery) and high base effect in the second half will moderate headline inflation next fiscal. Gross market borrowing is estimated to rise to Rs 7.8 lakh crore from Rs 7.1 lakh crore last fiscal. The government plans to raise 62.6% of fiscal 2021 borrowing in the first half, similar to the proportion borrowed in the previous fiscal. A sharp reduction in nominal GDP growth, slow tax collection growth and ambitious disinvestment target could be challenges to meeting the fiscal deficit

target for fiscal 2021. The impact of the Rs 1.7 lakh crore (~0.8% of GDP) stimulus is difficult to ascertain now since it depends on the extent of the government's reorientation and successful implementation.

- **Sahara Tax Gain Fund**

Performance as of March 31, 2020	1 year	Since inception	Inception Date
Sahara Tax Gain Fund (%) Regular	-29.36	17.78	April 1, 1997 (Regular) / Jan 1, 2013 (Direct)
Sahara Tax Gain Fund (%) Direct	-25.42	4.47	
S & P BSE 200 (%)	-22.86	11.81/6.97	

The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments.

As on March 31, 2020, the scheme had invested 1.50 % of its net assets in equities and the balance 98.50% in cash and cash receivables.

- **Sahara Growth Fund**

Returns:

Performance as of March 27, 2020	1 year	Since inception	Inception Date
Sahara Growth Fund (%) - Regular	NA	14.42	Aug 30, 2002 (Regular)/ 01/01/2013 (Direct plan)
Sahara Growth Fund (%) - Direct	NA	4.32	
CNX Nifty (%)	NA	14.57 / 6.65	

The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments;"

As on March 27, 2020, the scheme's Net Asset Value stood at Rs.2.48 crores. The net realizable assets was held in cash as on date of winding up of the scheme i.e 27th March 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

- **Sahara Midcap Fund**

Returns:

Performance as of March 31, 2020	1 year	Since inception	Inception date
Sahara Midcap Fund (%) - Regular	-22.41	12.75	31 st December , 2004 (Regular) / <hr/> 1/1/2013 (Direct Plan)
Sahara Midcap Fund (%) - Direct	-22.16	10.52	
Nifty Midcap 100 (%)	-35.06	10.85 / 5.59	

The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments.

As on March 31, 2020, the scheme had 1.89 % of its net assets in equities and the balance 98.11% in cash and cash receivables.

- **Sahara Wealth Plus Fund**

Returns:

Performance as of March 31, 2020	1 year	Since inception	Inception date
Regular			

Sahara Wealth Plus Fund (%) – Variable Pricing Option	NA	9.52	01/09/2005 (Regular)/
Fixed Pricing Option	NA	8.35	
Nifty 500 (%)	NA	9.79	
Direct			01/01/2013 (Direct)
Sahara Wealth Plus Fund (%) – Variable Pricing Option	NA	6.60	
Fixed Pricing Option	NA	5.14	
Nifty 500 (%)	Na	6.65	

The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments;

As on March 27, 2020, the scheme's Net Asset Value stood at Rs.6.52 crores. The net realizable assets was held in cash as on date of winding up of the scheme i.e 27th March 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

- **Sahara Infrastructure Fund**

Returns:

Performance as of March 31, 2020	1 year	Since inception	Inception date
Regular			
Sahara Infrastructure Fund (%) – Variable Pricing Option	-27.51	5.84	01/09/2005 (Regular)/
Fixed Pricing Option	-27.64	4.70	
Nifty 50 (%)	-25.02	8.01	
Direct			01/01/2013 (Direct)
Sahara Infrastructure Fund (%) – Variable Pricing Option	-27.35	5.63	
Fixed Pricing Option	-25.94	5.38	
Nifty 50 (%)	-25.02	6.53	

The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments.

As on March 31, 2020, the scheme had 1.30% of its net assets in equities and the balance 98.70 % in cash and cash receivables.

- **Sahara R.E.A. L Fund**

Returns:

Performance as of March 27, 2020	1 year	Since inception	Inception date
Sahara R.E.A.L Fund (%) - Regular	NA	3.41	Nov 27, 2007 (Regular)/
Sahara R.E.A.L Fund (%) - Direct	NA	9.86	

Nifty 50(%)	NA	4.70/6.65	01/01/2013 (Direct)
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- The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments;

As on March 27, 2020, the scheme's Net Asset Value stood at Rs.2.56 crores. The net realizable assets was held in cash as on date of winding up of the scheme i.e 27th March 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

- Sahara Power and Natural Resources Fund**

Returns:

Performance as of March 31, 2020	1 year	Since inception	Inception date
Sahara Power and Natural Resources Fund(%)- Regular	NA	3.61	17 th June, 2008 (Regular) /
Sahara Power and Natural Resources Fund(%)- Direct	NA	4.77	01/01/2013 (Direct)
Nifty 50 (%)	NA	6.71/6.65	

The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments;

As on March 27, 2020, the scheme's Net Asset Value stood at Rs.1.09 crores. The net realizable assets was held in cash as on date of winding up of the scheme i.e 27th March 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

- Sahara Banking and Financial Services Fund**

Returns:

Performance as of March 31, 2020	1 year	Since inception	Inception date
Sahara Banking and FS Fund (%) - Regular	NA	13.61	16 th Sept 2008 (Regular)/
Sahara Banking and FS Fund (%) - Direct	NA	4.04	01/01/2013 (Direct)
Nifty Bank (%)	NA	11.77 / 7.30	

The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments;

As on March 27, 2020, the scheme's Net Asset Value stood at Rs.2.55 crores. The net realizable assets was held in cash as on date of winding up of the scheme i.e 27th March 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

- Sahara Super 20 Fund**

Returns:

Performance as of March 31, 2020	1 year	Since inception	Inception Date
Sahara Super 20 Fund(%)- Regular	NA	3.00	

Sahara Super 20 Fund(%)- Direct	NA	3.85	31 st July, 2009(Regular)/
Nifty 50 (%)	NA	7.33/6.65	01/01/2013 (Direct)

The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments;

As on March 27, 2020, the scheme's Net Asset Value stood at Rs.0.26 crores. The net realizable assets was held in cash as on date of winding up of the scheme i.e 27th March 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

- Sahara Star Value Fund**

Returns:

Performance as of March 31, 2020	1 year	Since inception	Inception Date
Sahara Star Value Fund(%)- Regular	NA	5.94	14 th September, 2009 (Regular) / 01/01/2013 (Direct)
Sahara Star Value Fund(%)- Direct	NA	7.13	
S & P BSE 200 (%)	NA	5.60 / 7.00	

"The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments;"

As on March 27, 2020, the scheme's Net Asset Value stood at Rs.0.30 crores. The net realizable assets was held in cash as on date of winding up of the scheme i.e 27th March 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

- Sahara Liquid Fund**

Returns:

Performance as of March 31, 2020	1 year	Since inception	Inception date
Regular			
Sahara Liquid Fund (%) – Variable Pricing Option	NA	8.72	19/02/2002 (FPO)(Regular)/ 17/10/2007 (VPO) (Regular)
Fixed Pricing Option	NA	6.75	
CRISIL Liquid Fund Index (%)	NA	7.33/ NA	
Direct			01/01/2013 (Direct)
Sahara Liquid Fund (%) – Variable Pricing Option	NA	6.69	
Fixed Pricing Option	NA	5.33	
CRISIL Liquid Fund Index (%)	NA	7.79	

• * As Index launched on March 31st, 2002. Face Value of Units – Rs.1000/-
The price and redemption value of the units, and income from them, can go up as well as down with the fluctuations in the market value of its underlying investments;"

As on March 27, 2020, the scheme's Net Asset Value stood at Rs.8.23 crores. The net realizable assets were held in cash as on date of winding up of the scheme i.e 27th March 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

2. Brief Background of Sponsor, Trust and AMC Company

a. Sahara Mutual Fund

Sahara Mutual Fund (SMF) has been established as a Trust by the Trust Deed (amended from time to time) dated 18th July, 1996 in accordance with the Indian Trusts Act, 1882, and duly registered under the Indian Registration Act, 1908, sponsored by Sahara India Financial Corporation Limited ("SIFCL").

The Trustees have appointed Sahara Asset Management Company Private Limited as the Investment Manager to Sahara Mutual Fund to function as the Investment Manager for all the schemes of Sahara Mutual Fund. Sahara Mutual Fund was registered with SEBI on 1st October, 1996.

SEBI vide its Order no: WTM/PS/26/IMD/DOF-III/July/2015 dated 28th July, 2015 directed cancellation of "Certificate of Registration" of Sahara Mutual Fund which was to be effective on expiry of six months from the date of the Order. Further, SEBI also directed by the said Order that the Mutual Fund shall not take any new subscription from investors. Accordingly, Sahara Mutual Fund has not taken any new subscription from the investors (including existing investors) in line with the said SEBI order.

Sahara Asset Management Company Pvt. Ltd filed an appeal before the Securities Appellate Tribunal (SAT), Mumbai to set aside the said SEBI order. SAT vide its order dated 9th December 2015 granted an interim stay in the matter. SAT vide its order dated 28th July, 2017 dismissed the appeal made by Sahara AMC against the SEBI order dated 28th July, 2015. However, SAT granted 6 weeks stay to approach the Hon'ble Supreme Court in the matter. An appeal was filed on 7th September 2017 before the Hon'ble Supreme Court and the appeal was dismissed vide its order dated 23rd October 2017.

SEBI vide its letter dated November 17, 2017 directed the cancellation of 'Certificate of registration' would be effective six months from the date of the Hon'ble Supreme Court order dated 23rd October 2017.

Sahara Mutual Fund requested SEBI vide its letter dated 15th January 2018 to extend the date of cancellation of 'Certificate of registration' till July 27th, 2018 for giving time for identification of a new sponsor and considering the lock in period of certain unit holders' investments in Sahara Tax Gain Fund.

A new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

SEBI vide their letter dated 11th April 2018 ordered for winding up all the schemes except Sahara Tax Gain Fund by 21st April 2018. An appeal was filed before SAT for a stay against the SEBI order dated April 11, 2018. In view of the direction of SAT on 26th April 2018, a comprehensive appeal was filed.

SAT vide its order dated 3rd May 2018 directed that SEBI shall not enforce the orders impugned in the two appeals till a decision on new sponsor's application is communicated.

The application of One Life Capital Advisors Limited who had offered to be the new Sponsor for Sahara Mutual Fund stands annulled in view of the SEBI Order dated March 4th, 2020.

SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up in line with SEBI order no.WTM/GM/IMD/07/2018-19 dated April 11, 2018.

The Board of Trustees of Sahara Mutual Fund decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996. A notice was published on March 20, 2020 to wind up all the schemes as of March 27, 2020.

b. Board of Trustees

The Board of Trustees comprises of two trustees, Mr. S P Srivastava and Mr. M R Siddiqui.

The Board of Trustees is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the unit holders. The Board of Trustees has been discharging its duties and carrying out the responsibilities as provided in the Regulations and the Trust Deed. The Board of Trustees seeks to ensure that the Fund and the Schemes floated there under are managed by the AMC in accordance with the Trust Deed, the Regulations, directions and guidelines issued by the SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies.

3. Investment Objective of the Scheme.

i. Sahara Tax Gain Fund

The basic objective of Sahara Tax Gain Fund is to provide immediate tax relief and long term capital gains to investors.

ii. Sahara Growth Fund

The basic objective is to achieve capital appreciation by investing in equity and equity related instruments.

iii. Sahara Midcap Fund

The objective to achieve long term capital growth at medium level of risks by investing primarily in mid-cap stocks

iv. Sahara Wealth Plus Fund

The objective is to invest in equity and equity related instruments of companies that would be wealth builders in the long run.

v. Sahara Infrastructure Fund

The investment objective is to provide income distribution and/or medium to long term capital gains by investing in equity/equity related instruments of companies mainly in the Infrastructure sector.

vi. Sahara R.E.A.L Fund

The investment objective would be to provide long term capital gains by investing predominantly in equity / equity related instrument of companies in the Retailing, Entertainment & Media, Auto & auto ancillaries and Logistics sector.

vii. Sahara Banking and Financial Services Fund

The investment objective to provide long term capital appreciation through investment in equities and equities related securities of companies whose business comprise of Banking / Financial Services, either whole or in part.

viii. Sahara Power and Natural Resources Fund

The investment objective is to generate long term capital appreciation through investment in equities and equity related securities of companies engaged in the business of generation, transmission, distribution of Power or in those companies that are engaged directly or indirectly in any activity associated in the power sector or principally engaged in discovery, development, production, processing or distribution of natural resources.

ix. Sahara Super 20 Fund

The investment objective of the scheme would be to provide long term capital appreciation by investing in predominantly equity and equity related securities of around 20 companies selected out of the top 100 largest market capitalization companies, at the point of investment.

x. Sahara Star Value Fund

The investment objective would be to provide long term capital appreciation by investing predominantly in equity / equity related instruments of select companies based on value parameters

xi. Sahara Liquid Fund

The investment objective is to create a highly liquid portfolio of good quality debt as well as money market instruments with a view to provide high liquidity and reasonable returns to the unit holders, while at all times emphasizing the importance of capital preservation.

4. Significant Accounting Policies:

The Balance Sheet and the Revenue Account together with the notes thereon have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable.

5. Unclaimed Dividends and Redemptions

Scheme Name	No of Investors	Unclaimed Dividend (Rs.)	No of Investors	Unclaimed Redemption (Rs.)
Sahara Tax Gain Fund	2042	2053549.77	59	435019.2
Sahara Growth Fund	17	62559.07	13	183939.94
Sahara Midcap Fund	571	626392.6	93	687332.39
Sahara Wealth Plus Fund	875	897379.61	114	1048984.8
Sahara Infrastructure Fund	25	116075.3	68	609850.01
Sahara R.E.A. L Fund	0	0	47	698949.5
Sahara Power & Natural Resources Fund	3	4450.52	17	216149.07
Sahara Banking and Financial Services Fund	39	102611.37	16	246406.14
Sahara Super 20 Fund	0	0	16	225922.69
Sahara Star Value Fund	6	9633.87	7	122130.55
Sahara Liquid Fund	-	-	-	-

6. Disclosure of investor complaints for the year 2019-20

Total Number of Folios under all schemes: 7242

Complaint Code	Type of Complaint#	(a) No. of Complaints pending at the beginning of the year	(b) No of complaints received during the year	Action on (a) and (b)								
				Resolved				*Non Actionable	Pending			
				Within 30 Days	30-60 Days	60-180 Days	Beyond 180 days		0-3 mths	3 - 6 mths	6-9 mths	9-12 mths
I A	Non receipt of Dividend on Units	0	1	1	0	0	0	0	0	0	0	0
I B	Interest on delayed payment of Dividend	0	0	0	0	0	0	0	0	0	0	0
I C	Non receipt of Redemption Proceeds	0	18	18	0	0	0	0	0	0	0	0

I D	Interest on delayed Payment of Redemption	0	0	0	0	0	0	0	0	0	0	0
II A	Non receipt of Statement of Account/Unit Certificate	0	1	1	0	0	0	0	0	0	0	0
II B	Discrepancy in Statement of Account	0	0	0	0	0	0	0	0	0	0	0
II C	Data corrections in Investor details	0	0	0	0	0	0	0	0	0	0	0
II D	Non receipt of Annual Report /Abridged Summary	0	0	0	0	0	0	0	0	0	0	0
III A	Wrong switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
III B	Unauthorized switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
III C	Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0
III D	Wrong or Excess charges/load	0	0	0	0	0	0	0	0	0	0	0
III E	Non Updation of changes viz. address, PAN, bank details, nomination, etc	0	1	1	0	0	0	0	0	0	0	0
IV	Others**	0	19	19	0	0	0	0	0	0	0	0

including against its authorized persons/ distributors/ employees etc.

*Non actionable means the complaint that are incomplete / outside the scope of the mutual fund

Others ** - **a.** Not pertaining to Sahara Mutual Fund(18) : **b.** Transfer of units (1)

7. Role of Mutual Funds in Corporate Governance of Public Listed Companies

Policy for voting at AGM/EOGM/through E-voting/through Postal Ballot on resolutions recommended by investee companies Introduction

Sahara Asset Management Company Private Limited acts as an Investment Manager ("The AMC") to the schemes of Sahara Mutual Fund ("Fund"). The general voting policy and procedures being followed by the AMC in exercising the voting rights ("Voting Policy") is given hereunder.

Philosophy and Guidelines of Voting Policy:

The AMC has a dual responsibility of a prudent Fund Manager investing investors' money as well as of an entity performing the responsibility of protecting the investors' interest. As part of the management of funds, irrespective of the scheme, the AMC ensures that investments are made in companies that meet investment norms. It is expected that the investee company adheres to proper corporate governance standards. The voting policy for the investee companies by the AMC is as under:

The AMC shall deal with voting on case to case basis. For this purpose, the AMC shall review various notices of AGM/EOGM/Postal Ballot received from the investee companies from time to time and take appropriate voting decision (for, against, abstain) with respect to the each resolution recommended by the management/ shareholders of the companies. The AMC would generally agree with the management of the Investee Company on routine matters, but may object by voting against or abstain, if it believes that it has insufficient information or there is conflict of interests or the interest of the shareholders and /or the unit holders' interests are prejudiced in any manner.

As regards non-routine items, the Fund Manager (Equity) in consultation with the Compliance Officer shall review each of such cases and take a decision to vote. In case the AMC is against any non-routine item, it may decide to attend the meeting and vote against that item. In some other such cases, it may decide to abstain based on one or more of the factors like our small holding in the company, location of the venue of meeting, time/cost involved etc. For these instances, the reasons for non-attendance will be recorded.

As per the decision taken by the AMC, it may depute an authorized person to attend and vote at AGM/EOGM/through E-Voting/ through Postal Ballot appropriately keeping in mind the interest of unit holders. AMC would maintain a record on the AGM/EOGM voting related matters.

Disclosure of Voting policy and Maintenance of Records:

This Policy on voting at AGM/EOGM/ through e-voting/ through postal ballot and suitable disclosure thereof is available on the website (**www.saharamutual.com**) of the Mutual Fund.

Note: For details of voting in the AGMs of the investee companies for the financial year 2018-19, unit holders can log on to the website (**www.saharamutual.com**) of the Fund. Further the said details are also available in the Annual Report of Sahara Mutual Fund for the period 2019-20. The details of voting shall be emailed/sent as and when requested by the unit holders free of cost.

8. Statutory Information.

- a. The Sponsor is not responsible or liable for any loss resulting from the operation of the Schemes of the Fund beyond their initial contribution of Rs.1 lakh for setting up the Fund.
- b. The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.
- c. Full Annual Report is disclosed on the website (www.saharamutual.com) and shall be available for inspection at the Head Office of the Mutual Fund. Present and prospective unit holders can obtain copy of the trust deed, the full Annual Report of the Fund / AMC free of cost.

Acknowledgements

The Trustees would like to thank all the investors for reposing their faith and trust in Sahara Mutual Fund. The Trustees thank the Securities and Exchange Board of India, the Reserve Bank of India, the Sponsor, and the Board of the Sahara Asset Management Company Private Limited for their support, co-operation and guidance during the period.

We are also thankful to the Auditors, Registrar and Transfer Agents, Custodian, Banks, Depositories, AMFI/NISM Certified Distributors, KYC Registration Agencies and other service providers for their continuous support. The Trustees also appreciate the efforts made by the employees of Sahara Asset Management Company Private Limited and place on record their dedication, commitment and wholehearted support throughout the year.

We look forward for your continued support and assure you of our commitment at all times in managing the schemes of Sahara Mutual Fund.

For and on behalf of Sahara Mutual Fund

M R Siddiqui
Trustee

Place: Mumbai

Date: 28th August, 2020

CERTIFICATE OF THE VOTING REPORTS

Pursuant to SEBI Circular CIR/IMD/DF/05/2017 dated 24th March 2014 read with circular Ref. SEBI/HO/IMD/DF2/P/2016/68 dated 10th August, 2016, we have been appointed as "Scrutinizer" in terms of Rule 20(3)(ix) of Companies (Management and Administration) Rules, 2014 to certify the voting reports exercised by Sahara Asset Management Company Private Limited for the financial year 31st March, 2020.

We hereby report as under:

1. We have verified the voting disclosures made by Sahara Asset Management Company Private Limited (the company) on the basis of the data obtained from the custodian.
2. On the basis of the said data, the company was required to exercise its votes on 783 agenda items for the year under review and its voting was as under.

Voting For/Against/Abstained	No of Agenda Items
FOR	662
AGAINST	1
ABSTAINED	0
TOTAL	663

3. On the basis of documentation maintained by the Company, we hereby certify that it has provided a brief rationale for the voting exercised by it and the same is in accordance with the voting policy approved by the Board of Trustees of Sahara Mutual Fund.

This certificate is being issued for submission to the Board of Trustees of Sahara Mutual Fund and to be disclosed in the Annual Report and website of Sahara Mutual Fund in terms of the cited circular CIR/IMD/DF/05/2017 dated 24th March 2014 read with circular Ref. SEBI/HO/IMD/DF2/P/2016/68 dated 10th August, 2016.

Mruga Vasavada
Practicing Company Secretary
ACS: 26793 CP: 9647
UDIN: A026793B000546246
Place: Mumbai
Date: 3RD August, 2020

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara Tax Gain Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Tax Gain Fund** ("the Scheme"), which comprise the Balance Sheet as at March 31, 2020, the Revenue Account and the Cash Flow Statement for the period then ended and a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the Scheme give the information specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto ("the SEBI Regulations"), as applicable, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2020;
- (b) in the case of the Revenue Account, of the deficit for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA's) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust/Scheme in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements of the Scheme. Our audit has been conducted in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to the following matters in the Notes to the financial statements:

- a) Note no. 8.17 which states that SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up. Accordingly, the Board of Trustees of Sahara Mutual Fund decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996 with effect from 27th March, 2020.
- b) Note no. 8.18 which states the reasons for the Schemes being wound up on 3rd April, 2020 instead of 27th March, 2020 as decided by the Board of Trustees.

In view of the above, the accounts for the year ended 31st March, 2020 have been prepared on "liquidation basis of accounting" and not on a going concern basis.

Our opinion is not modified in respect of the above matter.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Trustees of Sahara Mutual Fund and the Board of Directors of Sahara Asset Management Company Private Limited (the "Directors") are responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable.

This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Consequent upon the directions in the SEBI letter dated 5th March, 2020 and the decision of the Trustees to comply with the SEBI directions, the Scheme was to be wound up on 27th March, 2020, however, due to reasons stated in Note 8.18, the Scheme was actually wound up on 3rd April, 2020. Therefore, the financial statements have been prepared as at 31st March, 2020 on liquidation basis of accounting.

Those charged with Governance are also responsible for overseeing the Scheme's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) The Balance Sheet and Revenue Account dealt with by this Report are in agreement with the books of accounts of the Scheme.
- c) The statement of account has been prepared in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable.
- d) We have reviewed the Valuation Policy being followed for the schemes of Sahara Mutual Fund. The Valuation Policy implemented for the Scheme is in line with the SEBI guidelines issued in this regard.

For Chaturvedi & Partners.

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No. 117510

ICAI UDIN: 20117510AAAAAW9499

Place: Mumbai
Date: August 28, 2020

SAHARA TAX GAIN FUND

BALANCE SHEET AS AT MARCH 31, 2020

Particulars	Schedule	As at	As at
		March 31, 2020	March 31, 2019
ASSETS		(Rs)	(Rs)
Investments	1	517,167	51,976,226
Other Current Assets	2	36,577,123	5,842,524
Total Assets		37,094,290	57,818,750
LIABILITIES			
Unit Capital	3	17,587,891	20,032,528
Reserves & Surplus	4	16,782,641	34,922,879
Current Liabilities & Provisions	5	2,723,758	2,863,343
Total Liabilities		37,094,290	57,818,750

NET ASSET VALUE

		As at	As at
Net Asset Value per unit (Rs.)		March 31, 2020	March 31, 2019
i) Growth Option	G	53.9897	76.4313
ii) Dividend Option	D	12.6454	17.9017
iii) Direct Growth Option	GDP	56.8732	80.2936
iv) Direct Dividend Option	DDP	12.9004	18.2436

Significant Accounting Policies and Notes to the accounts 7
Schedules 1 to 5 and 7 form an integral part of the Balance Sheet

As per our attached report of even date

For Chaturvedi & Partners
Chartered Accountants
(Firm's Registration No. 307068E)

For Sahara Asset Management Company Private Limited

A K Srivastava
Director

I S Verma
Director

Khyati Shah
(Partner)
Mem. No.117510

Vidya Manjrekar
Head Operations
& NAV Accounting

Sudhir Kaup
Compliance Officer

Place: Mumbai
Date: 28th August, 2020

For Sahara Mutual Fund

M R Siddiqui
Trustee

S P Srivastava
Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA TAX GAIN FUND

REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Schedule	For the year ended March 31, 2020 (Rs)	For the year ended March 31, 2019 (Rs)
INCOME			
Dividend Income		608,273	478,590
Interest & Discount Income		-	12,051
Profit on Sale / Redemption of Investments(Net)		-	12,916,372
(Other than Inter Scheme Transfer / Sale)			
Total Income		608,273	13,407,013
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Loss on Sale / Redemption of Investments(Net)		10,173,913	
(Other than Inter Scheme Transfer / Sale)			
Management Fees		132,561	882,533
ST / GST on Management Fees		23,863	158,858
Investor Education & Awareness Fees		9,977	11,215
Registrar & Transfer Agent Charges		417,320	195,887
Transaction cost		21,030	20,084
Custodian Fees		250,915	106,056
Trusteeship Fees & Expenses		52,103	10,118
Audit Fees		78,140	98,275
Professional Fees		129,468	31,704
Commission to Agents		23,924	14,547
Total Expenses		1,529,277	2,285,069
Net Surplus/(Deficit) for the Year		(10,704,941)	11,877,736
Provision/ Write Back for diminution in the value of Investment	6	3,414,646	(913,280)
Net Surplus for the Year (excluding unrealised appreciation)		(7,290,295)	10,964,456
Transfer from Income Equalisation Reserve		(6,030,406)	(11,599,468)

Net : Transferred to Revenue Reserve		(13,320,701)	(635,012)
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Significant Accounting Policies and notes to the accounts 7

Schedules 6 to 7 form an integral part of the Revenue Account

As per our attached report of even date

For Chaturvedi & Partners
Chartered Accountants
(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No.117510

Place: Mumbai
Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava
Director

Vidya Manjrekar
Head Operations
& NAV Accounting

I S Verma
Director

Sudhir Kaup
Compliance Officer

For Sahara Mutual Fund

M R Siddiqui
Trustee

Place: Mumbai

S P Srivastava
Trustee

Date: 28th August, 2020

SAHARA TAX GAIN FUND

SCHEDULES FORMING PART OF THE BALANCE SHEET

SAHARA TAX GAIN FUND		As at March 31, 2020		As at March 31, 2019
		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio Statement)				
Equity Shares		517,167		51,976,226
		517,167		51,976,226
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		36,573,745		4,085,503
Dividend Receivable		3378		-
Investment - Liquid MF Units		-		1,739,307
Investment - Liquid MF Units - Investor Education		-		17,714
		34,871,136		5,842,524
SCHEDULE 3				
Unit Capital				
Growth Option 257868.793 units of Rs.10 each	G	2,578,682		2,868,014
(For 2018-2019 - 286801.008 units of Rs.10 each)				
Dividend Option 1412232.076 units of Rs.10 each	D	14,122,321		15,991,351
(For 2018-2019 - 1599135.105 units of Rs.10 each)				
Direct Growth Option 32882.105 units of Rs.10 each	GDP	328,821		366,651
(For 2018-2019 -36665.079 units of Rs.10 each)				
Direct Dividend Option 55806.659 units of Rs.10 each	DDP	558,067		806,512
(For 2018-2019 - 80651.220 units of Rs.10 each)				
Total		17,587,891		20,032,528
(Refer Note 8.9 of Schedule 7)				

Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	50,166,829		50,801,841	
Transferred from Revenue Account	(13,320,701)		(635,012)	
Balance as at end of the year		36,846,128		50,166,829
Income Equalisation Reserve				
Balance as at beginning of the year				
Additions during the year	(6,030,406)		(11,599,468)	
Transferred to Revenue Account	6,030,406		11,599,468	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	7,020,134		15,208,107	
Additions during the year	(7,020,134)		(8,187,973)	
Balance as at end of the year		-		7,020,134
Unit Premium Reserve				
Balance as at beginning of the year	(22,264,084)		(27,202,912)	
Additions during the year	2,200,597		4,938,828	
Balance as at end of the year		(20,063,487)		(22,264,084)
Balance carried to the Balance Sheet		16,782,641		34,922,879
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		184,304		210,,331
Management Fees Payable		8,455		2929
ST / GST on Management Fees Payable		1,522		527
STT Payable		1		8
Payable - Fee on Investor Education		40,907		36,213
Unclaimed Distributed Income		2,053,550		2,087,797
Payable on Redemption of Units		435,019		525538
		2,723,758		2,863,343

SCHEDULES FORMING PART OF THE REVENUE ACCOUNT

SAHARA TAX GAIN FUND		For the year ended		For the year ended
		March 31, 2020		March 31, 2019
		(Rs)		(Rs)
SCHEDULE 6				
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(3,446,033)		(2,532,753)
At the end of the year		(31,387)		(3,446,033)
		3,414,646		(913,280)

CASHFLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

	SAHARA TAX GAIN FUND		For the year ended	For the year ended
			March 31, 2020	March 31, 2019
			(Rs)	(Rs)
A.	Cash Flow from Operating Activity			
	Surplus / (Deficit) for the year		(10704941)	11877736
	Add/(less) : Net Change in Marked to Market Value of Investments		(3605488)	(9101253)
	Add: Interest expense on Loan		-	-
	Adjustments for :-			
	(Increase) / Decrease in Investments		51459059	11116948
	(Increase) / Decrease in Other current assets		1753643	45375
	Increase / (Decrease) in Other current liabilities		(139585)	(423171)
	Increase / (Decrease) in Fixed Deposit		-	-
	Net cash generated from / (used in) operations	(A)	38762688	13515635
B.	Cash Flow from Financing Activities			
	Increase / (Decrease) in Unit Capital		(2444637)	(5458840)
	Increase / (Decrease) in Unit Premium		2200597	4938828
	Income Equalisation during the period		(6030406)	(11599468)
	Adjustments for:-			
	Increase / (Decrease) in Sundry Creditors for units redeemed by Investors		-	-
	(Increase) / Decrease in Sundry Debtors for units issued to investors		-	-
	Dividend paid during the year (including Dividend Distribution Tax)		-	-
	Net cash (used in) / generated from financing activities	(B)	(6274446)	(12119480)
	Net increase / (Decrease) in cash and cash equivalents	(A+B)	32488242	1396155
	Cash and Cash Equivalents as at the beginning of the year	(C)	4085503	2689348
	Cash and Cash Equivalents as at the close of the year	(D)	36573745	4085503
	Net cash and cash equivalents	(D-C)	32488242	1396155
	Components of cash and cash equivalents			

	Balances with banks in current accounts		36573745	4085503
	Fixed Deposits (less than 3 months)		-	-
	CBLO / TriParty Repo		-	-
	Cash and Cash equivalents as at the close of the year.		36573745	4085503

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

Head Operations

& NAV Accounting

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SCHEDULE - 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2020.

1. INTRODUCTION

1.1 About the Scheme

Sahara Tax Gain Fund (the “Scheme”) was launched as a close ended scheme on April 1, 1997 of Sahara Mutual Fund (the “Fund”) and the units allotted under the scheme were subject to a mandatory three-year lock-in-period till March 31, 2000. The basic objective of the scheme is to provide immediate tax relief and long term growth of capital to investors. The Scheme opened for redemptions at Net Asset Value with effect from April 1, 2000. The Scheme subsequently become open ended from November 7, 2002 and opened for continuous purchase and redemptions at prevailing NAV from November 11, 2002. In line with SEBI Circular for providing separate options for direct investments, the scheme has four options (i) Growth Option (ii) Dividend Option (iii) Growth Option – Direct and (iv) Dividend Option – Direct. The scheme will not declare dividend under the Growth Plan. The Income earned on such units remains invested under the scheme and reflected in the Net Asset Value.

1.2 Asset Management Company

Sahara Mutual Fund (SMF) has been established as a Trust in accordance with the Indian Trusts Act, 1882, and is sponsored by Sahara India Financial Corporation Limited.

Sahara Asset Management Company Private Limited (“SAMCPL”), a company incorporated under the Companies Act, 1956, has been appointed as the Asset Management Company (“Investment Manager”) to Sahara Mutual Fund.

The shareholding of Sahara Asset Management Company Private Limited as on March 31, 2020 is as follows:

Name of the Shareholder	Type of Holdings	Holding
Sahara India Financial Corporation Limited	Equity	45.27%
Sahara India Corp Investment Limited	Equity	10.52%
Sahara Prime City Limited (formerly Sahara India Investment Corporation Limited)	Equity	11.74%
Sahara Care Limited	Equity	31.00%
Sahara India Commercial Corporation Limited	Equity	1.47%
Name of the Shareholder	Type of Holdings	Holding
Sahara India Commercial Corporation Ltd	Preference	90.32%
Sahara Care Ltd	Preference	9.68%

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting

The Scheme maintains its books of account on an accrual basis. These financial statements have been prepared in accordance with the Accounting Policies and Standards specified in the Ninth Schedule of The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, (the “Regulation”), and amendments thereto, as applicable.

2.2. Accounting for Investments

- 2.2.1 Investments are accounted on trade dates at cost including brokerage, stamp duty and other charges which are included in the acquisition of investments.
- 2.2.2 Profit or loss on sale of investments is determined on the respective trade date by adopting the “Weighted Average Cost” method.
- 2.2.3 Bonus/Rights entitlements on equity holdings are recognized only when the original shares on which the entitlement accrues are traded on the Principal stock exchange on ex-bonus/ex-

rights basis respectively. In respect of unlisted/ non- traded securities, the Bonus/Rights on equity holdings are recognized only on the receipt of the Bonus/Rights.

2.2.4 Primary Market Investments are recognized on the basis of allotment advice.

2.3. Valuation of Investments

Valuation Policy as on 31.03.2020 is as under:

A: VALUATION OF DEBT INSTRUMENTS

A (I) The 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. where Script wise values are available from CRISIL/ ICRA		The aggregated average price provided by CRISIL / ICRA for the given security or any other agencies as may be indicated from time to time by SEBI/AMFI for that day
3	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc where Script wise values are not available from CRISIL/ ICRA		
	i)	Same security traded and reported on public platforms.	On Weighted Average Yield of all trades (excluding abnormal and retail trades) on Public platforms, for that Securities on that day irrespective of settlement day.
	ii)	If Same Security not traded and reported on any of the public platforms.	The aggregated average matrices of CRISIL/ ICRA for the respective category Or any other agencies as may be indicated from time to time by SEBI/AMFI for that day.
4	Central Government Securities / State Government Securities / Treasury Bills/Cash Management Bill etc		
	1) If the securities are traded and residual maturity is above 60 days.		The Aggregated average valuation as provided by CRISIL / ICRA or any other agencies as may be indicated from time to time by SEBI/AMFI for that day. In case on any given day, the valuation Matrices is not available from CRISIL/ICRA the Valuation is done on accrual/amortization based on last valuation.
	2) If the securities are non-traded and residual maturity is above 60 days.		By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent.

	3) If the securities are traded and residual maturity of the securities is equal to or below 60 days	On last traded price as given on NDS-Section of CCIL Website (Excluding abnormal trade).
	4) If the securities are non-traded and the residual maturity of the securities is equal to or below 60 days	By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent as long as it is within +/- 0.10 % of the reference price. Benchmark yields for calculating reference price to be provided by CRISIL / ICRA.

A (II) Pricing of Inter -Scheme Transfer of Debt Instruments (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/CBRICS up to the time of IST.	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	ii)	If Same security is not traded but similar Security/securities are traded and reported up to the time of IST on FTRAC/CBRICS	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	iii)	If Same or similar Security/securities are not traded and reported up to the time of IST on FTRAC/CBRICS	Previous end of the day valuation plus accrual, if any, based on settlement day of the IST is taken. Example: if settlement is T+0 then no accrual/amortization and if the settlement is other than T+0 then appropriate accrual/amortization.
2.	Central Government Securities / State Government Securities / Treasury Bills/ Cash Management Bill etc		
	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 plus accrual/amortization is taken
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Similar Security:

Similar security here shall mean those securities which are same nature [Commercial Paper (CP), Certificate of Deposit (CD), Non-Convertible Debentures (NCD), etc] of different issuers having same or equivalent credit rating for Similar maturity profile (For both Short term rating and Long term rating), and falling in same “Maturity Bucket” as defined below. Further the instruments Commercial Paper (CP), Bonds and Non-Convertible Debentures (NCDs) etc are categorized into following sub-categories:—

- 1) NBFC
- 2) Real Estate,
- 3) PTC
- 4) Others

Maturity Bucket:

- For Debt Security having remaining maturity up to 91 days

Maturity date of securities falling between	Time Bucket
1st and 7th of the month	1-7 of the same month
8th and 15th of the month	8-15 of the same month
16th and 23rd of the month	16-23 of the same month
24th to end of the month	24- end of the month

- For Debt Securities having remaining maturities more than 91 days
“Time Bucket” for maturity profile of “Similar Securities” is same calendar month of that year.

A (III) Notes:

1. For the purpose of Valuation of securities and for Inter Scheme Transfer, Weighted average of all trades of 5crs and above, excluding abnormal trades and retail trades is taken. Since retail trades are of small value and generally may 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.

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

For the Valuation/Inter-scheme transfer, the available trades of various public platform is considered where the face value of trade per transaction is Rs. 5 crs and above. If in any given day in same/ similar security, the value of total trade is less than minimum market lot of 5 Crs, the same is ignored for the valuation purpose.

3. CRISIL and ICRA provide the valuation matrices for various maturity buckets. Script wise value for various debt instruments are also provided by CRISIL and ICRA. Trades are also reported and settled on various public platforms.
4. Public platform for the purpose of 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 for which Script wise values are not available from CRISIL/ICRA.
5. The data on yield and prices are generally provided up to 4 decimal points which shall be considered and these prices are considered on respective face value of the instruments for arriving at valuation.
6. For the valuation of traded securities where Script wise values are not available by CRISIL/ICRA, price derived from the corresponding Weighted Average yield of all available trades excluding abnormal and retail trades on any public platform for the same security on T+1 settlement basis is taken.

In case, the Bilav file is not received by 7:30 pm and script wise values are not available then FIMMDA managed FTRAC platform and NDS OM section of CCIL website may be used for the calculation of weighted average yield of traded security.

7. For non traded securities where Script wise values are not available, the valuation is done on the price derived from the corresponding the aggregated yield matrices for the respective category as provided by CRISIL/ICRA on T+1 settlement basis.
8. For Government Securities, SDL, T-Bills, Cash Management Bill etc, the valuation is done on aggregated Script wise pricing as provided by CRISIL/ICRA and as applicable for that day.

In the absence of Script wise values the valuation is based on aggregated matrices if available from CRISIL/ICRA on T+1 settlement and as applicable for that day.

9. In case the valuation matrices/Script wise value is available either from CRISIL/ICRA up to a reasonable time limit, the same is considered for arriving at valuation.
10. In respect of on any day neither the Script wise value nor the valuation Matrices is available from CRISIL/ICRA within the reasonable time limit, the Valuation is done on the basis of accrual/amortization based on the last valuation.

B: VALUATION OF EQUITY INSTRUMENTS

1. Traded Equity Securities

When an equity security is not traded on any Stock Exchange on a particular valuation day, the value at which it was traded on the selected Stock Exchange, as the case may be, on the earliest previous day is used provided such date is not more than thirty days prior to valuation date.

2. Thinly Traded Equity / Equity Related Securities

- (a) When trading in an equity and/or equity related securities (such as convertible debentures, equity warrants etc.) in a month is both less than Rs.5lacs in value and the total volume is less than 50,000 shares, the security is considered as thinly traded security.
- (b) In order to determine whether a security is thinly traded or not, the volumes traded in all recognized Stock Exchanges in India would be taken into account.
- (c) Where a Stock Exchange identifies the thinly traded securities by applying the above parameters for the preceding calendar month and publishes or provides the required information along with the daily quotations, the same would be used for valuation.
- (d) If the shares are not listed on the Stock Exchanges which provide such information, then we would make our own analysis in line with the above criteria to check whether such securities are thinly traded or not.

3. Non-traded / Suspended Securities

When an equity security is not traded on any Stock Exchange for a period of thirty days prior to the valuation date, the Script would be treated as a non traded security.

When an equity security is suspended up to thirty days, then the last traded price is considered for valuation of that security. If an equity security is suspended for more than thirty days, then the AMC or Trustees would decide the valuation norms to be followed and such norms would be documented and recorded.

The valuation methodology for thinly traded equity securities, Non-traded equity securities would be as follows:

Based on the latest available Balance Sheet, net worth would be calculated as follows:

- (a) Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.

- (b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
- (c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 10% for illiquidity so as to arrive at the fair value per share.
- (d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- (e) In case, where the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- (f) In case, an individual security accounts for more than 5% of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it would be valued by the procedure above and the proportion which it bears to the total net assets of the scheme to which it belongs will be compared on the date of valuation.

4. Unlisted Equity

Methodology for Valuation - unlisted equity shares of a company would be valued "in good faith" as below:

- a) Based on the latest available Balance Sheet, net worth would be calculated as follows:
 - 1. Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
 - 2. After taking into account the outstanding warrants and options, Net Worth per share would again be calculated and is = [Share Capital + consideration on exercise of Option and/or Warrants received/receivable by the Company + Free Reserves (excluding Revaluation Reserves) – Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] / Number of Paid up Shares plus Number of Shares that would be obtained on conversion and/or exercise of Outstanding Warrants and Options.
 - 3. The lower of (1) and (2) above would be used for calculation of Net Worth per share and for further calculation in (c) below.
- b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
- c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 15% for illiquidity so as to arrive at the fair value per share.

The above valuation methodology would be subject to the following conditions:

- a) All calculations would be based on audited accounts.
- b) If the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- c) If the Net Worth of the company is negative, the share would be marked down to zero.

- d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- e) In case an individual security accounts for more than 5 per cent of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it is valued in accordance with the procedure as mentioned above on the date of valuation.

5. Demerger

Generally on demerger, a listed security gets bifurcated into two or more shares. The valuation of these de-merged companies would depend on the following scenarios:

- a) Both the shares are traded immediately on de-merger: In this case both the shares would be valued at respective traded prices.
- b) Shares of only one company continued to be traded on de-merger: Traded shares would be valued at traded price and the other security would to be valued at traded value on the day before the de merger less value of the traded security post de merger. In case value of the share of de-merged company is equal or in excess of the value of the pre de-merger share, then the non traded share would be valued at zero, till the date it is listed.
- c) Both the shares are not traded on de-merger: Shares of de-merged companies would be valued equal to the pre de merger value up to a period of 30 days from the date of de merger till the date it is listed. The market price of the shares of the de-merged company one day prior to ex-date would be bifurcated over the de-merged shares. The market value of the shares would be bifurcated on a fair value basis, based on available information on the de-merger scheme.
- d) In case shares of either of the companies are not traded for more than 30 days: Then it would be treated as unlisted security, and valued accordingly till the date these are listed.

6. Preference Shares

Preference Shares valuation guidelines would be as follows:

- a) Traded preference shares would be valued as per traded prices.
- b) Non traded Preference Shares
 - I. Redeemable Preference Shares
 - i. Convertible preference share would be valued like convertible debentures.
In general in respect of convertible debentures and bonds, the non-convertible and convertible components would be valued separately. The non-convertible component would be valued on the same basis as would be applicable to a debt instrument. The convertible component would be valued on the same basis as would be applicable to an equity instrument.
If a convertible preference share does not pay dividend then it would be treated like non convertible debentures.
 - ii. Non-Convertible preference share would be valued like a debt instrument.
 - II. Irredeemable preference shares would be valued on perpetual basis. It is like a constant dividend equity share.

7. Warrants

- a) In respect of warrants to subscribe for shares attached to instruments, the warrants would be valued at the value of the share which would be obtained on exercise of the warrants as reduced by the amount which would be payable on exercise of the warrant. A discount similar to the discount to be determined in respect on convertible debentures is deducted to account for the period, which must elapse before the warrant can be exercised.

- b) In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to Equity Shares.

8. Rights

Until they are traded, the value of "rights" shares would be calculated as:

$$V_r = n \div m \times (P_{ex} - P_{of})$$

Where

V_r = Value of rights

n = no. of rights offered

m = no. of original shares held

P_{ex} = Ex-rights price

P_{of} = Rights Offer Price

Where the rights are not treated pari passu with the existing shares, suitable adjustment would be made to the value of rights. Where it is decided not to subscribe for the rights but to renounce them and renunciations are being traded, the rights would be valued at the renunciation value.

9. Derivatives

Market values of traded open futures and option contracts would be determined with respect to the exchange on which contracted originally, i.e., a future or an option contracted on the National Stock Exchange (NSE) would be valued at the closing price on the NSE.

The price of the same futures and option contract on the Bombay Stock Exchange (BSE) cannot be considered for the purpose of valuation, unless the futures or option itself has been contracted on the BSE.

The same will be valued at closing price if the contract is traded on the valuation day. In case there is no trade on valuation day then the same would be valued at Settlement prices.

However, the contracts which are going to expire on valuation date would be valued at Settlement prices only.

10. Mutual Fund Units

- a) In case of traded Mutual Fund schemes, the units would be valued at closing price on the stock exchange on which they are traded like equity instruments. In case the units are not traded for more than 7 days, last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- b) If the last available Repurchase price is older than 7 days, the valuation will be done at the last available NAV reduced by illiquidity discount. The illiquidity discount will be 10% of NAV or as decided by the Valuation Committee.
- c) In case of non-traded Mutual Fund scheme, the last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- d) In case of Investments made by a scheme into the other scheme of Sahara Mutual Fund, if valuation date being the last day of the financial year falling on a non-business day, then the computed NAV would be considered for valuation on March 31.

Related matters

- i) In case the income accrued on debt instruments is not received even after 90 days past the due date, the asset is termed as Non Performing Assets (NPAs) and all provisions/guidelines with respect to income accrual, provisioning etc as contained in SEBI circulars/guidelines issued from time to time shall apply and the valuation of such securities will be done accordingly. In case the company starts servicing the debt, re-schedulement is allowed, the applicable provision in SEBI circulars shall apply for provisioning and reclassification of the asset
- ii) In case of any other instruments not covered in the policy above, the same is referred to the Investment and Valuation Committee which is empowered to take decision.

- iii) In case of any perceived conflict of interest while valuating the securities, the matter is dealt and decided by Investment and Valuation Committee.
- iv) For non– business day the valuation is done on aggregated Script wise prices as provided by CRISIL/ICRA. In absence of Script wise prices the valuation is done on accrual basis/amortization basis based on last valuation
- v) In case of exceptional circumstances like, policy announcements by government/regulatory bodies, natural disasters, public disturbances, extreme volatility in capital market, shut down of market, war etc and on those days if Script wise value or valuation matrices are not available from CRISIL/ICRA and if security is not traded, the valuation for the day is done based on last valuation plus accrual/amortization or as may decided by the Investment and Valuation Committee.
- vi) The Valuation Policy is reviewed by the Statutory Auditor at least once in a financial year.
- vii) Valuation Policy as updated and approved by the Board of AMC / Board of Trustees is applicable for the schemes of Sahara Mutual Fund

2.3.1 Valuation of securities not covered under the above valuation policy:

The total exposure in securities, which do not fall under above valuation norms, shall not exceed 5% of the total AUM of the scheme.

In case of any other instruments not covered in the policy above, the same shall be referred to the Investment and Valuation Committee which is empowered to take decision.

Investment in such securities is to be valued by a method approved by the Investment and Valuation Committee and the same will be reported to the Board of Trustees.

2.3.2 Unrealized Appreciation/Depreciation.

In accordance with the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds issued by the Institute of Chartered Accountants of India, the unrealized appreciation determined separately for each individual investment is directly transferred to the “Unrealized Appreciation Reserve Account” i.e. without routing it through the revenue account.

The provision for depreciation in value of investments determined separately for each individual investment is recognized in the revenue account. The loss (realized) on investments sold / transferred during the year is charged to revenue account, instead of being first adjusted against the provision for depreciation, if already created in the prior year, as recommended by the said Guidance Note. However, this departure from the Guidance Note does not have any net impact on the Scheme’s net assets or results for the year.

2.4 Revenue Recognition

- 2.4.1 Income and Expenses are recognized on accrual basis.
- 2.4.2 Interest on funds invested in short term deposits with scheduled commercial banks is recognized on accrual basis.
- 2.4.3 Dividend income earned by the scheme is recognized on the date the share is quoted on ex-dividend basis on principal stock exchange.
- 2.4.4 Proportionate realized gains on investments out of sales / repurchase proceeds at the time of sale / repurchase of units are transferred to revenue Account from Unit Premium Reserve.

3. Net Asset Value for Growth/Dividend Options:

The net asset value of the units is determined separately for units issued under the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option – Direct. For reporting the net asset value of the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option - Direct, daily income earned, including realized and unrealized gain or loss in the value of investments and expenses incurred by the scheme are allocated to the options in proportion to the value of the net assets.

4. Unit Premium Reserve Account

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the unit premium reserve account of the Scheme, after an appropriate amount of the issue proceeds and redemption payout is credited or debited respectively to the income equalization account.

5. Income Equalization Account

An appropriate part of the sale proceeds or the redemption amount, as the case may be, is transferred to income equalization account. The total distributable surplus (without considering unrealized appreciation) upto the date of issue/ redemption of units has been taken into account for the purpose of ascertaining the amount to be transferred to Equalization Account on a daily basis. The net balance in this account is transferred to the Revenue Account at the end of the year.

6. Load Charges

Service tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of service tax, if any, shall be credited to the scheme.

7. Unclaimed Redemption

In line with SEBI circular no. MFD/CIR/9/120 /2000 dated November 24, 2000 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed redemption and unclaimed dividend amounts may be deployed by the mutual funds in call money market or money market instruments and also be allowed to be invested in a separate plan of Liquid Scheme/ Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. The investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. Further, AMC shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plans shall be capped at 50 bps. The AMC should make continuous effort to remind the investors through letters to take their unclaimed amounts.

8. NOTES ON ACCOUNTS

8.1 Management Fees, Trusteeship Fees, Custodian Fees, Scheme Expenses

Management Fees

Management Fees (inclusive of GST) has been computed at 0.31% (P.Y. 1.86%) on average net assets calculated on a daily basis.

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the financial year 2019-20, the Trusteeship fees and expenses amounted to Rs.74,227.90 (PY:Rs.97,637.68). However, due to small AUM of the scheme, only an amount of Rs.52,102.95 (PY:Rs.10,118.06) was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

HDFC Bank Ltd provides Custodial Services to the scheme for which fees is paid as per the agreement.

Scheme Expenses

As per guidelines issued vide SEBI circular dated October 22, 2018, the schemes related expenses had to be fully managed from the Total Expense Ratio (TER).

During the financial year 2019-20 due to small size of AUM of the scheme only the certain expenses have been paid from TER and the balance amount had been borne by the AMC, details are as under:

(Amount in Rs.)

Particulars	Total Expenses	Charged to Scheme TER	Balance borne by AMC
R & T Expenses	448486.52	4,17,320.01	31166.51
Audit fees	97603.77	78139.67	19464.10

8.2 Provision for tax has not been made since the income of the scheme is exempt from tax under Section 10(23D) of the Income Tax Act, 1961.

8.3 Transactions with Brokers in excess of 5% or more of the aggregate purchases and sale of securities made by the Fund have been reported to the Trustees on a Bimonthly basis.

8.4 During the year ended 31.03.2020, the Registrar and Transfer Agent charges amounting to Rs.4,17,320.01 (PY:Rs.1,95,886.72) constitutes 36.63% (PY:12.81%), the Custodian fees amounting to Rs.2,50,914.89 (PY:106,056.11) constitutes 22.02% (PY:6.94%) and Professional fees amounting to Rs.1,29,467.87 (PY:31,703.56) constitutes 11.36% (PY:2.07%) of the total scheme expenses.

8.5 Transactions with Associates/related parties/group companies of Sponsor/AMC
Brokerage / Commission on sale of units by the Scheme or by the Asset Management Company given to associates, pursuant to Regulation 25(8): Related Party:- Sahara India Financial Corporation Ltd(SIFCL):(sponsor)

Commission to SIFCL made for sale of units of the MF for the current year ended 31st March 2020.

(Rs. In Lakhs)

Tax Gain Fund	Growth Fund	Mid Cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0436	0.0010	0.0032	0.0012	0.0020	0.0003	0.0103

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2019.

(Rs.In lakhs)

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0541	0.0026	0.0053	0.0005	0.0047	0.0003	0.0112

Commission to SIFCL

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Business given (Rs cr and % of total business received by the fund)	Commission paid (Rs & % of total commission paid by the fund)
1	2	3	4	5
SIFCL	Sponsor / Mutual Fund Distributor	April 19-March 20	0.00	Rs.6171.56; 7.42%
SIFCL	Sponsor / Mutual Fund Distributor	April 18-March 19	0.00	Rs.7874.96; 9.20%

In column No 5, the amount relates to trail commission.

Brokerage paid to associates / related parties / group companies of Sponsor/AMC

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Value of Transaction (in Rs, Cr & of Total value of Transaction of the Fund)	Brokerage (Rs Cr & % of total brokerage paid by the Fund)
-	-	-	-	-

There are no associate brokers, hence not applicable for the period April –March 2020 & April – Mar 2019.

8.6 The Aggregate value of Investments purchased and sold (Including Redemption) during the year as a percentage of daily average net asset value;

Purchases

Year	Amount in Rs.	% of Daily Average
2019-20	664,130.56	1.33
2018-19	6,92,32,642	123.39

Sales

Year	Amount in Rs.	% of Daily Average
2019-20	38,343,788.72	76.82
2018-19	8,41,64,710	150.00

8.7 Aggregate Appreciation and Depreciation in the value of Investments :

Asset Class	31-Mar-2020		31-Mar-2019	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	0.00	(0.31)	70.20	34.46

8.8 Income and Expense Ratio

	2019-20	2018-19
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	1.16%	30.26%
Total Expenditure to average net assets calculated on a daily basis	2.28%	2.73%

8.9 Movements in Unit Capital: Face Value of Units: Rs. 10/- per unit.

8.9.1 Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on	As on	As on	As on
	31-Mar-2020	31-Mar-2020	31-Mar-2019	31-Mar-2019
Initial Capital	653500.000	6535000.00	653500.000	6535000.00
Opening Balance	286801.008	2868010.08	325579.582	3255795.82
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(28933.215)	(289332.15)	(38778.574)	(387785.74)
Closing Balance	257867.793	2578677.93	286801.008	2868010.08

8.9.2 Growth Option(Direct)

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on	As on	As on	As on
	31-Mar-2020	31-Mar-2020	31-Mar-2019	31-Mar-2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	36665.079	366650.79	43109.444	431094.44
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(3782.974)	(37829.74)	(6444.365)	(64443.65)
Closing Balance	32882.105	328821.05	36665.079	366650.79

8.9.3 Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on	As on	As on	As on
	31-Mar-2020	31-Mar-2020	31-Mar-2019	31-Mar-2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	1599135.105	15991351.05	2027753.472	20277534.72
Units Sold during the period	0.000	0.00	0.000	0.00
Units Repurchased during the period	(186903.029)	(1869030.29)	(428618.367)	(4286183.67)
Closing Balance	1412232.076	14122320.76	1599135.105	15991351.05

8.9.4 Dividend Option (Direct)

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on	As on	As on	As on
	31-Mar-2020	31-Mar-2020	31-Mar-2019	31-Mar-2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	80651.220	806512.20	152693.940	1526939.40
Units Sold during the period	0.000	0.00	0.000	0.00
Units Repurchased during the period	(24844.561)	(248445.61)	(72042.720)	(720427.20)
Closing Balance	55806.659	558066.59	80651.220	806512.20

8.10 The scheme has declared Nil dividend for the year ended March 31, 2020 (PY: Nil). There was no bonus declared during the year ended March 31, 2020 (PY: Nil).

8.11 Unclaimed Amounts (beyond three months)

Unclaimed Redemption and Dividend amounts as on March 31, 2020 are given below:

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No of Investors	Unclaimed Redemption(Rs)
Sahara Tax Gain Fund	2042	2053549.77	59	435019.2

8.12 Investments made by the Schemes of Sahara Mutual Fund in Companies or their subsidiaries that have invested more than 5% of the net asset value of any scheme, pursuant to Regulation 25(11): **NIL**

8.13 Portfolio Statement as on 31st March, 2020:

Name of the Instrument	ISIN	Quantity	Market	% to	% to
			Value (Rs. in Lakhs)	NAV	Category Total
1) Equity & Equity Related					
(a) Listed/awaiting Listing on Stock Exchange					
EQUITY SHARES					
CONSUMER NON DURABLES				1.50	100.00
TATA CONSUMER PRODUCT LTD. EX- TATA GLOBAL BEVERAGES LTD.)	INE192A01025	1754	5.17	-	-
(b) Unlisted		Nil	Nil	Nil	Nil
Equity Total (a+b)			5.17	1.50	100.00
2) Debt Instruments					
(a) Listed/awaiting Listing on Stock Exchange		Nil	Nil	Nil	Nil
(b) Privately Placed/Unlisted		Nil	Nil	Nil	Nil
(c) Securitised Debt		Nil	Nil	Nil	Nil
3) Money Market Instruments					
Collateralized Borrowing and Lending Obligation (CBLO)		Nil	Nil	Nil	Nil
4) Short term Deposit		Nil	Nil	Nil	Nil
5) Other- Net Current Assets			338.53	98.50	100.00
Grand Total			343.70	100.00	100.00

8.14 Investments made by the Scheme in shares of Group Companies of the Sponsor – **NIL**.

8.15 Holdings over 25% of the NAV of the scheme as of March 31, 2020.

Particulars	As on March 31, 2020	As on March 31, 2019
Number of Investors	0	0
Percentage of Holdings	N/A	N/A

8.16 Contingent Liability: **Nil**

8.17 SEBI vide its Order no: WTM/PS/26/IMD/DOF-III/July/2015 dated 28th July, 2015 directed cancellation of "Certificate of Registration" of Sahara Mutual Fund which was to be effective on expiry of six months from the date of the Order. Further, SEBI also directed by the said Order that the Mutual Fund shall not take any new subscription from investors. Accordingly, Sahara Mutual Fund has not taken any new subscription from the investors (including existing investors) in line with the said SEBI order.

Sahara Asset Management Company Pvt. Ltd filed an appeal before the Securities Appellate Tribunal (SAT), Mumbai to set aside the said SEBI order. SAT vide its order dated 9th December 2015 granted an interim stay in the matter. SAT vide its order dated 28th July, 2017 dismissed the appeal made by Sahara AMC against the SEBI order dated 28th July, 2015. However, SAT granted 6 weeks stay to approach the Hon'ble Supreme Court in the matter. An appeal was filed on 7th September 2017 before the Hon'ble Supreme Court and the appeal was dismissed vide its order dated 23rd October 2017.

SEBI vide its letter dated November 17, 2017 directed the cancellation of 'Certificate of registration' would be effective six months from the date of the Hon'ble Supreme Court order dated 23rd October 2017.

Sahara Mutual Fund requested SEBI vide its letter dated 15th January 2018 to extend the date of cancellation of 'Certificate of registration' till July 27th, 2018 for giving time for identification of a new sponsor and considering the lock in period of certain unit holders' investments in Sahara Tax gain fund.

A new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

SEBI vide their letter dated 11th April 2018 ordered for winding up all the schemes except Sahara Tax Gain Fund by 21st April 2018. An appeal was filed before SAT for a stay against the SEBI order dated April, 11, 2018.

In view of the direction of SAT on 26th April 2018 a comprehensive appeal was filed.

SAT vide its order dated 3rd May 2018 directed that SEBI shall not enforce the orders impugned in the two appeals till a decision on new sponsor's application is communicated.

The application of One Life Capital Advisors Limited who had offered to be the new Sponsor for Sahara Mutual Fund stands annulled in view of the SEBI Order dated March 4th, 2020.

SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up in line with SEBI order no.WTM/GM/IMD/07/2018-19 dated April 11, 2018.

The Board of Trustees of Sahara Mutual Fund decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996.

A notice was published on March 20, 2020 that Sahara Tax Gain Fund would be wound up on March 27, 2020.

In view of what has been stated in para 8.18 below, the financial statements have been prepared for the year ended 31st March, 2020 on liquidation basis.

8.18 EVENTS AFTER THE REPORTING PERIOD:

A significant non-adjusting event has occurred between the reporting date (31.3.2020) and the date of approval of these financial statements (28th August, 2020).

- a) Sahara Tax Gain Fund could not be wound up on March 27, 2020. The entire portfolio had been liquidated but for one of the securities in the portfolio namely Tata Consumer Products Ltd. (pari passu shares allotted on account of demerger of Tata Chemicals and Tata Global Beverages Ltd) which did not get listed on the stock exchange on or before March 27, 2020.
- b) SEBI was informed about the extension of the winding up period of the scheme vide AMC mail dated March 27, 2020.
- c) The said security got listed on April 1, 2020 and the Scheme sold these shares on April 3rd, 2020.

As of the date of signing the annual accounts, Sahara Tax Gain Fund has been wound up as on April 3rd, 2020.

8.19 Composition of the Board of Trustees.

As per Reg 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, it is stated that "The trust deed shall state that the minimum number of trustees shall be four." The Board of Trustees of Sahara Mutual Fund comprises of two (2) Trustees and thereby the above criteria of minimum number of Trustees has not been complied with.

8.20 Net worth:

As per the Reg. 21(1)(f), of SEBI (Mutual Funds) Regulations, 1996 and in compliance with the notification of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2014 dated May 6, 2014, the AMC should maintain a Net Worth of minimum Rs.50 crs. The Net

Worth of Sahara Asset Management Company Private Ltd. as on March 31, 2020 was Rs.3.20 crs, which is below the threshold limit of Rs.50 crs and thereby the net worth criteria as required by the above regulations has not been complied with.

8.21 Previous year figures have been reclassified/regrouped, wherever necessary to Conform to the current year's classification.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

I S Verma

Director

Vidya Manjrekar

**Head Operations
& NAV Accounting**

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA TAX GAIN FUND
Perspective Historical Per Unit Statistics

Particulars	As at 31-Mar- 20 (Rs.Per Unit)	As at 31-Mar- 19 (Rs.Per Unit)	As at 31-Mar- 18 (Rs.Per Unit)
(A) Gross Income			
(i) Income other than Profit on sale of Investments	0.35	0.24	0.28
(ii) Income from Profit (net of loss) on inter-scheme sales/transfer of investments	0.00	0.00	0.00
(iii) Income from Profit (net of Loss) on sale other than interscheme	(5.78)	6.45	3.73
(iv) Transfer to revenue account from past year's reserves	0.00	0.00	0.00
(B) Aggregate of expenses, write off, amortization and charges	0.65	0.76	0.90
(c) Net Income	(6.09)	5.93	3.11
(d) Net unrealised appreciation/(dimunition) in value of investments	(0.02)	1.78	4.97
(e) Net Asset Value			
Growth Plan	53.9897	76.4313	72.9447
Dividend Plan	12.6454	17.9017	17.0852
Direct Growth Plan	56.8732	80.2936	75.8157
Direct Dividend Plan	12.9004	18.2436	17.3633
(f) Purchase Price during the year**			
(i) Highest			
Growth Plan	82.6337	78.4915	81.2032
Dividend Plan	19.3950	18.3842	19.0197
Direct Growth Plan	85.6785	82.0767	84.2036
Direct Dividend Plan	19.4355	18.7069	19.3191
(ii) Lowest			
Growth Plan	68.2512	65.9794	69.8547
Dividend Plan	13.3642	16.0399	16.3615
Direct Growth Plan	76.1002	69.1101	71.7560
Direct Dividend Plan	16.8837	16.1228	16.5864
(g) Sale Price during the year**			
(i) Highest			
Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
(ii) Lowest			
Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by percentage	2.28%	2.73%	3.02%

(i) Ratio of income to average daily net assets by Percentage (excluding transfer to revenue account from past year's reserve but including net change in unrealized appreciation / depreciation in value of Investments and adjusted for net loss on sale / redemption of investments)	1.16%	30.26%	30.21%
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*Annualized

**Based on the maximum load during the year

Per unit calculations based on number of units in issue at the end of the year

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara Growth Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Growth Fund** ("the Scheme"), which comprise the Balance Sheet as at March 27, 2020, the Revenue Account for the period from 1st April, 2019 to 27th March, 2020 and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the scheme give the information specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto ("the SEBI Regulations"), as applicable, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 27, 2020;
- (b) in the case of the Revenue Account, of the deficit for the period ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA's) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust/Scheme in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements of the Scheme. Our audit has been conducted in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to the following matters in the Notes to the financial statements:

- a) Note no. 8.18 (a) which states that SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up.
- b) Note no. 8.18 (b) which states that The Board of Trustees of Sahara Mutual Fund have decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996 with effect from 27th March, 2020.

In view of the above the accounts for the period from 1st April, 2019 to 27th March, 2020 have been prepared on "liquidation basis of accounting" and not on a going concern basis.

Our opinion is not modified in respect of the above matter.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Trustees of Sahara Mutual Fund and the Board of Directors of Sahara Asset Management Company Private Limited (the "Directors") are responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating

effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Consequent upon the directions in the SEBI letter dated 5th March, 2020 and the decision of the Trustees to comply with the SEBI directions, the Scheme has been wound up on 27th March, 2020 and the financial statements have been prepared on liquidation basis of accounting.

Those charged with Governance are also responsible for overseeing the Scheme's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) The Balance Sheet and Revenue Account dealt with by this Report are in agreement with the books of accounts of the Scheme.
- c) The statement of account has been prepared in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable.
- d) We have reviewed the Valuation Policy being followed for the schemes of Sahara Mutual Fund. The Valuation Policy implemented for the Scheme is in line with the SEBI guidelines issued in this regard.

For Chaturvedi & Partners.

Chartered Accountants

(Firm's Registration No. 307068E)

Sd/-

Khyati Shah

(Partner)

Mem. No. 117510

ICAI UDIN: 20117510AAAAV7490

Place: Mumbai

Date: August 28, 2020

SAHARA GROWTH FUND
BALANCE SHEET AS AT 27TH MARCH, 2020

SAHARA GROWTH FUND	Schedule	As at	As at
		March 27, 2020	March 31, 2019
ASSETS		(Rs)	(Rs)
Investments	1	-	41,386,021
Other Current Assets	2	25,240,292	2,523,235
Total Assets		25,240,292	43,909,256
LIABILITIES			
Unit Capital	3	4,013,860	4,674,046
Reserves & Surplus	4	20,811,276	38,797,778
Current Liabilities & Provisions	5	415,156	437,432
Total Liabilities		25,240,292	43,909,256

NET ASSET VALUE

Net Asset Value per unit (Rs.)

Growth Option	G	106.8003	148.7498
Dividend Option	D	31.0124	43.1937
Direct Growth Option	GDP	120.2339	166.8069
Direct Dividend Option	DDP	31.6489	44.0421

Significant Accounting Policies
and Notes to the accounts

7

Schedules 1 to 5 and 7 form
an integral part of the Balance
Sheet

As per our attached report of even date

For Chaturvedi & Partners
Chartered Accountants
(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No.117510

Place: Mumbai
Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava
Director

I S Verma
Director

Vidya Manjrekar
Head Operations
& NAV Accounting

Sudhir Kaup
Compliance Officer

For Sahara Mutual Fund

M R Siddiqui
Trustee

S P Srivastava
Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA GROWTH FUND

REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 27, 2020

SAHARA GROWTH FUND	Schedule	For the period ended	For the year ended
		March 27, 2020	March 31, 2019
		(Rs)	(Rs)
INCOME			
Dividend		432,556	341,918
Interest & Discount Income		-	6,288
Other Income		6	146
Profit on Sale / Redemption of Investments(Net)		-	6,635,480
(Other than Inter Scheme Transfer / Sale)			
Total Income		432,562	6,983,832
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Loss on Sale / Redemption of Investments(Net)		4,684,215	-
(Other than Inter Scheme Transfer / Sale)			
Management Fees		83,690	513,662
ST / GST on Management Fees		15,066	92,460
Investor Education & Awareness Fees		7,875	8,509
Registrar & Transfer Agent Charges		334,049	150,598
Transaction cost		16,818	15,345
Custodian Fees		200,820	81,918
Trusteeship Fees & Expenses		41,700	7,797
Audit Fees		64,203	75,717
Professional Fees		103,783	24,669
Commission to Agents		3,337	2,608
Total Expenses		5,555,556	973,283
Net Surplus for the Year		(5,122,994)	6,010,549
Provision/ Write Back for diminution in the value of Investment	6	1,980,461	(256,196)
Net Surplus for the Year (excluding unrealised appreciation)		(3,142,533)	5,754,353

Transfer from Income Equalisation Reserve		(9,738,727)	(8,564,484)
Net : Transferred to Revenue Reserve		(12,881,260)	(2,810,131)

Significant Accounting Policies and notes to the accounts 7

Schedules 6 to 7 form an integral part of the Revenue Account

As per our attached report of even date

For Chaturvedi & Partners
Chartered Accountants
(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No.117510

Place: Mumbai
Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava
Director

Vidya Manjrekar
Head Operations
& NAV Accounting

For Sahara Mutual Fund

M R Siddiqui
Trustee

Place: Mumbai

I S Verma
Director

Sudhir Kaup
Compliance Officer

S P Srivastava
Trustee

Date: 28th August, 2020

SCHEDULES FORMING PART OF THE BALANCE SHEET

SAHARA GROWTH FUND		As at		As at
		March 27,		March 31,
		2020		2019
		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		-		41,386,021
		-		41,386,021
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		25,067,503		2,350,641
Investment - Liquid MF Units		156,967		159,229
Investment - Liquid MF Units for Investor Education		13,365		13,365
Dividend Receivable		2,457		-
		25,240,292		2,523,235
SCHEDULE 3				
Unit Capital				
Growth Option:129731.263 units of Rs.10 each	G	1,297,312		1,440,883
(For 2018-2019 144088.415 units of Rs.10 each)				
Dividend Option:242474.466 units of Rs.10 each	D	2,424,745		2,573,036
(For 2018-2019: 257303.557 units of Rs.10 each)				
Direct Growth Option: 28521.292 units of Rs.10 each	GDP	285,213		653,537
(For 2018-2019: 65353.718 units of Rs.10 each)				
Direct Dividend Option: 659.047 units of Rs.10 each	DDP	6,590		6,590
(For 2018-2019: 659.047 units of Rs.10 each)				
Total		4,013,860		4,674,046
(Refer note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	45,146,534		47,956,665	

Transfer from Revenue Account	(12,881,260)		(2,810,131)	
Balance as at end of the year		32,265,274		45,146,534
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(9,738,727)		(8,564,484)	
Transfer to Revenue Account	9,738,727		8,564,484	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	6,181,394		8,324,609	
Additions during the year	(6,181,394)		(2,143,215)	
Balance as at end of the year		-		6,181,394
Unit Premium Reserve				
Balance as at beginning of the year	(12,530,150)		(14,706,353)	
Additions during the year	1,076,152		2,176,203	
Balance as at end of the year		(11,453,998)		(12,530,150)
		20,811,276		38,797,778
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		132,922		160,205
Management Fees Payable		4,852		1,789
ST / GST on Management Fees Payable		874		322
Payable Fees on Investor Education		30,008		26,353
Payable on redemption of units		183,940		183,940
STT Payable		1		2
Unclaimed Distributed Income		62,559		64,821
		415,156		437,432

SCHEDULES FORMING PART OF REVENUE ACCOUNT

SAHARA GROWTH FUND		For the period ended		For the year ended
		March 27, 2020		March 31, 2019
		(Rs)		(Rs)
SCHEDULE 6				
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(1,980,461)		(1,724,265)
At the end of the year		-		(1,980,461)
		1,980,461		(256,196)

CASHFLOW STATEMENT FOR THE PERIOD ENDED MARCH 27, 2020

	SAHARA GROWTH FUND		For the period ended	For the year ended
			March 27, 2020	March 31, 2019
			(Rs)	(Rs)
A.	Cash Flow from Operating Activity			
	Surplus / (Deficit) for the year		(5122994)	6010549
	Add/(less) : Net Change in Marked to Market Value of Investments		(4200933)	(2399411)
	Add: Interest expense on Loan		-	-
	Adjustments for :-			
	(Increase) / Decrease in Investments		41386021	5334021
	(Increase) / Decrease in Other current assets		(195)	-
	Increase / (Decrease) in Other current liabilities		(22276)	116471
	Increase / (Decrease) in Fixed Deposit		-	-
	Net cash generated from / (used in) operations	(A)	32039623	9061630
B.	Cash Flow from Financing Activities			
	Increase / (Decrease) in Unit Capital		(660186)	(937928)
	Increase / (Decrease) in Unit Premium		1076152	2176203
	Income Equalisation during the period		(9738727)	(8564484)
	Adjustments for:-			
	Increase / (Decrease) in Sundry Creditors for units redeemed by Investors		-	-
	(Increase) / Decrease in Sundry Debtors for units issued to investors		-	-
	Dividend paid during the year (including Dividend Distribution Tax)		-	-
	Net cash (used in) / generated from financing activities	(B)	(9322761)	(7326209)
	Net increase / (Decrease) in cash and cash equivalents	(A+B)	22716862	1735421
	Cash and Cash Equivalents as at the beginning of the year	(C)	2350641	615220
	Cash and Cash Equivalents as at the close of the year	(D)	25067503	2350641
	Net cash and cash equivalents	(D-C)	22716862	1735421
	Components of cash and cash equivalents			
	Balances with banks in current accounts		25067503	2350641
	Fixed Deposits (less than 3 months)		-	-
	CBLO / TriParty Repo		-	-

	Cash and Cash equivalents as at the close of the year.		25067503	2350641
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As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

**Head Operations
& NAV Accounting**

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SCHEDULE – 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE PERIOD FROM 1ST APRIL, 2019 TO MARCH 27th, 2020.

1. INTRODUCTION

1.1 About the Scheme

Sahara Growth Fund (the “Scheme”) is an open ended growth scheme of Sahara Mutual Fund (the “Fund”). The objective is to achieve capital appreciation by investing in equity and equity related instruments. In line with SEBI Circular for providing separate options for direct investments, the scheme has four options (i) Growth Option (ii) Dividend Option (iii) Growth Option – Direct and (iv) Dividend Option – Direct. The scheme will not declare dividend under the Growth Plan. The Income earned on such units remain invested under the scheme and reflected in the Net Asset Value. The initial issue period of the scheme was from July 22, 2002 to August 12, 2002 and the scheme was reopen for continuous purchase and redemption at prevailing NAV from August 30, 2002.

The Scheme was wound up by the Trustees on 27th March, 2020 in terms of the provisions of Regulation 39(2)(c) of the SEBI (Mutual Funds) Regulations, 1996.

1.2 Asset Management Company

Sahara Mutual Fund (SMF) has been established as a Trust in accordance with the Indian Trusts Act, 1882, and is sponsored by Sahara India Financial Corporation Limited.

Sahara Asset Management Company Private Limited (“SAMCPL”), a company incorporated under the Companies Act, 1956, has been appointed as the Asset Management Company (“Investment Manager”) to Sahara Mutual Fund.

The Shareholding of Sahara Asset Management Company Private Limited as on March 27th, 2020 is as follows:

Name of the Shareholder	Type of Holdings	Holding
Sahara India Financial Corporation Limited	Equity	45.27%
Sahara India Corp Investment Limited	Equity	10.52%
Sahara Prime City Limited (formerly Sahara India Investment Corporation Limited)	Equity	11.74%
Sahara Care Limited	Equity	31.00%
Sahara India Commercial Corporation Limited	Equity	1.47%
Name of the Shareholder	Type of Holdings	Holding
Sahara India Commercial Corporation Ltd	Preference	90.32%
Sahara Care Ltd	Preference	9.68%

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting

The Scheme maintains (maintained) its books of account on an accrual basis. These financial statements have been prepared in accordance with the Accounting Policies and Standards specified in the Ninth Schedule of The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, (the "Regulation"), and amendments thereto, as applicable.

2.2. Accounting for Investments

- 2.2.1 Investments are accounted on trade dates at cost including brokerage, stamp duty and other charges which are included in the acquisition of investments.
- 2.2.2 Profit or loss on sale of investments is determined on the respective trade date by adopting the "Weighted Average Cost" method.
- 2.2.3 Bonus/Rights entitlements on equity holdings are recognized only when the original shares on which the entitlement accrues are traded on the Principal stock exchange on ex-bonus/ex-rights basis respectively. In respect of unlisted/ non- traded securities, the Bonus/Rights on equity holdings are recognised only on the receipt of the Bonus/Rights.
- 2.2.4 Primary Market Investments are recognized on the basis of allotment advice.

2.3. Valuation of Investments

Valuation Policy as on 27.03.2020 is as under:

A: VALUATION OF DEBT INSTRUMENTS

A (I) - The 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. where Script wise values are available from CRISIL/ ICRA		The aggregated average price provided by CRISIL / ICRA for the given security or any other agencies as may be indicated from time to time by SEBI/AMFI for that day
3	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc where Script wise values are not available from CRISIL/ ICRA		
	i)	Same security traded and reported on public platforms.	On Weighted Average Yield of all trades (excluding abnormal and retail trades) on Public platforms, for that Securities on that day irrespective of settlement day.
	ii)	If Same Security not traded and reported on any of the public platforms.	The aggregated average matrices of CRISIL/ ICRA for the respective category Or any other agencies as may be indicated from time to time by SEBI/AMFI for that day.
4	Central Government Securities / State Government Securities / Treasury Bills/Cash Management Bill etc		

	1) If the securities are traded and residual maturity is above 60 days.	The Aggregated average valuation as provided by CRISIL / ICRA or any other agencies as may be indicated from time to time by SEBI/AMFI for that day. In case on any given day, the valuation Matrices is not available from CRISIL/ICRA the Valuation is done on accrual/amortization based on last valuation.
	2) If the securities are non-traded and residual maturity is above 60 days.	By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent.
	3) If the securities are traded and residual maturity of the securities is equal to or below 60 days	On last traded price as given on NDS-Section of CCIL Website (Excluding abnormal trade).
	4) If the securities are non-traded and the residual maturity of the securities is equal to or below 60 days	By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent as long as it is within +/- 0.10 % of the reference price. Benchmark yields for calculating reference price to be provided by CRISIL / ICRA.

A (II) Pricing of Inter -Scheme Transfer of Debt Instruments (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/CBRICS up to the time of IST.	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	ii)	If Same security is not traded but similar Security/securities are traded and reported up to the time of IST on FTRAC/CBRICS	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization

	iii)	If Same or similar Security/securities are not traded and reported up to the time of IST on FTRAC/CBRICS	Previous end of the day valuation plus accrual, if any, based on settlement day of the IST is taken. Example: if settlement is T+0 then no accrual/amortization and if the settlement is other than T+0 then appropriate accrual/amortization.
2.		Central Government Securities / State Government Securities / Treasury Bills/ Cash Management Bill etc	
	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 plus accrual/amortization is taken

Similar Security:

Similar security here shall mean those securities which are same nature [Commercial Paper (CP), Certificate of Deposit (CD), Non-Convertible Debentures (NCD), etc] of different issuers having same or equivalent credit rating for Similar maturity profile (For both Short term rating and Long term rating), and falling in same "Maturity Bucket" as defined below. Further the instruments Commercial Paper (CP), Bonds and Non-Convertible Debentures (NCDs) etc are categorized into following sub-categories:—

- 1) NBFC
- 2) Real Estate,
- 3) PTC
- 4) Others

Maturity Bucket:

- For Debt Security having remaining maturity up to 91 days

Maturity date of securities falling between	Time Bucket
1st and 7th of the month	1-7 of the same month
8th and 15th of the month	8-15 of the same month
16th and 23rd of the month	16-23 of the same month
24th to end of the month	24- end of the month

- For Debt Securities having remaining maturities more than 91 days
"Time Bucket" for maturity profile of "Similar Securities" is same calendar month of that year.

A (III) Notes:

1. For the purpose of Valuation of securities and for Inter Scheme Transfer, Weighted average of all trades of 5 crs and above, excluding abnormal trades and retail trades is taken. Since retail trades are of small value and generally may 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.
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

For the Valuation/Inter-scheme transfer, the available trades of various public platform is considered where the face value of trade per transaction is Rs. 5 crs and above. If in any given day in same/ similar security, the value of total trade is less than minimum market lot of 5 crs, the same is ignored for the valuation purpose.

3. CRISIL and ICRA provide the valuation matrices for various maturity buckets. Script wise value for various debt instruments are also provided by CRISIL and ICRA. Trades are also reported and settled on various public platforms.

4. Public platform for the purpose of 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 for which Script wise values are not available from CRISIL/ICRA.
5. The data on yield and prices are generally provided up to 4 decimal points which shall be considered and these prices are considered on respective face value of the instruments for arriving at valuation.
6. For the valuation of traded securities where Script wise values are not available by CRISIL/ICRA, price derived from the corresponding Weighted Average yield of all available trades excluding abnormal and retail trades on any public platform for the same security on T+1 settlement basis is taken.

In case, the Bilav file is not received by 7:30 pm and script wise values are not available then FIMMDA managed FTRAC platform and NDS OM section of CCIL website may be used for the calculation of weighted average yield of traded security.

7. For non-traded securities where Script wise values are not available, the valuation is done on the price derived from the corresponding the aggregated yield matrices for the respective category as provided by CRISIL/ICRA on T+1 settlement basis.
8. For Government Securities, SDL, T-Bills, Cash Management Bill etc, the valuation is done on aggregated Script wise pricing as provided by CRISIL/ICRA and as applicable for that day.

In the absence of Script wise values the valuation is based on aggregated matrices if available from CRISIL/ICRA on T+1 settlement and as applicable for that day.

9. In case the valuation matrices/Script wise value is available either from CRISIL/ICRA up to a reasonable time limit, the same is considered for arriving at valuation.
10. In respect of on any day neither the Script wise value nor the valuation Matrices is available from CRISIL/ICRA within the reasonable time limit, the Valuation is done on the basis of accrual/amortization based on the last valuation.

B: VALUATION OF EQUITY INSTRUMENTS

1. Traded Equity Securities

When an equity security is not traded on any Stock Exchange on a particular valuation day, the value at which it was traded on the selected Stock Exchange, as the case may be, on the earliest previous day is used provided such date is not more than thirty days prior to valuation date.

2. Thinly Traded Equity / Equity Related Securities

- (a) When trading in an equity and/or equity related securities (such as convertible debentures, equity warrants etc.) in a month is both less than Rs.5lacs in value and the total volume is less than 50,000 shares, the security is considered as thinly traded security.
- (b) In order to determine whether a security is thinly traded or not, the volumes traded in all recognized Stock Exchanges in India would be taken into account.
- (c) Where a Stock Exchange identifies the thinly traded securities by applying the above parameters for the preceding calendar month and publishes or provides the required information along with the daily quotations, the same would be used for valuation.
- (d) If the shares are not listed on the Stock Exchanges which provide such information, then we would make our own analysis in line with the above criteria to check whether such securities are thinly traded or not.

3. Non-traded / Suspended Securities

When an equity security is not traded on any Stock Exchange for a period of thirty days prior to the valuation date, the Script would be treated as a non-traded security.

When an equity security is suspended up to thirty days, then the last traded price is considered for valuation of that security. If an equity security is suspended for more than thirty days, then the AMC or Trustees would decide the valuation norms to be followed and such norms would be documented and recorded.

The valuation methodology for thinly traded equity securities, Non-traded equity securities would be as follows:

Based on the latest available Balance Sheet, net worth would be calculated as follows:

- (a) Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
- (b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
- (c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 10% for illiquidity so as to arrive at the fair value per share.
- (d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- (e) In case, where the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- (f) In case, an individual security accounts for more than 5% of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it would be valued by the procedure above and the proportion which it bears to the total net assets of the scheme to which it belongs will be compared on the date of valuation.

4. Unlisted Equity

Methodology for Valuation - unlisted equity shares of a company would be valued "in good faith" as below:

- a) Based on the latest available Balance Sheet, net worth would be calculated as follows:
 1. Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
 2. After taking into account the outstanding warrants and options, Net Worth per share would again be calculated and is = [Share Capital + consideration on exercise of Option and/or Warrants received/receivable by the Company + Free Reserves (excluding Revaluation Reserves) – Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] / Number of Paid up Shares plus Number of Shares that would be obtained on conversion and/or exercise of Outstanding Warrants and Options.
 3. The lower of (1) and (2) above would be used for calculation of Net Worth per share and for further calculation in (c) below.
- b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.

- c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 15% for illiquidity so as to arrive at the fair value per share.

The above valuation methodology would be subject to the following conditions:

- a) All calculations would be based on audited accounts.
- b) If the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- c) If the Net Worth of the company is negative, the share would be marked down to zero.
- d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- e) In case an individual security accounts for more than 5 per cent of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it is valued in accordance with the procedure as mentioned above on the date of valuation.

5. Demerger

Generally on demerger, a listed security gets bifurcated into two or more shares. The valuation of these de-merged companies would depend on the following scenarios:

- a) Both the shares are traded immediately on de-merger: In this case both the shares would be valued at respective traded prices.
- b) Shares of only one company continued to be traded on de-merger: Traded shares would be valued at traded price and the other security would be valued at traded value on the day before the de merger less value of the traded security post de merger. In case value of the share of de-merged company is equal or in excess of the value of the pre de-merger share, then the non-traded share would be valued at zero, till the date it is listed.
- c) Both the shares are not traded on de-merger: Shares of de-merged companies would be valued equal to the pre de merger value up to a period of 30 days from the date of de merger till the date it is listed. The market price of the shares of the de-merged company one day prior to ex-date would be bifurcated over the de-merged shares. The market value of the shares would be bifurcated on a fair value basis, based on available information on the de-merger scheme.
- d) In case shares of either of the companies are not traded for more than 30 days: Then it would be treated as unlisted security, and valued accordingly till the date these are listed.

6. Preference Shares

Preference Shares valuation guidelines would be as follows:

- a) Traded preference shares would be valued as per traded prices.
- b) Non traded Preference Shares

I. Redeemable Preference Shares

- i. Convertible preference share would be valued like convertible debentures.

In general in respect of convertible debentures and bonds, the non-convertible and convertible components would be valued separately. The non-convertible component would be valued on the same basis as would be applicable to a debt instrument. The convertible component would be valued on the same basis as would be applicable to an equity instrument.

If a convertible preference share does not pay dividend then it would be treated like non-convertible debentures.

ii. Non-Convertible preference share would be valued like a debt instrument.

II. Irredeemable preference shares would be valued on perpetual basis. It is like a constant dividend equity share.

7. Warrants

- a) In respect of warrants to subscribe for shares attached to instruments, the warrants would be valued at the value of the share which would be obtained on exercise of the warrants as reduced by the amount which would be payable on exercise of the warrant. A discount similar to the discount to be determined in respect on convertible debentures is deducted to account for the period, which must elapse before the warrant can be exercised.
- b) In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to Equity Shares.

8. Rights

Until they are traded, the value of "rights" shares would be calculated as:

$$V_r = n \div m \times (P_{ex} - P_{of})$$

Where

V_r = Value of rights

n = no. of rights offered

m = no. of original shares held

P_{ex} = Ex-rights price

P_{of} = Rights Offer Price

Where the rights are not treated pari passu with the existing shares, suitable adjustment would be made to the value of rights. Where it is decided not to subscribe for the rights but to renounce them and renunciations are being traded, the rights would be valued at the renunciation value.

9. Derivatives

Market values of traded open futures and option contracts would be determined with respect to the exchange on which contracted originally, i.e., a future or an option contracted on the National Stock Exchange (NSE) would be valued at the closing price on the NSE.

The price of the same futures and option contract on the Bombay Stock Exchange (BSE) cannot be considered for the purpose of valuation, unless the futures or option itself has been contracted on the BSE.

The same will be valued at closing price if the contract is traded on the valuation day. In case there is no trade on valuation day then the same would be valued at Settlement prices.

However, the contracts which are going to expire on valuation date would be valued at Settlement prices only.

10. Mutual Fund Units

- a) In case of traded Mutual Fund schemes, the units would be valued at closing price on the stock exchange on which they are traded like equity instruments. In case the units are not traded for more than 7 days, last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- b) If the last available Repurchase price is older than 7 days, the valuation will be done at the last available NAV reduced by illiquidity discount. The illiquidity discount will be 10% of NAV or as decided by the Valuation Committee.
- c) In case of non-traded Mutual Fund scheme, the last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.

- d) In case of Investments made by a scheme into the other scheme of Sahara Mutual Fund, if valuation date being the last day of the financial year falling on a non-business day, then the computed NAV would be considered for valuation on March 31.

Related matters

- i) In case the income accrued on debt instruments is not received even after 90 days past the due date, the asset is termed as Non-Performing Assets (NPAs) and all provisions/guidelines with respect to income accrual, provisioning etc as contained in SEBI circulars/guidelines issued from time to time shall apply and the valuation of such securities will be done accordingly. In case the company starts servicing the debt, re-schedulement is allowed, the applicable provision in SEBI circulars shall apply for provisioning and reclassification of the asset
- ii) In case of any other instruments not covered in the policy above, the same is referred to the Investment and Valuation Committee which is empowered to take decision.
- iii) In case of any perceived conflict of interest while valuating the securities, the matter is dealt and decided by Investment and Valuation Committee.
- iv) For non– business day the valuation is done on aggregated Script wise prices as provided by CRISIL/ICRA. In absence of Script wise prices the valuation is done on accrual basis/amortization basis based on last valuation
- v) In case of exceptional circumstances like, policy announcements by government/regulatory bodies, natural disasters, public disturbances, extreme volatility in capital market, shut down of market, war etc and on those days if Script wise value or valuation matrices are not available from CRISIL/ICRA and if security is not traded, the valuation for the day is done based on last valuation plus accrual/amortization or as may decided by the Investment and Valuation Committee.
- vi) The Valuation Policy is reviewed by the Statutory Auditor at least once in a financial year.
- vii) Valuation Policy as updated and approved by the Board of AMC / Board of Trustees is applicable for the schemes of Sahara Mutual Fund.

2.3.1 Valuation of securities not covered under the above valuation policy:

The total exposure in securities, which do not fall under above valuation norms, shall not exceed 5% of the total AUM of the scheme.

In case of any other instruments not covered in the policy above, the same shall be referred to the Investment and Valuation Committee which is empowered to take decision.

Investment in such securities is to be valued by a method approved by the Investment and Valuation Committee and the same will be reported to the Board of Trustees.

2.3.2 Unrealized Appreciation/Depreciation.

In accordance with the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds issued by the Institute of Chartered Accountants of India, the unrealized appreciation determined separately for each individual investment is directly transferred to the “Unrealized Appreciation Reserve Account” i.e. without routing it through the revenue account.

The provision for depreciation in value of investments determined separately for each individual investment is recognized in the revenue account. The loss (realized) on investments sold / transferred during the year is charged to revenue account, instead of being first adjusted against the provision for depreciation, if already created in the prior year, as recommended by the said Guidance Note. However, this departure from the Guidance Note does not have any net impact on the Scheme’s net assets or results for the year.

2.4 Revenue Recognition

- 2.4.1 Income and Expenses are recognized on accrual basis.

- 2.4.2 Interest on funds invested in short term deposits with scheduled commercial banks is recognized on accrual basis.
- 2.4.3 Dividend income earned by the scheme is recognized on the date the share is quoted on ex-dividend basis on principal stock exchange.
- 2.4.4 Proportionate realized gains on investments out of sales / repurchase proceeds at the time of sale / repurchase of units are transferred to revenue Account from Unit Premium Reserve.

3. Net Asset Value for Growth/Dividend Options:

The net asset value of the units is determined separately for units issued under the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option – Direct. For reporting the net asset value of the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option - Direct, daily income earned, including realized and unrealized gain or loss in the value of investments and expenses incurred by the scheme are allocated to the options in proportion to the value of the net assets.

4. Unit Premium Reserve Account

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the unit premium reserve account of the Scheme, after an appropriate amount of the issue proceeds and redemption payout is credited or debited respectively to the income equalization account.

5. Income Equalization Account

An appropriate part of the sale proceeds or the redemption amount, as the case may be, is transferred to income equalization account. The total distributable surplus (without considering unrealized appreciation) upto the date of issue/ redemption of units has been taken into account for the purpose of ascertaining the amount to be transferred to Equalization Account on a daily basis. The net balance in this account is transferred to the Revenue Account at the end of the year.

6. Load Charges

Service tax on exit load , if any, shall be paid out of the exit load proceeds and exit load net of service tax, if any, shall be credited to the scheme.

7. Unclaimed Redemption

In line with SEBI circular no. MFD/CIR/9/120 /2000 dated November 24, 2000 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed redemption and unclaimed dividend amounts may be deployed by the mutual funds in call money market or money market instruments and also be allowed to be invested in a separate plan of Liquid Scheme/ Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. The investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. Further, AMC shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plans shall be capped at 50 bps. The AMC should make continuous effort to remind the investors through letters to take their unclaimed amounts.

8. NOTES TO THE ACCOUNTS

8.1 Management Fees, Trusteeship Fees, Custodian Fees, Scheme Expenses.

Management Fees

Management Fees (inclusive of GST) has been computed at 0.25% (PY: 1.42%) on average net assets calculated on a daily basis.

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the period from April 1st, 2019 to March 27th, 2020, the Trusteeship fees and expenses amounted to Rs.59,553.87 (PY:Rs.75,225.12). However, due to small AUM of the scheme, only an amount of Rs.41,700 (P.Y:Rs.7,796.66) was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

HDFC Bank provides Custodial services to the scheme for which fees is paid as per the agreement.

Scheme Expenses

As per guidelines issued vide SEBI circular dated October 22, 2018, the schemes related expenses had to be fully managed from the Total Expense Ratio (TER).

During the period from April 1st, 2019 to March 27th, 2020, due to small size of AUM of the scheme only the certain expenses have been paid from TER and the balance amount had been borne by the AMC, details are as under:

(Amount in Rs.)

Particulars	Total Expenses	Charged to Scheme TER	Balance borne by AMC
R & T Expenses	3,59,825.71	3,34,049.22	25,,776.49
Audit fees	78308.59	64203.06	14105.53

8.2 Provision for tax has not been made since the income of the scheme is exempt from tax under Section 10(23D) of the Income Tax Act, 1961.

8.3 Transactions with Brokers in excess of 5% or more of the aggregate purchases and sale of securities made by the Fund have been reported to the Trustees on a Bimonthly basis.

8.4 During the period from April 1st, 2019 to March 27th, 2020, the Registrar and Transfer Agents charges amounting to Rs.3,34,049.22(PY:Rs.1,50,598.02) constitutes 38.34%(PY:15.47%), Custodian fees amounting to Rs.2,00,819.75(PY:81918.48) constitutes 23.05% (PY:8.42%) and Professional fees amounting to Rs.1,03,782.60 (PY:24669.26) constitutes 11.91%(PY:2.53%) of the total schemes expenses.

8.5 Transactions with Associates/related parties/group companies of Sponsor/AMC

Brokerage / Commission on sale of units by the Scheme or by the Asset Management Company given to associates, pursuant to Regulation 25(8): Related Party:- Sahara India Financial Corporation Ltd(SIFCL):(Sponsor)

Commission to SIFCL made for sale of units of the MF for the period April 1st,2019 to March 27th, 2020.

(Rs. In Lakhs)

Tax Gain Fund	Growth Fund	Mid Cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0436	0.0010	0.0032	0.0012	0.0020	0.0003	0.0103

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2019.

(Rs.In lakhs)

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0541	0.0026	0.0053	0.0005	0.0047	0.0003	0.0112

Commission to SIFCL

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Business given (Rs cr and % of total business received by the fund)	Commission paid (Rs & % of total commission paid by the fund)
(1)	(2)	(3)	(4)	(5)
SIFCL	Sponsor / Mutual Fund Distributor	April 1 st , 2019 - March 27 th , 2020	0.00	Rs.6171.56; 7.42%
SIFCL	Sponsor / Mutual Fund Distributor	April 18- March 19	0.00	Rs.7874.96; 9.20%

In column No 5, the amount relates to trail commission.

Brokerage paid to associates / related parties / group companies of Sponsor/AMC

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Value of Transaction (in Rs, Cr & of Total value of Transaction of the Fund)	Brokerage (Rs Cr & % of total brokerage paid by the Fund)
-	-	-	-	-

There are no associate brokers, hence not applicable for the period April 1st, 2019– Mar 27th, 2020 & April 1st, 2018 – Mar 31st, 2019.

8.6 The aggregate value of Investment purchased and sold (Including Redemption) during the year as a percentage of daily average net asset value;

Purchases

Year	Amount (Rs)	% of Daily average
April 1, 2019 – March 27, 2020	555,626.80	1.41
2018-19	5,37,80,216	126.32

Sales

Year	Amount (Rs)	% of Daily average
April 1, 2019– March 27, 2020	33,056,500.76	83.87
2018-19	6,33,50,306	148.80

8.7 Aggregate Appreciation and Depreciation in the value of Investments:

Asset Class	27-Mar-20		31-Mar-19	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	0.00	0.00	61.81	19.80

8.8 Income and Expense Ratio

	April 1, 2019 – March 27, 2020	2018-19
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	1.10%	26.27%
Total Expenditure to average net assets calculated on a daily basis	2.21%	2.29%

8.9 Movements in Unit Capital: Face Value of Units: Rs. 10/- per unit.

8.9.1 Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	1256545.617	12565456.17	1256545.617	12565456.17
Opening Balance	144088.415	1440884.15	163142.658	1631426.58
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(14357.152)	(143571.52)	(19054.243)	(190542.43)
Closing Balance	129731.263	1297312.63	144088.415	1440884.15

8.9.2 Growth Option –Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	65353.718	653537.18	78702.640	787026.40
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(36832.426)	(368324.26)	(13348.922)	(133489.22)
Closing Balance	28521.292	285212.92	65353.718	653537.18

8.9.3 Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	308657.065	3086570.65	308657.065	3086570.65
Opening Balance	257303.557	2573035.57	318693.151	3186931.51
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(14829.091)	(148290.91)	(61389.594)	(613895.94)
Closing Balance	242474.466	2424744.66	257303.557	2573035.57

8.9.4 Dividend Option-Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	659.047	6590.47	659.047	6590.47
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	659.047	6590.47	659.047	6590.47

8.10 The scheme has declared Nil dividend during the period April 1st, 2019– Mar 27th, 2020 (PY: Nil). There was no bonus declared during the period April 1st, 2019– Mar 27th, 2020 (PY: Nil)

8.11 Unclaimed Amounts (beyond three months) :

Unclaimed Redemption and Dividend as of March 27th, 2020 are as below:

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No. of Investors	Unclaimed Redemption (Rs)
Sahara Growth Fund	17	62559.07	13	183939.94

8.12 Investments made by the Schemes of Sahara Mutual Fund in Companies or their subsidiaries that have invested more than 5% of the net asset value of any scheme, pursuant to Regulation 25(11): **NIL**

8.13 Portfolio Statement as on March 27th, 2020: The scheme's Net Asset Value stood at Rs.2.48 crores. The net realizable assets was held in cash as on date of winding up of the scheme i.e 27th March, 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

8.14 Investments made by the Scheme in shares of Group Companies of the Sponsor–**NIL**.

8.15 Holdings over 25% of the NAV of the scheme as of March 27th, 2020.

Particulars	As on March 27, 2020	As on March 31, 2019
Number of Investors	0	1
Percentage of Holdings	0	25.10

8.16 Contingent Liability: Nil

8.17 SEBI vide its order no: WTM/PS/26/IMD/DOF-III/July/2015 dated 28th July, 2015 directed cancellation of "Certificate of Registration" of Sahara Mutual Fund which was to be effective on expiry of six months from the date of the Order. Further, SEBI also directed by the said Order that the Mutual Fund shall not take any new subscription from investors. Accordingly, Sahara Mutual Fund has not taken any new subscription from the investors (including existing investors) in line with the said SEBI order.

Sahara Asset Management Company Pvt. Ltd filed an appeal before the Securities Appellate Tribunal (SAT), Mumbai to set aside the said SEBI order. SAT vide its order dated 9th December 2015 granted an interim stay in the matter. SAT vide its order dated 28th July, 2017 dismissed the appeal made by Sahara AMC against the SEBI order dated 28th July, 2015. However, SAT granted 6 weeks stay to

approach the Hon'ble Supreme Court in the matter. An appeal was filed on 7th September 2017 before the Hon'ble Supreme Court and the appeal was dismissed vide its order dated 23rd October 2017.

SEBI vide its letter dated November 17, 2017 directed the cancellation of 'Certificate of registration' would be effective six months from the date of the Hon'ble Supreme Court order dated 23rd October 2017.

Sahara Mutual Fund requested SEBI vide its letter dated 15th January 2018 to extend the date of cancellation of 'Certificate of registration' till July 27th, 2018 for giving time for identification of a new sponsor and considering the lock in period of certain unit holders' investments in Sahara Tax Gain fund.

A new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

SEBI vide their letter dated 11th April 2018 ordered for winding up all the schemes except Sahara Tax Gain Fund by 21st April 2018. An appeal was filed before SAT for a stay against the SEBI order dated April, 11, 2018.

In view of the direction of SAT on 26th April 2018, a comprehensive appeal was filed.

SAT vide its order dated 3rd May 2018 directed that SEBI shall not enforce the orders impugned in the two appeals till a decision on new sponsor's application is communicated

The application of One Life Capital Advisors Limited who had offered to be the new Sponsor for Sahara Mutual Fund stands annulled in view of the SEBI Order dated March 4th, 2020.

8.18 WINDING UP OF THE SCHEME

a) SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up in line with SEBI order no.WTM/GM/IMD/07/2018-19 dated April 11, 2018.

b) The Board of Trustees of Sahara Mutual Fund decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996.

c) A notice was published on March 20, 2020 and Sahara Growth Fund was wound up on March 27, 2020.

d) In view of the aforesaid, the Scheme accounts have been prepared on "liquidation basis of accounting" and not on a "going concern" basis.

8.19 Composition of the Board of Trustees.

As per Reg 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, it is stated that "The trust deed shall state that the minimum number of trustees shall be four." The Board of Trustees of Sahara Mutual Fund comprises of two (2) Trustees and thereby the above criteria of minimum number of Trustees has not been complied with.

8.20 Net worth:

As per the Reg. 21(1)(f), of SEBI (Mutual Funds) Regulations, 1996 and in compliance with the notification of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2014 dated May 6, 2014, the AMC should maintain a Net Worth of minimum Rs.50 crores. The Net Worth of Sahara Asset Management Company Private Ltd. as on March 31, 2020 was Rs.3.20

crores, which is below the threshold limit of Rs.50 crores and thereby the net worth criteria as required by the above regulations has not been complied with.

- 8.21** Previous year's figures are not comparable as the scheme has been wound up on March 27, 2020 and the accounts for the current year have been prepared for the period from 1st April, 2019 to 27th March, 2020.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

Head Operations

& NAV Accounting

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

Sahara Growth Fund

PERSPECTIVE HISTORICAL PER UNIT STATISTICS

Particulars	As at 27-Mar-20 (Rs. Per Unit)	As at 31-Mar-19 (Rs. Per Unit)	As at 31-Mar-18 (Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	1.08	0.75	0.90
(ii) Income from Profit (net of loss) on inter-scheme sales/ transfer of Investments	0.00	0.00	0.00
(iii) Income from Profit (net of Loss) on sale other than Inter scheme	(11.67)	14.20	8.93
(iv) Transfer to revenue account from past year's reserve	0.00	0.00	0.00
(b) Aggregate of expenses, write off, amortisation and charges	2.17	2.08	2.19
(c) Net Income	(12.76)	12.86	7.64
(d) Net unrealised appreciation/(diminution) in value of Investments	0.00	8.99	11.76
(e) Net Asset Value			
Growth Plan	106.8003	148.7498	137.8319
Dividend Plan	31.0124	43.1937	40.0234
Direct Growth Plan	120.2339	166.8069	151.5484
Direct Dividend Plan	31.6489	44.0421	40.6891
(f) Purchase Price during the year**			
(i) Highest			
Growth Plan	163.2671	149.1647	151.7467
Dividend Plan	47.3521	43.3142	44.0640
Direct Growth Plan	182.2478	166.8069	166.0262
Direct Dividend Plan	31.6489	44.0931	44.7722
(ii) Lowest			
Growth Plan	106.8003	125.9222	132.6727
Dividend Plan	31.0124	36.5651	38.5253
Direct Growth Plan	120.2339	140.6855	142.3753
Direct Dividend Plan	31.6489	37.2404	39.0664
(g) Sale Price during the year**			
(i) Highest			
Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000

Direct Dividend Plan	0.0000	0.0000	0.0000
(ii) Lowest			
Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by Percentage	2.21%	2.29%	2.37%
(i) Ratio of income to average daily net assets by Percentage (excluding transfer to revenue account from past year's reserve but including net change in unrealized appreciation /depreciation in value of Investments and adjusted for net loss on sale / redemption of investments) Per unit calculations based on number of units in issue at the end of the year	1.10%	26.27%	23.37%

*Annualised

**Based on the maximum load during the year

Per unit calculations based on number of units in issue at the end of the year

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara Mid Cap Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Mid Cap Fund** ("the Scheme"), which comprise the Balance Sheet as at March 31, 2020, the Revenue Account and the Cash Flow Statement for the period then ended and a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the Scheme give the information specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto ("the SEBI Regulations"), as applicable, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2020;
- (b) in the case of the Revenue Account, of the deficit for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA's) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust/Scheme in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements of the Scheme. Our audit has been conducted in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to the following matters in the Notes to the financial statements:

- a) Note no. 8.17 which states that SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up. Accordingly, the Board of Trustees of Sahara Mutual Fund decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996 with effect from 27th March, 2020.
- b) Note no. 8.18 which states the reasons for the Schemes being wound up on 3rd April, 2020 instead of 27th March, 2020 as decided by the Board of Trustees.

In view of the above the accounts for the year ended 31st March, 2020 have been prepared on "liquidation basis of accounting" and not on a going concern basis.

Our opinion is not modified in respect of the above matter.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Trustees of Sahara Mutual Fund and the Board of Directors of Sahara Asset Management Company Private Limited (the “Directors”) are responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Consequent upon the directions in the SEBI letter dated 5th March, 2020 and the decision of the Trustees to comply with the SEBI directions, the Scheme has been wound up on 27th March, 2020, however, due to reasons stated in Note 8.18, the Scheme was actually wound up on 3rd April, 2020. Therefore, the financial statements have been prepared as at 31st March, 2020 on liquidation basis of accounting.

Those charged with Governance are also responsible for overseeing the Scheme’s financial reporting process.

Auditor’s Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company’s internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) The Balance Sheet and Revenue Account dealt with by this Report are in agreement with the books of accounts of the Scheme.
- c) The statement of account has been prepared in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable.
- d) We have reviewed the Valuation Policy being followed for the schemes of Sahara Mutual Fund. The Valuation Policy implemented for the Scheme is in line with the SEBI guidelines issued in this regard.

For Chaturvedi & Partners.

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No. 117510

ICAI UDIN: 20117510AAAABA3785

Place: Mumbai
Date: August 28, 2020

SAHARA MIDCAP FUND
BALANCE SHEET AS AT 31st MARCH, 2020

SAHARA MIDCAP FUND	Schedule	As at	As at
		March 31, 2020	March 31, 2019
ASSETS		(Rs)	(Rs)
Investments	1	1,122,199	75,685,087
Other Current Assets	2	59,857,222	7,548,826
Total Assets		60,979,421	83,233,913
LIABILITIES			
Unit Capital	3	16,139,600	17,302,028
Reserves & Surplus	4	43,163,798	64,184,429
Current Liabilities & Provisions	5	1,676,023	1,747,456
Total Liabilities		60,979,421	83,233,913

NET ASSET VALUE

Net Asset Value per unit (Rs.)

Growth Option	G	62.4287	80.4578
Dividend Option	D	27.5331	35.4846
Bonus Option	BO	62.4287	80.4578
Growth Auto Earning Payout	GA	62.4287	80.4578
Direct Growth Plan	GDP	67.1497	86.2620
Direct Dividend Plan	DDP	27.9969	36.0568
Direct Bonus Plan	BODP	67.1497	86.2620
Direct Growth - Auto Earning Payout	GADP	67.1497	86.2620

Significant Accounting Policies and Notes to the accounts 7
Schedules 1 to 5 and 7 form an integral part of the Balance Sheet

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

Head – Operations & NAV Accounting

R M Joshi

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

Place: Mumbai

S P Srivastava

Trustee

Date: 28th August, 2020

SAHARA MID-CAP FUND
REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2020

SAHARA MIDCAP FUND	Schedule	For the year ended	For the year ended
		March 31, 2020	March 31, 2019
		(Rs)	(Rs)
INCOME			
Dividend		1,043,621	783,220
Interest and Discount Income		16,132	23,055
Other Income		-	73
Profit on Sale / Redemption of Investments(Net)		-	26,656,835
(Other than Inter Scheme Transfer / Sale)			
Total Income		1,059,753	27,463,183
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Loss on Sale / Redemption of Investments(Net)		18,285,793	-
(Other than Inter Scheme Transfer / Sale)			
Management Fees		207,746	1,272,260
ST / GST on Management Fees		37,397	229,008
Investor Education & Awareness Fees		15,518	16,114
Registrar & Transfer Agent Charges		665,153	295,577
Transaction cost		33,188	29,805
Custodian Fees		399,955	161,075
Trusteeship Fees & Expenses		82,993	15,423
Audit Fees		123,277	148,574
Professional Fees		206,252	48,190
Commission to Agents		7,552	3,228
Total Expenses		20,064,824	2,219,254
Net Surplus for the Year		(19,005,071)	25,243,929
Provision/ Write Back for diminution in the value of Investment	6	7,864,209	(6,062,153)
Net Surplus for the Year (excluding unrealised appreciation)		(11,140,862)	19,181,776
Transfer from Income Equalisation Reserve		(4,698,176)	(5,397,899)

Net : Transferred to Revenue Reserve		(15,839,038)	13,783,877
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Significant Accounting Policies and Notes to the accounts 7
Schedules 6 to 7 form an integral part of the Revenue Account

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

R M Joshi

Director

Vidya Manjrekar

Head – Operations & NAV Accounting

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA MIDCAP FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET

SAHARA MIDCAP FUND		As at		As at
		March 31,		March 31,
		2020		2019
		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		1,122,199		75,685,087
		1,122,199		75,685,087
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		58,915,226		6,560,993
Dividend Receivable		7,331		-
Investment - Liquid MF units		-		972,007
Investment - Liquid MF units for Investor Education		-		15,826
		58,922,557		7,548,826
SCHEDULE 3				
Unit Capital				
Bonus Plan	BO	76,000		76,000
7600 units of Rs. 10 each				
(For 2018-2019 - 7600 units of Rs. 10 each)				
Dividend Plan	D	11,845,538		12,798,171
1184553.769 units of Rs. 10 each				
(For 2018-2019- 1279817.093 units of Rs. 10 each)				
Growth Plan	G	3,873,728		4,069,102
387372.848 units of Rs. 10 each				
(For 2018-2019- 406910.242 units of Rs. 10 each)				
Auto Earnings Payout Plan	GA	73,704		78,457
7370.378 units of Rs.10 each				
(For 2018-2019 - 7845.643 units of Rs.10 each)				
Direct Bonus Plan	BODP	129		129
12.929 units of Rs.10 each				
(For 2018-2019 - 12.929 units of Rs.10 each)				
Direct Dividend Plan	DDP	62,153		62,153

6215.331 units of Rs.10 each (For 2018-2019 - 6215.331 units of Rs.10 each)				
Direct Growth Plan	GDP	208,183		217,851
20818.261 units of Rs.10 each (For 2018-2019 - 21785.103 units of Rs.10 each)				
Direct Auto Earnings Payout Plan	GADP	165		165
16.506 units of Rs.10 each (For 2018-2019 - 16.506 units of Rs.10 each)				
Total		16,139,600		17,302,028
(Refer Notes on Accounts 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	70,492,558		56,708,681	
Transferred from Revenue Account	(15,839,038)		13,783,877	
Balance as at end of the year		54,653,520		70,492,558
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(4,698,176)		(5,397,899)	
Transferred to Revenue Account	4,698,176		5,397,899	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	5,979,570		26826453	
Additions During the year	(5,979,570)		(20846883)	
Balance as at end of the year		-		5,979,570
Unit Premium Reserve				
Balance as at beginning of the year	(12,287,699)		(12,935,063)	
Additions During the year	797,977		647,364	
Balance as at end of the year		(11,489,722)		(12,287,699)
		43,163,798		64,184,429
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		298,883		311,168
Management Fees Payable		14,557		4,379
ST / GST on Management Fees Payable		2,621		788

STT Payable		-		2
Payable - Fees on Investor Education		46,237		38,842
Payable on Redemption of Units		687,332		756,358
Unclaimed Distributed Income		626,391		635,919
		1,676,023		1,747,456

SCHEDULES FORMING PART OF REVENUE ACCOUNT

SAHARA MIDCAP FUND		For the year ended		For the year ended
		March 31, 2020		March 31, 2019
		(Rs)		(Rs)
SCHEDULE 6				
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(7,946,418)		(1,884,265)
At the end of the year		(82,209)		(7,946,418)
		7,864,209		(6,062,153)

CASHFLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

	SAHARA MIDCAP FUND		For the year ended	For the year ended
			March 31, 2020	March 31, 2019
			(Rs)	(Rs)
A.	Cash Flow from Operating Activity			
	Surplus / (Deficit) for the year		(19,005,071)	25243929
	Add/(less) : Net Change in Marked to Market Value of Investments		1884639	(26909036)
	Add: Interest expense on Loan		-	-
	Adjustments for :-			
	(Increase) / Decrease in Investments		74562888	414291
	(Increase) / Decrease in Other current assets		980502	59343
	Increase / (Decrease) in Other current liabilities		(71433)	(49840)
	Increase / (Decrease) in Fixed Deposit		-	-
	Net cash generated from / (used in) operations	(A)	58351525	(1241313)
B.	Cash Flow from Financing Activities			
	Increase / (Decrease) in Unit Capital		(1162428)	(1348147)
	Increase / (Decrease) in Unit Premium		797977	647364
	Income Equalisation during the period		(4698176)	(5397899)
	Adjustments for:-			
	Increase / (Decrease) in Sundry Creditors for units redeemed by Investors		-	-
	(Increase) / Decrease in Sundry Debtors for units issued to investors		-	-
	Dividend paid during the year (including Dividend Distribution Tax)		-	-
	Net cash (used in) / generated from financing activities	(B)	(5062627)	(6098682)
	Net increase / (Decrease) in cash and cash equivalents	(A+B)	53288898	(7339995)
	Cash and Cash Equivalents as at the beginning of the year	(C)	6560993	13900988
	Cash and Cash Equivalents as at the close of the year	(D)	59849891	6560993
	Net cash and cash equivalents	(D-C)	53288898	(7339995)
	Components of cash and cash equivalents			
	Balances with banks in current accounts		58919891	6560993

	Fixed Deposits (less than 3 months)		-	-
	CBLO / TriParty Repo		-	-
	Cash and Cash equivalents as at the close of the year.		59849891	6560993

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

R M Joshi

Director

Vidya Manjrekar

Head – Operations & NAV Accounting

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SCHEDULE - 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2020

1. INTRODUCTION

1.1 About the Scheme

Sahara Midcap Fund (the "Scheme") is an open ended growth scheme of Sahara Mutual Fund (the "Fund"). The objective is to achieve long term capital growth at medium level of risks by investing primarily in mid –cap stocks. In line with SEBI Circular for providing separate options for direct investments, the scheme has eight plans – Dividend, Growth, Growth –Auto Earnings Payout, Bonus, Direct-Dividend, Direct Growth, Direct Growth-Auto Earnings Payout & Direct-Bonus. The scheme will not declare dividend under the Growth Plan. The Income earned on such units remain invested under the scheme and reflected in the Net Asset Value. The initial issue period of the scheme was from November 29, 2004 to December 22, 2004 and the scheme was reopened for continuous purchase and redemption at prevailing NAV from January 17, 2005.

1.2 Asset Management Company

Sahara Mutual Fund (SMF) has been established as a Trust in accordance with the Indian Trusts Act, 1882, and is sponsored by Sahara India Financial Corporation Limited.

Sahara Asset Management Company Private Limited ("SAMCPL"), a company incorporated under the Companies Act, 1956, has been appointed as the Asset Management Company ("Investment Manager") to Sahara Mutual Fund.

The Shareholding of Sahara Asset Management Company Private Limited as on March 31, 2020 is as follows:

Name of the Shareholder	Type of Holdings	Holding
Sahara India Financial Corporation Limited	Equity	45.27%
Sahara India Corp Investment Limited	Equity	10.52%
Sahara Prime City Limited (formerly Sahara India Investment Corporation Limited)	Equity	11.74%
Sahara Care Limited	Equity	31.00%
Sahara India Commercial Corporation Limited	Equity	1.47%
Name of the Shareholder	Type of Holdings	Holding
Sahara India Commercial Corporation Ltd	Preference	90.32%
Sahara Care Ltd	Preference	9.68%

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting.

The Scheme maintains its books of account on an accrual basis. These financial statements have been prepared in accordance with the Accounting Policies and Standards specified in the Ninth Schedule of The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, (the "Regulation"), and amendments thereto, as applicable.

2.2. Accounting for Investments

- 2.2.1 Investments are accounted on trade dates at cost including brokerage, stamp duty and other charges which are included in the acquisition of investments.
- 2.2.2 Profit or loss on sale of investments is determined on the respective trade date by adopting the "Weighted Average Cost" method.
- 2.2.3 Bonus/Rights entitlements on equity holdings are recognized only when the original shares on which the entitlement accrues are traded on the Principal stock exchange on ex-bonus/ex-rights basis respectively. In respect of unlisted/ non- traded securities, the Bonus/Rights on equity holdings are recognised only on the receipt of the Bonus/Rights.
- 2.2.4 Primary Market Investments are recognized on the basis of allotment advice.

2.3. Valuation of Investments

Valuation Policy as on 31.03.2020 is as under.

A: VALUATION OF DEBT INSTRUMENTS

A (I) - The 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. where Script wise values are available from CRISIL/ ICRA	The aggregated average price provided by CRISIL / ICRA for the given security or any other agencies as may be indicated from time to time by SEBI/AMFI for that day
3.	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc where Script wise values are not available from CRISIL/ ICRA	

	i)	Same security traded and reported on public platforms.	On Weighted Average Yield of all trades (excluding abnormal and retail trades) on Public platforms, for that Securities on that day irrespective of settlement day.
	ii)	If Same Security not traded and reported on any of the public platforms.	The aggregated average matrices of CRISIL/ ICRA for the respective category Or any other agencies as may be indicated from time to time by SEBI/AMFI for that day.
4		Central Government Securities / State Government Securities / Treasury Bills/Cash Management Bill etc	

	1) If the securities are traded and residual maturity is above 60 days.	The Aggregated average valuation as provided by CRISIL / ICRA or any other agencies as may be indicated from time to time by SEBI/AMFI for that day. In case on any given day, the valuation Matrices is not available from CRISIL/ICRA the Valuation is done on accrual/amortization based on last valuation.
	2) If the securities are non-traded and residual maturity is above 60 days.	By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent.
	3) If the securities are traded and residual maturity of the securities is equal to or below 60 days	On last traded price as given on NDS-Section of CCIL Website (Excluding abnormal trade).
	4) If the securities are non-traded and the residual maturity of the securities is equal to or below 60 days	By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent as long as it is within +/- 0.10 % of the reference price. Benchmark yields for calculating reference price to be provided by CRISIL / ICRA.

A (II) Pricing of Inter -Scheme Transfer of Debt Instruments (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/CBRICS up to the time of IST.	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization

	ii)	If Same security is not traded but similar Security/securities are traded and reported up to the time of IST on FTRAC/CBRICS	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	iii)	If Same or similar Security/securities are not traded and reported up to the time of IST on FTRAC/CBRICS	Previous end of the day valuation plus accrual, if any, based on settlement day of the IST is taken. Example: if settlement is T+0 then no accrual/amortization and if the settlement is other than T+0 then appropriate accrual/amortization.
2.	Central Government Securities / State Government Securities / Treasury Bills/ Cash Management Bill etc		
	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 plus accrual/amortization is taken

Similar Security:

Similar security here shall mean those securities which are same nature [Commercial Paper (CP), Certificate of Deposit (CD), Non-Convertible Debentures (NCD), etc] of different issuers having same or equivalent credit rating for Similar maturity profile (For both Short term rating and Long term rating), and falling in same “Maturity Bucket” as defined below. Further the instruments Commercial Paper (CP), Bonds and Non-Convertible Debentures (NCDs) etc are categorized into following sub-categories:—

- 1) NBFC
- 2) Real Estate,
- 3) PTC
- 4) Others

Maturity Bucket:

- For Debt Security having remaining maturity up to 91 days

Maturity date of securities falling between	Time Bucket
1st and 7th of the month	1-7 of the same month
8th and 15th of the month	8-15 of the same month
16th and 23rd of the month	16-23 of the same month
24th to end of the month	24- end of the month

- For Debt Securities having remaining maturities more than 91 days
“Time Bucket” for maturity profile of “Similar Securities” is same calendar month of that year.

A (III) Notes:

1. For the purpose of Valuation of securities and for Inter Scheme Transfer, Weighted average of all trades of 5crs and above, excluding abnormal trades and retail trades is taken. Since retail trades are of small value and generally may 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.
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

For the Valuation/Inter-scheme transfer, the available trades of various public platform is considered where the face value of trade per transaction is Rs. 5 crs and above. If in any given day in same/ similar security, the value of total trade is less than minimum market lot of 5 Crs, the same is ignored for the valuation purpose.

3. CRISIL and ICRA provide the valuation matrices for various maturity buckets. Script wise value for various debt instruments are also provided by CRISIL and ICRA. Trades are also reported and settled on various public platforms.
4. Public platform for the purpose of 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 for which Script wise values are not available from CRISIL/ICRA.

5. The data on yield and prices are generally provided up to 4 decimal points which shall be considered and these prices are considered on respective face value of the instruments for arriving at valuation.
6. For the valuation of traded securities where Script wise values are not available by CRISIL/ICRA, price derived from the corresponding Weighted Average yield of all available trades excluding abnormal and retail trades on any public platform for the same security on T+1 settlement basis is taken.

In case, the Bilav file is not received by 7:30 pm and script wise values are not available then FIMMDA managed FTRAC platform and NDS OM section of CCIL website may be used for the calculation of weighted average yield of traded security.

7. For non traded securities where Script wise values are not available, the valuation is done on the price derived from the corresponding the aggregated yield matrices for the respective category as provided by CRISIL/ICRA on T+1 settlement basis.
8. For Government Securities, SDL, T-Bills, Cash Management Bill etc, the valuation is done on aggregated Script wise pricing as provided by CRISIL/ICRA and as applicable for that day.

In the absence of Script wise values the valuation is based on aggregated matrices if available from CRISIL/ICRA on T+1 settlement and as applicable for that day.

9. In case the valuation matrices/Script wise value is available either from CRISIL/ICRA up to a reasonable time limit, the same is considered for arriving at valuation.
10. In respect of on any day neither the Script wise value nor the valuation Matrices is available from CRISIL/ICRA within the reasonable time limit, the Valuation is done on the basis of accrual/amortization based on the last valuation.

B: VALUATION OF EQUITY INSTRUMENTS

1. Traded Equity Securities

When an equity security is not traded on any Stock Exchange on a particular valuation day, the value at which it was traded on the selected Stock Exchange, as the case may be, on the earliest previous day is used provided such date is not more than thirty days prior to valuation date.

2. Thinly Traded Equity / Equity Related Securities

- (a) When trading in an equity and/or equity related securities (such as convertible debentures, equity warrants etc.) in a month is both less than Rs.5lacs in value and the total volume is less than 50,000 shares, the security is considered as thinly traded security.
- (b) In order to determine whether a security is thinly traded or not, the volumes traded in all recognized Stock Exchanges in India would be taken into account.
- (c) Where a Stock Exchange identifies the thinly traded securities by applying the above parameters for the preceding calendar month and publishes or provides the required information along with the daily quotations, the same would be used for valuation.
- (d) If the shares are not listed on the Stock Exchanges which provide such information, then we would make our own analysis in line with the above criteria to check whether such securities are thinly traded or not.

3. Non-traded / Suspended Securities

When an equity security is not traded on any Stock Exchange for a period of thirty days prior to the valuation date, the Script would be treated as a non traded security.

When an equity security is suspended up to thirty days, then the last traded price is considered for valuation of that security. If an equity security is suspended for more than thirty days, then the AMC or Trustees would decide the valuation norms to be followed and such norms would be documented and recorded.

The valuation methodology for thinly traded equity securities, Non-traded equity securities would be as follows:

Based on the latest available Balance Sheet, net worth would be calculated as follows:

- (a) Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
- (b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
- (c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 10% for illiquidity so as to arrive at the fair value per share.
- (d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- (e) In case, where the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- (f) In case, an individual security accounts for more than 5% of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it would be valued by the procedure above and the proportion which it bears to the total net assets of the scheme to which it belongs will be compared on the date of valuation.

4. Unlisted Equity

Methodology for Valuation - unlisted equity shares of a company would be valued "in good faith" as below:

- a) Based on the latest available Balance Sheet, net worth would be calculated as follows:
 1. Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
 2. After taking into account the outstanding warrants and options, Net Worth per share would again be calculated and is = [Share Capital + consideration on exercise of Option and/or Warrants received/receivable by the Company + Free Reserves (excluding Revaluation Reserves) – Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] / Number of Paid up Shares plus Number of Shares that would be obtained on conversion and/or exercise of Outstanding Warrants and Options.
 3. The lower of (1) and (2) above would be used for calculation of Net Worth per share and for further calculation in (c) below.
- a) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
- b) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 15% for illiquidity so as to arrive at the fair value per share.

The above valuation methodology would be subject to the following conditions:

- a) All calculations would be based on audited accounts.
- b) If the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- c) If the Net Worth of the company is negative, the share would be marked down to zero.
- d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- e) In case an individual security accounts for more than 5 per cent of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it is valued in accordance with the procedure as mentioned above on the date of valuation.

5. Demerger

Generally on demerger, a listed security gets bifurcated into two or more shares. The valuation of these de-merged companies would depend on the following scenarios:

- a) Both the shares are traded immediately on de-merger: In this case both the shares would be valued at respective traded prices.
- b) Shares of only one company continued to be traded on de-merger: Traded shares would be valued at traded price and the other security would to be valued at traded value on the day before the de merger less value of the traded security post de merger. In case value of the share of de-merged company is equal or in excess of the value of the pre de-merger share, then the non traded share would be valued at zero, till the date it is listed.
- c) Both the shares are not traded on de-merger: Shares of de-merged companies would be valued equal to the pre de merger value up to a period of 30 days from the date of de merger till the date it is listed. The market price of the shares of the de-merged company one day prior to ex-date would be bifurcated over the de-merged shares. The market value of the shares would be bifurcated on a fair value basis, based on available information on the de-merger scheme.

- d) In case shares of either of the companies are not traded for more than 30 days: Then it would be treated as unlisted security, and valued accordingly till the date these are listed.

6. Preference Shares

Preference Shares valuation guidelines would be as follows:

- a) Traded preference shares would be valued as per traded prices.
- b) Non traded Preference Shares

(I). Redeemable Preference Shares

- i. Convertible preference share would be valued like convertible debentures.

In general in respect of convertible debentures and bonds, the non-convertible and convertible components would be valued separately. The non-convertible component would be valued on the same basis as would be applicable to a debt instrument. The convertible component would be valued on the same basis as would be applicable to an equity instrument.

If a convertible preference share does not pay dividend then it would be treated like non convertible debentures.

- ii. Non-Convertible preference share would be valued like a debt instrument.

(II). Irredeemable preference shares would be valued on perpetual basis. It is like a constant dividend equity share.

7. Warrants

- a) In respect of warrants to subscribe for shares attached to instruments, the warrants would be valued at the value of the share which would be obtained on exercise of the warrants as reduced by the amount which would be payable on exercise of the warrant. A discount similar to the discount to be determined in respect on convertible debentures is deducted to account for the period, which must elapse before the warrant can be exercised.
- b) In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to Equity Shares.

8. Rights

Until they are traded, the value of "rights" shares would be calculated as:

$$V_r = n \div m \times (P_{ex} - P_{of})$$

Where

V_r = Value of rights

n = no. of rights offered

m = no. of original shares held

P_{ex} = Ex-rights price

P_{of} = Rights Offer Price

Where the rights are not treated pari passu with the existing shares, suitable adjustment would be made to the value of rights. Where it is decided not to subscribe for the rights but to renounce them and renunciations are being traded, the rights would be valued at the renunciation value.

9. Derivatives

Market values of traded open futures and option contracts would be determined with respect to the exchange on which contracted originally, i.e., a future or an option contracted on the National Stock Exchange (NSE) would be valued at the closing price on the NSE.

The price of the same futures and option contract on the Bombay Stock Exchange (BSE) cannot be considered for the purpose of valuation, unless the futures or option itself has been contracted on the BSE.

The same will be valued at closing price if the contract is traded on the valuation day. In case there is no trade on valuation day then the same would be valued at Settlement prices.

However, the contracts which are going to expire on valuation date would be valued at Settlement prices only.

10. Mutual Fund Units

- a) In case of traded Mutual Fund schemes, the units would be valued at closing price on the stock exchange on which they are traded like equity instruments. In case the units are not traded for more than 7 days, last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- b) If the last available Repurchase price is older than 7 days, the valuation will be done at the last available NAV reduced by illiquidity discount. The illiquidity discount will be 10% of NAV or as decided by the Valuation Committee.
- c) In case of non-traded Mutual Fund scheme, the last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- d) In case of Investments made by a scheme into the other scheme of Sahara Mutual Fund, if valuation date being the last day of the financial year falling on a non-business day, then the computed NAV would be considered for valuation on March 31.

Related matters

- i) In case the income accrued on debt instruments is not received even after 90 days past the due date, the asset is termed as Non Performing Assets (NPAs) and all provisions/guidelines with respect to income accrual, provisioning etc as contained in SEBI circulars/guidelines issued from time to time shall apply and the valuation of such securities will be done accordingly. In case the company starts servicing the debt, re-schedulement is allowed, the applicable provision in SEBI circulars shall apply for provisioning and reclassification of the asset
- ii) In case of any other instruments not covered in the policy above, the same is referred to the Investment and Valuation Committee which is empowered to take decision.
- iii) In case of any perceived conflict of interest while valuating the securities, the matter is dealt and decided by Investment and Valuation Committee.
- iv) For non– business day the valuation is done on aggregated Script wise prices as provided by CRISIL/ICRA. In absence of Script wise prices the valuation is done on accrual basis/amortization basis based on last valuation
- v) In case of exceptional circumstances like, policy announcements by government/regulatory bodies, natural disasters, public disturbances, extreme volatility in capital market, shut down of market, war etc and on those days if Script wise value or valuation matrices are not available from CRISIL/ICRA and if security is not traded, the valuation for the day is done based on last valuation plus accrual/amortization or as may decided by the Investment and Valuation Committee.
- vi) The Valuation Policy is reviewed by the Statutory Auditor at least once in a financial year.
- vii) Valuation Policy as updated and approved by the Board of AMC / Board of Trustees is applicable for the schemes of Sahara Mutual Fund

2.3.1 Valuation of securities not covered under the above valuation policy:

The total exposure in securities, which do not fall under above valuation norms, shall not exceed 5% of the total AUM of the scheme.

In case of any other instruments not covered in the policy above, the same shall be referred to the Investment and Valuation Committee which is empowered to take decision.

Investment in such securities is to be valued by a method approved by the Investment and Valuation Committee and the same will be reported to the Board of Trustees.

2.3.2 Unrealised Appreciation/Depreciation.

In accordance with the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds issued by the Institute of Chartered Accountants of India, the unrealized appreciation determined separately for each individual investment is directly transferred to the "Unrealized Appreciation Reserve Account" i.e. without routing it through the revenue account.

The provision for depreciation in value of investments determined separately for each individual investment is recognized in the revenue account. The loss (realized) on investments sold / transferred during the year is charged to revenue account, instead of being first adjusted against the provision for depreciation, if already created in the prior year, as recommended by the said Guidance Note. However, this departure from the Guidance Note does not have any net impact on the Scheme's net assets or results for the year.

2.4 Revenue Recognition

- 2.4.1 Income and Expenses are recognized on accrual basis.
- 2.4.2 Interest on funds invested in short term deposits with scheduled commercial banks is recognized on accrual basis.
- 2.4.3 Dividend income earned by the scheme is recognized on the date the share is quoted on ex-dividend basis on principal stock exchange.
- 2.4.4 Proportionate realized gains on investments out of sales / repurchase proceeds at the time of sale / repurchase of units are transferred to revenue Account from Unit Premium Reserve.

3. Net Asset Value for Growth/Dividend Options:

The net asset value of the units is determined separately for units issued under the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option – Direct. For reporting the net asset value of the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option - Direct, daily income earned, including realized and unrealized gain or loss in the value of investments and expenses incurred by the scheme are allocated to the options in proportion to the value of the net assets.

4. Unit Premium Reserve Account

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the unit premium reserve account of the Scheme, after an appropriate amount of the issue proceeds and redemption payout is credited or debited respectively to the income equalization account.

5. Income Equalisation Account

An appropriate part of the sale proceeds or the redemption amount, as the case may be, is transferred to income equalization account. The total distributable surplus (without considering unrealized appreciation) upto the date of issue/ redemption of units has been taken into account for the purpose of ascertaining the amount to be transferred to Equalization Account on a daily basis. The net balance in this account is transferred to the Revenue Account at the end of the year.

6. Load Charges

Service tax on exit load , if any, shall be paid out of the exit load proceeds and exit load net of service tax, if any, shall be credited to the scheme.

7. Unclaimed Redemption.

In line with SEBI circular no. MFD/CIR/9/120 /2000 dated November 24, 2000 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed redemption and unclaimed dividend amounts may be deployed by the mutual funds in call money market or money market instruments and also be allowed to be invested in a separate plan of Liquid Scheme/ Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. The investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. Further, AMC shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plans shall be capped at 50 bps. The AMC should make continuous effort to remind the investors through letters to take their unclaimed amounts.

8. NOTES TO THE ACCOUNTS

8.1 Management Fees ,Trusteeship Fees ,Custodian Fees, Scheme Expenses

Management Fees

Management Fees (inclusive of GST) has been computed at 0.32% (PY:1.86%) on average net assets calculated on a daily basis.

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the financial year 2019-20, the Trusteeship fees and expenses amounted to Rs.1,18,174 (PY: 1, 47,609.40). However, due to small AUM of the scheme, only an amount of Rs.82,993.38 (PY: 15,423.06) was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

HDFC Bank provides Custodial services to the scheme for which fees is paid as per the agreement.

Scheme Expenses

As per guidelines issued vide SEBI circular dated October 22, 2018, the schemes related expenses had to be fully managed from the Total Expense Ratio (TER).

During the financial year 2019-20 due to small size of AUM of the scheme only the certain expenses have been paid from TER and the balance amount had been borne by the AMC, details are as under:

(Amount in Rs.)

Particulars	Total Expenses	Charged to Scheme TER	Balance borne by AMC
R & T Expenses	714013.81	6,65,153.42	48860.39
Audit fees	155390.26	123276.31	32113.95

8.2. Provision for tax has not been made since the income of the scheme is exempt from tax under Section 10(23D) of the Income Tax Act, 1961.

8.3. Transactions with Brokers in excess of 5% or more of the aggregate purchases and sale of securities made by the Fund have / has been reported to the Trustees on a Bi-monthly basis.

8.4 During the year ended 31.03.2020, the Registrar and Transfer Agent charges

amounting to Rs.6,65,153.42(PY:Rs.2,95,576.69) constitutes 37.39% (PY:13.32%), Custodian fees amounting to Rs.3,99,954.43(PY:161074.71) constitutes 22.48%(PY: 7. 26%) and Professional fees amounting to Rs.2,06,252.32(PY:48,189.86) constitutes 11.59%(PY:2.17%) of the total scheme expenses.

8.5 Transactions with Associates/related parties/group companies of Sponsor/AMC

Brokerage / Commission on sale of units by the Scheme or by the Asset Management Company given to associates, pursuant to Regulation 25(8): Related Party:- Sahara India Financial Corporation Ltd(SIFCL):(Sponsor).

Commission to SIFCL made for sale of units of the MF for the current year ended 31st March 2020.
(Rs. In Lakhs)

Tax Gain Fund	Growth Fund	Mid Cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0436	0.0010	0.0032	0.0012	0.0020	0.0003	0.0103

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2019.
(Rs.In lakhs)

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0541	0.0026	0.0053	0.0005	0.0047	0.0003	0.0112

Commission to SIFCL

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Business given (Rs cr and % of total business received by the fund)	Commission paid (Rs & % of total commission paid by the fund)
(1)	(2)	(3)	(4)	(5)
SIFCL	Sponsor / Mutual Fund Distributor	April 19- March 20	0.00	Rs.6171.56; 7.42%
SIFCL	Sponsor / Mutual Fund Distributor	April 18- March 19	0.00	Rs.7874.96; 9.20%

In column No 5, the amount relates to trail commission.

Brokerage paid to associates / related parties / group companies of Sponsor/AMC

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Value of Transaction (in Rs, Cr & of Total value of Transaction of the Fund)	Brokerage (Rs Cr & % of total brokerage paid by the Fund)
-	-	-	-	-

There are no associate brokers, hence not applicable for the period April – Mar 2020 & April – Mar 2019.

8.6 The Aggregate value of Investment purchased and sold (Including Redemption) during the year as a percentage of daily average net asset value;

Purchases

Year	Amount (Rs)	% of Daily average
2019-20	5,419,212.62	6.98
2018-19	10,50,16,617	130.26

Sales

Year	Amount (Rs)	% of Daily average
2019-20	63,580,947.12	81.89
2018-19	10,51,78,706	130.46

8.7 Aggregate Appreciation and Depreciation in the value of Investments:

Scheme	31-Mar-2020		31-Mar-2019	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	0.00	0.82	59.80	79.46

8.8 Income and Expense Ratio

	2019-20	2018-19
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	1.26%	31.63%
Total Expenditure to average net assets calculated on a daily basis.	2.29%	2.75%

8.9 Movements in Unit Capital: Face Value of Units: Rs. 10/- per unit**8.9.1 Growth Option**

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	38747086.657	387470866.57	38747086.657	387470866.57
Opening Balance	406910.242	4069102.42	435003.455	4350034.55
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(19537.394)	(195373.94)	(28093.213)	(280932.13)
Closing Balance	387372.848	3873728.48	406910.242	4069102.42

8.9.2 Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	51626396.716	516263967.16	51626396.716	516263967.16
Opening Balance	1279817.093	12798170.93	1383689.731	13836897.31
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(95263.324)	(952633.24)	(103872.638)	(1038726.38)
Closing Balance	1184553.769	11845537.69	1279817.093	12798170.93

8.9.3 Bonus Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	46030.000	460300.00	46030.000	460300.00
Opening Balance	7600.000	76000.00	7600.000	76000.00
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	7600.000	76000.00	7600.000	76000.00

8.9.4 Growth – Auto Earnings Payout Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	415034.300	4150343.00	415034.300	4150343.00
Opening Balance	7845.643	78456.43	8837.120	88371.20
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(475.265)	(4752.65)	(991.477)	(9914.77)
Closing Balance	7370.378	73703.78	7845.643	78456.43

8.9.5 Growth Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	21785.103	217851.03	23416.509	234165.09
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(966.842)	(9668.42)	(1631.406)	(16314.06)
Closing Balance	20818.261	208182.61	21785.103	217851.03

8.9.6 Dividend Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	6215.331	62153.31	6441.209	64412.09
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	(225.878)	(2258.78)
Closing Balance	6215.331	62153.31	6215.331	62153.31

8.9.7 Bonus Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	12.929	129.29	12.929	129.29
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	12.929	129.29	12.929	129.29

8.9.8 Growth – Auto Earnings Payout Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	16.506	165.06	16.506	165.06
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	16.506	165.06	16.506	165.06

- 8.10** The Scheme has declared nil dividends during the year ended March 31, 2020 (PY: Nil). There was no Bonus declared during the year ended March 31, 2020. (PY: Nil)

8.11 Unclaimed Amounts (beyond three months):

Unclaimed Dividend and Redemption amounts as on March 31, 2020 are as below:

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No of Investors	Unclaimed Redemption (Rs)
Sahara Midcap Fund	571	626392.6	93	687332.39

- 8.12** Investments made by the Schemes of Sahara Mutual Fund in Companies or their subsidiaries that have invested more than 5% of the net asset value of any scheme, pursuant to Regulation 25 (11): **NIL**

8.13 Portfolio Statement as on March 31, 2020

Name of the Instrument	ISIN	Quantity	Market	% to	% to
			Value	NAV	Category Total
			(Rs. in Lakhs)		
1) Equity & Equity Related					
(a) Listed/awaiting Listing on Stock Exchange					
EQUITY SHARES					
CONSUMER NON DURABLES					100.00

TATA CONSUMER PRODUCT LTD. (EX- TATA GLOBAL BEVERAGES LTD.)	INE192A01025	3806	11.22	1.89	
(b) Unlisted		Nil	Nil	Nil	Nil
Equity Total (a+b)		3806	11.22	1.89	100.00
2) Debt Instruments					
(a) Listed/awaiting Listing on Stock Exchange		Nil	Nil	Nil	Nil
(b) Privately Placed/Unlisted		Nil	Nil	Nil	Nil
(c) Securitised Debt		Nil	Nil	Nil	Nil
3) Money Market Instruments					
Collateralized Borrowing and Lending Obligation (CBLO)		Nil	Nil	Nil	Nil
4) Short term Deposit		Nil	Nil	Nil	Nil
5) Other- Net Current Assets			581.81	98.11	100.00
Grand Total		3806	593.03	100.00	100.00

8.14 Investments made by the Scheme in shares of Group Companies of the Sponsor– NIL.

8.15 Holdings over 25% of the NAV of the scheme as of March 31, 2020:

Particulars	As on March 31, 2020	As on March 31, 2019
Number of Investors	0	0
Percentage of Holdings	N/A	N/A

8.16 Contingent Liability: Nil

8.17 SEBI vide its Order no: WTM/PS/26/IMD/DOF-III/July/2015 dated 28th July, 2015 directed cancellation of “Certificate of Registration” of Sahara Mutual Fund which was to be effective on expiry of six months from the date of the Order. Further, SEBI also directed by the said Order that the Mutual Fund shall not take any new subscription from investors. Accordingly, Sahara Mutual Fund has not taken any new subscription from the investors (including existing investors) in line with the said SEBI order.

Sahara Asset Management Company Pvt. Ltd filed an appeal before the Securities Appellate Tribunal (SAT), Mumbai to set aside the said SEBI order. SAT vide its order dated 9th December 2015 granted an interim stay in the matter. SAT vide its order dated 28th July, 2017 dismissed the appeal made by Sahara AMC against the SEBI order dated 28th July, 2015. However, SAT granted 6 weeks stay to approach the Hon’ble Supreme Court in the matter. An appeal was filed on 7th September 2017 before the Hon’ble Supreme Court and the appeal was dismissed vide its order dated 23rd October 2017

SEBI vide its letter dated November 17, 2017 directed the cancellation of ‘Certificate of registration’ would be effective six months from the date of the Hon’ble Supreme Court order dated 23rd October 2017.

Sahara Mutual Fund requested SEBI vide its letter dated 15th January 2018 to extend the date of cancellation of ‘Certificate of registration’ till July 27th, 2018 for giving time for identification of a new sponsor and considering the lock in period of certain unit holders’ investments in Sahara Tax gain fund.

A new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

SEBI vide their letter dated 11th April 2018 ordered for winding up all the schemes except Sahara tax Gain Fund by 21st April 2018. An appeal was filed before SAT for a stay against the SEBI order dated April, 11, 2018.

In view of the direction of SAT on 26th April 2018, a comprehensive appeal was filed.

SAT vide its order dated 3rd May 2018 directed that SEBI shall not enforce the orders impugned in the two appeals till a decision on new sponsor's application is communicated

The application of One Life Capital Advisors Limited who had offered to be the new Sponsor for Sahara Mutual Fund stands annulled in view of the SEBI Order dated March 4th, 2020.

SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up in line with SEBI order no.WTM/GM/IMD/07/2018-19 dated April 11, 2018.

The Board of Trustees of Sahara Mutual Fund decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996.

A notice was published on March 20, 2020 that Sahara Midcap Fund would be wound up on March 27, 2020.

In view of what has been stated in para 8.18 below, the financial statements have been prepared for the year ended 31st March, 2020 on liquidation basis.

8.18 EVENTS AFTER THE REPORTING PERIOD:

A significant non-adjusting event has occurred between the reporting date (31.3.2020) and the date of approval of these financial statements (28th August, 2020).

- d) Sahara Midcap Fund could not be wound up on March 27, 2020. The entire portfolio had been liquidated but for one of the securities in the portfolio namely Tata Consumer Products Ltd (pari passu shares allotted on account of demerger of Tata Chemicals and Tata Global Beverages Ltd) which did not get listed on the stock exchange on or before March 27, 2020.
- e) SEBI was informed about the extension of the winding up period of the scheme vide AMC mail dated March 27, 2020.
- f) The said security got listed on April 1, 2020 and the scheme sold these shares on April 3rd, 2020.

As of the date of signing the annual accounts, Sahara Midcap Fund has been wound up as on April 3rd, 2020.

8.19 Composition of the Board of Trustees.

As per Reg 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, it is stated that "The trust deed shall state that the minimum number of trustees shall be four." The Board of Trustees of Sahara Mutual Fund comprises of two (2) Trustees and thereby the above criteria of minimum number of Trustees has not been complied with.

8.20 Net worth:

As per the Reg. 21(1)(f), of SEBI (Mutual Funds) Regulations, 1996 and in compliance with the notification of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2014 dated May 6, 2014, the AMC should maintain a Net Worth of minimum Rs.50 crs. The Net Worth of Sahara Asset Management Company Private Ltd. as on March 31, 2020 was Rs.3.20 crs,

which is below the threshold limit of Rs. 50 crs and thereby the net worth criteria as required by the above regulations has not been complied with.

- 8.21** Previous year figures have been reclassified / regrouped wherever necessary to conform to the current year's classification.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

I S Verma

Director

Vidya Manjrekar

**Head Operations
& NAV Accounting**

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA MIDCAP FUND
Perspective Historical Per Unit Statistics

Particulars	As at	As at	As at
	31-Mar-20	31-Mar-19	31-Mar-18
	(Rs. Per Unit)	(Rs. Per Unit)	(Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	0.66	0.47	0.56
(ii) Income from Profit (net of loss) on inter-scheme sales/ transfer of Investments	0.00	0.00	0.00
(iii) Income from Profit (net of Loss) on sale other than Inter scheme	(11.33)	15.41	11.28
(iv) Transfer to revenue account from past year's reserve	0.00	0.00	0.00
(b) Aggregate of expenses, write off, amortisation and charges	1.10	1.28	1.60
(c) Net Income	(11.78)	14.59	10.23
(d) Net unrealised appreciation/(diminution) in value of Investments	(0.05)	(1.14)	13.37
(e) Net Asset Value			
Growth Plan	62.4287	80.4578	81.955
Dividend Plan	27.5331	35.4846	36.1449
Bonus Plan	62.4287	80.4578	81.955
Growth - Auto Earning Payout	62.4287	80.4578	81.955
Direct Growth Plan	67.1497	86.2620	86.4919
Direct Dividend Plan	27.9969	36.0568	36.6254
Direct Bonus Plan	67.1497	86.2620	86.4919
Direct Growth - Auto Earning Payout	67.1497	86.2620	86.4919
(f) Purchase Price during the year**			
(i) Highest			
Growth Plan	91.0399	85.3728	93.6028
Dividend Plan	40.3158	37.6522	41.2688
Bonus Plan	0.0000	85.3728	93.6028
Growth - Auto Earning Payout	83.9052	85.3728	93.6028
Direct Growth Plan	86.6207	90.1976	98.3375
Direct Dividend Plan	0.0000	38.1587	41.7891
Direct Bonus Plan	0.0000	90.1976	98.3375

Direct Growth - Auto Earning Payout	0.0000	90.1976	98.3375
(ii) Lowest			
Growth Plan	72.5149	68.9888	75.3996
Dividend Plan	28.6790	30.4263	33.2431
Bonus Plan	0.0000	68.9888	75.3996
Growth - Auto Earning Payout	81.6971	68.9888	75.3996
Direct Growth Plan	82.8806	73.6712	77.9113
Direct Dividend Plan	0.0000	30.8799	33.5846
Direct Bonus Plan	0.0000	73.6712	77.9113
Direct Growth - Auto Earning Payout	0.0000	73.6712	77.9113
(g) Sale Price during the year**			
(i) Highest			
Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Bonus Plan	0.0000	0.0000	0.0000
Growth - Auto Earning Payout	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
Direct Bonus Plan	0.0000	0.0000	0.0000
Direct Growth - Auto Earning Payout	0.0000	0.0000	0.0000
(ii) Lowest			
Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Bonus Plan	0.0000	0.0000	0.0000
Growth - Auto Earning Payout	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
Direct Bonus Plan	0.0000	0.0000	0.0000
Direct Growth - Auto Earning Payout	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by Percentage	2.29%	2.75%	3.05%
(i) Ratio of income to average daily net assets by Percentage (excluding transfer to revenue account from past year's reserve but including net change in unrealized appreciation /depreciation in value of Investments and adjusted for net loss on sale / redemption of investments)	1.26%	31.63%	48.02%

*Annualised

**Based on the maximum load during the year

Per unit calculations based on number of units in issue at the end of the period

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara Wealth Plus Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Wealth Plus Fund** ("the Scheme"), which comprise the Balance Sheet as at March 27, 2020, the Revenue Account for the period from 1st April, 2019 to 27th March, 2020 and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the scheme give the information specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto ("the SEBI Regulations"), as applicable, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 27, 2020;
- (b) in the case of the Revenue Account, of the deficit for the period ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA's) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust/Scheme in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements of the Scheme. Our audit has been conducted in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to the following matters in the Notes to the financial statements:

- a) Note no. 8.18 (a) which states that SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up.
- b) Note no. 8.18 (b) which states that The Board of Trustees of Sahara Mutual Fund have decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996 with effect from 27th March, 2020.

In view of the above the accounts for the period from 1st April, 2019 to 27th March, 2020 have been prepared on "liquidation basis of accounting" and not on a going concern basis.

Our opinion is not modified in respect of the above matter.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Trustees of Sahara Mutual Fund and the Board of Directors of Sahara Asset Management Company Private Limited (the "Directors") are responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of

the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Consequent upon the directions in the SEBI letter dated 5th March, 2020 and the decision of the Trustees to comply with the SEBI directions, the Scheme has been wound up on 27th March, 2020 and the financial statements have been prepared on liquidation basis of accounting.

Those charged with Governance are also responsible for overseeing the Scheme's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) The Balance Sheet and Revenue Account dealt with by this Report are in agreement with the books of accounts of the Scheme.
- c) The statement of account has been prepared in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable.
- d) We have reviewed the Valuation Policy being followed for the schemes of Sahara Mutual Fund. The Valuation Policy implemented for the Scheme is in line with the SEBI guidelines issued in this regard.

For Chaturvedi & Partners.

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No. 117510

ICAI UDIN: 20117510AAAABF5093

Place: Mumbai
Date: August 28, 2020

SAHARA WEALTH PLUS FUND

BALANCE SHEET AS AT MARCH 27, 2020

SAHARA WEALTH PLUS FUND	Schedule	As at March 27, 2020 (Rs)	As at March 31, 2019 (Rs)
ASSETS			
Investments	1	-	82,021,513
Other Current Assets	2	67,541,763	11,252,020
Total Assets		67,541,763	93,273,533
LIABILITIES			
Unit Capital	3	20,170,583	21,107,372
Reserves & Surplus	4	45,054,879	69,875,371
Current Liabilities & Provisions	5	2,316,301	2,290,790
Total Liabilities		67,541,763	93,273,533

NET ASSET VALUE

Net Asset Value per unit (Rs.)

Fixed Pricing - Dividend Plan	FPD	22.9342	30.7057
Fixed Pricing - Growth Plan	FPG	32.2018	43.1140
Variable Pricing - Dividend Plan	VPD	27.2784	36.4576
Variable Pricing - Growth Plan	VPG	37.6254	50.2865
Fixed Pricing - Direct Dividend Plan	FPDDP	23.3573	31.2467
Fixed Pricing - Direct Growth Plan	FPGDP	33.1545	44.1489
Variable Pricing - Direct Dividend Plan	VPDDP	27.7187	37.0186
Variable Pricing - Direct Growth Plan	VPGDP	38.7232	51.6573

Significant Accounting Policies and Notes to the accounts 7

Schedules 1 to 5 and 7 form an integral part of the Balance Sheet

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

Head Operations
& NAV Accounting

I S Verma

Director

Sudhir Kaup

Compliance Officer

Place: Mumbai

Date: 28th August, 2020

For Sahara Mutual Fund

M R Siddiqui

Trustee

Place: Mumbai

S P Srivastava

Trustee

Date: 28th August, 2020

SAHARA WEALTH PLUS FUND

REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 27,2020

SAHARA WEALTH PLUS FUND	Schedule	For the period March 27, 2020	For the year ended March 31, 2019
		(Rs)	(Rs)
INCOME			
Dividend Income		1,430,576	805,830
Interest & Discount Income		35,595	36,155
Other Income		9	18
Profit on Sale / Redemption of Investments (Net) (Other than Inter Scheme Transfer / Sale)		-	19,402,497
Total Income		1,466,180	20,244,500
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Loss on Sale / Redemption of Investments (Net) (Other than Inter Scheme Transfer / Sale)		24,971,197	-
Management Fees		120,415	557,856
ST / GST on Management Fees		21,675	100,414
Investor Education & Awareness Fees		17,042	18,638
Registrar & Transfer Agent Charges		732,464	338,185
Transaction cost		36,819	35,243
Custodian Fees		440,385	184,301
Trusteeship Fees & Expenses		91,370	17,620
Audit Fees		138,325	170,240
Professional fees		227,463	54,937
Commission to Agents		763	3,707
Total Expenses		26,797,918	1,481,141
Net Surplus for the Year		(25,331,738)	18,763,359
Provision/ Write Back for diminution in the value of Investment	6	8,716,716	(3,234,083)
Net Surplus for the Year (excluding unrealised appreciation)		(16,615,022)	15,529,276
Transfer from Income Equalisation Reserve		(4,240,657)	(5,850,114)

Net : Transferred to Revenue Reserve		(20,855,679)	9,679,162

Significant Accounting Policies and notes to the accounts 7

Schedules 6 to 7 form an integral part of the Revenue Account

As per our attached report of even date

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

Head Operations

& NAV Accounting

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA WEALTH PLUS FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET

SAHARA WEALTH PLUS FUND		As at		As at
		March 27,		March 31,
		2020		2019
		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		-		82,021,513
		-		82,021,513
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		65,921,206		9,625,551
Investment - Liquid MF Units		1,595,029		1,609,106
Investment - Liquid MF Units for Investor Education		17,362		17,362
Other Receivables		1		1
Dividend Receivable		8,165		-
		67,541,763		11,252,020
SCHEDULE 3				
Unit Capital				
Fixed Plan Dividend	FPD	2,068,404		2,245,212
Fixed Pricing - Dividend Option 206840.426 units of Rs.10 each (For 2018-2019- 224521.197 units of Rs.10 each)				
Fixed Plan Growth	FPG	1,182,636		1,294,013
Fixed Pricing - Growth Option 118263.612 units of Rs.10 each (For 2018-2019- 129401.271 units of Rs.10 each)				
Variable Plan Dividend	VPD	6,746,092		7,079,111
Variable Pricing - Dividend Option 674609.198 units of Rs.10 each				

(For 2018-2019- 707911.102 units of Rs.10 each				
Variable Plan Growth	VPG	9,802,474		10,087,852
Variable Pricing - Growth Option 980247.368 units of Rs.10 each				
(For 2018-2019- 1008785.231 units of Rs.10 each				
Fixed Plan Direct Dividend	FPDDP	12,044		12,044
Fixed Pricing - Direct Dividend Option 1204.426 units of Rs.10 each				
(For 2018-2019- 1204.426 units of Rs.10 each				
Fixed Plan Direct Growth	FPGDP	261		261
Fixed Pricing - Direct Growth Option 26.148 units of Rs.10 each				
(For 2018-2019- 26.148 units of Rs.10 each				
Variable Plan Direct Dividend	VPDDP	26,270		44,128
Variable Pricing - Direct Dividend Option 2627.006 units of Rs.10 each				
(For 2018-2019- 4412.763 units of Rs.10 each				
Variable Plan Direct Growth	VPGDP	332,402		344,751
Variable Pricing - Direct Growth Option 33240.152 units of Rs.10 each				
(For 2018-2019- 34475.143 units of Rs.10 each				
Total		20,170,583		21,107,372
(Refer Note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	104,175,018		94,495,856	
Transferred from Revenue Account	(20,855,679)		9,679,162	
Balance as at end of the year		83,319,339		104,175,018
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(4,240,657)		(5,850,114)	
Transferred to Revenue Account	4,240,657		5,850,114	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	5,400,535		24,198,501	

Additions During the year	(5,400,535)		(18,797,966)	
Balance as at end of the year		-		5,400,535
Unit Premium Reserve				
Balance as at beginning of the year	(39,700,182)		(41,648,042)	
Additions During the year	1,435,722		1,947,860	
Balance as at end of the year		(38,264,460)		(39,700,182)
		45,054,879		69,875,371
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		309,138		356,369
Management Fees Payable		7598		1,737
ST / GST on Management Fees		1,368		313
Payable on redemption of units		1,048,985		989,778
STT Payable		1		2
Payable - Fee on Investor Education		51,833		43,810
Distribution Payable		897,378		898,781
		2,316,301		2,290,790

SCHEDULES FORMING PART OF REVENUE ACCOUNT

SAHARA WEALTH PLUS FUND		For the year ended		For the year ended
		March 27, 2020		March 31, 2019
		(Rs)		(Rs)
SCHEDULE 6				
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(8,716,716)		(5,482,633)
At the end of the year		-		(8,716,716)
		8,716,716		(3,234,083)

CASHFLOW STATEMENT FOR THE PERIOD ENDED MARCH 27, 2020

	SAHARA WEALTH PLUS FUND		For the period ended	For the year ended
			March 27, 2020	March 31, 2019
			(Rs)	(Rs)
A.	Cash Flow from Operating Activity			
	Surplus / (Deficit) for the year		(25,331,738)	18763359
	Add/(less) : Net Change in Marked to Market Value of Investments		3316181	(22032049)
	Add: Interest expense on Loan		-	-
	Adjustments for :-			
	(Increase) / Decrease in Investments		82021513	14355477
	(Increase) / Decrease in Other current assets		5912	163710
	Increase / (Decrease) in Other current liabilities		25511	223629
	Increase / (Decrease) in Fixed Deposit		-	-
	Net cash generated from / (used in) operations	(A)	60037379	11474126
B.	Cash Flow from Financing Activities			
	Increase / (Decrease) in Unit Capital		(936789)	(1125275)
	Increase / (Decrease) in Unit Premium		1435722	1947860
	Income Equalisation during the period		(4240657)	(5850114)
	Adjustments for:-			
	Increase / (Decrease) in Sundry Creditors for units redeemed by Investors		-	-
	(Increase) / Decrease in Sundry Debtors for units issued to investors		-	-
	Dividend paid during the year (including Dividend Distribution Tax)		-	-
	Net cash (used in) / generated from financing activities	(B)	(3741724)	(5027529)
	Net increase / (Decrease) in cash and cash equivalents	(A+B)	56295655	6446597
	Cash and Cash Equivalents as at the beginning of the year	(C)	9625551	3178954
	Cash and Cash Equivalents as at the close of the year	(D)	65921206	9625551
	Net cash and cash equivalents	(D-C)	56295655	6446597

	Components of cash and cash equivalents			
	Balances with banks in current accounts		65921206	3178954
	Fixed Deposits (less than 3 months)		-	-
	CBLO / TriParty Repo		-	-
	Cash and Cash equivalents as at the close of the year.		65921206	3178954

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

Head Operations

& NAV Accounting

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SCHEDULE - 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE PERIOD FROM 1ST APRIL, 2019 TO MARCH 27th, 2020.

3. INTRODUCTION

1.1 About the Scheme

Sahara Wealth Plus Fund (the "Scheme") is an open ended growth scheme of Sahara Mutual Fund (the "Fund"). The objective is to invest in equity and equity related instruments of companies that would be wealth builders in the long run. In line with SEBI Circular for providing separate options for direct investments, the scheme has eight options (i) Fixed Pricing- Growth Option (ii) Fixed Pricing - Dividend Option (iii) Fixed Pricing -Growth Option – Direct and (iv) Fixed Pricing - Dividend Option – Direct.(v) Variable Pricing- Growth Option (vi) Variable- Pricing - Dividend Option (vii) Variable Pricing -Growth Option – Direct and Variable Pricing - Dividend Option – Direct. The scheme will not declare dividend under the Growth Plan. The Income earned on such units remain invested under the scheme and reflected in the Net Asset Value. The initial issue period of the scheme was from July 4, 2005 to August 9, 2005 and the scheme was reopen for continuous purchase and redemption at prevailing NAV from September 6, 2005.

The Scheme was wound up by the Trustees on 27th March, 2020 in terms of the provisions of Regulation 39(2)(c) of the SEBI (Mutual Funds) Regulations, 1996.

1.2 Asset Management Company

Sahara Mutual Fund (SMF) has been established as a Trust in accordance with the Indian Trusts Act, 1882, and is sponsored by Sahara India Financial Corporation Limited.

Sahara Asset Management Company Private Limited ("SAMCPL"), a company incorporated under the Companies Act, 1956, has been appointed as the Asset Management Company ("Investment Manager") to Sahara Mutual Fund.

The shareholding of Sahara Asset Management Company Private Limited as on March 27th, 2020 is as follows:

Name of the Shareholder	Type of Holdings	Holding
Sahara India Financial Corporation Limited	Equity	45.27%
Sahara India Corp Investment Limited	Equity	10.52%
Sahara Prime City Limited (formerly Sahara India Investment Corporation Limited)	Equity	11.74%
Sahara Care Limited	Equity	31.00%
Sahara India Commercial Corporation Limited	Equity	1.47%
Name of the Shareholder	Type of Holdings	Holding
Sahara India Commercial Corporation Ltd	Preference	90.32%
Sahara Care Ltd	Preference	9.68%

4. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting

The Scheme maintains (maintained) its books of account on an accrual basis. These financial statements have been prepared in accordance with the Accounting Policies and Standards specified in the Ninth Schedule of The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, (the "Regulation"), and amendments thereto, as applicable.

2.2. Accounting for Investments

- 2.2.1 Investments are accounted on trade dates at cost including brokerage, stamp duty and other charges.
- 2.2.2 Profit or loss on sale of investments is determined on the respective trade date by adopting the "Weighted Average Cost" method.
- 2.2.3 Bonus/Rights entitlements on equity holdings are recognized only when the original shares on which the entitlement accrues are traded on the principal stock exchange on ex-bonus/ex-rights basis respectively. In respect of unlisted/ non- traded securities, the Bonus/Rights on equity holdings are recognised only on the receipt of the Bonus/Rights.
- 2.2.4 Primary Market Investments are recognized on the basis of allotment advice.

2.3. Valuation of Investments

Valuation Policy as on 27.03.2020 is as under.

A: VALUATION OF DEBT INSTRUMENTS

A (I) - The 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. where Script wise values are available from CRISIL/ ICRA	The aggregated average price provided by CRISIL / ICRA for the given security or any other agencies as may be indicated from time to time by SEBI/AMFI for that day
3	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc where Script wise values are not available from CRISIL/ ICRA	

i)	Same security traded and reported on public platforms.	On Weighted Average Yield of all trades (excluding abnormal and retail trades) on Public platforms, for that Securities on that day irrespective of settlement day.
ii)	If Same Security not traded and reported on any of the public platforms.	The aggregated average matrices of CRISIL/ ICRA for the respective category Or any other agencies as may be indicated from time to time by SEBI/AMFI for that day.

4	Central Government Securities / State Government Securities / Treasury Bills/Cash Management Bill etc	
	1) If the securities are traded and residual maturity is above 60 days.	The Aggregated average valuation as provided by CRISIL / ICRA or any other agencies as may be indicated from time to time by SEBI/AMFI for that day. In case on any given day, the valuation Matrices is not available from CRISIL/ICRA the Valuation is done on accrual/amortization based on last valuation.
	2) If the securities are non-traded and residual maturity is above 60 days.	By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent.
	3) If the securities are traded and residual maturity of the securities is equal to or below 60 days	On last traded price as given on NDS-Section of CCIL Website (Excluding abnormal trade).
	4) If the securities are non-traded and the residual maturity of the securities is equal to or below 60 days	By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent as long as it is within +/- 0.10 % of the reference price. Benchmark yields for calculating reference price to be provided by CRISIL / ICRA.

A (II) Pricing of Inter -Scheme Transfer of Debt Instruments (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/CBRICS up to the time of IST.	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization

	ii)	If Same security is not traded but similar Security/securities are traded and reported up to the time of IST on FTRAC/CBRICS	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	iii)	If Same or similar Security/securities are not traded and reported up to the time of IST on FTRAC/CBRICS	Previous end of the day valuation plus accrual, if any, based on settlement day of the IST is taken. Example: if settlement is T+0 then no accrual/amortization and if the settlement is other than T+0 then appropriate accrual/amortization.
2.	Central Government Securities / State Government Securities / Treasury Bills/ Cash Management Bill etc		
	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 plus accrual/amortization is taken

Similar Security:

Similar security here shall mean those securities which are same nature [Commercial Paper (CP), Certificate of Deposit (CD), Non-Convertible Debentures (NCD), etc] of different issuers having same or equivalent credit rating for Similar maturity profile (For both Short term rating and Long term rating), and falling in same "Maturity Bucket" as defined below. Further the instruments Commercial Paper (CP), Bonds and Non-Convertible Debentures (NCDs) etc are categorized into following sub-categories:—

- 1) NBFC
- 2) Real Estate,
- 3) PTC
- 4) Others

Maturity Bucket:

- For Debt Security having remaining maturity up to 91 days

Maturity date of securities falling between	Time Bucket
1st and 7th of the month	1-7 of the same month
8th and 15th of the month	8-15 of the same month
16th and 23rd of the month	16-23 of the same month
24th to end of the month	24- end of the month

- For Debt Securities having remaining maturities more than 91 days
"Time Bucket" for maturity profile of "Similar Securities" is same calendar month of that year.

A (III) Notes:

1. For the purpose of Valuation of securities and for Inter Scheme Transfer, Weighted average of all trades of 5crs and above, excluding abnormal trades and retail trades is taken. Since retail trades are of small value and generally may 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.
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

For the Valuation/Inter-scheme transfer, the available trades of various public platform is considered where the face value of trade per transaction is Rs. 5 crs and above. If in any given day in same/ similar security, the value of total trade is less than minimum market lot of 5 Crs, the same is ignored for the valuation purpose.

3. CRISIL and ICRA provide the valuation matrices for various maturity buckets. Script wise value for various debt instruments are also provided by CRISIL and ICRA. Trades are also reported and settled on various public platforms.
4. Public platform for the purpose of 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 for which Script wise values are not available from CRISIL/ICRA.
5. The data on yield and prices are generally provided up to 4 decimal points which shall be considered and these prices are considered on respective face value of the instruments for arriving at valuation.
6. For the valuation of traded securities where Script wise values are not available by CRISIL/ICRA, price derived from the corresponding Weighted Average yield of all available trades excluding abnormal and retail trades on any public platform for the same security on T+1 settlement basis is taken.

In case, the Bilav file is not received by 7:30 pm and script wise values are not available then FIMMDA managed FTRAC platform and NDS OM section of CCIL website may be used for the calculation of weighted average yield of traded security.

7. For non traded securities where Script wise values are not available, the valuation is done on the price derived from the corresponding the aggregated yield matrices for the respective category as provided by CRISIL/ICRA on T+1 settlement basis.
8. For Government Securities, SDL, T-Bills, Cash Management Bill etc, the valuation is done on aggregated Script wise pricing as provided by CRISIL/ICRA and as applicable for that day.

In the absence of Script wise values the valuation is based on aggregated matrices if available from CRISIL/ICRA on T+1 settlement and as applicable for that day.

9. In case the valuation matrices/Script wise value is available either from CRISIL/ICRA up to a reasonable time limit, the same is considered for arriving at valuation.
10. In respect of on any day neither the Script wise value nor the valuation Matrices is available from CRISIL/ICRA within the reasonable time limit, the Valuation is done on the basis of accrual/amortization based on the last valuation.

B: VALUATION OF EQUITY INSTRUMENTS

1. Traded Equity Securities

When an equity security is not traded on any Stock Exchange on a particular valuation day, the value at which it was traded on the selected Stock Exchange, as the case may be, on the earliest previous day is used provided such date is not more than thirty days prior to valuation date.

2. Thinly Traded Equity / Equity Related Securities

- (a) When trading in an equity and/or equity related securities (such as convertible debentures, equity warrants etc.) in a month is both less than Rs.5lacs in value and the total volume is less than 50,000 shares, the security is considered as thinly traded security.
- (b) In order to determine whether a security is thinly traded or not, the volumes traded in all recognized Stock Exchanges in India would be taken into account.
- (c) Where a Stock Exchange identifies the thinly traded securities by applying the above parameters for the preceding calendar month and publishes or provides the required information along with the daily quotations, the same would be used for valuation.
- (d) If the shares are not listed on the Stock Exchanges which provide such information, then we would make our own analysis in line with the above criteria to check whether such securities are thinly traded or not.

3. Non-traded / Suspended Securities

When an equity security is not traded on any Stock Exchange for a period of thirty days prior to the valuation date, the Script would be treated as a non traded security.

When an equity security is suspended up to thirty days, then the last traded price is considered for valuation of that security. If an equity security is suspended for more than thirty days, then the AMC or Trustees would decide the valuation norms to be followed and such norms would be documented and recorded.

The valuation methodology for thinly traded equity securities, Non-traded equity securities would be as follows:

Based on the latest available Balance Sheet, net worth would be calculated as follows:

- (a) Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
- (b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
- (c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 10% for illiquidity so as to arrive at the fair value per share.
- (d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- (e) In case, where the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- (f) In case, an individual security accounts for more than 5% of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it would be valued by the procedure above and the proportion which it bears to the total net assets of the scheme to which it belongs will be compared on the date of valuation.

4. Unlisted Equity

Methodology for Valuation - unlisted equity shares of a company would be valued "in good faith" as below:

- a) Based on the latest available Balance Sheet, net worth would be calculated as follows:
 1. Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.

2. After taking into account the outstanding warrants and options, Net Worth per share would again be calculated and is = [Share Capital + consideration on exercise of Option and/or Warrants received/receivable by the Company + Free Reserves (excluding Revaluation Reserves) – Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] / Number of Paid up Shares plus Number of Shares that would be obtained on conversion and/or exercise of Outstanding Warrants and Options.
3. The lower of (1) and (2) above would be used for calculation of Net Worth per share and for further calculation in (c) below.
 - a) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
 - b) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 15% for illiquidity so as to arrive at the fair value per share.

The above valuation methodology would be subject to the following conditions:

- a) All calculations would be based on audited accounts.
- b) If the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- c) If the Net Worth of the company is negative, the share would be marked down to zero.
- d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- e) In case an individual security accounts for more than 5 per cent of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it is valued in accordance with the procedure as mentioned above on the date of valuation.

5. Demerger

Generally on demerger, a listed security gets bifurcated into two or more shares. The valuation of these de-merged companies would depend on the following scenarios:

- a) Both the shares are traded immediately on de-merger: In this case both the shares would be valued at respective traded prices.
- b) Shares of only one company continued to be traded on de-merger: Traded shares would be valued at traded price and the other security would to be valued at traded value on the day before the de merger less value of the traded security post de merger. In case value of the share of de-merged company is equal or in excess of the value of the pre de-merger share, then the non traded share would be valued at zero, till the date it is listed.
- c) Both the shares are not traded on de-merger: Shares of de-merged companies would be valued equal to the pre de merger value up to a period of 30 days from the date of de merger till the date it is listed. The market price of the shares of the de-merged company one day prior to ex-date would be bifurcated over the de-merged shares. The market value of the shares would be bifurcated on a fair value basis, based on available information on the de-merger scheme.
- d) In case shares of either of the companies are not traded for more than 30 days: Then it would be treated as unlisted security, and valued accordingly till the date these are listed.

6. Preference Shares

Preference Shares valuation guidelines would be as follows:

- a) Traded preference shares would be valued as per traded prices.
- b) Non traded Preference Shares

(I). Redeemable Preference Shares

- i. Convertible preference share would be valued like convertible debentures.

In general in respect of convertible debentures and bonds, the non-convertible and convertible components would be valued separately. The non-convertible component would be valued on the same basis as would be applicable to a debt instrument. The convertible component would be valued on the same basis as would be applicable to an equity instrument.

If a convertible preference share does not pay dividend then it would be treated like non convertible debentures.

- ii. Non-Convertible preference share would be valued like a debt instrument.

- (II). Irredeemable preference shares would be valued on perpetual basis. It is like a constant dividend equity share.

7. Warrants

- a) In respect of warrants to subscribe for shares attached to instruments, the warrants would be valued at the value of the share which would be obtained on exercise of the warrants as reduced by the amount which would be payable on exercise of the warrant. A discount similar to the discount to be determined in respect on convertible debentures is deducted to account for the period, which must elapse before the warrant can be exercised.
- b) In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to Equity Shares.

8. Rights

Until they are traded, the value of "rights" shares would be calculated as:

$$V_r = n \div m \times (P_{ex} - P_{of})$$

Where

V_r = Value of rights

n = no. of rights offered

m = no. of original shares held

P_{ex} = Ex-rights price

P_{of} = Rights Offer Price

Where the rights are not treated pari passu with the existing shares, suitable adjustment would be made to the value of rights. Where it is decided not to subscribe for the rights but to renounce them and renunciations are being traded, the rights would be valued at the renunciation value.

9. Derivatives

Market values of traded open futures and option contracts would be determined with respect to the exchange on which contracted originally, i.e., a future or an option contracted on the National Stock Exchange (NSE) would be valued at the closing price on the NSE.

The price of the same futures and option contract on the Bombay Stock Exchange (BSE) cannot be considered for the purpose of valuation, unless the futures or option itself has been contracted on the BSE.

The same will be valued at closing price if the contract is traded on the valuation day. In case there is no trade on valuation day then the same would be valued at Settlement prices.

However, the contracts which are going to expire on valuation date would be valued at Settlement prices only.

10. Mutual Fund Units

- a) In case of traded Mutual Fund schemes, the units would be valued at closing price on the stock exchange on which they are traded like equity instruments. In case the units are not traded for more than 7 days, last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- b) If the last available Repurchase price is older than 7 days, the valuation will be done at the last available NAV reduced by illiquidity discount. The illiquidity discount will be 10% of NAV or as decided by the Valuation Committee.
- c) In case of non-traded Mutual Fund scheme, the last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- d) In case of Investments made by a scheme into the other scheme of Sahara Mutual Fund, if valuation date being the last day of the financial year falling on a non-business day, then the computed NAV would be considered for valuation on March 31.

Related matters

- i) In case the income accrued on debt instruments is not received even after 90 days past the due date, the asset is termed as Non Performing Assets (NPAs) and all provisions/guidelines with respect to income accrual, provisioning etc as contained in SEBI circulars/guidelines issued from time to time shall apply and the valuation of such securities will be done accordingly. In case the company starts servicing the debt, re-schedulement is allowed, the applicable provision in SEBI circulars shall apply for provisioning and reclassification of the asset
- ii) In case of any other instruments not covered in the policy above, the same is referred to the Investment and Valuation Committee which is empowered to take decision.
- iii) In case of any perceived conflict of interest while valuating the securities, the matter is dealt and decided by Investment and Valuation Committee.
- iv) For non– business day the valuation is done on aggregated Script wise prices as provided by CRISIL/ICRA. In absence of Script wise prices the valuation is done on accrual basis/amortization basis based on last valuation
- v) In case of exceptional circumstances like, policy announcements by government/regulatory bodies, natural disasters, public disturbances, extreme volatility in capital market, shut down of market, war etc and on those days if Script wise value or valuation matrices are not available from CRISIL/ICRA and if security is not traded, the valuation for the day is done based on last valuation plus accrual/amortization or as may decided by the Investment and Valuation Committee.
- vi) The Valuation Policy is reviewed by the Statutory Auditor at least once in a financial year.
- vii) Valuation Policy as updated and approved by the Board of AMC / Board of Trustees is applicable for the schemes of Sahara Mutual Fund

2.3.1 Valuation of securities not covered under the above valuation policy:

The total exposure in securities, which do not fall under above valuation norms, shall not exceed 5% of the total AUM of the scheme.

In case of any other instruments not covered in the policy above, the same shall be referred to the Investment and Valuation Committee which is empowered to take decision.

Investment in such securities is to be valued by a method approved by the Investment and Valuation Committee and the same will be reported to the Board of Trustees.

2.3.2 Unrealised Appreciation/Depreciation.

In accordance with the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds issued by the Institute of Chartered Accountants of India, the unrealized appreciation determined separately for each individual investment is directly transferred to the "Unrealized Appreciation Reserve Account" i.e. without routing it through the revenue account.

The provision for depreciation in value of investments determined separately for each individual investment is recognized in the revenue account. The loss (realized) on investments sold / transferred during the year is charged to revenue account, instead of being first adjusted against the provision for depreciation, if already created in the prior year, as recommended by the said Guidance Note. However, this departure from the Guidance Note does not have any net impact on the Scheme's net assets or results for the year.

2.4 Revenue Recognition

2.4.1 Income and Expenses are recognized on accrual basis.

2.4.2 Interest on funds invested in short term deposits with scheduled commercial banks is recognized on accrual basis.

2.4.3 Dividend income earned by the scheme is recognized on the date the share is quoted on ex-dividend basis on principal stock exchange.

2.4.4 Proportionate realized gains on investments out of sales / repurchase proceeds at the time of sale / repurchase of units are transferred to revenue Account from Unit Premium Reserve.

3. Net Asset Value for Growth/Dividend Options:

The net asset value of the units is determined separately for units issued under the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option – Direct. For reporting the net asset value of the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option - Direct, daily income earned, including realized and unrealized gain or loss in the value of investments and expenses incurred by the scheme are allocated to the options in proportion to the value of the net assets.

4. Unit Premium Reserve Account

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the unit premium reserve account of the Scheme, after an appropriate amount of the issue proceeds and redemption payout is credited or debited respectively to the income equalization account.

5. Income Equalisation Account

An appropriate part of the sale proceeds or the redemption amount, as the case may be, is transferred to income equalization account. The total distributable surplus (without considering unrealized appreciation) upto the date of issue/ redemption of units has been taken into account for the purpose of ascertaining the amount to be transferred to Equalization Account on a daily basis. The net balance in this account is transferred to the Revenue Account at the end of the year.

6. Load Charges

Service tax on exit load , if any, shall be paid out of the exit load proceeds and exit load net of service tax, if any, shall be credited to the scheme.

7. Unclaimed Redemption.

In line with SEBI circular no. MFD/CIR/9/120 /2000 dated November 24, 2000 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed redemption and unclaimed dividend amounts may be deployed by the mutual funds in call money market or money market instruments and also be allowed to be invested in a separate plan of Liquid Scheme/ Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. The investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be

used for the purpose of investor education. Further, AMC shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plans shall be capped at 50 bps. The AMC should make continuous effort to remind the investors through letters to take their unclaimed amounts.

8. NOTES TO THE ACCOUNTS

8.1 Management Fees, Trusteeship Fees, Custodian Fees, Scheme Expenses

Management Fees

The total Management Fee (inclusive of GST) has been computed at 0.17% (P.Y. 0.71%) on average net assets calculated on a daily basis.

Under the Variable Pricing Option, the AMC fee earned depends on the scheme's daily performance and the same has been computed on average net assets calculated on a daily basis.

The IMA fees are charged accordingly, on the basis of whether at least one of the two conditions is met.

(a) If $NPR < \text{Benchmark}$ and $NPR < 0$	IMA fees = zero
(b) if either $NPR > \text{Benchmark}$ or $NPR > 0$	Actual IMA fees = $\frac{1}{2}$ of maximum permissible IMA fees
(c) if both $NPR > \text{Benchmark}$ and $NPR > 0$	Actual IMA fees = maximum permissible IMA fees

- Net Portfolio Return (NPR) = Gross Portfolio Return (GPR) - Scheme expense
- IMA = Investment Management and Advisory fees
- GPR = Total Income during the day (Incl Net Appreciation / Depreciation) / Opening Net Assets * 100
- Benchmark Return = $((\text{Benchmark Value of today} - \text{Benchmark Value of yesterday}) / \text{Benchmark Value of yesterday}) * (100 * (365/1.25))$

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the period from April 1st, 2019 to March 27th, 2020, the Trusteeship fees and expenses amounted to Rs.1,30,377.40 (PY:Rs. 1,69,135.07). However, due to small AUM of the scheme, only an amount of Rs.91,369.76 (PY:17,619.56) was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

HDFC Bank Ltd provides Custodial services for which fees are paid as per the agreement.

Scheme Expenses

As per guidelines issued vide SEBI circular dated October 22, 2018, the schemes related expenses had to be fully managed from the Total Expense Ratio (TER).

During the period from April 1st, 2019 to March 27th, 2020, due to small size of AUM of the scheme only the certain expenses have been paid from TER and the balance amount had been borne by the AMC, details are as under:

Particulars	Total Expenses	Charged to Scheme TER	Balance borne by AMC
R & T Expenses	7,87,742.95	7,32,464.45	55,278.50
Audit fees	171435.88	138325.27	33110.61

- 8.2** Provision for tax has not been made since the income of the scheme is exempt from tax under Section 10(23D) of the Income Tax Act, 1961.

8.3 Transactions with Brokers in excess of 5% or more of the aggregate purchases and sale of securities made by the Fund have been reported to the Trustees on a bimonthly basis.

8.4 During the period from April 1st, 2019 to March 27th, 2020, the Registrar and Transfer Agent charges amounting to Rs.7,32,464.45(PY:Rs.3,38,185.02) constitutes 40.10% (PY:22.83%), Custodian fees amounting to Rs.4,40,384.60 (PY:Rs.1,84,301.10) constitutes 24.11% (PY:12.44%), Audit fees amounting to Rs.138,325.27(PY:Rs.170,239.99) constitutes 7.57%(PY: 11.49%) & Professional Fees amounting to Rs.227,462.43 (PY:54,936.55) constitutes 12.45% (PY: 3.71%) of the total scheme expenses.

8.5 Transactions with Associates/related parties/group companies of Sponsor/AMC

Brokerage / Commission on sale of units by the Scheme or by the Asset Management Company given to associates, pursuant to Regulation 25(8): Related Party:- Sahara India Financial Corporation Ltd(SIFCL):(Sponsor)

Commission to SIFCL made for sale of units of the MF for the period April 1st,2019 to March 27th, 2020.

(Rs. In Lakhs)

Tax Gain Fund	Growth Fund	Mid Cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0436	0.0010	0.0032	0.0012	0.0020	0.0003	0.0103

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2019.

(Rs.In lakhs)

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0541	0.0026	0.0053	0.0005	0.0047	0.0003	0.0112

Commission to SIFCL

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Business given (Rs Cr and % of total business received by the fund)	Commission paid (Rs & % of total commission paid by the fund)
(1)	(2)	(3)	(4)	(5)
SIFCL	Sponsor / Mutual Fund Distributor	April 1 st , 2019 to March 27, 2020	0.00	Rs.6171.56; 7.42%
SIFCL	Sponsor / Mutual Fund Distributor	April 18- March 19	0.00	(Rs. 7874.96; 9.20%)

In column No 5, the amount relates to trail commission

Brokerage paid to associates / related parties / group companies of Sponsor/AMC

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Value of Transaction (in Rs, Cr & of Total value of Transaction of the Fund)	Brokerage (Rs Cr & % of total brokerage paid by the Fund)
-	-	-	-	-

There are no associate brokers, hence not applicable the period April 1st, 2019– Mar 27th, 2020 & April 1st, 2018 – Mar 31st, 2019.

8.6 Aggregate value of purchases and sales of Investments during the year as a percentage of daily average net asset value;

Purchases

Year	Amount (Rs)	% of Daily Average
April 1, 2019 – March 27, 2020	11,882,196.63	13.94
2018-19	12,31,06,438	132.02

Sales

Year	Amount (Rs)	% of Daily Average
April 1, 2019 – March 27, 2020	72,249,001.86	84.73
2018-19	13,48,32,363	144.59

8.7 Aggregate Appreciation and Depreciation in the value of Investments :

Asset Class	27-Mar-20		31-Mar-19	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	0.00	0.00	54.01	87.17

8.8 Income and Expense Ratio

	April 1, 2019 – March 27, 2020	2018-19
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	1.72%	18.15%
Total Expenditure (excluding Deferred Revenue Expenditure) to average net assets calculated on a daily basis	2.14%	1.59%

8.9 Movements in Unit Capital: Face Value of Units: Rs.10/- per unit.

8.9.1 Fixed Pricing Option - Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	1581244.089	15812440.89	1581244.089	15812440.89
Opening Balance	129401.271	1294012.71	135760.675	1357606.75
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(11137.659)	(111376.59)	(6359.404)	(63594.04)
Closing Balance	118263.612	1182636.12	129401.271	1294012.71

8.9.2 Fixed Pricing Option - Growth Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.00	0.00	0.00	0.00
Opening Balance	26.148	261.48	26.148	261.48
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	26.148	261.48	26.148	261.48

8.9.3 Fixed Pricing Option - Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	2611581.056	26115810.56	2611581.056	26115810.56
Opening Balance	224521.197	2245211.97	234186.315	2341863.15
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(17680.771)	(176807.71)	(9665.118)	(96651.18)
Closing Balance	206840.426	2068404.26	224521.197	2245211.97

8.9.4 Fixed Pricing Option - Dividend Option- Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	1204.426	12044.26	1204.426	12044.26
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	1204.426	12044.26	1204.426	12044.26

8.9.5 Variable Pricing Option – Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	21486302.533	214863025.33	21486302.533	214863025.33
Opening Balance	1008785.231	10087852.31	1073645.361	10736453.61
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(28537.863)	(285378.63)	(64860.130)	(648601.30)
Closing Balance	980247.368	9802473.68	1008785.231	10087852.31

8.9.6 Variable Pricing Option – Growth Option -Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	34475.143	344751.43	36081.048	360810.48
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(1234.991)	(12349.91)	(1605.905)	(16059.05)

Closing Balance	33240.152	332401.52	34475.143	344751.43
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8.9.7 Variable Pricing Option – Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	4007989.345	40079893.45	4007989.345	40079893.45
Opening Balance	707911.102	7079111.02	737588.130	7375881.30
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(33301.904)	(333019.04)	(29677.028)	(296770.28)
Closing Balance	674609.198	6746091.98	707911.102	7079111.02

8.9.8 Variable Pricing Option – Dividend Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	4412.763	44127.63	4772.651	47726.51
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(1785.757)	(17857.57)	(359.888)	(3598.88)
Closing Balance	2627.006	26270.06	4412.763	44127.63

8.10 The scheme has declared Nil dividend during the period April 1st, 2019– Mar 27th, 2020 (PY: Nil). There was no bonus declared during the period April 1st, 2019– Mar 27th, 2020 (PY: Nil).

8.11 Unclaimed Amounts (beyond three months) :

Unclaimed Dividend and Redemption amounts as of March 27th, 2020 are given below:

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No of Investors	Unclaimed Redemption (Rs)
Sahara Wealth Plus Fund	875	897379.61	114	1048984.8

8.12 Investments made by the Scheme of Sahara Mutual Fund in Companies or their subsidiaries that have invested more than 5% of the net asset value of any scheme, pursuant to Regulation 25(11): **NIL**.

8.13 Portfolio Statement as on March 27, 2020

The scheme's Net Asset Value stood at Rs.6.52 crores. The net realizable assets was held in cash as on date of winding up of the scheme i.e 27th March, 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

8.14 Investments made by the Scheme in shares of Group Companies of the Sponsor – Nil

8.15 Holdings over 25% of the NAV of the scheme as of March 27, 2020.

Particulars	As on March 27, 2020	As on March 31, 2019
Number of investors	0	0
Percentage of Holdings	N/A	N/A

8.16 Contingent Liability: Nil

- 8.17** SEBI vide its Order no: WTM/PS/26/IMD/DOF-III/July/2015 dated 28th July, 2015 directed cancellation of "Certificate of Registration" of Sahara Mutual Fund which was to be effective on expiry of six months from the date of the Order. Further, SEBI also directed by the said Order that the Mutual Fund shall not take any new subscription from investors. Accordingly, Sahara Mutual Fund has not taken any new subscription from the investors (including existing investors) in line with the said SEBI order.

Sahara Asset Management Company Pvt. Ltd filed an appeal before the Securities Appellate Tribunal (SAT), Mumbai to set aside the said SEBI order. SAT vide its order dated 9th December 2015 granted an interim stay in the matter. SAT vide its order dated 28th July, 2017 dismissed the appeal made by Sahara AMC against the SEBI order dated 28th July, 2015. However, SAT granted 6 weeks stay to approach the Hon'ble Supreme Court in the matter. An appeal was filed on 7th September 2017 before the Hon'ble Supreme Court and the appeal was dismissed vide its order dated 23rd October 2017.

SEBI vide its letter dated November 17, 2017 directed the cancellation of 'Certificate of registration' would be effective six months from the date of the Hon'ble Supreme Court order dated 23rd October 2017.

Sahara Mutual Fund requested SEBI vide its letter dated 15th January 2018 to extend the date of cancellation of 'Certificate of registration' till July 27th, 2018 for giving time for identification of a new sponsor and considering the lock in period of certain unit holders' investments in Sahara Tax Gain fund.

A new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

SEBI vide their letter dated 11th April 2018 ordered for winding up all the schemes except Sahara Tax Gain Fund by 21st April 2018. An appeal was filed before SAT for a stay against the SEBI order dated April, 11, 2018.

In view of the direction of SAT on 26th April 2018, a comprehensive appeal was filed.

SAT vide its order dated 3rd May 2018, directed that SEBI shall not enforce the orders impugned in the two appeals till a decision on new sponsor's application is communicated

The application of One Life Capital Advisors Limited who had offered to be the new Sponsor for Sahara Mutual Fund stands annulled in view of the SEBI Order dated March 4th, 2020.

8.18 **WINDING UP OF THE SCHEME**

- a) SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up in line with SEBI order no.WTM/GM/IMD/07/2018-19 dated April 11, 2018.
- b) The Board of Trustees of Sahara Mutual Fund decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996.
- c) A notice was published on March 20, 2020 and Sahara Wealth Plus Fund was wound up on March 27, 2020.
- d) In view of the aforesaid, the Scheme accounts have been prepared on "liquidation basis of accounting" and not on a "going concern" basis.

8.19 **Composition of the Board of Trustees.**

As per Reg 15(1) r.w. para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, it is stated that "The trust deed shall state that the minimum number of trustees shall be four." The Board of Trustees of Sahara Mutual Fund comprises of two (2) Trustees and thereby the above criteria of minimum number of Trustees has not been complied with.

8.20 Net worth:

As per the Reg. 21(1)(f), of SEBI (Mutual Funds) Regulations, 1996 and in compliance with the notification of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2014 dated May 6, 2014, the AMC should maintain a Net Worth of minimum Rs. 50 crs. The Net Worth of Sahara Asset Management Company Private Ltd. as on March 31, 2020 was Rs.3.20 crs, which is below the threshold limit of Rs.50 crs and thereby the net worth criteria as required by the above regulations has not been complied with.

8.21 Previous year's figures are not comparable as the scheme has been wound up on March 27, 2020 and the accounts for the current year have been prepared for the period from 1st April, 2019 to 27th March, 2020.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

**Head Operations
& NAV Accounting**

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA WEALTH PLUS FUND
Perspective Historical Per Unit Statistics

Particulars	As at	As at	As at
	27-Mar-20	31-Mar-19	31-Mar-18
	(Rs. Per Unit)	(Rs. Per Unit)	(Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	0.73	0.40	0.52
(ii) Income from Profit (net of loss) on inter-scheme sales/ transfer of Investments	0.00	0.00	0.00
(iii) Income from Profit (net of Loss) on sale other than Inter scheme	(12.38)	9.19	4.87
(iv) Transfer to revenue account from past year's reserve	0.00	0.00	0.00
(b) Aggregate of expenses, write off, amortisation and charges	0.91	0.70	0.58
(c) Net Income	(12.56)	8.89	4.82
(d) Net unrealised appreciation/(dimunition) in value of Investments	0.00	(1.57)	8.42
(e) Net Asset Value			
Fixed Pricing - Dividend Plan	22.9342	30.7057	32.1318
Fixed Pricing - Growth Plan	32.2018	43.1140	45.1163
Variable Pricing - Dividend Plan	27.2784	36.4576	37.6371
Variable Pricing - Growth Plan	37.6254	50.2865	51.9133
Fixed Pricing - Direct Dividend Plan	23.3573	31.2467	32.603
Fixed Pricing - Direct Growth Plan	33.1545	44.1489	45.9116
Variable Pricing - Direct Dividend Plan	27.7187	37.0186	38.1245
Variable Pricing - Direct Growth Plan	38.7232	51.6573	53.0408
(f) Purchase Price during the year**			
(i) Highest			
Fixed Pricing - Dividend Plan	32.7997	33.5178	36.3696
Fixed Pricing - Growth Plan	46.054	47.0624	51.0666
Variable Pricing - Dividend Plan	38.9988	39.3031	42.4100
Variable Pricing - Growth Plan	53.6434	54.2113	58.4967
Fixed Pricing - Direct Dividend Plan	23.3573	34.0148	36.8786
Fixed Pricing - Direct Growth Plan	33.1545	47.9059	51.8953
Variable Pricing - Direct Dividend Plan	37.0196	39.8171	42.9371

Variable Pricing - Direct Growth Plan	55.1916	55.4077	59.6829
(ii) Lowest			
Fixed Pricing - Dividend Plan	22.9342	27.9920	31.0608
Fixed Pricing - Growth Plan	32.2018	39.3036	43.6125
Variable Pricing - Dividend Plan	27.2784	33.1803	35.6080
Variable Pricing - Growth Plan	37.6254	45.7661	49.1145
Fixed Pricing - Direct Dividend Plan	23.3573	28.4526	31.4229
Fixed Pricing - Direct Growth Plan	33.1545	40.1406	44.1686
Variable Pricing - Direct Dividend Plan	27.7187	33.6542	35.9850
Variable Pricing - Direct Growth Plan	38.7232	46.9265	49.9044
(g) Sale Price during the year**			
(i) Highest			
Fixed Pricing - Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Growth Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
(ii) Lowest			
Fixed Pricing - Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Growth Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by Percentage	2.14%	1.59%	1.16%
(i) Ratio of income to average daily net assets by Percentage (excluding transfer to revenue account from past year's reserve but including net change in unrealized appreciation /depreciation in value of Investments and adjusted for net loss on sale / redemption of investments)	1.72%	18.15%	27.86%

*Annualised

**Based on the maximum load during the year

Per unit calculations based on number of units in issue at the end of the period.

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara Infrastructure Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Infrastructure Fund** ("the Scheme"), which comprise the Balance Sheet as at March 31, 2020, the Revenue Account and the Cash Flow Statement for the period then ended and a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the scheme give the information specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto ("the SEBI Regulations"), as applicable, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2020;
- (b) in the case of the Revenue Account, of the deficit for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA's) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust/Scheme in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements of the Scheme. Our audit has been conducted in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to the following matters in the Notes to the financial statements:

- a) Note no. 8.17 which states that SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up. Accordingly, the Board of Trustees of Sahara Mutual Fund decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996 with effect from 27th March, 2020.
- b) Note no. 8.18 which states the reasons for the Schemes being wound up on 3rd April, 2020, instead of 27th March, 2020 as decided by the Board of Trustees.
In view of the above the accounts for the year ended 31st March, 2020 have been prepared on "liquidation basis of accounting" and not on a going concern basis.

Our opinion is not modified in respect of the above matter.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Trustees of Sahara Mutual Fund and the Board of Directors of Sahara Asset Management Company Private Limited (the "Directors") are responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable.

This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Consequent upon the directions in the SEBI letter dated 5th March, 2020 and the decision of the Trustees to comply with the SEBI directions, the Scheme has been wound up on 27th March, 2020, however, due to reasons stated in Note 8.18, the Scheme was actually wound up on 3rd April, 2020. Therefore, the financial statements have been prepared as at 31st March, 2020 on liquidation basis of accounting.

Those charged with Governance are also responsible for overseeing the Scheme's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) The Balance Sheet and Revenue Account dealt with by this Report are in agreement with the books of accounts of the Scheme.
- c) The statement of account has been prepared in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable.
- d) We have reviewed the Valuation Policy being followed for the schemes of Sahara Mutual Fund. The Valuation Policy implemented for the Scheme is in line with the SEBI guidelines issued in this regard.

For Chaturvedi & Partners.

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No. 117510

ICAI UDIN: 20117510AAAAAZ8661

Place: Mumbai
Date: August 28, 2020

**SAHARA INFRASTRUCTURE FUND
BALANCE SHEET AS AT MARCH 31, 2019**

SAHARA INFRASTRUCTURE FUND	Schedule	As at	As at
		March 31, 2020	March 31, 2019
ASSETS		(Rs)	(Rs)
Investments	1	411,905	43,706,750
Other Current Assets	2	32,293,458	3,337,180
Total Assets		32,705,363	47,043,930
LIABILITIES			
Unit Capital	3	17,636,260	18,486,006
Reserves & Surplus	4	14,143,834	27,565,343
Current Liabilities & Provisions	5	925,269	992,581
Total Liabilities		32,705,363	47,043,930

NET ASSET VALUE

Net Asset Value per unit (Rs.)

Fixed Pricing - Dividend Plan	IFD	13.9002	19.2064
Fixed Pricing - Growth Plan	IFG	19.0323	26.3014
Variable Pricing - Dividend Plan	IVD	16.2891	22.4714
Variable Pricing - Growth Plan	IVG	22.1432	30.5471
Fixed Pricing - Direct Growth Plan	IFGDP	21.2388	28.6781
Variable Pricing - Direct Growth Plan	IVGDP	22.7627	31.3341

Significant Accounting Policies and Notes to the accounts 7
Schedules 1 to 5 and 7 form an integral part of the Balance Sheet

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

**Head Operations
& NAV Accounting**

I S Verma

Director

Sudhir Kaup

Compliance Officer

Place: Mumbai

Date: 28th August, 2020

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA INFRASTRUCTURE FUND
REVENUE ACCOUNT FOR THE YEAR ENDED March 31, 2020

SAHARA INFRASTRUCTURE FUND	Schedule	For the year ended March 31, 2020	For the year ended March 31, 2019
		(Rs)	(Rs)
INCOME			
Dividend Income		572,958	425,603
Interest & Discount Income		7,058	11,004
Other Income		-	127
Profit on Sale / Redemption of Investments (Net)		-	16,413,825
(Other than Inter Scheme Transfer / Sale)			
Total Income		580,016	16,850,559
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Loss on Sale / Redemption of Investments (Net)		12,124,319	-
(Other than Inter Scheme Transfer / Sale)			
Management Fees		76,467	370,055
ST / GST on Management Fees		13,764	66,610
Investor Education and Awareness Fees		8,811	9,096
Registrar & Transfer Agent Charges		379,285	167,534
Transaction cost		19,048	17,187
Custodian Fees		228,053	91,528
Trusteeship Fees & Expenses		47,359	8,771
Audit Fees		70,792	84,355
Professional fees		117,639	27,291
Commission to Agents		392	1,846
Total Expenses		13,085,929	844,273
Net Surplus for the Year		(12,505,913)	16,006,286

Provision/ Write Back for diminution in the value of Investment	6	4,509,477	(3,035,271)
Net Surplus for the Year (excluding unrealised appreciation)		(7,996,436)	12,971,015
Transfer from Income Equalisation Reserve		(1,739,627)	(2,298,407)
Net : Transferred to Revenue Reserve		(9,736,063)	10,672,608

Significant Accounting Policies and notes to the accounts 7

Schedules 6 to 7 form an integral part of the Revenue Account

As per our attached report of even date

For Chaturvedi & Partners
Chartered Accountants
(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No.117510

Place: Mumbai
Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava
Director

Vidya Manjrekar
Head Operations
& NAV Accounting

I S Verma
Director

Sudhir Kaup
Compliance Officer

For Sahara Mutual Fund

M R Siddiqui
Trustee

Place: Mumbai

S P Srivastava
Trustee

Date: 28th August, 2020

SCHEDULES FORMING PART OF THE BALANCE SHEET

SAHARA INFRASTRUCTURE FUND		As at March 31, 2020 (Rs)		As at March 31, 2019 (Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		411,905		43,706,750
		411,905		43,706,750
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		31,720,442		2,734,636
Dividend Receivable		4,038		-
Investment - Liquid MF Units		-		593,797
Investment - Liquid MF Units for Investor Education		-		8,747
		31,724,480		3,337,180
SCHEDULE 3				
Unit Capital				
Fixed Plan Dividend	IFD	4,061,439		4,196,771
Fixed Pricing - Dividend Option 406143.918 units of Rs.10 each (For 2018-2019 419677.057 units of Rs.10 each)				
Fixed Plan Growth	IFG	2,856,666		3,018,624
Fixed Pricing - Growth Option 285666.628 units of Rs.10 each (For 2018-2019 301862.445 units of Rs.10 each)				
Variable Plan Dividend	IVD	5,212,932		5,438,181
Variable Pricing - Dividend Option 521293.202 units of Rs.10 each (For 2018-2019 543818.080 units of Rs.10 each)				
Variable Plan Growth	IVG	5,247,389		5,574,596
Variable Pricing - Growth Option 524738.942 units of Rs.10 each				

(For 2018-2019 557459.649 units of Rs.10 each)				
Fixed Plan Direct Growth	IFGDP	54		54
Fixed Pricing - Direct Growth Option 5.436 units of Rs.10 each				
(For 2018-2019 5.436 units of Rs.10 each)				
Variable Plan Direct Growth	IVGDP	257,780		257,780
Variable Pricing - Direct Growth Option 25777.957 units of Rs.10 each				
(For 2018-2019 25777.957 units of Rs.10 each)				
Total		17,636,260		18,486,006
(Refer Note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	28,339,218		17,666,610	
Transferred from Revenue Account	(9,736,063)		10,672,608	
Balance as at end of the year		18,603,155		28,339,218
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(1,739,627)		(2,298,407)	
Transferred to Revenue Account	1,739,627		2,298,407	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	4,129,624		16,538,003	
Additions During the year	(4,129,624)		(12,408,379)	
Balance as at end of the year		-		4,129,624
Unit Premium Reserve				
Balance as at beginning of the year	(4,903,499)		(5,138,819)	
Additions During the year	444,178		235,320	
Balance as at end of the year		(4,459,321)		(4,903,499)
		14,143,834		27,565,343
SCHEDULE 5				

Current Liabilities and Provisions				
Sundry Creditors		167,800		177,055
Management Fees Payable		4,889		1,275
ST / GST On Management Fees Payable		880		229
STT Payable		-		3
Payable - Fee on Investor Education		25,775		21,593
Payable on redemption of units		609,850		673,851
Distribution Payable		116,075		118,575
		925,269		992,581

SCHEDULES FORMING PART OF REVENUE ACCOUNT

SAHARA INFRASTRUCTURE FUND		For the year ended		For the year ended
		March 31, 2020		March 31, 2019
SCHEDULE 6		(Rs)		(Rs)
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(4,626,632)		(1,591,361)
At the end of the year		(117,155)		(4,626,632)
		4,509,477		(3,035,271)

CASHFLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

SAHARA INFRASTRUCTURE FUND		For the year ended	For the year ended
		March 31, 2020	March 31, 2019
		(Rs)	(Rs)
Cash Flow from Operating Activity			
Surplus / (Deficit) for the year		(12505913)	16006286
Add/(less) : Net Change in Marked to Market Value of Investments		379853	(15443650)
Add: Interest expense on Loan		-	-
Adjustments for :-			
(Increase) / Decrease in Investments		43294845	4511922
(Increase) / Decrease in Other current assets		598506	30150
Increase / (Decrease) in Other current liabilities		(67312)	106674
Increase / (Decrease) in Fixed Deposit		-	-
Net cash generated from / (used in) operations	(A)	31699979	5211382
Cash Flow from Financing Activities			
Increase / (Decrease) in Unit Capital		(849746)	(1448518)
Increase / (Decrease) in Unit Premium		444178	235320
Income Equalisation during the period		(1739627)	(2298407)
Adjustments for:-			
Increase / (Decrease) in Sundry Creditors for units redeemed by Investors		-	-
(Increase) / Decrease in Sundry Debtors for units issued to investors		-	-
Dividend paid during the year (including Dividend Distribution Tax)		-	-
Net cash (used in) / generated from financing activities	(B)	(2145195)	(3511605)
Net increase / (Decrease) in cash and cash equivalents	(A+B)	29554784	1699777
Cash and Cash Equivalents as at the beginning of the year	(C)	2734636	1034859
Cash and Cash Equivalents as at the close of the year	(D)	32289420	2734636
Net cash and cash equivalents	(D-C)	29554784	1699777
Components of cash and cash equivalents			
Balances with banks in current accounts		32289420	2734636
Fixed Deposits (less than 3 months)		-	-
CBLO / TriParty Repo		-	-

Cash and Cash equivalents as at the close of the year.		32289420	2734636
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As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

**Head Operations
& NAV Accounting**

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SCHEDULE – 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2020.

1. INTRODUCTION

1.1 About the Scheme

Sahara Infrastructure Fund (the “Scheme”) is an open ended growth scheme of Sahara Mutual Fund (the “Fund”). The objective is to provide income distribution and / or medium to long term capital gains by investing predominantly in equity / equity related instruments of companies in the infrastructure sector. In line with SEBI Circular for providing separate options for direct investments, the scheme has two options – Fixed Pricing Option and Variable Pricing Option and now four sub options namely (i) Growth Option (ii) Dividend Option (iii) Growth Option – Direct and (iv) Dividend Option – Direct. The scheme will not declare dividend under the Growth Plan. The Income earned on such units remain invested under the scheme and reflected in the Net Asset Value. The initial issue period of the scheme was from February 15, 2006 to March 14, 2006 and the scheme was reopened for continuous purchase and redemption at prevailing NAV from April 6, 2006.

1.2 Asset Management Company

Sahara Mutual Fund (SMF) has been established as a Trust in accordance with the Indian Trusts Act, 1882, and is sponsored by Sahara India Financial Corporation Limited.

Sahara Asset Management Company Private Limited (“SAMCPL”), a company incorporated under the Companies Act, 1956, has been appointed as the Asset Management Company (“Investment Manager”) to Sahara Mutual Fund.

The Shareholding of Sahara Asset Management Company Private Limited as on March 31, 2020 is as follows:

Name of the Shareholder	Type of Holdings	Holding
Sahara India Financial Corporation Limited	Equity	45.27%
Sahara India Corp Investment Limited	Equity	10.52%
Sahara Prime City Limited (formerly Sahara India Investment Corporation Limited)	Equity	11.74%
Sahara Care Limited	Equity	31.00%
Sahara India Commercial Corporation Limited	Equity	1.47%
Name of the Shareholder	Type of Holdings	Holding
Sahara India Commercial Corporation Ltd	Preference	90.32%
Sahara Care Ltd	Preference	9.68%

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting

The Scheme maintains its books of account on an accrual basis. These financial statements have been prepared in accordance with the Accounting Policies and Standards specified in the Ninth Schedule of The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, (the “Regulation”), and amendments thereto, as applicable.

2.2. Accounting for Investments

- 2.2.1 Investments are accounted on trade dates at cost including brokerage, stamp duty and other charges.
- 2.2.2 Profit or loss on sale of investments is determined on the respective trade date by adopting the "Weighted Average Cost" method.
- 2.2.3 Bonus/Rights entitlements on equity holdings are recognized only when the original shares on which the entitlement accrues are traded on the principal stock exchange on ex-bonus/ex-rights basis respectively. In respect of unlisted/ non- traded securities, the Bonus/Rights on equity holdings are recognised only on the receipt of the Bonus/Rights.
- 2.2.4 Primary Market Investments are recognized on the basis of allotment advice.

2.3. Valuation of Investments

Valuation Policy as on 31.03.2020 is as under.

A: VALUATION OF DEBT INSTRUMENTS

A (I) - The 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. where Script wise values are available from CRISIL/ ICRA	The aggregated average price provided by CRISIL / ICRA for the given security or any other agencies as may be indicated from time to time by SEBI/AMFI for that day
3	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc where Script wise values are not available from CRISIL/ ICRA	

A (II) Pricing of Inter -Scheme Transfer of Debt Instruments (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.	

	ii)	Same security traded and reported on public platforms.	On Weighted Average Yield of all trades (excluding abnormal and retail trades) on Public platforms, for that Securities on that day irrespective of settlement day.
	iii)	If Same Security not traded and reported on any of the public platforms.	The aggregated average matrices of CRISIL/ ICRA for the respective category Or any other agencies as may be indicated from time to time by SEBI/AMFI for that day.
4	Central Government Securities / State Government Securities / Treasury Bills/Cash Management Bill etc		
	1) If the securities are traded and residual maturity is above 60 days.		The Aggregated average valuation as provided by CRISIL / ICRA or any other agencies as may be indicated from time to time by SEBI/AMFI for that day. In case on any given day, the valuation Matrices is not available from CRISIL/ICRA the Valuation is done on accrual/amortization based on last valuation.
	2) If the securities are non-traded and residual maturity is above 60 days.		By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent.
	3) If the securities are traded and residual maturity of the securities is equal to or below 60 days		On last traded price as given on NDS-Section of CCIL Website (Excluding abnormal trade).
	4) If the securities are non-traded and the residual maturity of the securities is equal to or below 60 days		By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent as long as it is within +/- 0.10 % of the reference price. Benchmark yields for calculating reference price to be provided by CRISIL / ICRA.

A (II) Pricing of Inter -Scheme Transfer of Debt Instruments (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/CBRICS up to the time of IST.	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	ii)	If Same security is not traded but similar Security/securities are traded and reported up to the time of IST on FTRAC/CBRICS	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	iii)	If Same or similar Security/securities are not traded and reported up to the time of IST on FTRAC/CBRICS	Previous end of the day valuation plus accrual, if any, based on settlement day of the IST is taken. Example: if settlement is T+0 then no accrual/amortization and if the settlement is other than T+0 then appropriate accrual/amortization.
2.	Central Government Securities / State Government Securities / Treasury Bills/ Cash Management Bill etc		
	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 plus accrual/amortization is taken

Similar Security:

Similar security here shall mean those securities which are same nature [Commercial Paper (CP), Certificate of Deposit (CD), Non-Convertible Debentures (NCD), etc] of different issuers having same or equivalent credit rating for Similar maturity profile (For both Short term rating and Long term rating), and falling in same “Maturity Bucket” as defined below. Further the instruments Commercial Paper (CP), Bonds and Non-Convertible Debentures (NCDs) etc are categorized into following sub-categories:—

- 1) NBFC
- 2) Real Estate,
- 3) PTC
- 4) Others

Maturity Bucket:

- For Debt Security having remaining maturity up to 91 days

Maturity date of securities falling between	Time Bucket
1st and 7th of the month	1-7 of the same month
8th and 15th of the month	8-15 of the same month
16th and 23rd of the month	16-23 of the same month
24th to end of the month	24- end of the month

- For Debt Securities having remaining maturities more than 91 days

“Time Bucket” for maturity profile of “Similar Securities” is same calendar month of that year.

A (III) Notes:

1. For the purpose of Valuation of securities and for Inter Scheme Transfer, Weighted average of all trades of 5crs and above, excluding abnormal trades and retail trades is taken. Since retail trades are of small value and generally may 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.
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

For the Valuation/Inter-scheme transfer, the available trades of various public platform is considered where the face value of trade per transaction is Rs. 5 crs and above. If in any given day in same/ similar security, the value of total trade is less than minimum market lot of 5 Crs, the same is ignored for the valuation purpose.

3. CRISIL and ICRA provide the valuation matrices for various maturity buckets. Script wise value for various debt instruments are also provided by CRISIL and ICRA. Trades are also reported and settled on various public platforms.
4. Public platform for the purpose of 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 for which Script wise values are not available from CRISIL/ICRA.
5. The data on yield and prices are generally provided up to 4 decimal points which shall be considered and these prices are considered on respective face value of the instruments for arriving at valuation.
6. For the valuation of traded securities where Script wise values are not available by CRISIL/ICRA, price derived from the corresponding Weighted Average yield of all available trades excluding abnormal and retail trades on any public platform for the same security on T+1 settlement basis is taken.

In case, the Bilav file is not received by 7:30 pm and script wise values are not available then FIMMDA managed FTRAC platform and NDS OM section of CCIL website may be used for the calculation of weighted average yield of traded security.

7. For non traded securities where Script wise values are not available, the valuation is done on the price derived from the corresponding the aggregated yield matrices for the respective category as provided by CRISIL/ICRA on T+1 settlement basis.
8. For Government Securities, SDL, T-Bills, Cash Management Bill etc, the valuation is done on aggregated Script wise pricing as provided by CRISIL/ICRA and as applicable for that day.

In the absence of Script wise values the valuation is based on aggregated matrices if available from CRISIL/ICRA on T+1 settlement and as applicable for that day.

9. In case the valuation matrices/Script wise value is available either from CRISIL/ICRA up to a reasonable time limit, the same is considered for arriving at valuation.
10. In respect of on any day neither the Script wise value nor the valuation Matrices is available from CRISIL/ICRA within the reasonable time limit, the Valuation is done on the basis of accrual/amortization based on the last valuation.

B: VALUATION OF EQUITY INSTRUMENTS

1. Traded Equity Securities

When an equity security is not traded on any Stock Exchange on a particular valuation day, the value at which it was traded on the selected Stock Exchange, as the case may be, on the earliest previous day is used provided such date is not more than thirty days prior to valuation date.

2. Thinly Traded Equity / Equity Related Securities

- (a) When trading in an equity and/or equity related securities (such as convertible debentures, equity warrants etc.) in a month is both less than Rs.5lacs in value and the total volume is less than 50,000 shares, the security is considered as thinly traded security.
- (b) In order to determine whether a security is thinly traded or not, the volumes traded in all recognized Stock Exchanges in India would be taken into account.
- (c) Where a Stock Exchange identifies the thinly traded securities by applying the above parameters for the preceding calendar month and publishes or provides the required information along with the daily quotations, the same would be used for valuation.
- (d) If the shares are not listed on the Stock Exchanges which provide such information, then we would make our own analysis in line with the above criteria to check whether such securities are thinly traded or not.

3. Non-traded / Suspended Securities

When an equity security is not traded on any Stock Exchange for a period of thirty days prior to the valuation date, the Script would be treated as a non traded security.

When an equity security is suspended up to thirty days, then the last traded price is considered for valuation of that security. If an equity security is suspended for more than thirty days, then the AMC or Trustees would decide the valuation norms to be followed and such norms would be documented and recorded.

The valuation methodology for thinly traded equity securities, Non-traded equity securities would be as follows:

Based on the latest available Balance Sheet, net worth would be calculated as follows:

- (a) Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
- (b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
- (c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 10% for illiquidity so as to arrive at the fair value per share.
- (d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.

- (e) In case, where the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- (f) In case, an individual security accounts for more than 5% of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it would be valued by the procedure above and the proportion which it bears to the total net assets of the scheme to which it belongs will be compared on the date of valuation.

4. Unlisted Equity

Methodology for Valuation - unlisted equity shares of a company would be valued "in good faith" as below:

- a) Based on the latest available Balance Sheet, net worth would be calculated as follows:
 1. Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
 2. After taking into account the outstanding warrants and options, Net Worth per share would again be calculated and is = [Share Capital + consideration on exercise of Option and/or Warrants received/receivable by the Company + Free Reserves (excluding Revaluation Reserves) – Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] / Number of Paid up Shares plus Number of Shares that would be obtained on conversion and/or exercise of Outstanding Warrants and Options.
 3. The lower of (1) and (2) above would be used for calculation of Net Worth per share and for further calculation in (c) below.
- b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
- c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 15% for illiquidity so as to arrive at the fair value per share.

The above valuation methodology would be subject to the following conditions:

- a) All calculations would be based on audited accounts.
- b) If the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- c) If the Net Worth of the company is negative, the share would be marked down to zero.
- d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- e) In case an individual security accounts for more than 5 per cent of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it is valued in accordance with the procedure as mentioned above on the date of valuation.

5. Demerger

Generally on demerger, a listed security gets bifurcated into two or more shares. The valuation of these de-merged companies would depend on the following scenarios:

- a) Both the shares are traded immediately on de-merger: In this case both the shares would be valued at respective traded prices.
- b) Shares of only one company continued to be traded on de-merger: Traded shares would be valued at traded price and the other security would be valued at traded value on the day before the de merger less value of the traded security post de merger. In case value of the share of de-merged company is equal or in excess of the value of the pre de-merger share, then the non traded share would be valued at zero, till the date it is listed.
- c) Both the shares are not traded on de-merger: Shares of de-merged companies would be valued equal to the pre de merger value up to a period of 30 days from the date of de merger till the date it is listed. The market price of the shares of the de-merged company one day prior to ex-date would be bifurcated over the de-merged shares. The market value of the shares would be bifurcated on a fair value basis, based on available information on the de-merger scheme.
- d) In case shares of either of the companies are not traded for more than 30 days: Then it would be treated as unlisted security, and valued accordingly till the date these are listed.

6. Preference Shares

Preference Shares valuation guidelines would be as follows:

- a) Traded preference shares would be valued as per traded prices.
- b) Non traded Preference Shares

(I). Redeemable Preference Shares

i. Convertible preference share would be valued like convertible debentures.

In general in respect of convertible debentures and bonds, the non-convertible and convertible components would be valued separately. The non-convertible component would be valued on the same basis as would be applicable to a debt instrument. The convertible component would be valued on the same basis as would be applicable to an equity instrument.

If a convertible preference share does not pay dividend then it would be treated like non convertible debentures.

ii. Non-Convertible preference share would be valued like a debt instrument.

(II). Irredeemable preference shares would be valued on perpetual basis. It is like a constant dividend equity share.

7. Warrants

- a) In respect of warrants to subscribe for shares attached to instruments, the warrants would be valued at the value of the share which would be obtained on exercise of the warrants as reduced by the amount which would be payable on exercise of the warrant. A discount similar to the discount to be determined in respect on convertible debentures is deducted to account for the period, which must elapse before the warrant can be exercised.
- b) In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to Equity Shares.

8. Rights

Until they are traded, the value of "rights" shares would be calculated as:

$$V_r = n \div m \times (P_{ex} - P_{of})$$

Where

V_r = Value of rights

n = no. of rights offered

m = no. of original shares held

P_{ex} = Ex-rights price

P_{of} = Rights Offer Price

Where the rights are not treated pari passu with the existing shares, suitable adjustment would be made to the value of rights. Where it is decided not to subscribe for the rights but to renounce them and renunciations are being traded, the rights would be valued at the renunciation value.

9. Derivatives

Market values of traded open futures and option contracts would be determined with respect to the exchange on which contracted originally, i.e., a future or an option contracted on the National Stock Exchange (NSE) would be valued at the closing price on the NSE.

The price of the same futures and option contract on the Bombay Stock Exchange (BSE) cannot be considered for the purpose of valuation, unless the futures or option itself has been contracted on the BSE.

The same will be valued at closing price if the contract is traded on the valuation day. In case there is no trade on valuation day then the same would be valued at Settlement prices.

However, the contracts which are going to expire on valuation date would be valued at Settlement prices only.

10. Mutual Fund Units

- a) In case of traded Mutual Fund schemes, the units would be valued at closing price on the stock exchange on which they are traded like equity instruments. In case the units are not traded for more than 7 days, last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- b) If the last available Repurchase price is older than 7 days, the valuation will be done at the last available NAV reduced by illiquidity discount. The illiquidity discount will be 10% of NAV or as decided by the Valuation Committee.
- c) In case of non-traded Mutual Fund scheme, the last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- d) In case of Investments made by a scheme into the other scheme of Sahara Mutual Fund, if valuation date being the last day of the financial year falling on a non-business day, then the computed NAV would be considered for valuation on March 31.

Related matters

- i) In case the income accrued on debt instruments is not received even after 90 days past the due date, the asset is termed as Non Performing Assets (NPAs) and all provisions/guidelines with respect to income accrual, provisioning etc as contained in SEBI circulars/guidelines issued from time to time shall apply and the valuation of such securities will be done accordingly. In case the company starts servicing the debt, re-schedulement is allowed, the applicable provision in SEBI circulars shall apply for provisioning and reclassification of the asset
- ii) In case of any other instruments not covered in the policy above, the same is referred to the Investment and Valuation Committee which is empowered to take decision.
- iii) In case of any perceived conflict of interest while valuating the securities, the matter is dealt and decided by Investment and Valuation Committee.
- iv) For non– business day the valuation is done on aggregated Script wise prices as provided by CRISIL/ICRA. In absence of Script wise prices the valuation is done on accrual basis/amortization basis based on last valuation

- v) In case of exceptional circumstances like, policy announcements by government/regulatory bodies, natural disasters, public disturbances, extreme volatility in capital market, shut down of market, war etc and on those days if Script wise value or valuation matrices are not available from CRISIL/ICRA and if security is not traded, the valuation for the day is done based on last valuation plus accrual/amortization or as may decided by the Investment and Valuation Committee.
- vi) The Valuation Policy is reviewed by the Statutory Auditor at least once in a financial year.
- vii) Valuation Policy as updated and approved by the Board of AMC / Board of Trustees is applicable for the schemes of Sahara Mutual Fund

2.3.1 Valuation of securities not covered under the above valuation policy:

The total exposure in securities, which do not fall under above valuation norms, shall not exceed 5% of the total AUM of the scheme.

In case of any other instruments not covered in the policy above, the same shall be referred to the Investment and Valuation Committee which is empowered to take decision.

Investment in such securities is to be valued by a method approved by the Investment and Valuation Committee and the same will be reported to the Board of Trustees.

2.3.2 Unrealised Appreciation/Depreciation.

In accordance with the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds issued by the Institute of Chartered Accountants of India, the unrealized appreciation determined separately for each individual investment is directly transferred to the "Unrealized Appreciation Reserve Account" i.e. without routing it through the revenue account.

The provision for depreciation in value of investments determined separately for each individual investment is recognized in the revenue account. The loss (realized) on investments sold / transferred during the year is charged to revenue account, instead of being first adjusted against the provision for depreciation, if already created in the prior year, as recommended by the said Guidance Note. However, this departure from the Guidance Note does not have any net impact on the Scheme's net assets or results for the year.

2.4 Revenue Recognition

- 2.4.1 Income and Expenses are recognized on accrual basis.
- 2.4.2 Interest on funds invested in short term deposits with scheduled commercial banks is recognized on accrual basis.
- 2.4.3 Dividend income earned by the scheme is recognized on the date the share is quoted on ex-dividend basis on principal stock exchange.
- 2.4.4 Proportionate realized gains on investments out of sales / repurchase proceeds at the time of sale / repurchase of units are transferred to revenue Account from Unit Premium Reserve.

3. Net Asset Value for Growth/Dividend Options:

The net asset value of the units is determined separately for units issued under the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option – Direct. For reporting the net asset value of the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option - Direct, daily income earned, including realized and unrealized gain or loss in the value of investments and expenses incurred by the scheme are allocated to the options in proportion to the value of the net assets.

4. Unit Premium Reserve Account

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the unit premium reserve account of the Scheme, after an appropriate amount of the issue proceeds and redemption payout is credited or debited respectively to the income equalization account.

5. Income Equalisation Account

An appropriate part of the sale proceeds or the redemption amount, as the case may be, is transferred to income equalization account. The total distributable surplus (without considering unrealized appreciation) upto the date of issue/ redemption of units has been taken into account for the purpose of ascertaining the amount to be transferred to Equalization Account on a daily basis. The net balance in this account is transferred to the Revenue Account at the end of the year.

6. Load Charges

Service tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of service tax, if any, shall be credited to the scheme.

7. Unclaimed Redemption.

In line with SEBI circular no. MFD/CIR/9/120 /2000 dated November 24, 2000 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed redemption and unclaimed dividend amounts may be deployed by the mutual funds in call money market or money market instruments and also be allowed to be invested in a separate plan of Liquid Scheme/ Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. The investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. Further, AMC shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plans shall be capped at 50 bps. The AMC should make continuous effort to remind the investors through letters to take their unclaimed amounts.

8. NOTES TO THE ACCOUNTS

8.1 Management Fees, Trusteeship Fees, Custodian Fees, Scheme Expenses

Management Fees

The Management Fee (inclusive of GST) has been computed at 0.20% (P.Y. 0.96%) on average net assets calculated on a daily basis.

Under the Variable Pricing Option, the AMC fee earned depends on the scheme's daily performance and the same has been computed on average net assets calculated on a daily basis.

The IMA fees are charged accordingly, on the basis of whether at least one of the two conditions is met.

(a) If $NPR < \text{Benchmark}$ and $NPR < 0$	IMA fees = zero
(b) if either $NPR > \text{Benchmark}$ or $NPR > 0$	Actual IMA fees = $\frac{1}{2}$ of maximum permissible IMA fees
(c) if both $NPR > \text{Benchmark}$ and $NPR > 0$	Actual IMA fees = maximum permissible IMA fees

- Net Portfolio Return (NPR) = Gross Portfolio Return(GPR) - Scheme expense
- IMA = Investment Management and Advisory fees
- GPR = Total Income during the day (Incl Net Appreciation / Depreciation) / Opening Net Assets*100
- Benchmark Return = ((Benchmark Value of today – Benchmark Value of yesterday) / Benchmark Value of yesterday)*(100*(365/1.25))

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the financial year 2019-20, the Trusteeship fees and

expenses amounted to Rs. 67,438.50 (PY: 83,807.59). However, due to small AUM of the scheme, only an amount of Rs.47,358.61(PY: 8,771.02) was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

HDFC Bank Ltd provides Custodial services for which fees is paid as per the agreement.

Scheme Expenses

As per guidelines issued vide SEBI circular dated October 22, 2018, the schemes related expenses had to be fully managed from the Total Expense Ratio (TER).

During the financial year 2019-20 due to small size of AUM of the scheme only the certain expenses have been paid from TER and the balance amount had been borne by the AMC, details are as under:

Particulars	Total Expenses	Charged to Scheme TER	Balance borne by AMC
R & T Expenses	407,464.82	3,79,284.64	28,180.18
Audit fees	88,676.25	70,792.53	17,883.72

8.2 Provision for tax has not been made since the income of the scheme is exempt from tax under Section 10(23D) of the Income Tax Act, 1961.

8.3 Transactions with Brokers in excess of 5% or more of the aggregate purchases and sale of securities made by the Fund have been reported to the Trustees on a bimonthly basis.

8.4 During year ended 31.03.2020 the Registrar and Transfer Agents charges amounting to Rs.3,79,284.64(PY:Rs.1,67,533.97) constitutes 39.44 %(PY:19.84%),Custodian fees amounting to Rs.2,28,053.13 (PY:Rs.91,527.53) constitutes 23.72% (PY:10.84%) and Professional Fees amounting to Rs.1,17,638.66(PY:Rs.27,291.25) constitutes 12.23% (PY:3.23%) of the total schemes expenses.

8.5 Transactions with Associates/related parties/group companies of Sponsor/AMC
Brokerage / Commission on sale of units by the Scheme or by the Asset Management Company given to associates, pursuant to Regulation 25(8): Related Party:- Sahara India Financial Corporation Ltd(SIFCL):(Sponsor)

Commission to SIFCL made for sale of units of the MF for the current year ended 31st March 2020.
(Rs. In Lakhs)

Tax Gain Fund	Growth Fund	Mid Cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0436	0.0010	0.0032	0.0012	0.0020	0.0003	0.0103

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2019.
(Rs.In lakhs)

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0541	0.0026	0.0053	0.0005	0.0047	0.0003	0.0112

Commission to SIFCL

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Business given (Rs cr and % of total business received by the fund)	Commission paid (Rs & % of total commission paid by the fund)
(1)	(2)	(3)	(4)	(5)
SIFCL	Sponsor / Mutual Fund Distributor	April 19-March 20	0.00	Rs.6171.56; 7.42%
SIFCL	Sponsor / Mutual Fund Distributor	April 18-March 19	0.00	(Rs. 7874.96; 9.20%)

In column No 5, the amount relates to trail commission.

Brokerage paid to associates / related parties / group companies of Sponsor/AMC

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Value of Transaction (in Rs, Cr & of Total value of Transaction of the Fund)	Brokerage (Rs Cr & % of total brokerage paid by the Fund)
-	-	-	-	-

In column No 5, the amount relates to trail commission.

8.6 The Aggregate value of purchases and sales of Investments during the year as a percentage of daily average net asset value;

Purchases

Year	Amount (Rs)	% of Daily average
2019-20	2,775,832.45	6.29
2018-19	5,67,75,316	124.71

Sales

Year	Amount (Rs)	% of Daily Average
2019-20	34,326,210.45	77.84
2018-19	6,22,57,413	136.76

8.7 Aggregate Appreciation and Depreciation in the value of Investments:

Asset Class	31-Mar-2020		31-Mar-19	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	0.00	1.17	41.30	46.27

8.8 Income and Expense Ratio

	2019-20	2018-19
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	1.05%	35.92%

Total Expenditure (excluding Deferred Revenue Expenditure) to average net assets calculated on a daily basis	2.18%	1.85%
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8.9 Movements in Unit Capital: Face Value of Units: Rs. 10/- per unit.

8.9.1 Fixed Pricing Option - Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	3908842.083	39088420.83	3908842.083	39088420.83
Opening Balance	301862.445	3018624.45	315060.226	3150602.26
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(16195.817)	(161958.17)	(13197.781)	(131977.81)
Closing Balance	285666.628	2856666.28	301862.445	3018624.45

8.9.2 Fixed Pricing Option - Growth Option - Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	5.436	54.36	5.436	54.36
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	5.436	54.36	5.436	54.36

8.9.3 Fixed Pricing Option - Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	3999162.348	39991623.48	3999162.348	39991623.48
Opening Balance	419677.057	4196770.57	451918.809	4519188.09
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(13533.139)	(135331.39)	(32241.752)	(322417.52)
Closing Balance	406143.918	4061439.18	419677.057	4196770.57

8.9.4 Fixed Pricing Option - Dividend Option- Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	0.000	0.00	5474.359	54743.59
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	(5474.359)	(54743.59)
Closing Balance	0.000	0.00	0.000	0.00

8.9.5 Variable Pricing Option – Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	15622781.058	156227810.58	15622781.058	156227810.58
Opening Balance	557459.649	5574596.49	605994.841	6059948.41
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(32720.707)	(327207.07)	(48535.192)	(485351.92)
Closing Balance	524738.942	5247389.42	557459.649	5574596.49

8.9.6 Variable Pricing Option – Growth Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 20120	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	25777.957	257779.57	25777.957	257779.57
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	25777.957	257779.57	25777.957	257779.57

8.9.7 Variable Pricing Option – Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 20120	As on March 31, 2019	As on March 31, 2019
Initial Capital	7613483.957	76134839.57	7613483.957	76134839.57
Opening Balance	543818.080	5438180.80	588099.140	5880991.40
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(22524.878)	(225248.78)	(44281.060)	(442810.60)
Closing Balance	521293.202	5212932.02	543818.080	5438180.80

8.9.8 Variable Pricing Option – Dividend Option-Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2020	As on March 31, 20120	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	0.000	0.00	1121.658	11216.58
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	1121.658	11216.58
Closing Balance	0.000	0.00	0.000	0.00

8.10 The scheme has declared nil dividend during the year ended March 31, 2020 (PY: Nil). There was no bonus declared during the year ended March 31, 2020 (PY: Nil).

8.11 Unclaimed Amounts (Beyond three months):

Unclaimed Dividend & Redemption amounts as of March 31, 2020 are as below:

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No. of Investors	Unclaimed Redemption (Rs)
Sahara Infrastructure Fund	25	116075.30	68	609850.01

8.12 Investments made by the Schemes of Sahara Mutual Fund in Companies or their subsidiaries that have invested more than 5% of the net asset value of any scheme, pursuant to Regulation 25(11): **NIL**

8.13 Portfolio Statement as on March 31, 2020:

Name of the Instrument	ISIN	Quantity	Market	% to	% to
			Value	NAV	Category Total
			(Rs. in Lakhs)		
1) Equity & Equity Related					
(a) Listed/awaiting Listing on Stock Exchange					
EQUITY SHARES					
CONSUMER NON DURABLES				1.30	100.00
Tata Consumer Product Ltd. EX- Tata Global Beverages Ltd.)	INE192A01025	1397	4.12		
(b) Unlisted		Nil	Nil	Nil	Nil
Equity Total (a+b)		1397	4.12	1.30	100.00
2) Debt Instruments					
(a) Listed/awaiting Listing on Stock Exchange		Nil	Nil	Nil	Nil
(b) Privately Placed/Unlisted		Nil	Nil	Nil	Nil
(c) Securitised Debt		Nil	Nil	Nil	Nil

3) Money Market Instruments					
Collateralized Borrowing and Lending Obligation (CBLO)			Nil	Nil	Nil
4) Short term Deposit		Nil	Nil	Nil	Nil
5) Other- Net Current Assets			313.68	98.70	100.00
Grand Total			317.80	100.00	100.00

8.14 Investments made by the Scheme in shares of Group Companies of the Sponsor– **NIL**.

8.15 Holdings over 25% of the NAV of the scheme as of March 31, 2020.

Particulars	As on March 31, 2020	As on March 31, 2019
Number of Investors	0	0
Percentage of Holdings	N/A	N/A

8.16 Contingent Liability: Nil.

8.17 SEBI vide its Order no: WTM/PS/26/IMD/DOF-III/July/2015 dated 28th July, 2015 directed cancellation of “Certificate of Registration” of Sahara Mutual Fund which was to be effective on expiry of six months from the date of the Order. Further, SEBI also directed by the said Order that the Mutual Fund shall not take any new subscription from investors. Accordingly, Sahara Mutual Fund has not taken any new subscription from the investors (including existing investors) in line with the said SEBI order.

Sahara Asset Management Company Pvt. Ltd filed an appeal before the Securities Appellate Tribunal (SAT), Mumbai to set aside the said SEBI order. SAT vide its order dated 9th December 2015 granted an interim stay in the matter. SAT vide its order dated 28th July, 2017 dismissed the appeal made by Sahara AMC against the SEBI order dated 28th July, 2015. However, SAT granted 6 weeks stay to approach the Hon’ble Supreme Court in the matter. An appeal was filed on 7th September 2017 before the Hon’ble Supreme Court and the appeal was dismissed vide its order dated 23rd October 2017.

SEBI vide its letter dated November 17, 2017 directed the cancellation of ‘Certificate of registration’ would be effective six months from the date of the Hon’ble Supreme Court order dated 23rd October 2017.

Sahara Mutual Fund requested SEBI vide its letter dated 15th January 2018 to extend the date of cancellation of ‘Certificate of registration’ till July 27th, 2018 for giving time for identification of a new sponsor and considering the lock in period of certain unit holders’ investments in Sahara Tax gain fund.

A new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

SEBI vide their letter dated 11th April 2018 ordered for winding up all the schemes except Sahara tax Gain Fund by 21st April 2018. An appeal was filed before SAT for a stay against the SEBI order dated April, 11, 2018.

In view of the direction of SAT on 26th April 2018, a comprehensive appeal was filed.

SAT vide its order dated 3rd May 2018 directed that SEBI shall not enforce the orders impugned in the two appeals till a decision on new sponsor’s application is communicated.

The application of One Life Capital Advisors Limited who had offered to be the new Sponsor for Sahara Mutual Fund stands annulled in view of the SEBI Order dated March 4th, 2020.

SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up in line with SEBI order no.WTM/GM/IMD/07/2018-19 dated April 11, 2018.

The Board of Trustees of Sahara Mutual Fund decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996.

A notice was published on March 20, 2020 that Sahara Infrastructure Fund would be wound up on March 27, 2020.

In view of what has been stated in para 8.18 below, the financial statements have been prepared for the year ended 31st March, 2020 on liquidation basis.

8.18 EVENTS AFTER THE REPORTING PERIOD:

A significant non-adjusting event has occurred between the reporting date (31.3.2020) and the date of approval of these financial statements (28th August, 2020).

- a) Sahara Infrastructure Fund could not be wound up on March 27, 2020. The entire portfolio had been liquidated but for one of the securities in the portfolio namely Tata Consumer Products Ltd. (pari passu shares allotted on account of demerger of Tata Chemicals and Tata Global Beverages Ltd) which did not get listed on the stock exchange on or before March 27, 2020.
- b) SEBI was informed about the extension of the winding up period of the scheme vide AMC mail dated March 27, 2020.
- c) The said security got listed on April 1, 2020 and the Scheme sold these shares on April 3rd, 2020.

As of the date of signing the annual accounts, Sahara Infrastructure Fund has been wound up as on April 3rd, 2020.

8.19 Composition of the Board of Trustee.

As per Reg 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, it is stated that "The trust deed shall state that the minimum number of trustees shall be four." The Board of Trustees of Sahara Mutual Fund comprises of two (2) Trustees and thereby the above criteria of minimum number of Trustees has not been complied with.

8.20 Net Worth:

As per the Reg. 21(1)(f), of SEBI (Mutual Funds) Regulations, 1996 and in compliance with the notification of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2014 dated May 6, 2014, the AMC should maintain a Net Worth of minimum Rs. 50 crs. The Net Worth of Sahara Asset Management Company Private Ltd. as on March 31, 2020 was Rs.3.20 crs, which is below the threshold limit of Rs. 50 crs and thereby the net worth criteria as required by the above regulations has not been complied with.

8.21 Previous year figures have been reclassified/regrouped, wherever necessary, to conform to the current year's classification

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

Head Operations

& NAV Accounting

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA INFRASTRUCTURE FUND
Perspective Historical Per Unit Statistics

Particulars	As at 31-Mar-20 (Rs. Per Unit)	As at 31-Mar-19 (Rs. Per Unit)	As at 31-Mar-18 (Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	0.31	0.24	0.38
(ii) Income from Profit (net of loss) on inter-scheme sales/transfer of Investments	0.00	0.00	0.00
(iii) Income from Profit (net of Loss) on sale other than Inter scheme	(6.87)	8.88	2.55
(iv) Transfer to revenue account from past year's reserve			
(b) Aggregate of expenses, write off, amortisation and charges	0.54	0.46	0.46
(c) Net Income	(7.09)	8.66	2.46
(d) Net unrealised appreciation/(dimunition) in value of Investments	(0.07)	(0.27)	7.50
(e) Net Asset Value			
Fixed Pricing - Dividend Plan	13.9002	19.2064	19.1394
Fixed Pricing - Growth Plan	19.0323	26.3014	26.2097
Variable Pricing - Dividend Plan	16.2891	22.4714	22.0819
Variable Pricing - Growth Plan	22.1432	30.5471	30.0177
Fixed Pricing - Direct Dividend Plan	20.3280	20.3280	19.4246
Fixed Pricing - Direct Growth Plan	21.2388	28.6781	27.7905
Variable Pricing - Direct Dividend Plan	22.3093	22.3093	22.3488
Variable Pricing - Direct Growth Plan	22.7627	31.3341	30.6143
(f) Purchase Price during the year**			
(i) Highest			
Fixed Pricing - Dividend Plan	20.4963	20.0264	22.1719
Fixed Pricing - Growth Plan	28.8896	27.4244	30.3625
Variable Pricing - Dividend Plan	24.6230	23.1310	25.4773
Variable Pricing - Growth Plan	33.4721	31.4438	34.6332
Fixed Pricing - Direct Dividend Plan	0.0000	20.3280	22.4891
Fixed Pricing - Direct Growth Plan	0.0000	29.1227	32.0370
Variable Pricing - Direct Dividend Plan	0.0000	23.4136	25.7721
Variable Pricing - Direct Growth Plan	0.0000	32.0797	35.2674
(ii) Lowest			
Fixed Pricing - Dividend Plan	17.5935	16.6436	18.0826
Fixed Pricing - Growth Plan	23.6666	22.7920	24.7625
Variable Pricing - Dividend Plan	20.2415	19.443	20.4782
Variable Pricing - Growth Plan	27.5073	26.4305	27.8375
Fixed Pricing - Direct Dividend Plan	0.0000	19.7531	18.3058
Fixed Pricing - Direct Growth Plan	0.0000	24.5677	25.6983
Variable Pricing - Direct Dividend Plan	0.0000	21.7124	20.6816

Variable Pricing - Direct Growth Plan	0.0000	27.0480	28.2275
(g) Sale Price during the year**			
(i) Highest			
Fixed Pricing - Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Growth Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
(ii) Lowest			
Fixed Pricing - Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Growth Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by Percentage	2.18%	1.85%	1.67%
(i) Ratio of income to average daily net assets by Percentage (excluding transfer to revenue account from past year's reserve but including net change in unrealized appreciation /depreciation in value of Investments and adjusted for net loss on sale / redemption of investments)	1.05%	35.92%	37.65%

*Annualised

**Based on the maximum load during the year

Per unit calculations based on number of units in issue at the end of the period

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara REAL Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara R.E.A.L Fund** (“the Scheme”), which comprise the Balance Sheet as at March 27, 2020, the Revenue Account for the period from 1st April, 2019 to 27th March, 2020 and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the scheme give the information specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto (“the SEBI Regulations”), as applicable, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 27, 2020;
- (b) in the case of the Revenue Account, of the deficit for the period ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA's) issued by the Institute of Chartered Accountants of India (“ICAI”). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust/Scheme in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements of the Scheme. Our audit has been conducted in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to the following matters in the Notes to the financial statements:

- a) Note no. 8.18 (a) which states that SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up.
- b) Note no. 8.18 (b) which states that The Board of Trustees of Sahara Mutual Fund have decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996 with effect from 27th March, 2020.

In view of the above the accounts for the period from 1st April, 2019 to 27th March, 2020 have been prepared on “liquidation basis of accounting” and not on a going concern basis.

Our opinion is not modified in respect of the above matter.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Trustees of Sahara Mutual Fund and the Board of Directors of Sahara Asset Management Company Private Limited (the “Directors”) are responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the

accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Consequent upon the directions in the SEBI letter dated 5th March, 2020 and the decision of the Trustees to comply with the SEBI directions, the Scheme has been wound up on 27th March, 2020 and the financial statements have been prepared on liquidation basis of accounting.

Those charged with Governance are also responsible for overseeing the Scheme's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) The Balance Sheet and Revenue Account dealt with by this Report are in agreement with the books of accounts of the Scheme.
- c) The statement of account has been prepared in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable.
- d) We have reviewed the Valuation Policy being followed for the schemes of Sahara Mutual Fund. The Valuation Policy implemented for the Scheme is in line with the SEBI guidelines issued in this regard.

For Chaturvedi & Partners.

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No. 117510

ICAI UDIN: 20117510AAAABC6913

Place: Mumbai
Date: August 28, 2020

SAHARA R.E.A.L FUND
BALANCE SHEET AS AT MARCH 27,2020

SAHARA REAL FUND	Schedule	As at	As at
		March 27, 2020	March 31, 2019
ASSETS		(Rs)	(Rs)
Investments	1	-	34,032,231
Other Current Assets	2	26,476,815	3,760,810
Total Assets		26,476,815	37,793,041
LIABILITIES			
Unit Capital	3	16,907,300	17,659,581
Reserves & Surplus	4	8,718,656	19,272,518
Current Liabilities & Provisions	5	850,859	860,942
Total Liabilities		26,476,815	37,793,041

NET ASSET VALUE

Net Asset Value per unit (Rs.)

i) Dividend Plan	D	15.1296	20.8818
ii) Growth Plan	G	15.1271	20.8784
iii) Direct Growth Plan	GDP	16.8006	23.1026

Significant Accounting Policies and Notes to the accounts 7
Schedules 1 to 5 and 7 form an integral part of the Balance Sheet

As per our attached report of even date

For Chaturvedi & Partners
Chartered Accountants
(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No.117510

Place: Mumbai
Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava
Director

Vidya Manjrekar
Head Operations
& NAV Accounting

I S Verma
Director

Sudhir Kaup
Compliance Officer

For Sahara Mutual Fund

M R Siddiqui
Trustee

Place: Mumbai

S P Srivastava
Trustee

Date: 28th August, 2020

SAHARA R.E.A.L FUND
REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 27, 2020

PARTICULARS	Schedule	For the period ended March 27, 2020	For the year ended March 31, 2019
		(Rs)	(Rs)
INCOME			
Dividend Income		537,374	335,806
Interest & Discount Income		8,103	14,148
Other Income		59	-
Profit on Sale / Redemption of Investments(Net)		-	15,315,568
(Other than Inter Scheme Transfer / Sale)			
Total Income		545,536	15,665,522
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Loss on Sale / Redemption of Investments(Net)		11,332,807	-
(Other than Inter Scheme Transfer / Sale)			
Management Fees		92,524	595,787
ST / GST on Management Fees		16,656	107,243
Investor Education & Awareness Fees		6,893	7,484
Registrar & Transfer Agent Charges		296,261	135,550
Transaction cost		14,916	14,275
Custodian Fees		178,120	73,808
Trusteeship Fees & Expenses		36,972	7,087
Audit Fees		56,111	68,247
Professional fees		92,024	21,,951
Commission to Agents		312	1,490
Total Expenses		12,123,596	1,032,922
Net Surplus for the Year		(11,578,060)	14,632,600
Provision / Writeback for diminution in value of investments	6	4,569,353	(3,674,908)
Net Surplus for the Year (excluding unrealised appreciation)		(7,008,707)	10,957,692
Transfer from Income Equalisation Reserve		(1,037,430)	(1,714,657)
Net : Transferred to Revenue Reserve		(8,046,137)	9,243,035

Significant Accounting Policies
and notes to the accounts

7

Schedules 6 to 7 form an integral part of the Revenue Account

As per our attached report of even date

For Chaturvedi & Partners
Chartered Accountants
(Firm's Registration No. 307068E)

For Sahara Asset Management Company Private Limited

A K Srivastava
Director

I S Verma
Director

Khyati Shah
(Partner)
Mem. No.117510

Vidya Manjrekar
Head Operations
& NAV Accounting

Sudhir Kaup
Compliance Officer

Place: Mumbai
Date: 28th August, 2020

For Sahara Mutual Fund

M R Siddiqui
Trustee

S P Srivastava
Trustee

Place: Mumbai

Date: 28th August, 2020

SCHEDULES FORMING PART OF THE BALANCE SHEET

SAHARA R.E.A.L FUND		As at		As at
		March 27,		March 31,
		2020		2019
		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		-		34,032,231
		-		34,032,231
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		25,974,928		3,257,630
Investment - Liquid MF Units		492,622		496,150
Investment - Liquid MF Units for Investor Education		7,030		7,030
Dividend Receivable		2,235		
		26,476,815		3,760,810
SCHEDULE 3				
Unit Capital				
Dividend Option 289228.976 units of Rs.10 each	D	2,892,290		3,020,290
(For 2018-2019- 302028.976 units of Rs.10 each)				
Growth Option 1371986.950 units of Rs.10 each	G	13,719,869		14,336,947
(For 2017-2018- 1433694.746 units of Rs.10 each)				
Direct Dividend Option 0.000 units of Rs.10 each	DDP	-		7,203
(For 2018-2019- 720.335 units of Rs.10 each)				
Direct Growth Option 29514.075 units of Rs.10 each	GDP	295,141		295,141
(For 2018-2019 29514.075 units of Rs.10 each)				
Total		16,907,300		17,659,581

(Refer Note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	22,883,888		13,640,853	
Transferred from Revenue Account	(8,046,137)		9,243,035	
Balance as at end of the year		14,837,751		22,883,888
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(1,037,430)		(1,714,657)	
Transferred to Revenue Account	1,037,430		1,714,657	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	2,777,779		15,599,586	
Additions During the year	(2,777,779)		(12,821,807)	
Balance as at end of the year		-		2,777,779
Unit Premium Reserve				
Balance as at beginning of the year	(6,389,149)		(6,776,389)	
Additions During the year	270,054		387,240	
Balance as at end of the year		(6,119,095)		(6,389,149)
		8,718,656		19,272,518
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		124,626		143,226
Management Fees Payable		5,583		1,987
ST/ GST on Management Fees Payable - Fee on Investor Education		1,005		358
STT Payable		20,694		17,454
		-		1
Payable on redemption of units		698,951		697,916
		850,859		860,942

SCHEDULES FORMING PART OF REVENUE ACCOUNT

SAHARA R.E.A.L FUND		For the year ended		For the year ended
		March 27, 2020		March 31, 2019
SCHEDULE 6		(Rs)		(Rs)
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(4,569,353)		(894,445)
At the end of the year		-		(4,569,353)
		4,569,353		(3,674,908)

CASHFLOW STATEMENT FOR THE PERIOD ENDED MARCH 27, 2020

	SAHARA R.E.A.L FUND		For the period ended	For the year ended
			March 27, 2020	March 31, 2019
			(Rs)	(Rs)
A.	Cash Flow from Operating Activity			
	Surplus / (Deficit) for the year		(11,578,060)	14632600
	Add/(less) : Net Change in Marked to Market Value of Investments		1791574	(16496715)
	Add: Interest expense on Loan		-	-
	Adjustments for :-			
	(Increase) / Decrease in Investments		34032231	5253245
	(Increase) / Decrease in Other current assets		1293	-
	Increase / (Decrease) in Other current liabilities		(10083)	117424
	Increase / (Decrease) in Fixed Deposit		-	-
	Net cash generated from / (used in) operations	(A)	24236955	3506554
B.	Cash Flow from Financing Activities			
	Increase / (Decrease) in Unit Capital		(752281)	(1179540)
	Increase / (Decrease) in Unit Premium		270054	387240
	Income Equalisation during the period		(1037430)	(1714657)
	Adjustments for:-			
	Increase / (Decrease) in Sundry Creditors for units redeemed by Investors		-	-
	(Increase) / Decrease in Sundry Debtors for units issued to investors		-	-
	Dividend paid during the year (including Dividend Distribution Tax)		-	-
	Net cash (used in) / generated from financing activities	(B)	(1519657)	(2506957)
	Net increase / (Decrease) in cash and cash equivalents	(A+B)	22717298	999597
	Cash and Cash Equivalents as at the beginning of the year	(C)	3257630	2258033
	Cash and Cash Equivalents as at the close of the year	(D)	25974928	3257630
	Net cash and cash equivalents	(D-C)	22717298	999597
	Components of cash and cash equivalents			
	Balances with banks in current accounts		25974928	3257630
	Fixed Deposits (less than 3 months)		-	-
	CBLO / TriParty Repo		-	-

	Cash and Cash equivalents as at the close of the year.		25974928	3257630
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As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

**Head Operations
& NAV Accounting**

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SCHEDULE - 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE PERIOD FROM 1ST APRIL, 2019 TO MARCH 27th, 2020.

3. INTRODUCTION

1.1 About the Scheme

SAHARA 'R.E.A.L. FUND' (Retailing, Entertainment & Media, Auto & auto ancillaries and Logistics Sector) (the "Scheme") is an open ended equity scheme of Sahara Mutual Fund (the "Fund"). The investment objective is to provide long term capital gains by investing predominantly in equity / equity related instrument of companies in the Retailing, Entertainment & Media, Auto & auto ancillaries and Logistics sector. In line with SEBI Circular for providing separate options for direct investments, the scheme has four options (i) Growth Option (ii) Dividend Option (iii) Growth Option – Direct and (iv) Dividend Option – Direct. The scheme will not declare dividend under the Growth Plan. The Income earned on such units remain invested under the scheme and reflected in the Net Asset Value. The New Fund Offer period of the scheme was from 05/10/2007 to 02/11/2007. The scheme was a closed ended equity scheme with a provision to become open ended upon completion of three years from the date of allotment. Accordingly the scheme became an open ended scheme w.e.f 27th November, 2010.

The Scheme was wound up by the Trustees on 27th March, 2020 in terms of the provisions of Regulation 39(2)(c) of the SEBI (Mutual Funds) Regulations, 1996.

1.2 Asset Management Company

Sahara Mutual Fund (SMF) has been established as a Trust in accordance with the Indian Trusts Act, 1882, and is sponsored by Sahara India Financial Corporation Limited.

Sahara Asset Management Company Private Limited ("SAMCPL"), a company incorporated under the Companies Act, 1956, has been appointed as the Asset Management Company ("Investment Manager") to Sahara Mutual Fund.

The shareholding of Sahara Asset Management Company Private Limited as on March 27, 2020 is as follows:

Name of the Shareholder	Type of Holdings	Holding
Sahara India Financial Corporation Limited	Equity	45.27%
Sahara India Corp Investment Limited	Equity	10.52%
Sahara Prime City Limited(formerly Sahara India Investment Corporation Limited)	Equity	11.74%
Sahara Care Limited	Equity	31.00%
Sahara India Commercial Corporation Limited	Equity	1.47%
Name of the Shareholder	Type of Holdings	Holding
Sahara India Commercial Corporation Ltd	Preference	90.32%
Sahara Care Ltd	Preference	9.68%

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting.

The Scheme maintains its books of account on an accrual basis. These financial statements have been prepared in accordance with the Accounting Policies and Standards specified in the Ninth Schedule of The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, (the "Regulation"), and amendments thereto, as applicable.

2.2. Accounting for Investments

- 2.2.1 Investments are accounted on trade dates at cost including brokerage, stamp duty and other charges which are included in the acquisition of investments.
- 2.2.2 Profit or loss on sale of investments is determined on the respective trade date by adopting the "Weighted Average Cost" method.
- 2.2.3 Bonus/Rights entitlements on equity holdings are recognized only when the original shares on which the entitlement accrues are traded on the Principal stock exchange on ex-bonus/ex-rights basis respectively. In respect of unlisted/ non- traded securities, the Bonus/Rights on equity holdings are recognised only on the receipt of the Bonus/Rights.
- 2.2.4 Primary Market Investments are recognized on the basis of allotment advice.

2.3. Valuation of Investments

Valuation Policy as on 27.03.2020 is as under.

A: VALUATION OF DEBT INSTRUMENTS

A (I) - The 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. where Script wise values are available from CRISIL/ ICRA	The aggregated average price provided by CRISIL / ICRA for the given security or any other agencies as may be indicated from time to time by SEBI/AMFI for that day
3	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc where Script wise values are not available from CRISIL/ ICRA	

i)	Same security traded and reported on public platforms.	On Weighted Average Yield of all trades (excluding abnormal and retail trades) on Public platforms, for that Securities on that day irrespective of settlement day.
ii)	If Same Security not traded and reported on any of the public platforms.	The aggregated average matrices of CRISIL/ ICRA for the respective category Or any other agencies as may be indicated from time to time by SEBI/AMFI for that day.

4	Central Government Securities / State Government Securities / Treasury Bills/Cash Management Bill etc	
	1) If the securities are traded and residual maturity is above 60 days.	<p>The Aggregated average valuation as provided by CRISIL / ICRA or any other agencies as may be indicated from time to time by SEBI/AMFI for that day.</p> <p>In case on any given day, the valuation Matrices is not available from CRISIL/ICRA the Valuation is done on accrual/amortization based on last valuation.</p>
	2) If the securities are non-traded and residual maturity is above 60 days.	By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent.
	3) If the securities are traded and residual maturity of the securities is equal to or below 60 days	On last traded price as given on NDS-Section of CCIL Website (Excluding abnormal trade).
	4) If the securities are non-traded and the residual maturity of the securities is equal to or below 60 days	By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent as long as it is within +/- 0.10 % of the reference price. Benchmark yields for calculating reference price to be provided by CRISIL / ICRA.

A (II) Pricing of Inter -Scheme Transfer of Debt Instruments (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/CBRICS up to the time of IST.	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus

			accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	ii)	If Same security is not traded but similar Security/securities are traded and reported up to the time of IST on FTRAC/CBRICS	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	iii)	If Same or similar Security/securities are not traded and reported up to the time of IST on FTRAC/CBRICS	Previous end of the day valuation plus accrual, if any, based on settlement day of the IST is taken. Example: if settlement is T+0 then no accrual/amortization and if the settlement is other than T+0 then appropriate accrual/amortization.
2.	Central Government Securities / State Government Securities / Treasury Bills/ Cash Management Bill etc		
	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 plus accrual/amortization is taken

Similar Security:

Similar security here shall mean those securities which are same nature [Commercial Paper (CP), Certificate of Deposit (CD), Non-Convertible Debentures (NCD), etc] of different issuers having same or equivalent credit rating for Similar maturity profile (For both Short term rating and Long term rating), and falling in same “Maturity Bucket” as defined below. Further the instruments Commercial Paper (CP), Bonds and Non-Convertible Debentures (NCDs) etc are categorized into following sub-categories:—

- 1) NBFC
- 2) Real Estate,
- 3) PTC
- 4) Others

Maturity Bucket:

- For Debt Security having remaining maturity up to 91 days

Maturity date of securities falling between	Time Bucket
1st and 7th of the month	1-7 of the same month
8th and 15th of the month	8-15 of the same month
16th and 23rd of the month	16-23 of the same month
24th to end of the month	24- end of the month

- For Debt Securities having remaining maturities more than 91 days

“Time Bucket” for maturity profile of “Similar Securities” is same calendar month of that year.

A (III) Notes:

1. For the purpose of Valuation of securities and for Inter Scheme Transfer, Weighted average of all trades of 5crs and above, excluding abnormal trades and retail trades is taken. Since retail trades are of small value and generally may 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.
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

For the Valuation/Inter-scheme transfer, the available trades of various public platform is considered where the face value of trade per transaction is Rs. 5 crs and above. If in any given day in same/ similar security, the value of total trade is less than minimum market lot of 5 Crs, the same is ignored for the valuation purpose.

3. CRISIL and ICRA provide the valuation matrices for various maturity buckets. Script wise value for various debt instruments are also provided by CRISIL and ICRA. Trades are also reported and settled on various public platforms.
4. Public platform for the purpose of 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 for which Script wise values are not available from CRISIL/ICRA.

5. The data on yield and prices are generally provided up to 4 decimal points which shall be considered and these prices are considered on respective face value of the instruments for arriving at valuation.
6. For the valuation of traded securities where Script wise values are not available by CRISIL/ICRA, price derived from the corresponding Weighted Average yield of all available trades excluding abnormal and retail trades on any public platform for the same security on T+1 settlement basis is taken.

In case, the Bilav file is not received by 7:30 pm and script wise values are not available then FIMMDA managed FTRAC platform and NDS OM section of CCIL website may be used for the calculation of weighted average yield of traded security.

7. For non traded securities where Script wise values are not available, the valuation is done on the price derived from the corresponding the aggregated yield matrices for the respective category as provided by CRISIL/ICRA on T+1 settlement basis.
8. For Government Securities, SDL, T-Bills, Cash Management Bill etc, the valuation is done on aggregated Script wise pricing as provided by CRISIL/ICRA and as applicable for that day.

In the absence of Script wise values the valuation is based on aggregated matrices if available from CRISIL/ICRA on T+1 settlement and as applicable for that day.

9. In case the valuation matrices/Script wise value is available either from CRISIL/ICRA up to a reasonable time limit, the same is considered for arriving at valuation.
10. In respect of on any day neither the Script wise value nor the valuation Matrices is available from CRISIL/ICRA within the reasonable time limit, the Valuation is done on the basis of accrual/amortization based on the last valuation.

B: VALUATION OF EQUITY INSTRUMENTS

1. Traded Equity Securities

When an equity security is not traded on any Stock Exchange on a particular valuation day, the value at which it was traded on the selected Stock Exchange, as the case may be, on the earliest previous day is used provided such date is not more than thirty days prior to valuation date.

2. Thinly Traded Equity / Equity Related Securities

- (a) When trading in an equity and/or equity related securities (such as convertible debentures, equity warrants etc.) in a month is both less than Rs.5lacs in value and the total volume is less than 50,000 shares, the security is considered as thinly traded security.
- (b) In order to determine whether a security is thinly traded or not, the volumes traded in all recognized Stock Exchanges in India would be taken into account.
- (c) Where a Stock Exchange identifies the thinly traded securities by applying the above parameters for the preceding calendar month and publishes or provides the required information along with the daily quotations, the same would be used for valuation.
- (d) If the shares are not listed on the Stock Exchanges which provide such information, then we would make our own analysis in line with the above criteria to check whether such securities are thinly traded or not.

3. Non-traded / Suspended Securities

When an equity security is not traded on any Stock Exchange for a period of thirty days prior to the valuation date, the Script would be treated as a non traded security.

When an equity security is suspended up to thirty days, then the last traded price is considered for valuation of that security. If an equity security is suspended for more than thirty days, then the AMC or Trustees would decide the valuation norms to be followed and such norms would be documented and recorded.

The valuation methodology for thinly traded equity securities, Non-traded equity securities would be as follows:

Based on the latest available Balance Sheet, net worth would be calculated as follows:

- (a) Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
- (b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
- (c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 10% for illiquidity so as to arrive at the fair value per share.
- (d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- (e) In case, where the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- (f) In case, an individual security accounts for more than 5% of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it would be valued by the procedure above and the proportion which it bears to the total net assets of the scheme to which it belongs will be compared on the date of valuation.

4. Unlisted Equity

Methodology for Valuation - unlisted equity shares of a company would be valued "in good faith" as below:

- a) Based on the latest available Balance Sheet, net worth would be calculated as follows:
 1. Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
 2. After taking into account the outstanding warrants and options, Net Worth per share would again be calculated and is = [Share Capital + consideration on exercise of Option and/or Warrants received/receivable by the Company + Free Reserves (excluding Revaluation Reserves) – Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] / Number of Paid up Shares plus Number of Shares that would be obtained on conversion and/or exercise of Outstanding Warrants and Options.
 3. The lower of (1) and (2) above would be used for calculation of Net Worth per share and for further calculation in (c) below.
- b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate

(P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.

- c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 15% for illiquidity so as to arrive at the fair value per share.

The above valuation methodology would be subject to the following conditions:

- a) All calculations would be based on audited accounts.
- b) If the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- c) If the Net Worth of the company is negative, the share would be marked down to zero.
- d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- e) In case an individual security accounts for more than 5 per cent of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it is valued in accordance with the procedure as mentioned above on the date of valuation.

5. Demerger

Generally on demerger, a listed security gets bifurcated into two or more shares. The valuation of these de-merged companies would depend on the following scenarios:

- a) Both the shares are traded immediately on de-merger: In this case both the shares would be valued at respective traded prices.
- b) Shares of only one company continued to be traded on de-merger: Traded shares would be valued at traded price and the other security would be valued at traded value on the day before the de merger less value of the traded security post de merger. In case value of the share of de-merged company is equal or in excess of the value of the pre de-merger share, then the non traded share would be valued at zero, till the date it is listed.
- c) Both the shares are not traded on de-merger: Shares of de-merged companies would be valued equal to the pre de merger value up to a period of 30 days from the date of de merger till the date it is listed. The market price of the shares of the de-merged company one day prior to ex-date would be bifurcated over the de-merged shares. The market value of the shares would be bifurcated on a fair value basis, based on available information on the de-merger scheme.
- d) In case shares of either of the companies are not traded for more than 30 days: Then it would be treated as unlisted security, and valued accordingly till the date these are listed.

6. Preference Shares

Preference Shares valuation guidelines would be as follows:

- a) Traded preference shares would be valued as per traded prices.
- b) Non traded Preference Shares

(I). Redeemable Preference Shares

- i. Convertible preference share would be valued like convertible debentures.

In general in respect of convertible debentures and bonds, the non-convertible and convertible components would be valued separately. The non-convertible component would be valued on the same basis as would be applicable to a debt instrument. The convertible component would be valued on the same basis as would be applicable to an equity instrument.

If a convertible preference share does not pay dividend then it would be treated like non convertible debentures.

- ii. Non-Convertible preference share would be valued like a debt instrument.

(II). Irredeemable preference shares would be valued on perpetual basis. It is like a constant dividend equity share.

7. Warrants

- a) In respect of warrants to subscribe for shares attached to instruments, the warrants would be valued at the value of the share which would be obtained on exercise of the warrants as reduced by the amount which would be payable on exercise of the warrant. A discount similar to the discount to be determined in respect on convertible debentures is deducted to account for the period, which must elapse before the warrant can be exercised.
- b) In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to Equity Shares.

8. Rights

Until they are traded, the value of "rights" shares would be calculated as:

$$V_r = n \div m \times (P_{ex} - P_{of})$$

Where

V_r = Value of rights

n = no. of rights offered

m = no. of original shares held

P_{ex} = Ex-rights price

P_{of} = Rights Offer Price

Where the rights are not treated pari passu with the existing shares, suitable adjustment would be made to the value of rights. Where it is decided not to subscribe for the rights but to renounce them and renunciations are being traded, the rights would be valued at the renunciation value.

9. Derivatives

Market values of traded open futures and option contracts would be determined with respect to the exchange on which contracted originally, i.e., a future or an option contracted on the National Stock Exchange (NSE) would be valued at the closing price on the NSE.

The price of the same futures and option contract on the Bombay Stock Exchange (BSE) cannot be considered for the purpose of valuation, unless the futures or option itself has been contracted on the BSE.

The same will be valued at closing price if the contract is traded on the valuation day. In case there is no trade on valuation day then the same would be valued at Settlement prices.

However, the contracts which are going to expire on valuation date would be valued at Settlement prices only.

10. Mutual Fund Units

- a) In case of traded Mutual Fund schemes, the units would be valued at closing price on the stock exchange on which they are traded like equity instruments. In case the units are not traded for more than 7 days, last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- b) If the last available Repurchase price is older than 7 days, the valuation will be done at the last available NAV reduced by illiquidity discount. The illiquidity discount will be 10% of NAV or as decided by the Valuation Committee.
- c) In case of non-traded Mutual Fund scheme, the last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- d) In case of Investments made by a scheme into the other scheme of Sahara Mutual Fund, if valuation date being the last day of the financial year falling on a non-business day, then the computed NAV would be considered for valuation on March 31.

Related matters

- i) In case the income accrued on debt instruments is not received even after 90 days past the due date, the asset is termed as Non Performing Assets (NPAs) and all provisions/guidelines with respect to income accrual, provisioning etc as contained in SEBI circulars/guidelines issued from time to time shall apply and the valuation of such securities will be done accordingly. In case the company starts servicing the debt, re-schedulement is allowed, the applicable provision in SEBI circulars shall apply for provisioning and reclassification of the asset
- ii) In case of any other instruments not covered in the policy above, the same is referred to the Investment and Valuation Committee which is empowered to take decision.
- iii) In case of any perceived conflict of interest while valuating the securities, the matter is dealt and decided by Investment and Valuation Committee.
- iv) For non– business day the valuation is done on aggregated Script wise prices as provided by CRISIL/ICRA. In absence of Script wise prices the valuation is done on accrual basis/amortization basis based on last valuation
- v) In case of exceptional circumstances like, policy announcements by government/regulatory bodies, natural disasters, public disturbances, extreme volatility in capital market, shut down of market, war etc and on those days if Script wise value or valuation matrices are not available from CRISIL/ICRA and if security is not traded, the valuation for the day is done based on last valuation plus accrual/amortization or as may decided by the Investment and Valuation Committee.
- vi) The Valuation Policy is reviewed by the Statutory Auditor at least once in a financial year.
- vii) Valuation Policy as updated and approved by the Board of AMC / Board of Trustees is applicable for the schemes of Sahara Mutual Fund

2.3.1 Valuation of securities not covered under the above valuation policy:

The total exposure in securities, which do not fall under above valuation norms, shall not exceed 5% of the total AUM of the scheme.

In case of any other instruments not covered in the policy above, the same shall be referred to the Investment and Valuation Committee which is empowered to take decision.

Investment in such securities is to be valued by a method approved by the Investment and Valuation Committee and the same will be reported to the Board of Trustees.

2.3.2 Unrealised Appreciation/Depreciation.

In accordance with the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds issued by the Institute of Chartered Accountants of India, the unrealized appreciation determined separately for each individual investment is directly transferred to the “Unrealized Appreciation Reserve Account” i.e. without routing it through the revenue account.

The provision for depreciation in value of investments determined separately for each individual investment is recognized in the revenue account. The loss (realized) on investments sold / transferred during the year is charged to revenue account, instead of being first adjusted against the provision for depreciation, if already created in the prior year, as recommended by the said Guidance Note. However, this departure from the Guidance Note does not have any net impact on the Scheme’s net assets or results for the year.

2.4 Revenue Recognition

- 2.4.1 Income and Expenses are recognized on accrual basis.
- 2.4.2 Interest on funds invested in short term deposits with scheduled commercial banks is recognized on accrual basis.
- 2.4.3 Dividend income earned by the scheme is recognized on the date the share is quoted on ex-dividend basis on principal stock exchange.
- 2.4.4 Proportionate realized gains on investments out of sales / repurchase proceeds at the time of sale / repurchase of units are transferred to revenue Account from Unit Premium Reserve.

3. Net Asset Value for Growth/Dividend Options:

The net asset value of the units is determined separately for units issued under the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option – Direct. For reporting the net asset value of the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option - Direct, daily income earned, including realized and unrealized gain or loss in the value of investments and expenses incurred by the scheme are allocated to the options in proportion to the value of the net assets.

4. Unit Premium Reserve Account

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the unit premium reserve account of the Scheme, after an appropriate amount of the issue proceeds and redemption payout is credited or debited respectively to the income equalization account.

5. Income Equalisation Account

An appropriate part of the sale proceeds or the redemption amount, as the case may be, is transferred to income equalization account. The total distributable surplus (without considering unrealized appreciation) upto the date of issue/ redemption of units has been taken into account for the purpose of ascertaining the amount to be transferred to Equalization Account on a daily basis. The net balance in this account is transferred to the Revenue Account at the end of the year.

6. Load Charges

Service tax on exit load , if any, shall be paid out of the exit load proceeds and exit load net of service tax, if any, shall be credited to the scheme.

7. Unclaimed Redemption.

In line with SEBI circular no. MFD/CIR/9/120 /2000 dated November 24, 2000 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed redemption and unclaimed dividend amounts may be deployed by the mutual funds in call money market or money market instruments and also be allowed to be invested in a separate plan of Liquid Scheme/ Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. The investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. Further, AMC shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plans shall be capped at 50 bps. The AMC should make continuous effort to remind the investors through letters to take their unclaimed amounts.

8. NOTES TO THE ACCOUNTS

8.1 Management Fees, Trusteeship Fees, Custodian Fees, Scheme Expenses

Management Fees

Management Fees (inclusive of GST) has been computed at 0.32% (P.Y. 1.88%) on average net assets calculated on a daily basis.

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the period from April 1st, 2019 to March 27th, 2020, the Trusteeship fees and expenses amounted to Rs.52,751.19 (PY:Rs.67,803.67). However, due to small AUM of the scheme, only an amount of Rs.36,971.87 (PY:7087.26) was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

HDFC Bank provides Custodial services to the scheme for which fees is paid as per the agreement.

Scheme Expenses

As per guidelines issued vide SEBI circular dated October 22, 2018, the schemes related expenses had to be fully managed from the Total Expense Ratio (TER).

During the period from April 1st, 2019 to March 27th, 2020, due to small size of AUM of the scheme only the certain expenses have been paid from TER and the balance amount had been borne by the AMC, details are as under:

(Amount in Rs.)			
Particulars	Total Expenses	Charged to Scheme TER	Balance borne by AMC
R & T Expenses	3,18,723.80	2,96,261.44	22,462.36
Audit fees	69363.61	56111.51	13252.10

8.2 Provision for tax has not been made since the income of the scheme is exempt from tax under Section 10(23D) of the Income Tax Act, 1961.

8.3 Transactions with Brokers in excess of 5% or more of the aggregate purchases and sale of securities made by the Fund have been reported to the Trustees on a Bimonthly basis.

8.4 During the period from April 1st, 2019 to March 27th, 2020, the Registrar and Transfer Agent charges amounting to Rs.2,96,261.44 (PY:Rs.1,35,549.72) constitutes 37.46% (PY:13.12%), Custodian fees amounting to Rs.1,78,119.82 (PY:73808.41) constitutes 22.52% (PY:7.15%) and Professional fees amounting to Rs.92,023.71 (PY:21951.37) constitutes 11.64% (PY:2.13%) of the total scheme expenses.

8.5 Transactions with Associates/related parties/group companies of Sponsor/AMC

Brokerage / Commission on sale of units by the Scheme or by the Asset Management Company given to associates, pursuant to Regulation 25(8): Related Party:- Sahara India Financial Corporation Ltd(SIFCL):(Sponsor)

Commission to SIFCL made for sale of units of the MF for the period April 1st,2019 to March 27th, 2020.

(Rs. In Lakhs)

Tax Gain Fund	Growth Fund	Mid Cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0436	0.0010	0.0032	0.0012	0.0020	0.0003	0.0103

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2019.

(Rs.In lakhs)

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0541	0.0026	0.0053	0.0005	0.0047	0.0003	0.0112

Commission to SIFCL

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Business given (Rs cr and % of total business received by the fund)	Commission paid (Rs & % of total commission paid by the fund)
(1)	(2)	(3)	(4)	(5)
SIFCL	Sponsor / Mutual Fund Distributor	April 1 st , 2019 to March 27, 2020	0.00	Rs.6171.56; 7.42%
SIFCL	Sponsor / Mutual Fund Distributor	April 18- March 19	0.00	(Rs. 7874.96; 9.20%)

In column No 5, the amount relates to trail commission.

Brokerage paid to associates / related parties / group companies of Sponsor/AMC

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Value of Transaction (in Rs, Cr & of Total value of Transaction of the Fund)	Brokerage (Rs Cr & % of total brokerage paid by the Fund)
-	-	-	-	-

There are no associate brokers, hence not applicable for the period April 1st, 2019– Mar 27th, 2020 & April 1st, 2018 – Mar 31st, 2019.

8.6 The aggregate value of Investment purchased and sold(Including Redemption) during the year as a percentage of daily average net asset value;

Purchases

Year	Amount (Rs)	% of Daily average
April 1 st , 2019 to March 27, 2020	3,003,022.04	8.70
2018-19	5,07,75,176	135.54

Sales

Year	Amount (Rs)	% of Daily average
April 1 st , 2019 to March 27, 2020	27,494,057.08	79.69
2018-19	5,48,47,275	146.41

8.7 Aggregate Appreciation and Depreciation in the value of Investments :

Asset Class	27-Mar-20		31-Mar-19	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	0.00	0.00	27.78	45.69

8.8 Income and Expense Ratio

	April 1 st , 2019 to March 27, 2020	2018-19
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	1.58%	37.03%
Total Expenditure to average net assets calculated on a daily basis	2.29%	2.76%

8.9 Movements in Unit Capital : Face Value of Units : Rs. 10/- per unit.**8.9.1 Growth Option**

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	10898668.702	108986687.02	10898668.702	108986687.02
Opening Balance	1433694.746	14336947.46	1522648.659	15226486.59
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(61707.796)	(617077.96)	(88953.913)	(889539.13)
Closing Balance	1371986.950	13719869.50	1433694.746	14336947.46

8.9.2 Growth Option (Direct)

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	29514.075	295140.75	29514.075	295140.75
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.000	0.000	0.00
Closing Balance	29514.075	29514.075	29514.075	295140.75

8.9.3 Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	3653051.558	36530515.58	3653051.558	36530515.58
Opening Balance	302028.976	3020289.76	331028.976	3310289.76
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(12800.000)	(128000.00)	(29000.000)	(290000.00)
Closing Balance	289228.976	2892289.76	302028.97 6	3020289.76

8.9.4 Dividend Option(Direct)

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.00	0.00	0.00	0.00
Opening Balance	720.335	7203.35	720.335	7203.35
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(720.335)	(7203.35)	0.000	0.00
Closing Balance	0.000	0.000	720.335	7203.35

8.10 The scheme has declared Nil dividend during the period April 1st, 2019– Mar 27th, 2020 (PY:Nil). There was no bonus declared during the period April 1st, 2019– Mar 27th, 2020 (PY: Nil)

8.11 Unclaimed Amounts (beyond three months):

Unclaimed Dividend and Redemption amounts as on March 27th, 2020 are as below:

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No. of Investors	Unclaimed Redemption (Rs)
Sahara R.E.A.L Fund.	0	0	47	698949.50

8.12 Investments made by the Schemes of Sahara Mutual Fund in Companies or their subsidiaries that have invested more than 5% of the net asset value of any scheme, pursuant to Regulation 25(11):**NIL**

8.13 Portfolio Statement as on March 27 2020

The scheme's Net Asset Value stood at Rs.2.56 crores. The net realizable assets was held in cash as on date of winding up of the scheme i.e 27th March 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

8.14 Investments made by the Scheme in shares of Group Companies of the Sponsor – NIL.

8.15 Holdings over 25% of the NAV of the scheme as of March 27th, 2020.

Particulars	As on March 27, 2020	As on March 31, 2019
Number of Investors	0	1
Percentage of Holdings	NA	25.32

8.16 Contingent Liabilities: Nil

8.17 SEBI vide its Order no: WTM/PS/26/IMD/DOF-III/July/2015 dated 28th July, 2015 directed cancellation of "Certificate of Registration" of Sahara Mutual Fund which was to be effective on expiry of six months from the date of the Order. Further, SEBI also directed by the said Order that the Mutual Fund shall not take any new subscription from investors. Accordingly, Sahara Mutual Fund has not taken any new subscription from the investors (including existing investors) in line with the said SEBI order.

Sahara Asset Management Company Pvt. Ltd filed an appeal before the Securities Appellate Tribunal (SAT), Mumbai to set aside the said SEBI order. SAT vide its order dated 9th December 2015 granted an interim stay in the matter. SAT vide its order dated 28th July, 2017 dismissed the appeal made by Sahara AMC against the SEBI order dated 28th July, 2015. However, SAT granted 6 weeks stay to approach the Hon'ble Supreme Court in the matter. An appeal was filed on 7th September 2017 before the Hon'ble Supreme Court and the appeal was dismissed vide its order dated 23rd October 2017.

SEBI vide its letter dated November 17, 2017 directed the cancellation of 'Certificate of registration' would be effective six months from the date of the Hon'ble Supreme Court order dated 23rd October 2017

Sahara Mutual Fund requested SEBI vide its letter dated 15th January 2018 to extend the date of cancellation of 'Certificate of registration' till July 27th, 2018 for giving time for identification of a new sponsor and considering the lock in period of certain unit holders' investments in Sahara Tax Gain Fund.

A new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

SEBI vide their letter dated 11th April 2018 ordered for winding up all the schemes except Sahara Tax Gain Fund by 21st April 2018. An appeal was filed before SAT for a stay against the SEBI order dated April, 11, 2018.

In view of the direction of SAT on 26th April 2018, a comprehensive appeal was filed.

SAT vide its order dated 3rd May 2018 directed that SEBI shall not enforce the orders impugned in the two appeals till a decision on new sponsor's application is communicated.

The application of One Life Capital Advisors Limited who had offered to be the new Sponsor for Sahara Mutual Fund stands annulled in view of the SEBI Order dated March 4th, 2020.

8.18 WINDING UP OF THE SCHEME

- a) SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up in line with SEBI order no.WTM/GM/IMD/07/2018-19 dated April 11, 2018.
- b) The Board of Trustees of Sahara Mutual Fund decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996.
- c) A notice was published on March 20, 2020 and Sahara R.E.A L Fund was wound up on March 27, 2020.
- d) In view of the aforesaid, the Scheme accounts have been prepared on "liquidation basis of accounting" and not on a "going concern" basis.

8.19 Composition of the Board of Trustees.

As per Reg 15(1) r.w. para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, it is stated that "The trust deed shall state that the minimum number of trustees shall be four." The Board of Trustees of Sahara Mutual Fund comprises of two (2) Trustees and thereby the above criteria of minimum number of Trustees has not been complied with.

8.20 Net worth:

As per the Reg. 21(1)(f), of SEBI (Mutual Funds) Regulations, 1996 and in compliance with the notification of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2014 dated May 6, 2014, the AMC should maintain a Net Worth of minimum Rs. 50 crs. The Net Worth of Sahara Asset Management Company Private Ltd. as on March 31, 2020 was Rs.3.20 crs, which is below the threshold limit of Rs.50 crs and thereby the net worth criteria as required by the above regulations has not been complied with.

8.21 Previous year's figures are not comparable as the scheme has been wound up on March 27, 2020 and the accounts for the current year have been prepared for the period from 1st April, 2019 to 27th March, 2020.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

**Head Operations
& NAV Accounting**

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA R.E.A.L FUND
Perspective Historical Per Unit Statistics

Particulars	As at	As at	As at
	27-Mar-20	31-Mar-19	31-Mar-18
	(Rs. Per Unit)	(Rs. Per Unit)	(Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	0.32	0.20	0.20
(ii) Income from Profit (net of loss) on inter-scheme sales/transfer of investments			
	0.00	0.00	0.00
(iii) Income from Profit (net of Loss) on sale other than Interscheme	(6.70)	8.67	3.07
(iv) Transfer to revenue account from past year's reserve	0.00	0.00	0.00
(b) Aggregate of expenses, write off, amortisation and charges	0.47	0.58	0.71
(c) Net Income	(6.85)	8.29	2.56
(d) Net unrealised appreciation/(dimunition) in value of Investments	0.00	(1.01)	7.81
(e) Net Asset Value			
Dividend Plan	15.1296	20.8818	21.9026
Growth Plan	15.1271	20.8784	21.8991
Direct Dividend Plan	23.0014	21.3282	22.3004
Direct Growth Plan	16.8006	23.1026	23.7818
(f) Purchase Price during the year**			
(i) Highest			
Dividend Plan	20.9671	22.8292	24.3003
Growth Plan	22.6118	22.8255	24.2963
Direct Dividend Plan	23.0014	23.2464	24.6834
Direct Growth Plan	16.8006	24.8094	26.2338
(ii) Lowest			
Dividend Plan	15.1296	18.5944	18.8777
Growth Plan	15.1271	18.5914	18.8749
Direct Dividend Plan	23.0014	18.9863	19.1258
Direct Growth Plan	16.8006	20.5549	19.9634
(g) Sale Price during the year**			
(i) Highest			
Dividend Plan	0.0000	0.0000	0.0000

Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
(ii) Lowest			
Dividend Plan	0.0000	0.0000	0.0000
Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by Percentage	2.29%	2.76%	3.05%
(i) Ratio of income to average daily net assets by Percentage (excluding transfer to revenue account from past year's reserve but including net change in unrealized appreciation /depreciation in value of Investments and adjusted for net loss on sale / redemption of investments)	1.58%	37.03%	47.65%

*Annualised

**Based on the maximum load during the year

Per unit calculations based on number of units in issue at the end of the period.

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara Banking and Financial Services Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Banking and Financial Services Fund** ("the Scheme"), which comprise the Balance Sheet as at March 27, 2020, the Revenue Account for the period from 1st April, 2019 to 27th March, 2020 and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements of the scheme give the information specified in the Ninth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto ("the SEBI Regulations"), as applicable, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 27, 2020;
- (b) in the case of the Revenue Account, of the deficit for the period ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA's) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust/Scheme in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements of the Scheme. Our audit has been conducted in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to the following matters in the Notes to the financial statements:

- a) Note no. 8.18 (a) which states that SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up.
- b) Note no. 8.18 (b) which states that The Board of Trustees of Sahara Mutual Fund have decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996 with effect from 27th March, 2020.

In view of the above the accounts for the period from 1st April, 2019 to 27th March, 2020 have been prepared on "liquidation basis of accounting" and not on a going concern basis.

Our opinion is not modified in respect of the above matter.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Trustees of Sahara Mutual Fund and the Board of Directors of Sahara Asset Management Company Private Limited (the "Directors") are responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Scheme in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of

the Scheme and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Consequent upon the directions in the SEBI letter dated 5th March, 2020 and the decision of the Trustees to comply with the SEBI directions, the Scheme has been wound up on 27th March, 2020 and the financial statements have been prepared on liquidation basis of accounting.

Those charged with Governance are also responsible for overseeing the Scheme's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) The Balance Sheet and Revenue Account dealt with by this Report are in agreement with the books of accounts of the Scheme.
- c) The statement of account has been prepared in accordance with the accounting policies and standards specified in the SEBI Regulations and amendments thereto, as applicable.
- d) We have reviewed the Valuation Policy being followed for the schemes of Sahara Mutual Fund. The Valuation Policy implemented for the Scheme is in line with the SEBI guidelines issued in this regard.

For Chaturvedi & Partners.

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No. 117510

ICAI UDIN: 20117510AAAAAY6392

Place: Mumbai
Date: August 28, 2020

SAHARA BANKING AND FINANCIAL SERVICES FUND
BALANCE SHEET AS AT MARCH 27, 2020

SAHARA BANKING & FINANCIAL SERVICES FUND	Schedule	As at	As at
		March 27, 2020	March 31, 2019
ASSETS		(Rs)	(Rs)
Investments	1	-	47,103,616
Other Current Assets	2	26,059,803	2,733,942
Total Assets		26,059,803	49,837,558
LIABILITIES			
Unit Capital	3	12,674,294	14,221,785
Reserves & Surplus	4	12,833,083	35,058,112
Current Liabilities & Provisions	5	552,426	557,661
Total Liabilities		26,059,803	49,837,558

NET ASSET VALUE

Net Asset Value per unit (Rs.)

i) Dividend Plan	D	15.3895	25.8882
ii) Growth Plan	G	43.5580	73.2303
ii) Direct Dividend Plan	DDP	15.7208	26.4001
iv) Direct Growth Plan	GDP	46.5124	77.9193

Significant Accounting Policies and Notes to the accounts 7
Schedules 1 to 5 and 7 form an integral part of the Balance Sheet

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

**Head Operations
& NAV Accounting**

I S Verma

Director

Sudhir Kaup

Compliance Officer

Place: Mumbai

Date: 28th August, 2020

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA BANKING AND FINANCIAL SERVICES FUND
REVENUE ACCOUNT FOR THE PERIOD ENDED March 27, 2020

SAHARA BANKING & FINANCIAL SERVICES FUND	Schedule	For the period ended March 27, 2020	For the year ended March 31, 2019
		(Rs)	(Rs)
INCOME			
Dividend Income		199,887	187,282
Interest & Discount Income			4,191
Other Income		7	18
Profit on Sale / Redemption of Investments (Net)		-	19,505,458
(Other than Inter Scheme Transfer / Sale)			
Total Income		199,894	19,696,949
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Loss on Sale / Redemption of Investments(Net)		7,379,706	-
(Other than Inter Scheme Transfer / Sale)			
Management Fees		112,411	691,333
ST / GST on Management Fees		20,235	124,441
Investor Education & Awareness Fees		8,810	9,225
Registrar & Transfer Agent Charges		361,785	164,827
Transaction cost		17,556	16,602
Custodian Fees		217,495	90,069
Trusteeship Fees & Expenses		45,075	8,560
Audit Fees		70,775	83,015
Professional Fees		112,486	27,292
Commission to Agents		31,074	16,544
Total Expenses		8,377,408	1,231,908
Net Surplus for the Year		(8,177,514)	18,465,041
Provision/ Write Back for diminution in the value of Investment	6	152,033	304,234
Net Surplus for the Year (excluding unrealised appreciation)		(8,025,481)	18,769,275
Transfer from Income Equalisation Reserve		(5,533,303)	(7,187,350)

Net : Transferred to Revenue Reserve		(13,558,784)	11,581,925
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Significant Accounting Policies and notes to the accounts 7

Schedules 6 to 7 form an integral part of the Revenue Account

As per our attached report of even date

For Chaturvedi & Partners
Chartered Accountants
(Firm's Registration No. 307068E)

Khyati Shah
(Partner)
Mem. No.117510

Place: Mumbai
Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava
Director

Vidya Manjrekar
Head Operations
& NAV Accounting

For Sahara Mutual Fund

M R Siddiqui
Trustee

Place: Mumbai

I S Verma
Director

Sudhir Kaup
Compliance Officer

S P Srivastava
Trustee

Date: 28th August, 2020

SAHARA BANKING AND FINANCIAL SERVICES FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET

SAHARA BANKING & FINANCIAL SERVICES FUND		As at March 27, 2020		As at March 31, 2019
		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		-		47,103,616
		-		47,103,616
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		25,746,859		2,426,177
Investment - Liquid MF Units		283,100		284,383
Investment - Liquid MF Units - Investor Education		23,382		23,382
Dividend Receivable		6,462		-
		26,059,803		2,733,942
SCHEDULE 3				
Unit Capital				
Dividend Option 912165.944 units of Rs.10 each	D	9,121,659		10,100,072
(For 2018-2019 - 1010007.170 units of Rs.10 each)				
Growth Option 166895.376 units of Rs.10 each	G	1,668,954		2,150,514
(For 2018-2019 - 215051.378 units of Rs.10 each)				
Direct Dividend Option 148140.378 units of Rs.10 each	DDP	1,481,404		1,546,672
(For 2018-2019 - 154667.157 units of Rs.10 each)				
Direct Growth Option 40227.688 units of Rs.10 each	GDP	402,277		424,527
(For 2018-2019 - 42452.704 units of Rs.10 each)				

Total		12,674,294		14221,785
(Refer Note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	39,946,171		28,364,246	
Transferred from Revenue Account	(13,558,784)		11,581,925	
Balance as at end of the year		26,387,387		39,946,171
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(5,533,303)		(7,187,350)	
Transferred to Revenue Account	5,533,303		7,187,350	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	9,263,418		18,655,417	
Additions During the year	(9,263,418)		(9,391,999)	
Balance as at end of the year		-		9,263,418
Unit Premium Reserve				
Balance as at beginning of the year	(14,151,477)		(15,657,161)	
Additions During the year	597,173		1,505,684	
Balance as at end of the year		(13,554,304)		(14,151,477)
		12,833,083		35,058,112
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	39,946,171		28,364,246	
Transferred from Revenue Account	(13,558,784)		11,581,925	
Balance as at end of the year		26,387,387		39,946,171
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(5,533,303)		(7,187,350)	
Transferred to Revenue Account	5,533,303		7,187,350	

Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	9,263,418		18,655,417	
Additions During the year	(9,263,418)		(9,391,999)	
Balance as at end of the year		-		9,263,418
Unit Premium Reserve				
Balance as at beginning of the year	(14,151,477)		(15,657,161)	
Additions During the year	597,173		1,505,684	
Balance as at end of the year		(13,554,304)		(14,151,477)
		12,833,083		35,058,112
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		154,893		181,036
Management Fees Payable		6,010		2,339
ST / GST on Management Fees		1,082		421
Payable - Fee on Investor Education		41,424		37,336
STT Payable		0		4
Distribution Payable		102,611		103,894
Payable on redemption of units		246,406		232,631
		552,426		557,661

SCHEDULES FORMING PART OF REVENUE ACCOUNT

SAHARA BANKING & FINANCIAL SERVICES FUND		For the year ended March 27, 2020		For the year ended March 31, 2019
SCHEDULE 6		(Rs)		(Rs)
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(152,033)		(456,267)
At the end of the year		-		(152,033)
		152,033		304,234

CASHFLOW STATEMENT FOR THE PERIOD ENDED MARCH 27, 2020

SAHARA BANKING & FINANCIAL SERVICES FUND		For the period ended	For the year ended
		March 27, 2020	March 31, 2019
		(Rs)	(Rs)
A.	Cash Flow from Operating Activity		
	Surplus / (Deficit) for the year	(8,177,514)	18465041
	Add/(less) : Net Change in Marked to Market Value of Investments	(9111385)	(9087765)
	Add: Interest expense on Loan	-	-
	Adjustments for :-		
	(Increase) / Decrease in Investments	47103616	448057
	(Increase) / Decrease in Other current assets	(5179)	3974
	Increase / (Decrease) in Other current liabilities	(5235)	(35412)
	Increase / (Decrease) in Fixed Deposit	-	-
	Net cash generated from / (used in) operations	29804303	9793895
	(A)		
B.	Cash Flow from Financing Activities		
	Increase / (Decrease) in Unit Capital	(1547491)	(2648875)
	Increase / (Decrease) in Unit Premium	597173	1505684
	Income Equalisation during the period	(5533303)	(7187350)
	Adjustments for:-		
	Increase / (Decrease) in Sundry Creditors for units redeemed by Investors	-	-
	(Increase) / Decrease in Sundry Debtors for units issued to investors	-	-
	Dividend paid during the year (including Dividend Distribution Tax)	-	-
	Net cash (used in) / generated from financing activities	(6483621)	(8330541)
	(B)		
	Net increase / (Decrease) in cash and cash equivalents	23320682	1463354
	(A+B)		
	Cash and Cash Equivalents as at the beginning of the year	2426177	962823
	Cash and Cash Equivalents as at the close of the year	25746859	2426177
	(D)		
	Net cash and cash equivalents	23320682	1463354
	(D-C)		
	Components of cash and cash equivalents		
	Balances with banks in current accounts	25746859	2426177
	Fixed Deposits (less than 3 months)	-	-
	CBLO / TriParty Repo	-	-

	Cash and Cash equivalents as at the close of the year.		25746859	2426177
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As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

Head Operations

& NAV Accounting

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SCHEDULE - 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE PERIOD FROM 1ST APRIL, 2019 TO MARCH 27th, 2020.

1. INTRODUCTION

1.1 About the Scheme

SAHARA Banking and Financial Services Fund is an open ended sectoral growth scheme of Sahara Mutual Fund (the "Fund"). The investment objective is to provide long term capital appreciation through investment in equities and equities related securities of companies engaged in Banking & Financial Services, either whole or in part. In line with SEBI Circular for providing separate options for direct investments, the scheme has four options (1) Growth Option (ii) Dividend Option (iii) Growth Option – Direct and (iv) Dividend Option – Direct.

The scheme will not declare dividend under the Growth Plan. The Income earned on such units remain invested under the scheme and reflected in the Net Asset Value. The New Fund Offer period of the scheme was from 28/07/2008 to 26/08/2008.

The Scheme was wound up by the Trustees on 27th March, 2020 in terms of the provisions of Regulation 39(2)(c) of the SEBI (Mutual Funds) Regulations, 1996.

1.2 Asset Management Company

Sahara Mutual Fund (SMF) has been established as a Trust in accordance with the Indian Trusts Act, 1882, and is sponsored by Sahara India Financial Corporation Limited.

Sahara Asset Management Company Private Limited ("SAMCPL"), a company incorporated under the Companies Act, 1956, has been appointed as the Asset Management Company ("Investment Manager") to Sahara Mutual Fund.

The Shareholding of Sahara Asset Management Company Private Limited as on March 27, 2020 is as follows:

Name of the Shareholder	Type of Holdings	Holding
Sahara India Financial Corporation Limited	Equity	45.27%
Sahara India Corp Investment Limited	Equity	10.52%
Sahara Prime City Limited (formerly Sahara India Investment Corporation Limited)	Equity	11.74%
Sahara Care Limited	Equity	31.00%
Sahara India Commercial Corporation Limited	Equity	1.47%
Name of the Shareholder	Type of Holdings	Holding
Sahara India Commercial Corporation Ltd	Preference	90.32%
Sahara Care Ltd	Preference	9.68%

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting.

The Scheme maintains its books of account on an accrual basis. These financial statements have been prepared in accordance with the Accounting Policies and Standards specified in the Ninth Schedule of The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, (the "Regulation"), and amendments thereto, as applicable.

2.2. Accounting for Investments

- 2.2.1 Investments are accounted on trade dates at cost including brokerage, stamp duty and other charges which are included in the acquisition of investments.
- 2.2.2 Profit or loss on sale of investments is determined on the respective trade date by adopting the "Weighted Average Cost" method.

2.2.3 Bonus/Rights entitlements on equity holdings are recognized only when the original shares on which the entitlement accrues are traded on the Principal stock exchange on ex-bonus/ex-rights basis respectively. In respect of unlisted/ non- traded securities, the Bonus/Rights on equity holdings are recognized only on the receipt of the Bonus/Rights.

2.2.4 Primary Market Investments are recognized on the basis of allotment advice.

2.3. Valuation of Investments

Valuation Policy as on 27.03.2020 is as under.

A: VALUATION OF DEBT INSTRUMENTS

A (I) - The 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. where Script wise values are available from CRISIL/ ICRA	The aggregated average price provided by CRISIL / ICRA for the given security or any other agencies as may be indicated from time to time by SEBI/AMFI for that day
3	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc where Script wise values are not available from CRISIL/ ICRA	
	i)	Same security traded and reported on public platforms.
	ii)	If Same Security not traded and reported on any of the public platforms.
4	Central Government Securities / State Government Securities / Treasury Bills/Cash Management Bill etc	
	1) If the securities are traded and residual maturity is above 60 days.	The Aggregated average valuation as provided by CRISIL / ICRA or any other agencies as may be indicated from time to time by SEBI/AMFI for that day. In case on any given day, the valuation Matrices is not available from CRISIL/ICRA the Valuation is done on accrual/amortization based on last valuation.

	2) If the securities are non-traded and residual maturity is above 60 days.	By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent.
	3) If the securities are traded and residual maturity of the securities is equal to or below 60 days	On last traded price as given on NDS-Section of CCIL Website (Excluding abnormal trade).
	4) If the securities are non-traded and the residual maturity of the securities is equal to or below 60 days	By amortization on straight line basis to maturity from cost or last valuation price whichever is more recent as long as it is within +/- 0.10 % of the reference price. Benchmark yields for calculating reference price to be provided by CRISIL / ICRA.

A (II) Pricing of Inter -Scheme Transfer of Debt Instruments (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/CBRICS up to the time of IST.	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	ii)	If Same security is not traded but similar Security/securities are traded and reported up to the time of IST on FTRAC/CBRICS	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	iii)	If Same or similar Security/securities are not traded and reported up to the time of IST on FTRAC/CBRICS	Previous end of the day valuation plus accrual, if any, based on settlement day of the IST is taken. Example: if settlement is T+0 then no accrual/amortization and if the settlement is other than T+0 then appropriate accrual/amortization.
2.	Central Government Securities / State Government Securities / Treasury Bills/ Cash Management Bill etc		

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 plus accrual/amortization is taken

Similar Security:

Similar security here shall mean those securities which are same nature [Commercial Paper (CP), Certificate of Deposit (CD), Non-Convertible Debentures (NCD), etc] of different issuers having same or equivalent credit rating for Similar maturity profile (For both Short term rating and Long term rating), and falling in same “Maturity Bucket” as defined below. Further the instruments Commercial Paper (CP), Bonds and Non-Convertible Debentures (NCDs) etc are categorized into following sub-categories:—

- 1) NBFC
- 2) Real Estate,
- 3) PTC
- 4) Others

Maturity Bucket:

- For Debt Security having remaining maturity up to 91 days

Maturity date of securities falling between	Time Bucket
1st and 7th of the month	1-7 of the same month
8th and 15th of the month	8-15 of the same month
16th and 23rd of the month	16-23 of the same month
24th to end of the month	24- end of the month

- For Debt Securities having remaining maturities more than 91 days

“Time Bucket” for maturity profile of “Similar Securities” is same calendar month of that year.

A (III) Notes:

1. For the purpose of Valuation of securities and for Inter Scheme Transfer, Weighted average of all trades of 5crs and above, excluding abnormal trades and retail trades is taken. Since retail trades are of small value and generally may 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.
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

For the Valuation/Inter-scheme transfer, the available trades of various public platform is considered where the face value of trade per transaction is Rs. 5 crs and above. If in any given day in same/ similar security, the value of total trade is less than minimum market lot of 5 Crs, the same is ignored for the valuation purpose.

3. CRISIL and ICRA provide the valuation matrices for various maturity buckets. Script wise value for various debt instruments are also provided by CRISIL and ICRA. Trades are also reported and settled on various public platforms.
4. Public platform for the purpose of 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 for which Script wise values are not available from CRISIL/ICRA.
5. The data on yield and prices are generally provided up to 4 decimal points which shall be considered and these prices are considered on respective face value of the instruments for arriving at valuation.

6. For the valuation of traded securities where Script wise values are not available by CRISIL/ICRA, price derived from the corresponding Weighted Average yield of all available trades excluding abnormal and retail trades on any public platform for the same security on T+1 settlement basis is taken.

In case, the Bilav file is not received by 7:30 pm and script wise values are not available then FIMMDA managed FTRAC platform and NDS OM section of CCIL website may be used for the calculation of weighted average yield of traded security.

7. For non-traded securities where Script wise values are not available, the valuation is done on the price derived from the corresponding the aggregated yield matrices for the respective category as provided by CRISIL/ICRA on T+1 settlement basis.
8. For Government Securities, SDL, T-Bills, Cash Management Bill etc, the valuation is done on aggregated Script wise pricing as provided by CRISIL/ICRA and as applicable for that day.

In the absence of Script wise values the valuation is based on aggregated matrices if available from CRISIL/ICRA on T+1 settlement and as applicable for that day.

9. In case the valuation matrices/Script wise value is available either from CRISIL/ICRA up to a reasonable time limit, the same is considered for arriving at valuation.
10. In respect of on any day neither the Script wise value nor the valuation Matrices is available from CRISIL/ICRA within the reasonable time limit, the Valuation is done on the basis of accrual/amortization based on the last valuation.

B: VALUATION OF EQUITY INSTRUMENTS

1. Traded Equity Securities

When an equity security is not traded on any Stock Exchange on a particular valuation day, the value at which it was traded on the selected Stock Exchange, as the case may be, on the earliest previous day is used provided such date is not more than thirty days prior to valuation date.

2. Thinly Traded Equity / Equity Related Securities

- (a) When trading in an equity and/or equity related securities (such as convertible debentures, equity warrants etc.) in a month is both less than Rs.5 lacs in value and the total volume is less than 50,000 shares, the security is considered as thinly traded security.
- (b) In order to determine whether a security is thinly traded or not, the volumes traded in all recognized Stock Exchanges in India would be taken into account.
- (c) Where a Stock Exchange identifies the thinly traded securities by applying the above parameters for the preceding calendar month and publishes or provides the required information along with the daily quotations, the same would be used for valuation.
- (d) If the shares are not listed on the Stock Exchanges which provide such information, then we would make our own analysis in line with the above criteria to check whether such securities are thinly traded or not.

3. Non-traded / Suspended Securities

When an equity security is not traded on any Stock Exchange for a period of thirty days prior to the valuation date, the Script would be treated as a non-traded security.

When an equity security is suspended up to thirty days, then the last traded price is considered for valuation of that security. If an equity security is suspended for more than thirty days, then the AMC or Trustees would decide the valuation norms to be followed and such norms would be documented and recorded.

The valuation methodology for thinly traded equity securities, Non-traded equity securities would be as follows:

Based on the latest available Balance Sheet, net worth would be calculated as follows:

- (a) Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
- (b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
- (c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 10% for illiquidity so as to arrive at the fair value per share.
- (d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- (e) In case, where the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- (f) In case, an individual security accounts for more than 5% of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it would be valued by the procedure above and the proportion which it bears to the total net assets of the scheme to which it belongs will be compared on the date of valuation.

4. Unlisted Equity

Methodology for Valuation - unlisted equity shares of a company would be valued "in good faith" as below:

- a) Based on the latest available Balance Sheet, net worth would be calculated as follows:
 - 1. Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
 - 2. After taking into account the outstanding warrants and options, Net Worth per share would again be calculated and is = [Share Capital + consideration on exercise of Option and/or Warrants received/receivable by the Company + Free Reserves (excluding Revaluation Reserves) – Miscellaneous expenditure not written off or deferred revenue expenditure, intangible assets and accumulated losses] / Number of Paid up Shares plus Number of Shares that would be obtained on conversion and/or exercise of Outstanding Warrants and Options.
 - 3. The lower of (1) and (2) above would be used for calculation of Net Worth per share and for further calculation in (c) below.
- a) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate (P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.
- b) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 15% for illiquidity so as to arrive at the fair value per share.

The above valuation methodology would be subject to the following conditions:

- a) All calculations would be based on audited accounts.
- b) If the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- c) If the Net Worth of the company is negative, the share would be marked down to zero.

- d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- e) In case an individual security accounts for more than 5 per cent of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it is valued in accordance with the procedure as mentioned above on the date of valuation.

5. Demerger

Generally on demerger, a listed security gets bifurcated into two or more shares. The valuation of these de-merged companies would depend on the following scenarios:

- a) Both the shares are traded immediately on de-merger: In this case both the shares would be valued at respective traded prices.
- b) Shares of only one company continued to be traded on de-merger: Traded shares would be valued at traded price and the other security would be valued at traded value on the day before the de merger less value of the traded security post de merger. In case value of the share of de-merged company is equal or in excess of the value of the pre de-merger share, then the non-traded share would be valued at zero, till the date it is listed.
- c) Both the shares are not traded on de-merger: Shares of de-merged companies would be valued equal to the pre de merger value up to a period of 30 days from the date of de merger till the date it is listed. The market price of the shares of the de-merged company one day prior to ex-date would be bifurcated over the de-merged shares. The market value of the shares would be bifurcated on a fair value basis, based on available information on the de-merger scheme.
- d) In case shares of either of the companies are not traded for more than 30 days: Then it would be treated as unlisted security, and valued accordingly till the date these are listed.

6. Preference Shares

Preference Shares valuation guidelines would be as follows:

- a) Traded preference shares would be valued as per traded prices.
- b) Non traded Preference Shares

(I). Redeemable Preference Shares

i. Convertible preference share would be valued like convertible debentures.

In general in respect of convertible debentures and bonds, the non-convertible and convertible components would be valued separately. The non-convertible component would be valued on the same basis as would be applicable to a debt instrument. The convertible component would be valued on the same basis as would be applicable to an equity instrument.

If a convertible preference share does not pay dividend then it would be treated like non-convertible debentures.

ii. Non-Convertible preference share would be valued like a debt instrument.

(II). Irredeemable preference shares would be valued on perpetual basis. It is like a constant dividend equity share.

7. Warrants

- a) In respect of warrants to subscribe for shares attached to instruments, the warrants would be valued at the value of the share which would be obtained on exercise of the warrants as reduced by the amount which would be payable on exercise of the warrant. A discount similar to the discount to be

determined in respect on convertible debentures is deducted to account for the period, which must elapse before the warrant can be exercised.

- b) In case the warrants are traded separately they would be valued as per the valuation guidelines applicable to Equity Shares.

8. Rights

Until they are traded, the value of "rights" shares would be calculated as:

$$V_r = n \div m \times (P_{ex} - P_{of})$$

Where

V_r = Value of rights

n = no. of rights offered

m = no. of original shares held

P_{ex} = Ex-rights price

P_{of} = Rights Offer Price

Where the rights are not treated pari passu with the existing shares, suitable adjustment would be made to the value of rights. Where it is decided not to subscribe for the rights but to renounce them and renunciations are being traded, the rights would be valued at the renunciation value.

9. Derivatives

Market values of traded open futures and option contracts would be determined with respect to the exchange on which contracted originally, i.e., a future or an option contracted on the National Stock Exchange (NSE) would be valued at the closing price on the NSE.

The price of the same futures and option contract on the Bombay Stock Exchange (BSE) cannot be considered for the purpose of valuation, unless the futures or option itself has been contracted on the BSE.

The same will be valued at closing price if the contract is traded on the valuation day. In case there is no trade on valuation day then the same would be valued at Settlement prices.

However, the contracts which are going to expire on valuation date would be valued at Settlement prices only.

10. Mutual Fund Units

- a) In case of traded Mutual Fund schemes, the units would be valued at closing price on the stock exchange on which they are traded like equity instruments. In case the units are not traded for more than 7 days, last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- b) If the last available Repurchase price is older than 7 days, the valuation will be done at the last available NAV reduced by illiquidity discount. The illiquidity discount will be 10% of NAV or as decided by the Valuation Committee.
- c) In case of non-traded Mutual Fund scheme, the last declared Repurchase Price (the price at which Mutual Fund schemes buys its units back) would be considered for valuation.
- d) In case of Investments made by a scheme into the other scheme of Sahara Mutual Fund, if valuation date being the last day of the financial year falling on a non-business day, then the computed NAV would be considered for valuation on March 31.

Related matters

- i) In case the income accrued on debt instruments is not received even after 90 days past the due date, the asset is termed as Non-Performing Assets (NPAs) and all provisions/guidelines with respect to income accrual, provisioning etc as contained in SEBI circulars/guidelines issued from time to time shall apply and the valuation of such securities will be done accordingly. In case the company starts servicing the debt, re-schedulement is allowed, the applicable provision in SEBI circulars shall apply for provisioning and reclassification of the asset

- ii) In case of any other instruments not covered in the policy above, the same is referred to the Investment and Valuation Committee which is empowered to take decision.
- iii) In case of any perceived conflict of interest while valuating the securities, the matter is dealt and decided by Investment and Valuation Committee.
- iv) For non– business day the valuation is done on aggregated Script wise prices as provided by CRISIL/ICRA. In absence of Script wise prices the valuation is done on accrual basis/amortization basis based on last valuation
- v) In case of exceptional circumstances like, policy announcements by government/regulatory bodies, natural disasters, public disturbances, extreme volatility in capital market, shut down of market, war etc and on those days if Script wise value or valuation matrices are not available from CRISIL/ICRA and if security is not traded, the valuation for the day is done based on last valuation plus accrual/amortization or as may decided by the Investment and Valuation Committee.
- vi) The Valuation Policy is reviewed by the Statutory Auditor at least once in a financial year.
- vii) Valuation Policy as updated and approved by the Board of AMC / Board of Trustees is applicable for the schemes of Sahara Mutual Fund.

2.3.1 Valuation of securities not covered under the above valuation policy:

The total exposure in securities, which do not fall under above valuation norms, shall not exceed 5% of the total AUM of the scheme.

In case of any other instruments not covered in the policy above, the same shall be referred to the Investment and Valuation Committee which is empowered to take decision. Investment in such securities is to be valued by a method approved by the Investment and Valuation Committee and the same will be reported to the Board of Trustees.

2.3.2 Unrealised Appreciation/Depreciation.

In accordance with the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds issued by the Institute of Chartered Accountants of India, the unrealized appreciation determined separately for each individual investment is directly transferred to the “Unrealized Appreciation Reserve Account” i.e. without routing it through the revenue account.

The provision for depreciation in value of investments determined separately for each individual investment is recognized in the revenue account. The loss (realized) on investments sold / transferred during the year is charged to revenue account, instead of being first adjusted against the provision for depreciation, if already created in the prior year, as recommended by the said Guidance Note. However, this departure from the Guidance Note does not have any net impact on the Scheme’s net assets or results for the year.

2.4 Revenue Recognition

- 2.4.1 Income and Expenses are recognized on accrual basis.
- 2.4.2 Interest on funds invested in short term deposits with scheduled commercial banks is recognized on accrual basis.
- 2.4.3 Dividend income earned by the scheme is recognized on the date the share is quoted on ex-dividend basis on principal stock exchange.
- 2.4.4 Proportionate realized gains on investments out of sales / repurchase proceeds at the time of sale / repurchase of units are transferred to revenue Account from Unit Premium Reserve.

3. Net Asset Value for Growth/Dividend Options:

The net asset value of the units is determined separately for units issued under the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option – Direct. For reporting the net asset value of the Growth Option, Dividend Option, Growth Option – Direct and Dividend Option - Direct, daily income earned, including realized and unrealized gain or loss in the value of investments and expenses incurred by the scheme are allocated to the options in proportion to the value of the net assets.

4. Unit Premium Reserve Account

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the unit premium reserve account of the Scheme, after an appropriate amount of the issue proceeds and redemption pay-out is credited or debited respectively to the income equalization account.

5. Income Equalisation Account

An appropriate part of the sale proceeds or the redemption amount, as the case may be, is transferred to income equalization account. The total distributable surplus (without considering unrealized appreciation) upto the date of issue/ redemption of units has been taken into account for the purpose of ascertaining the amount to be transferred to Equalization Account on a daily basis. The net balance in this account is transferred to the Revenue Account at the end of the year.

6. Load Charges

Service tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of service tax, if any, shall be credited to the scheme.

7. Unclaimed Redemption.

In line with SEBI circular no. MFD/CIR/9/120 /2000 dated November 24, 2000 and SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed redemption and unclaimed dividend amounts may be deployed by the mutual funds in call money market or money market instruments and also be allowed to be invested in a separate plan of Liquid Scheme/ Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. The investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. Further, AMC shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plans shall be capped at 50 bps. The AMC should make continuous effort to remind the investors through letters to take their unclaimed amounts.

8. NOTES TO THE ACCOUNTS

8.1 Management Fees, Trusteeship Fees, Custodian Fees, Scheme Expenses

Management Fees

Management Fees (inclusive of GST) has been computed at 0.30% (P.Y. 1.77%) on average net assets calculated on a daily basis.

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the period from April 1st, 2019 to March 27th, 2020, the Trusteeship fees and expenses amounted to Rs.64,544.14 (PY:Rs.82,476.35). However, due to small AUM of the scheme, only an amount of Rs.45,074.91 (PY:8,560.13) was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

HDFC Bank provides Custodial services to the scheme for which fees is paid as per the agreement.

Scheme Expenses

As per guidelines issued vide SEBI circular dated October 22, 2018, the schemes related expenses had to be fully managed from the Total Expense Ratio (TER).

During the period from April 1st, 2019 to March 27th, 2020, due to small size of AUM of the scheme only the certain expenses have been paid from TER and the balance amount had been borne by the AMC, details are as under:

(Amount in Rs.)

Particulars	Total Expenses	Charged to Scheme TER	Balance borne by AMC
R & T Expenses	3,89,977.02	3,61,785.17	28,191.85
Audit fees	84870.39	70774.99	14095.41

8.2 Provision for tax has not been made since the income of the scheme is exempt from tax under Section 10(23D) of the Income Tax Act, 1961.

8.3 Transactions with Brokers in excess of 5% or more of the aggregate purchases and sale of securities made by the Fund have been reported to the Trustees on a Bimonthly basis.

8.4 During the period from April 1st, 2019 to March 27th, 2020, the Registrar and Transfer Agent charges amounting to Rs.3,61,785.17 (PY:Rs.1,64,827.31) constitutes 36.26%(PY:13.38%), Custodian Fees amounting to Rs.2,17,494.65 (PY:Rs.90068.70) constitutes 21.80%(PY:7.31%) and Professional Fees amounting to Rs.1,12,486.22(PY:27291.93) constitutes 11.27%(PY:2.22%) of the total scheme expenses.

8.5 Transactions with Associates/related parties/group companies of Sponsor/AMC

Brokerage / Commission on sale of units by the Scheme or by the Asset Management Company given to associates, pursuant to Regulation 25(8): Related Party:- Sahara India Financial Corporation Ltd(SIFCL):(Sponsor)

Commission to SIFCL made for sale of units of the MF for the period from April 1st, 2019 to March 27th, 2020.

(Rs. In Lakhs)

Tax Gain Fund	Growth Fund	Mid Cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0436	0.0010	0.0032	0.0012	0.0020	0.0003	0.0103

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2019.

(Rs.In lakhs)

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund	Star Value Fund	Banking & Financial Services Fund
0.0541	0.0026	0.0053	0.0005	0.0047	0.0003	0.0112

Commission to SIFCL

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Business given (Rs cr and % of total business received by the fund)	Commission paid (Rs & % of total commission paid by the fund)
(1)	(2)	(3)	(4)	(5)
SIFCL	Sponsor / Mutual Fund Distributor	April 1 st , 2019 to March 27, 2020	0.00	Rs.6171.56; 7.42%
SIFCL	Sponsor / Mutual Fund Distributor	April 18- March 19	0.00	(Rs. 7874.96; 9.20%)

In column No 5, the amount relates to trail commission.

Brokerage paid to associates / related parties / group companies of Sponsor/AMC

Name of associate / related parties / group companies of Sponsor / AMC	Nature of association / nature of relation	Period Covered	Value of Transaction (in Rs, Cr & of Total value of Transaction of the Fund)	Brokerage (Rs Cr & % of total brokerage paid by the Fund)
-	-	-	-	-

There are no associate brokers, hence not applicable for the period April 1st, 2019– Mar 27th, 2020 & April 1st, 2018 – Mar 31st, 2019.

8.6 The aggregate value of Investment purchased and sold(Including Redemption) during the year as a percentage of daily average net asset value;

Purchases

Year	Amount (Rs)	% of Daily average
April 1 st , 2019 - March 27, 2020	2,702,570.39	6.13
2018-19	5,24,69,842	113.67

Sales

Year	Amount (Rs)	% of Daily average
April 1 st , 2019 - March 27, 2020	33,315,095.78	75.58
2018-19	6,33,35,591	137.21

8.7 Aggregate Appreciation and Depreciation in the value of Investments :

Asset Class	27-Mar-2020		31-Mar-2019	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	0.00	0.00	92.63	1.52

8.8 Income and Expense Ratio

	April 1 st , 2019 - March 27 th , 2020	2018-19
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	0.45%	62.41%
Total Expenditure to average net assets calculated on a daily basis	2.26%	2.67%

8.9 Movements in Unit Capital: Face Value of Units: Rs.10/- per unit.

8.9.1 Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	1902668.279	19026682.79	1902668.279	19026682.79
Opening Balance	215051.378	2150513.78	258882.084	2588820.84
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(48156.002)	(481560.02)	(43830.706)	(438307.06)
Closing Balance	166895.376	1668953.76	215051.378	2150513.78

8.9.2 Growth option –Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	42452.704	424527.04	54246.582	542465.82
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(2225.016)	(22250.16)	(11793.878)	(117938.78)
Closing Balance	40227.688	402276.88	42452.704	424527.04

8.9.3 Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	356886.705	3568867.05	356886.705	3568867.05
Opening Balance	1010007.170	10100071.70	1219270.080	12192700.80
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(97841.226)	(978412.26)	(209262.910)	(2092629.10)
Closing Balance	912165.944	9121659.44	1010007.170	10100071.70

8.9.4 Dividend Option Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	154667.157	1546671.57	154667.157	1546671.57
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(6526.779)	(65267.79)	0.000	0.00
Closing Balance	148140.378	1481403.78	154667.157	1546671.57

8.10 The scheme has declared Nil dividend during the period April 1st, 2019– Mar 27th, 2020 (PY: Nil). There was no bonus declared during the period April 1st, 2019– Mar 27th, 2020 (PY: Nil)

8.11 Unclaimed Amounts (beyond three months) :

Unclaimed Redemption and Dividend as of March 27, 2020 are as below:

Scheme Name	No of Investors	Unclaimed Dividend(Rs)	No. of Investors	Unclaimed Redemption (Rs)
Sahara Banking and Financial Services Fund	39	102611.37	16	246406.14

8.12 Investments made by the Schemes of Sahara Mutual Fund in Companies or their subsidiaries that have invested more than 5% of the net asset value of any scheme, pursuant to Regulation 25(11):**NIL**

8.13 Portfolio Statement as on March 27, 2020

The scheme's Net Asset Value stood at Rs.2.55 crores. The net realizable assets was held in cash as on date of winding up of the scheme i.e 27th March 2020, to be payable to the unit holders in proportion to their interest in the assets of the scheme.

8.14 Investments made by the Scheme in shares of Group Companies of the Sponsor – NIL.

8.15 Holdings over 25% of the NAV of the scheme as of March 27, 2020.

Particulars	As on March 27, 2020	As on March 31, 2019
Number of Investors	0	0
Percentage of Holdings	N/A	N/A

8.16 Contingent Liabilities: Nil

8.17 SEBI vide its Order no: WTM/PS/26/IMD/DOF-III/July/2015 dated 28th July, 2015 directed cancellation of "Certificate of Registration" of Sahara Mutual Fund which was to be effective on expiry of six months from the date of the Order. Further, SEBI also directed by the said Order that the Mutual Fund shall not take any new subscription from investors. Accordingly, Sahara Mutual Fund has not taken any new subscription from the investors (including existing investors) in line with the said SEBI order.

Sahara Asset Management Company Pvt. Ltd filed an appeal before the Securities Appellate Tribunal (SAT), Mumbai to set aside the said SEBI order. SAT vide its order dated 9th December 2015 granted an interim stay in the matter. SAT vide its order dated 28th July, 2017 dismissed the appeal made by Sahara AMC against the SEBI order dated 28th July, 2015. However, SAT granted 6 weeks stay to approach the Hon'ble Supreme Court in the matter. An appeal was filed on 7th September 2017 before the Hon'ble Supreme Court and the appeal was dismissed vide its order dated 23rd October 2017.

SEBI vide its letter dated November 17, 2017 directed the cancellation of 'Certificate of registration' would be effective six months from the date of the Hon'ble Supreme Court order dated 23rd October 2017.

Sahara Mutual Fund requested SEBI vide its letter dated 15th January 2018 to extend the date of cancellation of 'Certificate of registration' till July 27th, 2018 for giving time for identification of a new sponsor and considering the lock in period of certain unit holders' investments in Sahara Tax Gain fund.

A new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

SEBI vide their letter dated 11th April 2018 ordered for winding up all the schemes except Sahara tax Gain Fund by 21st April 2018. An appeal was filed before SAT for a stay against the SEBI order dated April, 11, 2018.

In view of the direction of SAT on 26th April 2018 a comprehensive appeal was filed.

SAT vide its order dated 3rd May 2018 directed that SEBI shall not enforce the orders impugned in the two appeals till a decision on new sponsor's application is communicated.

The application of One Life Capital Advisors Limited who had offered to be the new Sponsor for Sahara Mutual Fund stands annulled in view of the SEBI Order dated March 4th, 2020.

8.18 WINDING UP OF THE SCHEME

a) SEBI vide their letter no SEBI/HO/OW/IMD-II/DoF3/P/2020/8484/01 dated March 5th, 2020 directed that the Schemes be wound up in line with SEBI order no.WTM/GM/IMD/07/2018-19 dated April 11, 2018.

b) The Board of Trustees of Sahara Mutual Fund decided to wind up the Scheme/s pursuant to the provisions of Regulation 39(2)(c) of SEBI (Mutual Funds) Regulations, 1996.

c) A notice was published on March 20, 2020 and Sahara Banking and Financial Services Fund was wound up on March 27, 2020.

d) In view of the aforesaid, the Scheme accounts have been prepared on "liquidation basis of accounting" and not on a "going concern" basis.

8.19 Composition of the Board of Trustees.

As per Reg 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, it is stated that "The trust deed shall state that the minimum number of trustees shall be four." The Board of Trustees of Sahara Mutual Fund comprises of two (2) Trustees and thereby the above criteria of minimum number of Trustees has not been complied with.

8.20 Net worth:

As per the Reg. 21(1)(f), of SEBI (Mutual Funds) Regulations, 1996 and in compliance with the notification of Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2014 dated May 6, 2014, the AMC should maintain a Net Worth of minimum Rs.50 crs. The Net Worth of Sahara Asset Management Company Private Ltd. as on March 31, 2020 was Rs.3.20 crs, which is below the threshold limit of Rs.50 crs and thereby the net worth criteria as required by the above regulations has not been complied with.

8.21 Previous year's figures are not comparable as the scheme has been wound up on March 27, 2020 and the accounts for the current year have been prepared for the period from 1st April, 2019 to 27th March, 2020.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 28th August, 2020

For Sahara Asset Management Company Private Limited

A K Srivastava

Director

Vidya Manjrekar

**Head Operations
& NAV Accounting**

I S Verma

Director

Sudhir Kaup

Compliance Officer

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA BANKING AND FINANCIAL SERVICES FUND
Perspective Historical Per Unit Statistics

Particulars	As at	As at	As at
	27-Mar-20	31-Mar-19	31-Mar-18
	(Rs. Per Unit)	(Rs. Per Unit)	(Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	0.16	0.13	0.19
(ii) Income from Profit (net of loss) on inter-scheme sales/transfer of Investments	0.00	0.00	0.00
(iii) Income from Profit (net of Loss) on sale other than Inter scheme	(5.82)	13.72	4.08
(iv) Transfer to revenue account from past year's reserve	0.00	0.00	0.00
(b) Aggregate of expenses, write off, amortisation and charges	0.79	0.87	0.95
(c) Net Income	(6.45)	12.98	3.31
(d) Net unrealised appreciation/(dimunition) in value of Investments	0.00	6.41	10.79
(e) Net Asset Value			
Dividend Plan	15.3895	25.8882	21.2538
Growth Plan	43.5580	73.2303	60.1208
Direct Dividend Plan	15.7208	26.4001	21.6147
Direct Growth Plan	46.5124	77.9193	63.0969
(f) Purchase Price during the year**			
(i) Highest			
Dividend Plan	28.0279	25.8882	23.5788
Growth Plan	78.2793	73.2303	66.6977
Direct Dividend Plan	27.6592	26.4001	23.9666
Direct Growth Plan	82.9533	77.9193	69.7865
(ii) Lowest			
Dividend Plan	15.3895	20.7793	18.8598
Growth Plan	43.5580	58.7786	53.3488
Direct Dividend Plan	15.7208	21.1647	19.1252
Direct Growth Plan	46.5124	62.2947	55.0676

(g) Sale Price during the year**			
(i) Highest			
Dividend Plan	0.0000	0.0000	0.0000
Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
(ii) Lowest			
Dividend Plan	0.0000	0.0000	0.0000
Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by Percentage	2.26%	2.67%	2.96%
(i) Ratio of income to average daily net assets by Percentage (excluding transfer to revenue account from past year's reserve but including net change in unrealized appreciation /depreciation in value of Investments and adjusted for net loss on sale / redemption of investments)	0.45%	62.41%	46.88%

*Annualised

**Based on the maximum load during the year

Per unit calculations based on number of units in issue at the end of the period