

SAHARA MUTUAL FUND



ANNUAL REPORT 2019-20

INDEX – PART II

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara Power and Natural Resources Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Power and Natural Resources 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: 20117510AAAABB8503

Place: Mumbai
Date: August 28, 2020

SAHARA POWER AND NATURAL RESOURCES FUND

BALANCE SHEET AS AT MARCH 27, 2020

SAHARA POWER AND NATURAL RESOURCES FUND	Schedule	As at	As at
		March 27, 2020	March 31, 2019
ASSETS		(Rs)	(Rs)
Investments	1	-	15,517,941
Other Current Assets	2	11,153,262	1,115,989
Total Assets		11,153,262	16,633,930
LIABILITIES			
Unit Capital	3	7,484,488	8,052,868
Reserves & Surplus	4	3,371,473	8,246,685
Current Liabilities & Provisions	5	297,301	334,377
Total Liabilities		11,153,262	16,633,930

NET ASSET VALUE

Net Asset Value per unit (Rs.)

i) Dividend Plan	D	12.9610	18.0895
ii) Growth Plan	G	15.1960	21.2089
iii) Direct Growth Plan	GDP	16.5008	22.9410

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

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA POWER AND NATURAL RESOURCES FUND
REVENUE ACCOUNT FOR THE PERIOD ENDED March 31, 2019

SAHARA POWER AND NATURAL RESOURCES FUND	Schedule	For the period ended March 27, 2020	For the year ended March 31, 2019
		(Rs)	(Rs)
INCOME			
Dividend Income		203,503	157,536
Interest & Discount Income		2,016	3,144
Other Income		10	350
Profit on Sale / Redemption of Investments (Net) (Other than Inter Scheme Transfer / Sale)		-	6,284,466
Total Income		205,529	6,445,496
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Loss on Sale / Redemption of Investments (Net) (Other than Inter Scheme Transfer / Sale)		4,955,934	-
Management Fees		40,024	264,948
ST / GST on Management Fees		7,205	47,692
Investor Education & Awareness Fees		2,995	3,333
Registrar & Transfer Agent Charges		128,707	59,845
Transaction cost		6,535	6,409
Custodian Fees		77,380	32,578
Trusteeship Fees & Expenses		16,077	3,136
Audit Fees		24,446	30,153
Professional Fees		39,983	9,666
Commission to Agents		137	653
Total Expenses		5,299,423	458,413
Net Surplus for the Year		(5,093,894)	5,987,083
Provision / Write back for diminution in value of Investments	6	2,043,683	(1,434,394)
Net Surplus for the Year (excluding unrealised appreciation)		(3,050,211)	4,552,689
Transfer from Income Equalisation Reserve		(734,623)	(1,009,199)

Net : Transferred to Revenue Reserve		(3,784,834)	3,543,490
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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)

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 POWER AND NATURAL RESOURCES FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET

SAHARA POWER AND NATURAL RESOURCES FUND		As at March 27, 2020 (Rs)		As at March 31, 2019 (Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		-		15,517,941
		-		15,517,941
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		10,966,186		924,290
Investment - Liquid MF Units		181,379		187,539
Investment - Liquid MF Units for Investor Education		4,160		4,160
Dividend Receivable		1,537		-
		11,153,262		1,115,989
SCHEDULE 3				
Unit Capital				
Dividend Option 241417.685 units of Rs.10 each	D	2,414,177		2,588,152
(For 2018-2019 - 258815.161 units of Rs.10 each)				
Growth Option 490090.817 units of Rs.10 each	G	4,900,908		5,291,740
(For 2018-2019 - 529174.030 units of Rs.10 each)				
Direct Growth Option 16940.309 units of Rs.10 each	GDP	169,403		172,976
(For 2018-2019 - 17297.594 units of Rs.10 each)				
Total		7,484,488		8,052,868
(Refer Note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				

Revenue Reserve				
Balance as at beginning of the year	9,459,240		5,915,750	
Transferred from Revenue Account	(3,784,834)		3,543,490	
Balance as at end of the year		5,674,406		9,459,240
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(734,623)		(1,009,199)	
Transferred to Revenue Account	734,623		1,009,199	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	1,261,017		6,638,376	
Additions During the year	(1,261,017)		(5,377,359)	
Balance as at end of the year		-		1,261,017
Unit Premium Reserve				
Balance as at beginning of the year	(2,473,572)		(2,698,503)	
Additions During the year	170,639		224,931	
Balance as at end of the year		(2,302,933)		(2,473,572)
		3,371,473		8,246,685
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		53,557		63,328
Management Fees Payable		2,328		872
ST / GST on Management Fees Payable		419		157
Payable Fee on Investor Education		10,397		8,996
STT Payable		-		1
Payable on redemption of units		226,149		256,572
Distribution Payable		4,451		4,451
		297,301		334,377

SCHEDULES FORMING PART OF REVENUE ACCOUNT

SAHARA POWER AND NATURAL RESOURCES FUND		For the year ended		For the year ended
		March 27, 2020		March 31, 2019
SCHEDULE 6		(Rs)		(Rs)
Provision/ Write Back for dimunition in the value of Investment				
At the beginning of the year		(2,043,683)		(609,289)
At the end of the year		-		(2,043,683)
		2,043,683		(1,434,394)

CASHFLOW STATEMENT FOR THE PERIOD ENDED MARCH 27, 2020

	SAHARA POWER AND NATURAL RESOURCES 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		(5,093,894)	5987083
	Add/(less) : Net Change in Marked to Market Value of Investments		782666	(6811753)
	Add: Interest expense on Loan		-	-
	Adjustments for :-			
	(Increase) / Decrease in Investments		15517941	2703729
	(Increase) / Decrease in Other current assets		4623	-
	Increase / (Decrease) in Other current liabilities		(37076)	106706
	Increase / (Decrease) in Fixed Deposit		-	-
	Net cash generated from / (used in) operations	(A)	11174260	1985765
B.	Cash Flow from Financing Activities			
	Increase / (Decrease) in Unit Capital		(568380)	(751034)
	Increase / (Decrease) in Unit Premium		170639	224931
	Income Equalisation during the period		(734623)	(1009199)
	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)	(1132364)	(1535302)
	Net increase / (Decrease) in cash and cash equivalents	(A+B)	10041896	450463
	Cash and Cash Equivalents as at the beginning of the year	(C)	924290	473827
	Cash and Cash Equivalents as at the close of the year	(D)	10966186	924290
	Net cash and cash equivalents	(D-C)	10041896	450463
	Components of cash and cash equivalents			
	Balances with banks in current accounts		10966186	924290
	Fixed Deposits (less than 3 months)		-	-
	CBLO / TriParty Repo		-	-

	Cash and Cash equivalents as at the close of the year.		10966186	924290
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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 27, 2020.

1. INTRODUCTION

1.1 About the Scheme

Sahara Power and Natural Resources Fund is an open ended growth scheme of Sahara Mutual Fund (the "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. 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 28/04/2008 to 27/05/2008.

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.	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 0.31% (PY:1.87%) 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.22,928.00 (PY:Rs.29,956.86). However, due to small AUM of the scheme, only an amount of Rs.16,076.87 (PY:Rs. 3,136.14) 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	1,38,531.48	128,707.42	9824.06
Audit fees	30148.50	24445.63	5702.86

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.1,28,707.42(PY:Rs.59,845.06), constitutes 37.47% (PY:13.05%), Custodian Fees amounting to Rs. 77,380.20 (PY: 32,578.26) constitutes 22.53%(PY:7.11%) and Professional fees amounting to Rs.39,983.25(PY:9666.25) constitutes 11.64%(PY:2.11%) 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 1st, 2019 to March 27th, 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 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	660,545.16	4.40
2018-19	1,95,19,185	116.96

Sales

Year	Amount (Rs)	% of Daily average
April 1, 2019 – March 27, 2020	12,005,218.06	80.02
2018-19	2,16,95,627	130.00

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	12.61	20.44

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.	1.37%	33.93%
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 27, 2020	As on March 27, 2020	As on March 31, 2019	As on March 31, 2019
Initial Capital	4493635.091	44936350.91	4493635.091	44936350.91
Opening Balance	529174.030	5291740.30	584076.546	5840765.46
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(39083.213)	(390832.13)	(54902.516)	(549025.16)
Closing Balance	490090.817	4900908.17	529174.030	5291740.30

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	17297.594	172975.94	17297.594	172975.94
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(357.285)	(3572.85)	0.000	0.00
Closing Balance	16940.309	169403.09	17297.594	172975.94

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	2094688.331	20946883.31	2094688.331	20946883.31
Opening Balance	258815.161	2588151.61	279016.039	2790160.39
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(17397.476)	(173974.76)	(20200.878)	(202008.78)
Closing Balance	241417.685	2414176.85	258815.161	2588151.61

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 Power and Natural Resources Fund	3	4450.52	17	216149.07

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.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.

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 Power and Natural Resources 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.

8.18 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.

8.19 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.

8.20 Previous year's figures are not comparable as the scheme has been wound up on March 27, 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 POWER AND NATURAL RESOURCES 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	0.27	0.20	0.32
(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	(6.62)	7.80	2.80
(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	0.46	0.57	0.70
(c) Net Income	(6.81)	7.43	2.42
(d) Net unrealised appreciation/(diminution) in value of Investments	0.00	(0.97)	6.85
(e) Net Asset Value			
Dividend Plan	12.9610	18.0895	18.9418
Growth Plan	15.1960	21.2089	22.2083
Direct Dividend Plan	16.0357	16.0357	16.0357
Direct Growth Plan	16.5008	22.9410	23.5588
(f) Purchase Price during the year**			
(i) Highest			
Dividend Plan	19.4457	19.6758	21.7373
Growth Plan	22.9270	23.0688	25.4858
Direct Dividend Plan	0.0000	16.0357	16.0357
Direct Growth Plan	19.9430	24.4938	26.8870
(ii) Lowest			
Dividend Plan	12.9610	16.0867	17.5001
Growth Plan	15.1960	18.5374	20.5179
Direct Dividend Plan	0.0000	16.0357	16.0357
Direct Growth Plan	16.5008	20.0341	21.2148
(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%	2.75%	3.04%
(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)	1.37%	33.93%	43.28%

*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 Super 20 Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Super 20 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: 20117510AAAABD5425

Place: Mumbai
Date: August 28, 2020

SAHARA SUPER 20 FUND
BALANCE SHEET AS AT MARCH 27, 2020

SAHARA SUPER 20 FUND	Schedule	As at	As at
		March 27, 2020	March 31, 2019
ASSETS		(Rs)	(Rs)
Investments	1	-	3,586,853
Other Current Assets	2	2,806,541	689,672
Total Assets		2,806,541	4,276,525
LIABILITIES			
Unit Capital	3	1,700,883	1,907,183
Reserves & Surplus	4	863,596	2,088,411
Current Liabilities & Provisions	5	242,061	280,931
Total Liabilities		2,806,541	4,276,525

NET ASSET VALUE

Net Asset Value per unit (Rs.)

i) Dividend Plan	D	15.0289	20.8936
ii) Growth Plan	G	15.0431	20.9138
iii) Direct Growth Plan	GDP	16.4590	22.7996

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

S P Srivastava

Trustee

Place: Mumbai

Date: 28th August, 2020

SAHARA SUPER 20 FUND
REVENUE ACCOUNT FOR THE PERIOD ENDED March 27, 2020

SAHARA SUPER 20 FUND	Schedule	For the period ended March 27, 2020	For the year ended March 31, 2019
		(Rs)	(Rs)
INCOME			
Dividend Income		34,546	31,955
Interest & Discount Income		1,264	1,572
Other Income		273	78
Profit on Sale / Redemption of Investments (Net)		-	874,989
(Other than Inter Scheme Transfer / Sale)			
Total Income		36,083	908,594
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Loss on Sale / Redemption of Investments (Net)		540,737	-
(Other than Inter Scheme Transfer / Sale)			
Management Fees		8,913	57,657
ST / GST on Management Fees		1,605	10,380
Investor Education & Awareness		729	787
Registrar & Transfer Agent Charges		31,873	16,213
Transaction cost		1,762	1,730
Custodian Fees		19,161	9,046
Trusteeship Fees & Expenses		3,996	858
Audit Fees		5,898	8,255
Professional Fees		9,899	2,717
Commission to Agents		33	159
Total Expenses		624,606	107,802
Net Surplus for the Year		(588,523)	800,792
Provision / Write back for diminution in value of investments	6	153,803	(38,504)
Net Surplus for the Year (excluding unrealised appreciation)		(434,720)	762,288
Transfer from Income Equalisation Reserve		(239,357)	(193,680)
Net : Transferred to Revenue Reserve		(674,077)	568,608

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

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 SUPER 20 FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET

SAHARA SUPER 20 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		-		3,586,853
		-		3,586,853
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		2,691,064		574,196
Investment - Liquid MF Units		114,182		114,182
Investment - Liquid MF Units - Investor Education		1,295		1,294
		2,806,541		689,672
SCHEDULE 3				
Unit Capital				
Dividend Option 56820.679 units of Rs.10 each	D	568,207		657,574
(For 2018-2019 - 65757.402 units of Rs.10 each)				
Growth Option 108583.989 units of Rs.10 each	G	1,085,840		1,202,773
(For 2018-2019 120277.261 units of Rs.10 each)				
Direct Growth Option 4683.640 units of Rs.10 each	GDP	46,836		46,836
(For 2018-2019 - 4683.640 units of Rs.10 each)				
Total		1,700,883		1,907,183
(Refer Note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	2,135,006		1,566,398	
Transferred from Revenue Account	(674,077)		568,608	
Balance as at end of the year		1,460,929		2,135,006
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	

Additions During the year	(239,357)		(193,680)	
Transferred to Revenue Account	239,357		193,680	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	557,273		1,045,671	
Additions During the year	(557,273)		(488,398)	
Balance as at end of the year		-		557,273
Unit Premium Reserve				
Balance as at beginning of the year	(603,868)		(627,324)	
Additions During the year	6,535		23,456	
Balance as at end of the year		(597,333)		(603,868)
		863,596		2,088,411
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		12,703		17,046
Management Fees Payable		545		107
ST/ GST on Management Fees Payable		98		19
STT Payable		-		1
Payable - Fee on Investor Education		2792		2,452
Payable on redemption of units		225,923		261,306
		242,061		208,085

SCHEDULES FORMING PART OF REVENUE ACCOUNT

SAHARA SUPER 20 FUND		For the period ended		For the year ended
		March 27, 2020		March 31, 2019
SCHEDULE 6		(Rs)		(Rs)
Provision / Write back for diminution in value of investments				
At the beginning of the year		(153,803)		(115,299)
At the end of the year		-		(153,803)
		153,803		(38,504)

CASHFLOW STATEMENT FOR THE PERIOD ENDED MARCH 27, 2020

	SAHARA SUPER 20 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		(588,523)	800792
	Add/(less) : Net Change in Marked to Market Value of Investments		(403470)	(526902)
	Add: Interest expense on Loan		-	-
	Adjustments for :-			
	(Increase) / Decrease in Investments		3586853	226257
	(Increase) / Decrease in Other current assets		-	-
	Increase / (Decrease) in Other current liabilities		(38870)	72846
	Increase / (Decrease) in Fixed Deposit		-	-
	Net cash generated from / (used in) operations	(A)	2555990	572993
B.	Cash Flow from Financing Activities			
	Increase / (Decrease) in Unit Capital		(206300)	(163202)
	Increase / (Decrease) in Unit Premium		6535	23456
	Income Equalisation during the period		(239357)	(193680)
	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)	(439122)	(333426)
	Net increase / (Decrease) in cash and cash equivalents	(A+B)	2116868	239567
	Cash and Cash Equivalents as at the beginning of the year	(C)	574196	334629
	Cash and Cash Equivalents as at the close of the year	(D)	2691064	574196
	Net cash and cash equivalents	(D-C)	2116868	239567
	Components of cash and cash equivalents			
	Balances with banks in current accounts		2691064	574196

	Fixed Deposits (less than 3 months)		-	-
	CBLO / TriParty Repo		-	-
	Cash and Cash equivalents as at the close of the year.		2691064	574196

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 Super 20 Fund is an open ended growth scheme of Sahara Mutual Fund (the “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. 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 25/06/2009 to 23/07/2009.

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.	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

Management Fees (inclusive of GST) has been computed at 0.29% (PY: 1.72%) 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.5677.88(PY:Rs.8201.63). However, due to small AUM of the scheme, only an amount of Rs.3996.42 (PY:Rs. 857.92) 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	34,305.90	31,872.69	2433.21
Audit fees	7465.96	5898.24	1567.72

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 the period from April 1st, 2019 to March 27th, 2020, the Registrar and Transfer Agent charges amounting to Rs.31,872.69 (PY: Rs.16,213.30) constitutes 38.00% (PY:15.04%), Custodian Fees amounting to Rs.19,161.46(PY:9,045.51) constitutes 22.85% (PY:8.39%) & Professional fees amounting to Rs.9,898.34 (PY:Rs.2,717.18) constitutes 11.80% (PY:2.52%) 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 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	285,076.63	7.76
2018-19	53,26,385	134.47

Sales

Year	Amount (Rs)	% of Daily average
April 1, 2019 – March 27, 2020	2,927,726.76	79.74
2018-19	59,00,728	148.97

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	5.57	1.54

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.	0.98%	33.13%
Total Expenditure to average net assets calculated on a daily basis	2.28%	2.72%

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

8.9.1 Growth Option

	Number of Units As on March 27, 2020	Amount (Rs) As on March 27, 2020	Number of Units As on March 31, 2019	Amount (Rs) As on March 31, 2019
Initial Capital	1544460.958	15444609.58	1544460.958	15444609.58
Opening Balance	120277.261	1202772.61	135619.456	1356194.56
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(11693.272)	(116932.72)	(15342.195)	(153421.95)
Closing Balance	108583.989	1085839.89	120277.261	1202772.61

8.9.2 Growth Option(Direct)

	Number of Units As on March 27, 2020	Amount (Rs) As on March 27, 2020	Number of Units As on March 31, 2019	Amount (Rs) As on March 31, 2019
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	4683.640	46836.40	4683.640	46836.40
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	4683.640	4683.640	4683.640	46836.40

8.9.3 Dividend Option

	Number of Units As on March 27, 2020	Amount (Rs) As on March 27, 2020	Number of Units As on March 31, 2019	Amount (Rs) As on March 31, 2019
Initial Capital	482579.297	4825792.97	482579.297	4825792.97
Opening Balance	65757.402	657574.02	66735.397	667353.97
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(8936.723)	(89367.23)	(977.995)	(9779.95)
Closing Balance	56820.679	568206.79	65757.402	657574.02

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 Super 20 Fund	0	0	16	225922.69

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.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.

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 Super 20 Fund was wound up on March 27, 2020.

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

Place: Mumbai

S P Srivastava
Trustee

Date: 28th August, 2020

SAHARA SUPER 20 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	0.21	0.18	0.21
(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	(3.18)	4.59	1.25
(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	3.67	0.57	0.66
(c) Net Income	(3.46)	4.20	0.79
(d) Net unrealised appreciation/(dimunition) in value of Investments	0.00	2.12	4.49
(e) Net Asset Value			
Dividend Plan	15.0289	20.8936	19.5470
Growth Plan	15.0431	20.9138	19.566
Direct Dividend Plan	16.3573	16.3573	16.3573
Direct Growth Plan	16.4590	22.7996	20.9411
(f) Purchase Price during the year**			
(i) Highest			
Dividend Plan	22.0832	21.4595	21.1864
Growth Plan	22.3319	21.4803	21.2070
Direct Dividend Plan	0.0000	16.3573	16.3573
Direct Growth Plan	16.4590	23.2595	22.5860
(ii) Lowest			
Dividend Plan	15.0289	18.1645	18.3834
Growth Plan	15.0431	18.1822	18.4013
Direct Dividend Plan	0.0000	16.3573	16.3573
Direct Growth Plan	16.4590	19.7759	19.2032
(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	2.28%	2.72%	3.04%
(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)	0.98%	33.13%	27.18%

*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 Star Value Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Star Value 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: 20117510AAAABE2017

Place: Mumbai

Date: August 28, 2020

SAHARA STAR VALUE FUND
BALANCE SHEET AS AT MARCH 27, 2020

SAHARA STAR VALUE FUND	Schedule	As at	As at
		March 27, 2020	March 31, 2019
ASSETS		(Rs)	(Rs)
Investments	1	-	4,056,429
Other Current Assets	2	3,134,818	488,336
Total Assets		3,134,818	4,544,765
LIABILITIES			
Unit Capital	3	1,755,971	1,976,557
Reserves & Surplus	4	1,227,746	2,440,781
Current Liabilities & Provisions	5	151,101	127,427
Total Liabilities		3,134,818	4,544,765

NET ASSET VALUE

Net Asset Value per unit (Rs.)

i) Dividend Plan	D	14.2070	18.6742
ii) Growth Plan	G	18.3781	24.1508
iii) Direct Dividend Plan	DDP	14.4758	19.0042
iv) Direct Growth Plan	GDP	19.7852	25.9762

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 STAR VALUE FUND
REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 27, 2020

SAHARA STAR VALUE FUND	Schedule	For the period ended March 27, 2020	For the Year ended March 31, 2019
		(Rs)	(Rs)
INCOME			
Dividend Income		50,220	38,185
Interest & Discount Income		1,265	1,047
Other Income		0	164
Profit on Sale / Redemption of Investments (Net)		-	1,145,208
(Other than Inter Scheme Transfer / Sale)			
Total Income		51,485	1,184,604
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Loss on Sale / Redemption of Investments (Net)		902,590	-
(Other than Inter Scheme Transfer / Sale)			
Management Fees		9,465	65,534
ST / GST on Management Fees		1,706	11,798
Investor Education & Awareness Fees		796	896
Registrar & Transfer Agent Charges		33,487	16,829
Transaction cost		1,772	2,205
Custodian Fees		20,133	9,431
Trusteeship Fees & Expenses		4,205	906
Audit Fees		6,175	8,692
Professional Fees		10,395	2,812
Commission to Agents		3,065	1,519
Total Expenses		993,789	120,622
Net Surplus for the Year		(942,304)	1,063,982
Provision/ Write Back for diminution in the value of Investment	6	398,707	(131,181)
Net Surplus for the Year (excluding unrealised appreciation)		(543,597)	932,801
Transfer from Income Equalisation Reserve		(304,321)	(507,550)
Net : Transferred to Revenue Reserve		(847,918)	425,251

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 STAR VALUE FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at March 27, 2020 (Rs)		As at March 31, 2019 (Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		-		4,056,429
		-		4,056,429
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		3,027,077		380,880
Investment - Liquid MF Units		105,332		105,332
Investment - Liquid MF Units for Investor Education		2,124		2,124
Dividend Receivable		285		-
		3,134,818		488,336
SCHEDULE 3				
Unit Capital				
Dividend Option 57222.976 units of Rs.10 each	D	572,230		620,715
(For 2018-2019 - 62071.528 units of Rs.10 each)				
Growth Option 109100.128 units of Rs.10 each	G	1,091,001		1,245,186
(For 2018-19 124518.558 units of Rs.10 each)				
Direct Dividend Option 3350.731 units of Rs.10 each	DDP	33,508		51,424
(For 2018-2019- 5142.424 units of Rs.10 each)				
Direct Growth Option 5923.224 units of Rs.10 each	GDP	59,232		59,232
(For 2018-2019- 5923.224 units of Rs.10 each)				
Total		1,755,971		1,976,557
(Refer Note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	2,484,659		2,059,408	
Transferred from Revenue Account	(847,918)		425,251	
Balance as at end of the year		1,636,741		2,484,659

Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(304,321)		(507,550)	
Transferred to Revenue Account	304,321		507,550	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	407,277		1,426,362	
Additions During the year	(407,277)		(1,019,085)	
Balance as at end of the year		-		407,277
Unit Premium Reserve				
Balance as at beginning of the year	(451,155)		(525,497)	
Additions During the year	42,160		74,342	
Balance as at end of the year		(408,995)		(451,155)
		1,227,746		2,440,781
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		14,459		18,187
Management Fees Payable		620		114
ST / GST on Management Fees Payable		112		21
Payable on redemption of units		122,131		95,698
Distribution Payable		9,633		9,633
Payable - Fee on Investor Education		4,146		3,774
		151,101		127,427

SCHEDULES FORMING PART OF REVENUE ACCOUNT

SAHARA STAR VALUE FUND		For the period 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		(398,707)		(267,526)
At the end of the year		-		(398,707)
		398,707		(131,181)

CASHFLOW STATEMENT FOR THE YEAR ENDED MARCH 27, 2020

	SAHARA STAR VALUE 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		(942,304)	1063982
	Add/(less) : Net Change in Marked to Market Value of Investments		(8570)	(1150266)
	Add: Interest expense on Loan		-	-
	Adjustments for :-			
	(Increase) / Decrease in Investments		4056429	954682
	(Increase) / Decrease in Other current assets		(285)	25200
	Increase / (Decrease) in Other current liabilities		23674	15719
	Increase / (Decrease) in Fixed Deposit		-	-
	Net cash generated from / (used in) operations	(A)	3128944	909317
B.	Cash Flow from Financing Activities			
	Increase / (Decrease) in Unit Capital		(220586)	(363965)
	Increase / (Decrease) in Unit Premium		42160	74342
	Income Equalisation during the period		(304321)	(507550)
	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)	(482747)	(797173)
	Net increase / (Decrease) in cash and cash equivalents	(A+B)	2646197	112144
	Cash and Cash Equivalents as at the beginning of the year	(C)	380880	268736
	Cash and Cash Equivalents as at the close of the year	(D)	3027077	380880
	Net cash and cash equivalents	(D-C)	2646197	112144
	Components of cash and cash equivalents			
	Balances with banks in current accounts		3027077	380880
	Fixed Deposits (less than 3 months)		-	-
	CBLO / TriParty Repo		-	-

	Cash and Cash equivalents as at the close of the year.		3027077	380880
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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

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Head Operations

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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 Star Value Fund is an open ended growth scheme of Sahara Mutual Fund (the "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. 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 30/07/2009 to 28/08/2009.

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.	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.
- 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 “Unrealised 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.

2.5 Revenue Recognition

- 2.5.1 Income and Expenses are recognized on accrual basis.
- 2.5.2 Interest on funds invested in short term deposits with scheduled commercial banks is recognized on accrual basis.
- 2.5.3 Dividend income earned by the scheme is recognized on the date the share is quoted on ex-dividend basis on principal stock exchange.
- 2.5.4 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 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 0.28% (PY:1.71) 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.5957.71 (PY:Rs. 8635.98). However, due to small AUM of the scheme, only an amount of Rs.4205.10(PY:Rs.905.58) 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	35,996.63	33,487.04	2509.59
Audit fees	7833.92	6175.38	1658.54

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.33,487.04 (PY:Rs.16,828.73) constitutes 36.72% (PY:13.95%), Custodian fees amounting to Rs.20,133(PY:9,430.80) constitutes 22.08% (PY:7.82%) and Professional Fees amounting to Rs.10,394.59 (PY:2,811.72) constitutes 11.40%(PY:2.33%) 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 1st,2019 - March 27th,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 1st, 2019 - March 27th, 2020	287,582.61	7.16
2018-19	57,14,501	126.56

Sales

Year	Amount (Rs)	% of Daily average
April 1st, 2019 - March 27th, 2020	3,432,854.69	85.50
2018-19	66,64,126	147.60

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	4.07	3.99

8.8 Income and Expense Ratio

	April 1st, 2019 - March 27th, 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.	1.28%	26.43%
Total Expenditure to average net assets calculated on a daily basis	2.27%	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	877619.245	8776192.45	877619.245	8776192.45
Opening Balance	124518.558	1245185.58	144303.864	1443038.64
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(15418.430)	(154184.30)	(19785.306)	(197853.06)
Closing Balance	109100.128	1091001.28	124518.558	1245185.58

8.9.2 Growth Option (Direct)

	Number of	Amount (Rs)	Number of Units	Amount (Rs)
	As on	As on	As on	As on
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	5923.224	59232.24	8910.353	89103.53
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	(2987.129)	(29871.29)
Closing Balance	5923.224	59232.24	5923.224	59232.24

8.9.3 Dividend Option

	Number of	Amount (Rs)	Number of	Amount (Rs)
	As on	As on	As on	As on
Initial Capital	542433.551	5424335.51	542433.551	5424335.51
Opening Balance	62071.528	620715.28	73648.036	736480.36
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(4848.552)	(48485.52)	(11576.508)	(115765.08)
Closing Balance	57222.976	572229.76	62071.528	620715.28

8.9.4 Dividend Option(Direct)

	Number of	Amount (Rs)	Number of	Amount (Rs)
	As on	As on	As on	As on
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	5142.424	51424.24	7189.907	71899.07
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(1791.693)	(17916.93)	(2047.483)	(20474.83)
Closing Balance	3350.731	33507.31	5142.424	51424.24

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 Star Value Fund	6	9633.87	7	122130.55

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.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.

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 Star Value 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 STAR VALUE 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	0.29	0.20	0.31
(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	(5.14)	5.79	3.63
(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	0.52	0.61	0.78
(c) Net Income	(5.37)	5.38	3.15
(d) Net unrealised appreciation/(dimunition) in value of Investments	0.00	0.04	4.95
(e) Net Asset Value			
Dividend Plan	14.2070	18.6742	18.9564
Growth Plan	18.3781	24.1508	24.4851
Direct Dividend Plan	14.4758	19.0042	19.2371
Direct Growth Plan	19.7852	25.9762	26.2951
(f) Purchase Price during the year**			
(i) Highest			
Dividend Plan	20.3018	19.6777	21.7550
Growth Plan	25.9902	25.4184	28.0893
Direct Dividend Plan	18.8537	19.9711	22.0623
Direct Growth Plan	19.7852	27.2984	30.1586
(ii) Lowest			
Dividend Plan	14.2070	16.0665	18.2672
Growth Plan	18.3781	20.7744	23.5667
Direct Dividend Plan	14.4758	16.3305	18.5001
Direct Growth Plan	19.7852	22.3218	25.2892

(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	2.27%	2.67%	2.95%
(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)	1.28%	26.43%	33.50%

* 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 Liquid Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Liquid 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 surplus 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: 20117510AAAAAX8378

Place: Mumbai
Date: August 28, 2020

SAHARA LIQUID FUND
BALANCE SHEET AS AT MARCH 27, 2020

SAHARA LIQUID FUND	Schedule	As at	As at
		March 27, 2020	March 31, 2019
ASSETS		(Rs)	(Rs)
Investments	1	-	128,740,607
Deposits	2	-	10,000,000
Other Current Assets	3	82,526,309	2,734,812
Total Assets		82,526,309	141,475,419
LIABILITIES			
Unit Capital	4	33,410,421	73,300,614
Reserves & Surplus	5	48,862,264	67,867,895
Current Liabilities & Provisions	6	253,624	306,910
Total Liabilities		82,526,309	141,475,419

NET ASSET VALUE

Net Asset Value Per Unit (Rs.)

Fixed Dividend Plan	D	1,335.6343	1,276.7782
Fixed Growth Plan	G	3,264.2408	3,124.4506
Variable Daily Div Plan	VDD	1,346.9485	1,288.8256
Variable Weekly Div Plan	VWD	1,364.5913	1,300.6068
Variable Monthly Div Plan	VMD	1,373.0449	1,312.8867
Variable Growth Plan	VG	3,340.7393	3,196.5815
Variable Direct Growth Plan	VGDP	3,348.2894	3,203.3320
Variable Growth Direct Unclaimed Option	VGDUD	3,370.6943	3,216.5361

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

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 LIQUID FUND
REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 27, 2020

SAHARA LIQUID FUND	Schedule	For the period ended	For the year ended
		March 27, 2020	March 31, 2019
INCOME		(Rs)	(Rs)
Interest & Discount Income	7	4,989,060	8,030,168
Total Income		4,989,060	8,030,168
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 8)			
Loss on Sale / Transfer of Investments (Net)		143	-
(Other than Inter-Scheme Transfer / Sale)			
Management Fees		4951	74755
ST / GST on Management Fees		891	13455
Investor Education & Awareness fees		18691	25694
Registrar & Transfer Agent Charges		159614	80220
Transaction cost		24756	41731
Custodian Fees		95976	46,271
Trusteeship Fees & Expenses		20141	4,391
Audit Fees		3723	50477
Professional Fees		35141	14271
Commission to Agents		817	4,510
Total Expenses		364,845	355,775
Net Surplus for the Year		4,624,216	7,674,393
Provision/ Write Back for diminution in the value of Investment		196	(196)
Net Surplus for the Year (excluding unrealised appreciation)		4,624,412	7,674,197
Transfer from Income Equalisation Reserve		(9,640,246)	(1,659,069)
Net : Transferred to Revenue Reserve		(5,015,834)	6,015,128

Significant Accounting Policies and notes to the accounts

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 LIQUID FUND
SCHEDULES FORMING PART OF BALANCE SHEET

		As at		As at
PARTICULARS		March 31, 2019		March 31, 2018
		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.14 of schedule 8 for detailed Portfolio statement)				
Treasury Bill		128,740,607		129,461,497
		128,740,607		129,461,497
SCHEDULE 2				
Deposits				
(Refer Note 8.14 of schedule 8 for detailed Portfolio statement)				
Deposits with Scheduled Banks		10,000,000		6,500,000
		10,000,000		6,500,000
SCHEDULE 3				
Other Current Assets				
Balances with Banks in Current accounts		2,298,727		2,125,244
Interest Receivable on Fixed Deposits		35,039		7,567
Outstanding and Accrued Income		238,903		191,793
Receivable on issue/ switch in of units		2		2
Invest in Liquid MF Units - Investor Education		162,141		162,141
		2,734,812		2,486,747
SCHEDULE 4				
Unit Capital				
Fixed Dividend Option (23383.198 Units of Rs.1000 Each)	D	23,383,198		25,856,195
(For 2017-2018 - 25856.195 Units of Rs.1000 Each)				

Fixed Growth Option (230.551 Units of Rs 1000 Each)	G	230,551		235,187
(For 2017-2018 -235.187 Units of Rs.1000 Each)				
Variable Daily Dividend Option (25339.359 Units of Rs. 1000 Each)	VDD	25,339,359		25,339,359
(For 2017-2018 -25339.359 Units of Rs.1000 Each)				
Variable Weekly Dividend Option (0.324 Units of Rs. 1000 Each)	VWD	324		324
(For 2017-2018 0.324 Units of Rs.1000 Each)				
Variable Monthly Dividend Option (2.718 Units of Rs. 1000 Each)	VMD	2,718		2,718
(For 2017-2018 - 2.718 Units of Rs.1000 Each)				
Variable Growth Option (13424.035 Units of Rs.1000 Each)	VG	13,424,035		13,678,515
(For 2017-2018 - 13678.515 Units of Rs.1000 Each)				
Fixed Direct Growth Option (NIL Units of Rs 1000 Each)	FDG	-		14,778
(For 2017-2018 - 14.778 Units of Rs.1000 Each)				
Variable Direct Growth Option (8025.971 Units of Rs.1000 Each)	VGDP	8,025,971		8,227,263
(For 2017-2018 - 8227.263 Units of Rs.1000 Each)				
Variable Growth Direct Unclaimed Option (2894.458 Units of Rs.1000 Each)	VGDU	2,894,458		2,980,485
(For 2017-2018 - 2980.485 Units of Rs.1000 Each)				
Total		73,300,614		76,334,824
(Refer Note 8.10 of Schedule 8)				
SCHEDULE 5				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	147,225,453		148,954,671	
Transferred from Revenue Account	6,015,128		(1,729,218)	
Balance as at end of the year		153,240,581		147,225,453
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions during the year	(1,659,069)		(9,619,728)	
Transferred to Revenue Account	1,659,069		9,619,728	

Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	36,877		94,812	
Additions during the year	(32,094)		(57,935)	
Balance as at end of the year		4,783		36,877
Unit Premium Reserve				
Balance as at beginning of the year	(85,360,100)		(82,442,734)	
Additions during the year	(17,369)		(2,917,366)	
Balance as at end of the year		(85,377,469)		(85,360,100)
		67,867,895		61,902,230
SCHEDULE 6				
Current Liabilities and Provisions				
Sundry Creditors		96,909		10,273
Management Fees Payable		156		1,505
ST / GST on Management Fees		28		271
Payable - Fee on Investor Education		209817		199,141
		306,910		211,190

SAHARA LIQUID FUND
SCHEDULES FORMING PART OF REVENUE ACCOUNT

		For the year ended		For the year ended
		March 31, 2019		March 31, 2018
PARTICULARS		(Rs)		(Rs)
SCHEDULE 7				
Interest & Discount Income				
Treasury Bill		7,931,990		7,965,201
Fixed Deposit		98,178		199,103
		8,030,168		8,164,304

CASHFLOW STATEMENT FOR THE PERIOD ENDED MARCH 27, 2020

	SAHARA LIQUID 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		4,624,215	7674393
	Add/(less) : Net Change in Marked to Market Value of Investments		(4587)	(32290)
	Add: Interest expense on Loan		-	-
	Adjustments for :-			
	(Increase) / Decrease in Investments		128740607	720890
	(Increase) / Decrease in Other current assets		273930	(74582)
	Increase / (Decrease) in Other current liabilities		(53286)	95720
	Increase / (Decrease) in Fixed Deposit		10000000	(3500000)
	Net cash generated from / (used in) operations	(A)	143580879	4884131
B.	Cash Flow from Financing Activities			
	Increase / (Decrease) in Unit Capital		(39890193)	(3034210)
	Increase / (Decrease) in Unit Premium		(13985014)	(17369)
	Income Equalisation during the period		(9640246)	(1659069)
	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)	(63515453)	(4710648)
	Net increase / (Decrease) in cash and cash equivalents	(A+B)	80065427	173483
	Cash and Cash Equivalents as at the beginning of the year	(C)	2298727	2125244
	Cash and Cash Equivalents as at the close of the year	(D)	82364154	2298727
	Net cash and cash equivalents	(D-C)	80065427	173483
	Components of cash and cash equivalents			

	Balances with banks in current accounts		82364154	2298727
	Fixed Deposits (less than 3 months)		-	-
	CBLO / TriParty Repo		-	-
	Cash and Cash equivalents as at the close of the year.		82364154	2298727

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: 8

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 Liquid Fund (The “Scheme”) is an Open Ended Income Scheme of Sahara Mutual Fund (the “Fund”). The primary objective the scheme 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. In line with SEBI Circular for providing separate options for direct investments, the scheme has Two options namely Fixed Pricing Option and Variable Pricing Option and sub options viz, (i) Growth option (ii) Daily Dividend Option, (iii) Weekly Dividend Option (iv) Monthly Dividend Option (v) Growth-Direct (vi) Daily Dividend -Direct (vii) Weekly Dividend –Direct (Viii) Monthly Dividend -Direct under both Fixed Pricing Option &) Variable Pricing Option. The Variable Pricing Option has been introduced under the scheme with effect from 27th October, 2005. The face value of units has been changed from Rs.10/- per unit to Rs.1000/- per unit by consolidation of units w.e.f 27th October, 2005. 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 6, 2002 to February 14, 2002 and the scheme was open for continuous purchase and redemption at the prevailing NAV from February 20, 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.

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, and 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	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 Purchase and sale of investments are accounted on trade dates at price including / net of brokerage and other charges. Stamp duty is accounted as an expense when paid for.
- 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 Primary market Investments are recognized on the basis of allotment advice.
- 2.2.4 Front end fees on privately placed debentures are adjusted to the cost of Investments.

2.3. Valuation of Investments

Valuation Policy as on 27.03.2020 is as under.

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.	<p>The aggregated average matrices of CRISIL/ ICRA for the respective category</p> <p>Or any other agencies as may be indicated from time to time by SEBI/AMFI for that day.</p>
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 same security 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.

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 shall be 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 shall be dealt and decided by Investment and Valuation Committee.
- iv) For non– business day the valuation shall be done on aggregated script wise prices as provided by CRISIL/ICRA. In absence of Scrip wise prices the valuation shall be 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 shall be done based on last valuation plus accrual/amortization or as may be decided by the Investment and Valuation Committee.
- vi) The Valuation Policy shall be 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 shall be 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 (realised) 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 impact on the Scheme’s net assets or the results for the year.

2.4 Revenue Recognition

2.4.1 Income and Expenses are recognized on accrual basis

2.4.2 Interest on Debentures, Government of India securities, Floating Rate Bonds and Money Instruments are recognized on accrual basis

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

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 Fixed & Variable Pricing Options

The net asset value of the units is determined separately for units issued under the Fixed Pricing Option & Variable Pricing Option each having sub options Growth, Daily Dividend, Weekly Dividend , Monthly Dividend, Growth -Direct , Dividend _direct , Weekly Dividend –Direct & Monthly Dividend – Direct. For reporting the net asset value of various options, 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 respective Options / Scheme, after an appropriate amount of the issue proceeds and redemption payout is credited or debited respectively to the income equalization reserve.

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, Trustee Fees, Custodian Fees, Scheme Expenses

Management Fees

The total Management Fees (inclusive GST) has been computed at 0.01% (PY: 0.06%) on average net assets calculated on a daily basis.

Variable Pricing Option

Under the variable pricing option the AMC fee charged is based on the scheme's performance on a daily basis and is computed of average net assets calculated on a daily basis.

	1	2	3	4	5
Reference Point = MIBOR	Where NPR < Reference Point(i. e when NPR is negative)	Where NPR = Reference Point	Where NPR > Reference Point and the difference between the two is less than 10 basis points.	Where NPR > Reference Point and the difference between the two is greater than or equal to 10 basis points.(Subject to condition stated in column 5)	Where NPR > Reference Point plus 10% of Reference Point. plus 10 basis points
IMA	Nil	Nil	Charged to the extent of out performance only	0.25	0.25 plus additional AMC fees of 1 basis points would be charged for every 10 basis points of out performance as mentioned above

Net Portfolio Return (NPR) = Gross Portfolio Return-Scheme Recurring Expenses

IMA = Investment Management Advisory fees

GPR = Total Income during the day (Including Net Appreciation/Depreciation)/Opening net assets * 100
Scheme Recurring Expenses is total expenses during the day excluding IMA

Fixed Pricing Option:

The Management Fees under this option has been computed 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.26,543.73(PY.Rs. 50,149.65). However, due to small AUM of the scheme, only an amount of Rs.20,141.33(PY:Rs.4,390.61) 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 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(in Rs)	Charged to Scheme TER (in Rs)	Balance borne by AMC(in Rs.)
R & T Expenses	1,60,377.77	1,59,614.49	763.28
Audit fees	34902.89	3722.63	31180.26

- 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 has been reported to the Trustees on a bimonthly basis
- 8.4** As at March 27, 2020 the aggregate market value of securities under Sahara Liquid Fund but held in the name of Sahara Mutual Fund is Nil (PY:Rs.12,89,79,510.00).
- 8.5** During the period from April 1st, 2019 to March 27th, 2020, the Registrar and Transfer Agents charges amounting to Rs.1,59,614.49 (PY:Rs.80,219.67) constitutes 43.77% (PY:22.55%), Custodian fees amounting to Rs.95,976.34(PY:Rs.46,270.72) constitutes 26.32% (PY:13.01%), Audit fees amounting to Rs.3,722.63(PY:50,477.25) constitutes 1.02%(PY:14.19%) and Transaction costs amounting to Rs.24,755.68(PY:41,731.48) constitutes 6.79% (PY:11.73%) of the total schemes expenses.
- 8.6** 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.

8.7 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 in Rupees	% of Daily Average
April 1 st , 2019 - March 27 th , 2020	940,993,150.00	936.97
2018-19	126,69,26,520	920.19

Sales

Year	Amount in Rupees	% of Daily Average
April 1 st , 2019 - March 27 th , 2020	1,084,832,270.00	1080.20
2018-19	127,20,00,000	923.87

8.8 Aggregate Appreciation and Depreciation in the value of Investments :

Scheme	27-Mar-20		31-Mar-19	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Debentures & Bonds/PTC	0.00	0.00	0.00	0.00
MMI's	0.00	0.00	0.05	0.00

8.9 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.	4.97%	5.84%
Total Expenditure to average net assets calculated on a daily basis	0.36%	0.26%

8.10 Movement in Unit Capital: Face Value of Units: Rs. 1000/- per unit.

8.10.1 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	22977400.000	22977400000.00	22977400.000	22977400000.00
Opening Balance	230.552	230552.00	235.188	235188.00
Units Sold during the period	0.000	0.00	0.000	0.00
Units Repurchased during the period	(36.970)	(36970.00)	(4.636)	(4636.00)
Closing Balance	193.582	193582.00	230.552	230552.00

8.10.2 Fixed Pricing Option – Growth Option (Direct)

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on	As on	As on	As on
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	0.000	0.00	14.778	14778.00
Units Sold during the period	0.000	0.00	0.000	0.00
Units Repurchased during the period	0.000	0.00	(14.778)	(14778.00)
Closing Balance	0.000	0.00	0.000	0.00

8.10.3 Fixed Pricing Option - Dividend Option (Daily Dividend)

	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	5376000.000	5376000000.00	5376000.000	5376000000.00
Opening Balance	23383.198	23383198.00	25856.195	25856195.00
Units Sold during the period	0.000	0.00	0.000	0.00
Units Repurchased during the period	(23382.148)	(23382148.00)	(2472.997)	(2472997.00)
Closing Balance	1.050	1050.00	23383.198	23383198.00

8.10.4 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	1986915.353	1986915353.00	1986915.353	1986915353.00
Opening Balance	13424.035	13424035.00	13678.515	13678515.00
Units Sold during the period	0.000	0.00	0.000	0.00
Units Repurchased during the period	(1700.524)	(1700524.00)	(254.480)	(254480.00)
Closing Balance	11723.511	11723511.00	13424.035	13424035.00

8.10.5 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	8025.971	8025971.00	8227.263	8227263.00
Units Repurchased during the period	(4143.548)	(4143548.00)	(201.292)	(201292.00)
Closing Balance	3882.423	3882423.00	8025.971	8025971.00

8.10.6 Variable Pricing Option - Dividend Option (Daily Dividend)

	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	1760554.229	1760554229.00	1760554.229	1760554229.00
Opening Balance	25339.359	25339359.00	25339.359	25339359.00
Units Sold during the period	0.000	0.00	0.000	0.00
Units Repurchased during the period	(10576.316)	(10576316.00)	0.000	0.00
Closing Balance	14763.043	14763043.00	25339.359	25339359.00

8.10.7 Variable Pricing Option - Dividend Option (Weekly 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	9766.992	9766992.00	9766.992	9766992.00
Opening Balance	0.323	323.00	0.323	323.00
Units Sold during the period	0.000	0.00	0.000	0.00
Units Repurchased during the period	0.000	0.00	0.000	0.00
Closing Balance	0.323	323.00	0.323	323.00

8.10.8 Variable Pricing Option - Dividend Option (Monthly 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	6695.965	6695965.00	6695.965	6695965.00
Opening Balance	2.718	2718.00	2.718	2718.00
Units Sold during the period	0.000	0.00	0.000	0.00
Units Repurchased during the period	0.000	0.00	0.000	0.00
Closing Balance	2.718	2718.00	2.718	2718.00

8.10.9 Variable Pricing Option - Growth Option (Direct) UNCLAIMED

	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	2894.458	2894458.00	2980.485	2980485.00
Units Repurchased during the period	50.687	50687.00	(86.027)	(86027.00)
Closing Balance	2843.771	2843771.00	2894.458	2894458.00

- 8.11 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)

8.12 Unclaimed Amounts (beyond three months):

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

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No of Investors	Unclaimed Redemption (Rs)
Sahara Liquid Fund	-	-	-	-

- 8.13 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

8.14 Portfolio Statement as on March 27, 2020:

The scheme's Net Asset Value stood at Rs.8.23 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.

- 8.15 Investments made by the scheme in Securities of Group Companies of the sponsor – NIL

8.16 Holdings over 25% of the NAV of the scheme:

Particulars	As on March 27, 2020	As on March 31, 2019
Number of Investors	0	-
Percentage of holdings	N/A	0.00

- 8.17 Contingent Liability: Nil

- 8.18 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 Liquid 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 LIQUID 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	149.33	109.55	106.95
(ii) Income from Profit (net of loss) on inter-scheme sales/transfer of investment	0.0000	0.00	0.00
(iii) Income from Profit (net of Loss) on sale other than Inter scheme	0.0000	0.00	0.00
(iv) Transfer to revenue account from past year's reserve	0.0000	0.00	0.00
(B) Aggregate of expenses, write off, amortisation and charges	10.92	4.85	3.59
(c) Net Income	138.41	104.70	103.37
(d) Net unrealised appreciation/(dimunition) in value of Investments	0.0000	0.06	0.48
(e) Net Asset Value			
Fixed Growth Plan	3264.2408	3124.4506	2960.9224
Fixed Daily Dividend Plan	1335.6343	1276.7782	1209.9653
Fixed Weekly Dividend Plan	1027.4373	1027.4373	1027.4373
Fixed Monthly Dividend Plan	1043.3721	1043.3721	1043.3721
Variable Growth Plan	3340.7393	3196.5815	3023.3709
Variable Daily Dividend Plan	1346.9485	1288.8256	1218.989
Variable Weekly Dividend Plan	1364.5913	1300.6068	1227.0898
Variable Monthly Dividend Plan	1373.0449	1312.8867	1240.638
Fixed Direct Daily Dividend Plan	1335.6343	1,276.7782	1209.9653
Fixed Direct Growth Plan	3024.287	3,024.2870	2963.8602
Fixed Weekly Direct Div Plan	1027.4373	1,027.4373	1027.4373
Fixed Monthly Direct Div Plan	1043.3721	1,043.3721	1043.3721
Variable Daily Direct Div Plan	1038.8267	1038.8267	1038.8267
Variable Weekly Direct Div Plan	1364.5913	1300.6068	1227.0898
Variable Monthly Direct Div Plan	1055.8972	1055.8972	1055.8972
Variable Growth Direct Plan	3348.2894	3203.3320	3028.741
(f) Purchase Price during the year**			
(I) Highest			
Fixed Growth Plan	3264.2408	3124.4506	2960.9224
Fixed Daily Dividend Plan	1335.6343	1276.7782	1209.9653
Fixed Weekly Dividend Plan	0.0000	1027.4373	1027.4373

Fixed Monthly Dividend Plan	0.0000	1043.3721	1043.3721
Variable Growth Plan	3340.7393	3196.5815	3023.3957
Variable Daily Dividend Plan	1346.9485	1288.8256	1218.9990
Variable Weekly Dividend Plan	1364.5913	1300.6068	1227.1084
Variable Monthly Dividend Plan	1373.0449	1312.8867	1240.6578
Fixed Direct Daily Dividend Plan	0.0000	1276.7782	1209.9653
Fixed Direct Growth Plan	0.0000	3024.3574	2963.8602
Fixed Weekly Direct Div Plan	0.0000	1027.4373	1027.4373
Fixed Monthly Direct Div Plan	0.0000	1043.3721	1043.3721
Variable Daily Direct Div Plan	0.0000	1038.8267	1038.8267
Variable Weekly Direct Div Plan	0.0000	1300.6068	1227.1084
Variable Monthly Direct Div Plan	0.0000	1055.8972	1055.8972
Variable Growth Direct Plan	3348.2894	3203.3320	3028.7658
(ii) Lowest			
Fixed Growth Plan	3171.7361	2960.8264	2808.1179
Fixed Daily Dividend Plan	1278.4324	1209.9259	1147.5249
Fixed Weekly Dividend Plan	0.0000	1027.4373	1027.4373
Fixed Monthly Dividend Plan	0.0000	1043.3721	1043.3721
Variable Growth Plan	3225.6356	3023.404	2858.4947
Variable Daily Dividend Plan	1321.9308	1219.0023	1152.5128
Variable Weekly Dividend Plan	1364.5913	1227.1146	1160.0886
Variable Monthly Dividend Plan	1373.0449	1240.6645	1171.6909
Fixed Direct Daily Dividend Plan	0.0000	1209.9259	1147.5249
Fixed Direct Growth Plan	0.0000	2963.7722	2810.3052
Fixed Weekly Direct Div Plan	0.0000	1027.4373	1027.4373
Fixed Monthly Direct Div Plan	0.0000	1043.3721	1043.3721
Variable Daily Direct Div Plan	0.0000	1038.8267	1038.8267
Variable Weekly Direct Div Plan	0.0000	1227.1146	1160.0886
Variable Monthly Direct Div Plan	0.0000	1055.8972	1055.8972
Variable Growth Direct Plan	3219.4566	3028.7741	2862.8462
(g) Sale Price during the year**			
(i) Highest			
Fixed Growth Plan	0.0000	0.0000	0.0000
Fixed Dividend Plan	0.0000	0.0000	0.0000
Fixed Weekly Dividend Plan	0.0000	0.0000	0.0000
Fixed Monthly Dividend Plan	0.0000	0.0000	0.0000
Variable Growth Plan	0.0000	0.0000	0.0000
Variable Dividend Plan	0.0000	0.0000	0.0000
Variable Weekly Dividend Plan	0.0000	0.0000	0.0000
Variable Monthly Dividend Plan	0.0000	0.0000	0.0000
Fixed Direct Dividend Plan	0.0000	0.0000	0.0000
Fixed Direct Growth Plan	0.0000	0.0000	0.0000
Fixed Weekly Direct Div Plan	0.0000	0.0000	0.0000
Fixed Monthly Direct Div Plan	0.0000	0.0000	0.0000
Variable Daily Direct Div Plan	0.0000	0.0000	0.0000
Variable Weekly Direct Div Plan	0.0000	0.0000	0.0000
Variable Monthly Direct Div Plan	0.0000	0.0000	0.0000
Variable Growth Direct Plan	0.0000	0.0000	0.0000
(ii) Lowest			
Fixed Growth Plan	0.0000	0.0000	0.0000

Fixed Dividend Plan	0.0000	0.0000	0.0000
Fixed Weekly Dividend Plan	0.0000	0.0000	0.0000
Fixed Monthly Dividend Plan	0.0000	0.0000	0.0000
Variable Growth Plan	0.0000	0.0000	0.0000
Variable Dividend Plan	0.0000	0.0000	0.0000
Variable Weekly Dividend Plan	0.0000	0.0000	0.0000
Variable Monthly Dividend Plan	0.0000	0.0000	0.0000
Fixed Direct Dividend Plan	0.0000	0.0000	0.0000
Fixed Direct Growth Plan	0.0000	0.0000	0.0000
Fixed Weekly Direct Div Plan	0.0000	0.0000	0.0000
Fixed Monthly Direct Div Plan	0.0000	0.0000	0.0000
Variable Daily Direct Div Plan	0.0000	0.0000	0.0000
Variable Weekly Direct Div Plan	0.0000	0.0000	0.0000
Variable Monthly Direct Div Plan	0.0000	0.0000	0.0000
Variable Growth Direct Plan	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by Percentage*	0.36%	0.26%	0.19%
(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)	4.97%	5.84%	5.80%

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

Summary of the Substantive Provisions of the Trust Deed

The Trust Deed dated July 18, 1996, contains inter-alia, the following clauses that may be of material interest to the investor:

- Frame one or more schemes for the issue of units to be subscribed by the public or class of public or specified person or persons whether singly or otherwise and shall frame such rules and regulations for the issue, re-purchase and redemption thereof and for the distribution of income on units, and modify or alter the said rules and regulations as the Trustees may in their absolute discretion deem fit, the duration of each scheme being indefinite in the case of open-ended schemes.
- In carrying out his responsibilities as a member of the Board of Trustees of Sahara Mutual Fund, the individual trustee shall maintain an arm's length relationship with other companies, or institutions or financial intermediaries or any body corporate with which he/she may be associated in any capacity.
- A member of the Board of Trustees shall not participate in the meetings of the Board or in any decision making process for any investments in which he/she may be interested.
- All members of the Board of Trustees shall furnish to SEBI and the Board of Trustees the interest which he/she may have in any other company, or institution or financial intermediary or any corporate by virtue of his/her position as Director, partner or with which he/she may be associated in any other capacity.
- No member of the Board of Trustees of Sahara Mutual Fund shall be a member of the Board of Trustees of any other Mutual Fund and shall hold them in trust for the Unit holders.
- The Trustees shall take into their custody or under their control all the capital and other property of the various schemes of Sahara Mutual Fund and shall hold them in trust for the Unit holders.
- The Trustees shall supervise the collection of any income receivable by the Fund of any scheme thereunder and any claims for refund of taxes paid and shall hold any income received in trust for the Unit holders in accordance with the Deed of Trust and the guidelines issued by SEBI.
- It shall be the duty of the Trustees to act in the best interest of the Unit holders of the various schemes floated under the Deed of Trust at all times and the Trustees shall provide or cause to be provided to the Unit holders and SEBI such information as may be specified by SEBI from time to time.
- The Trustees shall take reasonable care to ensure that the funds under the schemes are managed by the AMC in accordance with the Deed of Trust and SEBI guidelines.

Duties And Responsibilities Of The Trustees

- The trustees and the AMC shall, with the prior approval of SEBI enter into an Investment Management Agreement.
- The investment management agreement shall contain such provisions as are mentioned in the fourth schedule of SEBI Regulations and such other provisions as are necessary for the purpose of making investments.
- The trustees shall have a right to obtain from the AMC such information as is considered necessary by the trustees.
- The trustees shall ensure before the launch of any scheme that the AMC has
 - ✓ Systems in place for its back office, dealing room and accounting.
 - ✓ Appointed all key personnel including Fund Managers for the Scheme and submitted their bio-data which shall contain the educational qualifications, past experience in the securities markets within 15 days of their appointment.
 - ✓ Appointed auditors to audit its accounts.
 - ✓ Appointed a Compliance Officer to comply with regulatory requirements and to redress investor grievances.
 - ✓ Appointed Registrars and laid down parameters for their supervision.
 - ✓ Prepared a compliance manual and designed internal control mechanisms including internal audit systems.
 - ✓ Specified norms for empanelment of brokers and marketing agent.
 - ✓ obtained, wherever required under these regulations, prior in principle approval from the recognised stock exchange(s) where units are proposed to be listed.

- ✓ The compliance officer appointed shall immediately and independently report to the Board any non-compliance observed by him.
- The trustees shall ensure that the AMC has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with any broker.
- The trustees shall ensure that the AMC has not given any undue or unfair advantage to any associates or dealt with any of the associates of the AMC in any manner detrimental to interest of the Unit holders.
- The trustees shall ensure that the transactions entered into by the AMC are in accordance with the SEBI Regulations and the Scheme.
- The trustee shall ensure that the AMC has been managing the Mutual Fund Scheme independently of other activities and has taken adequate steps to ensure that the interest of investors of those Scheme are not being compromised with those of any other Scheme or of other activities of the AMC.
- The trustees shall ensure that all the activities of the AMC are in accordance with the provisions of the SEBI Regulations.
- Where the trustees have reason to believe that the conduct of business of the Mutual Fund is not in accordance with the SEBI Regulations and the Scheme, they shall forthwith take such remedial steps as are felt necessary by them, and shall immediately inform SEBI of the violation and the action taken by them.
- Each trustee shall file the details of his transactions (exceeding Rs.1 lakh) of dealing in securities with the Mutual Fund on a quarterly basis.
- The trustees shall be accountable for, and be the custodian of the property of the respective Scheme and shall hold the same in trust for the benefit of the Unit holders in accordance with the SEBI Regulations and the provisions of the trust deed.
- The trustees shall take steps to ensure that the transactions of the Mutual Fund are in accordance with the provisions of the trust deed.
- The trustees shall be responsible for the calculation of any income due to be paid to the Mutual Fund and also of any income received in the Mutual Fund for the holders of the Units of any scheme in accordance with the SEBI Regulations and the trust deed.
- No amendments shall be carried out without the prior approval of SEBI and unit holders approval would be obtained where it affects the interests of unit holders.
- The trustees shall obtain the consent of the Unit holders:-
 - ✓ Whenever required to do so by SEBI in the interest of the Unit holder; or
 - ✓ Whenever required to do so on the requisition made by three fourths of the Unit holders of any Scheme or
 - ✓ When the majority of the trustees decide to wind up or prematurely redeem the Units
- The trustees shall ensure that no change in the fundamental attributes of any Scheme or the trust or fees and expenses payable or any other change which would modify the scheme and affects the interest of Unit holders, shall be carried out unless:-
 - ✓ A written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspapers having nationwide circulation well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is located;
 - ✓ The Unit holders are given an option to exit at the prevailing net asset value without any exit load.
- The trustees shall call for the details of transactions in securities by the key personnel of the AMC in their own names or on behalf of the AMC and shall report to SEBI, on a six monthly basis.
- The trustees shall, on a quarterly basis, review all transactions carried out between the Mutual Fund, and AMC and its associates.
- The trustees shall review that net worth of the AMC on a quarterly basis and in case of any shortfall, ensure that the AMC make up for the shortfall as per clause (f) of sub-Regulations (1) of regulation 21 of SEBI Regulations.
- The trustees shall periodically review all service contracts such as custody arrangements, transfer agency of the securities and satisfy themselves that such contracts are executed in the interests of the Unit holder.

- The trustees shall ensure that there is no conflict of interest between the manner of deployment of its networth by the AMC and the interests of the Unit holders.
- The trustees shall periodically review the investor complaints received and the redressal of the same by the AMC.
- The trustees shall abide by the code of conduct as specified in the fifth schedule of SEBI Regulations.
- The trustees shall furnish to SEBI, on a half yearly basis:-
 - ✓ A report on the activities of the Mutual Fund
 - ✓ A certificate stating that the trustees have satisfied themselves that there have been no instances of self dealing or front running by any of the trustees, directors and key personnel of the AMC.
 - ✓ A certificate to the effect that the AMC has been managing the Scheme independently of any other activities and in case any activities of the nature referred to in sub-regulations (2) of regulation 24 have been undertaken by the AMC and has taken adequate steps to ensure that the interests of the Unit holders are protected.
- The independent trustees referred to in sub-regulation (5) of regulation 16 of SEBI Regulations shall give their comments on the report received from the AMC regarding the investments by the Mutual Fund in the securities of group companies of the Sponsor.
- Disclosures to the investors:- The trustee shall be bound to make such disclosure to the Unit holders as are essential in order to keep them informed about any information which may have an adverse bearing on their investments.

The Trustees Shall Exercise Due Diligence As Under:

General:

- The Trustee shall be discerning in the appointment of the Board of Directors of the AMC.
- The Trustee shall review the desirability of continuance of the AMC if substantial irregularities are observed in any of the Scheme and shall not allow the AMC to float new Schemes.
- The Trustee shall ensure that the trust property is properly protected, held and administered by proper person and by a proper number of such persons.
- The Trustee shall ensure that service providers are holding appropriate registrations from SEBI or concerned regulatory authority.
- The trustees shall arrange for test checks of service contracts.
- The trustees shall immediately report to SEBI any special developments in the Mutual Fund.
- As per SEBI Circular MFD/CIR/16/400/02 & MFD/CIR/01/071/02 dated 26.03.02 & 15.04.02 respectively the trustees will compare the performance of the scheme with the specified benchmark at their meetings.
- As per SEBI Circular MFD/CIR/03/526/2002 dated May 9, 2002 about investment in unlisted equity shares, if any, the trustees would report compliance of the regulations in their reports to SEBI.

Specific:

- Obtain internal audit reports at regular intervals from independent auditors appointed by the trustees.
- Obtain compliance certificates at regular intervals from the AMC.
- Hold meetings of trustees on a Bimonthly basis as per MFD/CIR/10/15895/2002 dt 20.08.2002.
- The trustees supervisory role is discharged by reviewing the information and the operation of fund based on the reports submitted at the Trustee meeting. The Trustees also review the Internal Audit Report, Statutory Audit Report and the Annual Accounts of the Fund and review the reports sent to SEBI periodically by the AMC. The Trustees have formed an Audit Committee during their meeting on 7th September, 2001. The Audit committee members are Shri M R Siddiqui and Shri S P Srivastava and the quorum being two members.
- Consider the reports of the independent auditor and compliance reports of AMC at the meetings of trustees for appropriate action.
- Maintain records of the decision of the trustees at their meetings and also the minutes of their meetings.
- Prescribe and adhere to a code of ethics by the trustees, AMC and its personnel.
- Communicate in writing to the AMC the deficiencies and checking the removal of deficiencies.

- Notwithstanding anything contained hereinabove the trustees shall not be held liable for acts done in good faith if they have exercised adequate due diligence honestly.
- The trustees shall pay specific attention to the following, as may be applicable, namely:
 - ✓ The investment management agreement and the compensation paid under the agreement.
 - ✓ Service contracts with affiliates, whether the AMC has charged higher fees than outside contractors for the same service.
 - ✓ Selection of the AMC's independent directors.
 - ✓ Securities transactions involving affiliates to the extent such transactions are permitted.
 - ✓ Selecting and nominating individuals to fill independent director's vacancies.
 - ✓ Code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions.
 - ✓ The reasonableness of the fees paid to the Sponsor, AMC and any other for services provided.
 - ✓ Principal underwriting contracts and their renewals.
 - ✓ Any service contract with the associates of the AMC.
- Power to make rules:-
The trustee company may, from time to time, as per provisions of SEBI Regulations (with the prior permission from Unit holders, in case of change of fundamental attributes in accordance with Clause 15 of Regulation 18 of the SEBI (Mutual Funds) Regulations, 1996 and otherwise to be in conformity with the SEBI Regulations or to reflect the change in rules and regulations, generally applicable to mutual funds or trusts), prescribe such forms and make such rules for the purpose of giving effect to the provisions of the Scheme, with power to the Trustee company / Asset Management company to add to, alter or amend all or any of the forms and rules that may be framed from time to time.
- Power to remove difficulties:-If any difficulty in giving effect to the provisions of the Scheme, the trustee company may take such steps which are not inconsistent with these provisions, which appear to them to be necessary or expedient, for the purpose of removing the difficulties.



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