

SAHARA MUTUAL FUND
Annual Report 2018-19



www.saharamutual.com

ANNUAL REPORT 2018-19

BOARD OF TRUSTEES

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

SAHARA MUTUAL FUND

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

SPONSOR

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

INVESTMENT MANAGER

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

REGISTRAR AND TRANSFER AGENT

Karvy Computer Share Private Limited
59, SKANDA, Puttana Road
Basavangudi,,
Bengaluru-560004

CUSTODIAN

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

STATUTORY AUDITORS

Chaturvedi & Partners

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

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

REPORT OF THE TRUSTEES

We are pleased to present before you the **ANNUAL REPORT** of **SAHARA MUTUAL FUND** for the year ended March 31, 2019.

Overview of Equity Markets in 2018-19

Indian markets showed fortitude at the start of FY2018 19 and in the process, overcame multiple hurdles (i.e. INR depreciation, Emerging markets sell-off, rising crude oil prices & rise in US 10-yr treasury yield). In fact, the low marked in March 2018 (9,952) was not visited for the rest of the financial year. The period of chaos & decline seen in February & March 2018 appeared to be a distant memory as the month of April 2018 brought in a new tide of hope for the Indian indices; particularly for benchmark index (registering a rally of over 6% in April 2018). Price performance showed that select index heavyweight stocks led from the front (i.e. HDFC, HDFC Bank, RIL & TCS).

Despite multiple issues, previous financial year underlined the resilience & strength of Indian markets (Nifty up ~15%). Nifty not only outperformed the MSCI emerging markets index (down 9%), but its global peers as well (Both Dow Jones & S&P 500 up ~9% each & MSCI World index up 3%). What's more, even the macro headwinds - a strong Dollar index and depreciating INR - had little effect on the market. This tenacity was indeed remarkable given the fact that the rupee fell to a record low even as the Turkish lira crashed against the US dollar. Turmoil in Turkey not only weighed on the Indian rupee but also on most Asian currencies. But headline index hardly echoed street sentiments as both midcap & smallcaps indices did not participate with the same gusto. It set the trend of underperformance of midcaps & small-caps for the rest of the financial year (Nifty Midcap index lost 3% & Nifty Smallcap index tumbled 14%).

Later in December 2018, high voltage drama on the political front (i.e. state elections in Rajasthan, Madhya Pradesh & Chattisgarh) kept indices on tenterhooks. However, markets chose to overlook BJP's loss in key state assembly election results as equities rebounded and even Rupee recovered significantly from day's low post the disruption events (including RBI's governor -resignation).

Apart from domestic issues (i.e. IL&FS and few other corporates defaulting on payments to lenders), global economic worries also weighed heavily on Indian markets. Dow Jones registered its worst December, recording a drop of ~9%, following a negative reaction to Fed's interest rate hike and expectations of two more increases in 2019. Market participants were spooked on concerns that continued rise in borrowing costs will cause the economy to slow.

In February 2019, a shocking terror attack in Pulwama which took lives of at least 40 CRPF personnel left the nation in a shock. Tremors of the same were felt on Dalal Street as Nifty marked a low of 10,586 post the escalation of geo-political tension between the neighboring countries. The BJP Govt's decision to conduct a surgical strike at Balakot to avenge the Pulwama attack led to a strong nationalistic wave across the country improving the sagging fortunes of the BJP and kindling hopes of a resounding victory in the ensuing Lok Sabha elections. This triggered a catch up rally from latter half of February 2019 onwards with Nifty breaking out from a prolonged consolidation period and the architects of the rally were Bank Nifty, Infrastructure & Midcaps.

Within the energy space, Reliance Industries was the major mover. Post the announcement of monetization plans for tower and fibre assets of Reliance Jio, it saw a re-rating as the measure would lead to significant reduction in debt. Meanwhile, Auto industry continued to remain under pressure on back of weak demand environment across segments. With inventory levels piling up, wholesale volumes in March 2019 were significantly weak. Increase in prices due to upfront payment of Insurance premium, increase in fuel prices and slowdown in lending by the NBFCs due to the liquidity squeeze being the main reasons for the slowdown in auto sales.

Overview of Debt Market in 2018-19

2018 saw markets everywhere, globally as well as domestically, behave like quicksilver – ever-shifting and unpredictable. The year has been one of the worst on record this decade for global bond markets. Rising benchmark interest rates, expectations of slower global growth and wavering outlook on oil prices have been

the key drivers for negative returns, dampening investor demands and widening spreads. The debt markets have seen a large move in both directions over the course of the year.

The year was also an eventful one for debt market participants (IL&FS). The risk of contagion in the NBFC space, the year has been an eventful one. Despite 2018 being a year of negatives, the bond market outperformed equity markets for the year. The year 2019 is likely to be a year of reversals, furthering the investment case for debt markets. The year has ended with debt returns outperforming equity markets in many debt mutual fund categories.

Credit risk was brought to the forefront once again, highlighting that debt funds are not risk-free investments and investors should heed caution while investing in relatively high-risk, high-reward debt products. The higher credit risk scenario has since diminished as reflected in normalised prices across the yield curve.

Crude has been an impediment to the India story over the past few quarters. From a low in 2016 of approximately \$30 per barrel, crude prices jumped to \$82 per barrel in mid-September 2018 raising concerns on inflation and a possible breach of the fiscal deficit targets. A sharp reversal over the past few months has raised optimism levels given India is a large crude importer. This has also reflected positively across rates and the currency. We anticipate crude to remain fairly volatile over the next year given heightened geopolitical tensions and the demand-supply mismatch.

India remained a relative favorite with foreign investors looking at emerging markets despite the overall global shift away from emerging markets. This is due to the bright spots of opportunity India continues to offer. It also retained its tag as the fastest growing nation by GDP growth rate as growth waned across most of the developing world amid a sagging global economic environment. Currently, India continues to offer high real rates and a stable currency and hence remains a strong contender for foreign debt capital. GDP numbers should be seen in context of a normalizing base post GST implementation. While the full impact of GST on the GDP base has not been captured, we anticipate the high crude oil prices during the quarter may have exasperated the downtick. This is likely to get balanced out in the coming quarters. The long-term story continues to remain intact given the strong high frequency numbers and strong corporate earnings.

The IL&FS default sent shock waves across the NBFC space in early August 2018 as concerns over asset liability mismatches and poor risk management protocols in the quest for a growth blitzkrieg were brought to the fore. Timely action by RBI and confidence building measures by the government alleviated much of the contagion risk. An already dislocated bond market favouring short-tenor debt instruments saw some degree of aggravation as market participants took a back seat and were in a wait-and-watch mode as news flow drove debt market valuations. This was a short-term market liquidity crunch and re-emphasised the need for continuous credit evaluation and responsible investing. The market is now slowly finding its way back to normalcy as rates have returned to pre-crises levels.

Outlook for the period 2019-20

Equity Market:

The uncertainty with regards to the continuity of the reforms programs launched by the previous government is now reduced with the incumbent government coming back to power with majority numbers. However, the slowing global growth, ongoing US-China trade war etc. could have a negative impact on overall EM growth, including that of India. While fiscal and monetary strategies would help arrest the slide in growth in the near-term, it is unlikely to be able to push up GDP growth significantly in FY20, with growth expectations revised down by the RBI to 7% from 7.2% in its June 2019 meet.

FY20 however will remain crucial for policy announcements and implementation by the new government, that is likely to shape the future growth prospects of India. Agricultural reforms would be in focus in line with the government's target of doubling farm income. The Rs.25 lakh crores investment in the agricultural sector has been promised. The Govt. is hoping to reduce wastage of food produce by setting up a network of warehouses. Following through on its electoral promises as laid down in its manifesto the BJP Govt. has expanded the PM Kisan Sanman Nidhi Yojana to all farmers from the current coverage of small and medium farmers. Another key focal point will be investments in infrastructure sector. While the BJP manifesto places the target ambitiously at Rs.100tn by year 2024, we hope for a more pragmatic approach given the limited fiscal space available.

The auto sector could continue to languish due to changing emission regulations. The funding crunch facing NBFCs dominated FY19 impacting consumption oriented sectors. This could continue to remain in focus in the first half of FY20, given that the NBFC issue is a solvency issue rather than a liquidity issue and thus could take time to sort itself out. Assuming no further accidents, some clarity on the sector can be expected in H2FY20. With the Govt. trying to address farm distress on a war footing coupled with a normal monsoon we could see some revival in the fortunes of FMCG companies in H2FY20.

Debt Market:

We do not believe that there is material risk of financial instability and hence RBI is likely to continue to focus on inflation trajectory. With the current inflation trajectory and RBI's inflation projection for the year at 4%, we don't see significant moves on the repo rate front for the rest of the financial year. As the shadow of the IL&FS saga and the NBFC liquidity crunch recede, 2019 is likely to be a better year for debt against the backdrop of lower crude and stable macros. However, the fiscal position is likely to remain an overhang given that current GST collections are far lower than budgeted expectations and non-tax revenue growth continues to remain tepid.

- **Sahara Tax Gain Fund**

Returns:

Performance as of March 31, 2019	1 year	Since inception	Inception Date
Sahara Tax Gain Fund (%) Regular	4.78	20.55	April 1, 1997 (Regular) / Jan 1, 2013 (Direct)
Sahara Tax Gain Fund (%) Direct	5.91	11.19	
S & P BSE 200 (%)	12.10	13.89/4.40	

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

As on March 31, 2019, the scheme had invested 94.38 % of its net assets in equities and the balance is in cash and cash receivables.

- **Sahara Growth Fund**

Returns:

Performance as of March 31, 2019	1 year	Since inception	Inception Date
Sahara Growth Fund (%) - Regular	7.92	17.67	Aug 30, 2002 (Regular)/ 01/01/2013(Direct plan)
Sahara Growth Fund (%) - Direct	10.07	10.69	
CNX Nifty (%)	16.45	17.48 / 12.71	

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

As on March 31, 2019, the scheme had invested 95.19% of its net assets in equities and the balance is in other cash and cash receivables.

- **Sahara Midcap Fund**

Returns:

Performance as of March 31, 2019	1 year	Since inception	Inception date
Sahara Midcap Fund (%) - Regular	(1.83)	15.76	31 st December , 2004 (Regular) / <hr/> 1/1/2013 (Direct plan)
Sahara Midcap Fund (%) - Direct	(0.27)	16.92	
Nifty Free Float Midcap 100 (%)	(1.86)	15.09 / 14.15	

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

As on March 31, 2019, the scheme had invested 92.87 % of its net assets in equities and the balance is in cash and cash receivables.

- Sahara Wealth Plus Fund

Returns:

Performance as of March 31, 2019	1 year	Since inception	Inception date
Regular			
Sahara Wealth Plus Fund (%) – Variable Pricing Option	(3.1337)	12.6290	01/09/2005 (Regular)/
Fixed Pricing Option	(4.4381)	11.3599	
Nifty 500 (%)	9.73	13.0910	
Direct			01/01/2013 (Direct)
Sahara Wealth Plus Fund (%) – Variable Pricing Option	(2.6084)	12.7818	
Fixed Pricing Option	(3.8393)	10.9569	
Nifty 500 (%)	9.73	13.2128	

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

As on March 31, 2019, the scheme had invested 90.14% of its net assets in equities and the balance is in cash and cash receivables.

- Sahara Infrastructure Fund

Returns:

Performance as of March 31, 2019	1 year	Since inception	Inception date
Regular			
Sahara Infrastructure Fund (%) – Variable Pricing Option	1.7636	8.9736	01/09/2005 (Regular)/
Fixed Pricing Option	0.3499	7.7258	
Nifty 50 (%)	16.45	11.10	
Direct			01/01/2013 (Direct)
Sahara Infrastructure Fund (%) – Variable Pricing Option	2.3512	12.1731	
Fixed Pricing Option	3.1939	11.5145	
Nifty 50 (%)	16.45	12.71	

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

As on March 31, 2019, the scheme had invested 94.90% of its net assets in equities and the balance is in cash and cash receivables.

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

Returns:

Performance as of March 31, 2019	1 year	Since inception	Inception date
Sahara R.E.A.L Fund (%) - Regular	(4.66)	6.71	Nov 27, 2007 (Regular)/ 01/01/2013 (Direct)
Sahara R.E.A.L Fund (%) - Direct	(2.86)	17.36	
Nifty 50(%)	16.45	7.76 / 12.71	

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

As on March 31, 2019, the scheme had invested 92.11% of its net assets invested in equities and the balance is in cash and cash receivables.

- **Sahara Power and Natural Resources Fund**

Returns:

Performance as of March 31, 2019	1 year	Since inception	Inception date
Sahara Power and Natural Resources Fund(%)- Regular	(4.50)	7.22	17 th June, 2008 (Regular) / 01/01/2013 (Direct)
Sahara Power and Natural Resources Fund(%)- Direct	(2.62)	11.28	
Nifty 50 (%)	16.45	10.18 /12.71	

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

As on March 31, 2019, the scheme had invested 94.89 % of its net assets in equities and the balance is in cash and cash receivables.

- **Sahara Banking and Financial Services Fund**

Returns:

Performance as of March 31, 2019	1 year	Since inception	Inception date
Sahara Banking and FS Fund (%) - Regular	21.81	20.80	16 th Sept 2008 (Regular)/ 01/01/2013 (Direct)
Sahara Banking and FS Fund (%) - Direct	23.49	13.73	
Nifty Bank (%)	25.91	17.51 / 16.01	

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

As on March 31, 2019, the scheme had invested 95.50% of its net assets invested in equities and the balance is in cash and cash receivables

- **Sahara Super 20 Fund**

Returns:

Performance as of March 31, 2019	1 year	Since inception	Inception Date
Sahara Super 20 Fund(%)- Regular	6.89	7.93	31 st July, 2009(Regular)/ 01/01/2013 (Direct)
Sahara Super 20 Fund(%)- Direct	8.87	10.08	
Nifty 50 (%)	16.45	11.30/12.71	

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

As on March 31, 2019, the scheme had invested 94 % of its net assets in equities and the balance 6% in cash and cash receivables.

- **Sahara Star Value Fund**

Returns:

Performance as of March 31, 2019	1 year	Since inception	Inception Date
Sahara Star Value Fund(%)- Regular	(1.37)	9.68	14 th September, 2009 (Regular) / 01/01/2013 (Direct)
Sahara Star Value Fund(%)- Direct	(1.21)	13.15	
S & P BSE 200 (%)	12.10	11.48 / 4.40	

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

As on March 31, 2019, the scheme had invested 91.82 % of its net assets in equities and the balance is in cash and cash receivables.

- **Sahara Liquid Fund**

Returns:

Performance as of March 31, 2019	1 year	Since inception	Inception date
Regular			
Sahara Liquid Fund (%) – Variable Pricing Option	5.7282	7.3812	19/02/2002 (FPO)(Regular)/ 17/10/2007 (VPO) (Regular)
Fixed Pricing Option	5.5249	6.8807	
CRISIL Liquid Fund Index (%)	7.6276	7.4032 / NA	
Direct			01/01/2013 (Direct)
Sahara Liquid Fund (%) – Variable Pricing Option	5.7636	7.0322	
Fixed Pricing Option	NA	NA	
CRISIL Liquid Fund Index (%)	7.6276	8.02	

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

As on March 31, 2019, the scheme had invested 98.45% in T-Bills / Short Term Deposits and the balance in cash and cash receivables.

2. Brief Background of Sponsor, Trust and AMC Company

a. Sahara Mutual Fund

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

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

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

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

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

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

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

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

SAT vide its order dated 3rd May 2018 directed that SEBI shall not enforce the orders impugned in the two appeals till a decision on new sponsor's application is communicated. The decision of SEBI on the application made by One Life Capital Advisers Limited is awaited.

b. Board of Trustees

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

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

3. Investment Objective of the Scheme.

i. Sahara Tax Gain Fund

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

ii. Sahara Growth Fund

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

iii. Sahara Midcap Fund

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

iv. Sahara Wealth Plus Fund

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

v. Sahara Infrastructure Fund

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

vi. Sahara R.E.A.L Fund

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

vii. Sahara Banking and Financial Services Fund

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

viii. Sahara Power and Natural Resources Fund

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

ix. Sahara Super 20 Fund

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

x. Sahara Star Value Fund

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

xi. Sahara Liquid Fund

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

4. Significant Accounting Policies:

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

5. Unclaimed Dividends and Redemptions

Scheme Name	No of Investors	Unclaimed Dividend (Rs.)	No of Investors	Unclaimed Redemption (Rs.)
Sahara Tax Gain Fund	2069	2087796.89	58	409841.29
Sahara Growth Fund	18	64821.18	13	183939.94
Sahara Midcap Fund	577	635920.45	96	756357.92
Sahara Wealth Plus Fund	879	898781.82	114	989778.38
Sahara Infrastructure Fund	26	118575.30	71	673850.63
Sahara R.E.A. L Fund	0	0.00	48	687476.90
Sahara Power & Natural Resources Fund	3	4450.52	16	204774.67
Sahara Banking and Financial Services Fund	40	103894.31	15	220731.90
Sahara Super 20 Fund	0	0.00	16	243928.78
Sahara Star Value Fund	6	9633.87	6	95698.08
Sahara Liquid Fund	-	-	-	-

6. Disclosure of investor complaints for the year 2018-19

Total Number of Folios under all schemes: 15295

Complaint Code	Type of Complaint#	(a) No. of Complaints pending at the beginning of the year	(b) No of complaints received during the year	Action on (a) and (b)								
				Resolved				*Non Actionable	Pending			
				Within 30 Days	30- 60 Days	60- 180 Days	Beyond 180 days			0-3 mths	3 - 6 mths	6-9 mths
I A	Non receipt of Dividend on Units	0	2	2	0	0	0	0	0	0	0	0
I B	Interest on delayed payment of Dividend	0	0	0	0	0	0	0	0	0	0	0
I C	Non receipt of Redemption Proceeds	0	1	1	0	0	0	0	0	0	0	0
I D	Interest on delayed Payment of Redemption	0	0	0	0	0	0	0	0	0	0	0
II A	Non receipt of Statement of Account/Unit Certificate	0	1	1	0	0	0	0	0	0	0	0

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

including against its authorized persons/ distributors/ employees etc.

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

Others ** (1)

SCORES Complaints:

Does not pertain to Sahara Mutual Fund (Non receipt of Sahara Bond schemes maturity amount)

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

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

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

Philosophy and Guidelines of Voting Policy:

The AMC has a dual responsibility of a prudent Fund Manager investing investors' money as well as of an entity performing the responsibility of protecting the investors' interest. As part of the management of funds,

irrespective of the scheme, the AMC ensures that investments are made in companies that meet investment norms. It is expected that the investee company adheres to proper corporate governance standards. The voting policy for the investee companies by the AMC is as under:

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

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

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

Disclosure of Voting policy and Maintenance of Records:

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

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

8. Statutory Information.

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

Acknowledgements

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

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

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

For and on behalf of Sahara Mutual Fund

M R Siddiqui
Trustee

Place: Mumbai

Date: 19th July, 2019

CERTIFICATE OF THE VOTING REPORTS

Pursuant to SEBI Circular CIR/IMD/DF/05/2017 dated 24th March 2014 read with circular Ref. SEBI/HO/IMD/DF2/P/2016/68 dated 10th August, 2016, we have been appointed as "Scrutinizer" in terms of Rule 20(3)(ix) of Companies (Management and Administration) Rules, 2014 to certify the voting reports exercised by Sahara Asset Management Company Private Limited for the financial year 31st March, 2019.

We hereby report as under:

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

Voting For/Against/Abstained	No of Agenda Items
FOR	783
AGAINST	0
ABSTAINED	0
TOTAL	783

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

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

Mruga Vasavada
Practicing Company Secretary
ACS: 26793 CP: 9647

Place: Mumbai
Date: 24th April, 2019

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Tax Gain Fund** ("the Scheme"), which comprise the Balance Sheet as at March 31, 2019, the Revenue Account and the Cash Flow Statement for the year then ended, and noted to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2019;
- (b) in the case of the Revenue Account, of the surplus for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

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

- a) Note no. 8.17 which states, inter alia, that Sahara Mutual Fund had requested SEBI in January 2018 to extend the date of cancellation of 'Certificate of registration' till 27th July, 2018 considering the lock in period of certain unit holders' investments in Sahara Tax gain fund as well as for giving time for identification of a new sponsor. However, SEBI ordered for winding up of all schemes against which Sahara Mutual Fund appealed before SAT for a stay of SEBI order. In the meanwhile, a new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

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

The above indicates the existence of a material uncertainty that may cast significant doubt about Sahara Mutual Fund's ability to continue as a going concern. However, the financial statements of the Scheme have been prepared on a going concern basis, pending the decision of the SEBI on the sponsor.

- b) Note no. 8.18 which states that minimum four Trustees are required as per Reg. 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, has not been complied with.
- c) 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 have maintained a Net Worth of minimum Rs.50 crs. The Net Worth of SAMC as on March 31, 2019 was Rs.5.02 crs (refer Note 8.19); thereby net worth criteria has not been complied with.

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.

In preparing the financial statements, management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Scheme or to cease operations or has no realistic alternative but to do so.

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 account 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

Place: Mumbai
Date: July 19, 2019

SAHARA TAX GAIN FUND

BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedule	As at	As at
		March 31, 2019	March 31, 2018
ASSETS		(Rs)	(Rs)
Investments	1	51,976,226	63,093,174
Other Current Assets	2	5,842,524	4,491,744
Total Assets		57,818,750	67,584,918
LIABILITIES			
Unit Capital	3	20,032,528	25,491,368
Reserves & Surplus	4	34,922,879	38,807,036
Current Liabilities & Provisions	5	2,863,343	3,286,514
Total Liabilities		57,818,750	67,584,918

NET ASSET VALUE

		As at	As at
Net Asset Value per unit (Rs.)		March 31, 2019	March 31, 2018
i) Growth Option	G	76.4313	72.9447
ii) Dividend Option	D	17.9017	17.0852
iii) Direct Growth Option	GDP	80.2936	75.8157
iv) Direct Dividend Option	DDP	18.2436	17.3633

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

Sudhir Kaup

Compliance Officer

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

Place: Mumbai

S P Srivastava

Trustee

Date: 19th July, 2019

R M Joshi

Director

Khozem Jabalpurwala

Fund Manager

SAHARA TAX GAIN FUND

REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Schedule	For the year ended March 31, 2019 (Rs)	For the year ended March 31, 2018 (Rs)
INCOME			
Dividend Income		478,590	701,862
Interest & Discount Income		12,051	-
Profit on Sale / Redemption of Investments(Net)		12,916,372	9,499,664
(Other than Inter Scheme Transfer / Sale)			
Total Income		13,407,013	10,201,526
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Management Fees		882,533	1,816,035
ST / GST on Management Fees		158,858	312,587
Investor Education & Awareness Fees		11,215	15,137
Registrar & Transfer Agent Charges		195,887	115,519
Transaction cost		20,084	25,791
Custodian Fees		106,056	-
Trusteeship Fees & Expenses		10,118	-
Audit Fees		129,979	-
Commission to Agents		14,547	-
Total Expenses		1,529,277	2,285,069
Net Surplus for the Year		11,877,736	7,916,457
Provision/ Write Back for diminution in the value of Investment	6	(913,280)	(1,444,799)
Net Surplus for the Year (excluding unrealised appreciation)		10,964,456	6,471,658
Transfer from Income Equalisation Reserve		(11,599,468)	(15,373,165)
Net : Transferred to Revenue Reserve		(635,012)	(8,901,507)

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

R M Joshi

Director

Sudhir Kaup

Compliance Officer

Khozem Jabalpurwala

Fund Manager

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA TAX GAIN FUND

SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at March 31, 2019		As at March 31, 2018
Particulars		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio Statement)				
Equity Shares		51,976,226		63,093,174
		51,976,226		63,093,174
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		4,085,503		2,689,348
Investment - Liquid MF Units		1,739,307		1,784,682
Investment - Liquid MF Units - Investor Education		17,714		17,714
		5,842,524		4,491,744
SCHEDULE 3				
Unit Capital				
Growth Option 286801.408 units of Rs.10 each	G	2,868,014		3,255,800
(For 2017-2018 - 325579.982 units of Rs.10 each)				
Dividend Option 1599135.105 units of Rs.10 each	D	15,991,351		20,277,535
(For 2017-2018 - 2027753.472 units of Rs.10 each)				
Direct Growth Option 36665.079 units of Rs.10 each	GDP	366,651		431,094
(For 2017-2018 -43109.444 units of Rs.10 each)				
Direct Dividend Option 80651.220 units of Rs.10 each	DDP	806,512		1,526,939
(For 2017-2018 - 152693.940 units of Rs.10 each)				
Total		20,032,528		25,491,368
(Refer Note 8.9 of Schedule 7)				

SCHEDULES FORMING PART OF THE BALANCE SHEET				
Particulars		As at		As at
SCHEDULE 4		March 31, 2019		March 31, 2018
Reserves and Surplus		(Rs)		(Rs)
Revenue Reserve				
Balance as at beginning of the year	50,801,841		59,703,348	
Transferred from Revenue Account	(635,012)		(8,901,507)	
Balance as at end of the year		50,166,829		50,801,841
Income Equalisation Reserve				
Balance as at beginning of the year				
Additions during the year	(11,599,468)		(15,373,165)	
Transferred to Revenue Account	11,599,468		15,373,165	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	15,208,107		17,134,043	
Additions during the year	(8,187,973)		(1,925,936)	
Balance as at end of the year		7,020,134		15,208,107
Unit Premium Reserve				
Balance as at beginning of the year	(27,202,912)		(29,901,448)	
Additions during the year	4,938,828		2,698,536	
Balance as at end of the year		(22,264,084)		(27,202,912)
Balance carried to the Balance Sheet		34,922,879		38,807,036
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		210,331		8,379
Management Fees Payable		2,929		24,555
ST / GST on Management Fees Payable		527		4,420
STT Payable		8		15

Payable - Fee on Investor Education		36,213		31,631
Unclaimed Distributed Income		2,087,797		2,151,843
Payable on Redemption of Units		525,538		1,065,671
		2,863,343		3,286,514

SAHARA TAX GAIN FUND

SCHEDULES FORMING PART OF REVENUE ACCOUNT

		For the year ended		For the year ended
Particulars		March 31, 2019		March 31, 2018
		(Rs)		(Rs)
SCHEDULE 6				
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(2,532,753)		(1,087,954)
At the end of the year		(3,446,033)		(2,532,753)
		(913,280)		(1,444,799)

SCHEDULE - 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019.

1. INTRODUCTION

1.1 About the Scheme

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

1.2 Asset Management Company

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

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

The shareholding of Sahara Asset Management Company Private Limited as on March 31, 2019 is as follows:

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting

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

2.2. Accounting for Investments

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

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

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

2.3. Valuation of Investments

Valuation Policy as on 31.03.2019 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
Pex = Ex-rights price
Pof = 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 be decided by the Investment and Valuation Committee.

- vi) The Valuation Policy is reviewed by the Statutory Auditor at least once in a financial year.
- vii) Valuation Policy as updated and approved by the Board of AMC / Board of Trustees is applicable for the schemes of Sahara Mutual Fund

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

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

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

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

2.3.2 Unrealized Appreciation/Depreciation.

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

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

2.4 Revenue Recognition

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

3. Net Asset Value for Growth/Dividend Options:

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

4. Unit Premium Reserve Account

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

5. Income Equalization Account

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

6. Load Charges

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

7. Unclaimed Redemption

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

8. NOTES ON ACCOUNTS

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

Management Fees

Management Fees (inclusive of GST) has been computed at 1.86% (P.Y. 2.81%) on average net assets calculated on a daily basis.

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the financial year 2018-19, the Trusteeship fees and expenses amounted to Rs.97637.68. However, due to small AUM of the scheme, only an amount of Rs.10118.06 was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

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

Scheme Expenses

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

During the financial year 2018-19 due to small size of AUM of the scheme only 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	432097.39	195886.72	236210.67
Custodian Fees	253294.42	06056.11	147238.31
Audit Fees	224629.76	129979.08	94650.68

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

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

8.4 During the year ended 31.03.2019 the Registrar and Transfer Agent charges amounting to Rs.1,95,886.72 (PY:Rs.0.00) constitutes 12.81% (PY:0.00%) of the total scheme expenses

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

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

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

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0541	0.0026	0.0053	0.0005	0.0047

(Rs. in lakhs)

Star Value Fund	Banking & Financial Services Fund
0.0003	0.0112

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2018.

(Rs. In lakhs)

Tax Gain Fund	Growth Fund	Liquid Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0920	0.0053	0.0003	0.0251	0.0005	0.0050

(Rs. In lakhs)

Star Value Fund	Super 20 Fund	Power and Natural Resources Fund	Banking & Financial Services Fund
0.0008	0.0001	-	0.0184

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 18-March 19	0.00	Rs.7874.96; 9.20%
SIFCL	Sponsor / Mutual Fund Distributor	April 17-March 18	0.00	Rs.14755.39; 8.10%

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

Brokerage paid to Associates / Related Parties / Group Companies of Sponsor/AMC

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

There are no associate brokers, hence not applicable for the period April – Mar 2019 & April – Mar 2018.

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

Purchases

Year	Amount in Rs.	% of Daily Average
2018-19	6,92,32,642	123.39
2017-18	2,09,28,334	27.64

Sales

Year	Amount in Rs.	% of Daily Average
2018-19	8,41,64,710	150.00
2017-18	4,27,36,123	56.44

8.7 Aggregate Appreciation and Depreciation in the value of Investments :

Asset Class	31-Mar-2019		31-Mar-2018	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	70.20	34.46	152.08	25.33

8.8 Income and Expense Ratio

	2018-19	2017-18
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	30.26%	30.21%
Total Expenditure to average net assets calculated on a daily basis	2.73%	3.02%

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

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on	As on	As on	As on
	31-Mar-2019	31-Mar-2019	31-Mar-18	31-Mar-18
Initial Capital	653500.000	6535000.00	653500.000	6535000.00
Opening Balance	325579.582	3255795.82	423154.954	4231549.54
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(38778.574)	(387785.74)	(97575.372)	(975753.72)
Closing Balance	286801.008	2868010.08	325579.582	3255795.82

8.9.2 Growth Option (Direct)

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on	As on	As on	As on
	31-Mar-2019	31-Mar-2019	31-Mar-2018	31-Mar-2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	43109.444	431094.44	57584.765	575847.65
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(6444.365)	(64443.65)	(14475.321)	(144753.21)
Closing Balance	36665.079	366650.79	43109.444	431094.44

8.9.3 Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on	As on	As on	As on
	31-Mar-2019	31-Mar-2019	31-Mar-18	31-Mar-18
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	2027753.472	20277534.72	2620149.938	26201499.38
Units Sold during the period	0.000	0.00	0.000	0.00
Units Repurchased during the period	(428618.367)	(4286183.67)	(592396.466)	(5923964.66)
Closing Balance	1599135.105	15991351.05	2027753.472	20277534.72

8.9.4 Dividend Option (Direct)

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on	As on	As on	As on
	31-Mar-2019	31-Mar-2019	31-Mar-18	31-Mar-18
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	152693.940	1526939.40	265874.020	2658740.20
Units Sold during the period	0.000	0.00	0.000	0.00
Units Repurchased during the period	(72042.720)	(720427.20)	(113180.080)	(1131800.80)
Closing Balance	80651.220	806512.20	152693.940	1526939.40

8.10 The scheme has declared Nil dividend for the year ended March 31, 2019 (PY: Nil). There was no bonus declared during the year ended March 31, 2019 (PY: Nil).

8.11 Unclaimed Amounts (beyond three months)

Unclaimed Redemption and Dividend amounts as on March 31, 2019 are given below:

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No of Investors	Unclaimed Redemption(Rs)
Sahara Tax Gain Fund	2069	2087796.89	58	409841.29

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

8.13 Portfolio Statement as on 31st March, 2019:

Name of the Instrument	ISIN	Qty	Market Value (Rs. in Lakhs)	% to NAV	% to Category Total
1) Equity & Equity Related					
(a) Listed/awaiting Listing on Stock Exchange					
EQUITY SHARES					
AUTO				2.49	2.64
BAJAJ AUTO LTD	INE917I01010	300	8.73		
ASHOK LEYLAND LTD	INE208A01029	5443	4.97		
AUTO ANCILLARIES				5.31	5.62
EXIDE INDUSTRIES LTD	INE302A01020	7094	15.51		
BALKRISHNA INDUSTRIES LTD	INE787D01026	705	7.02		
APOLLO TYRES LTD	INE438A01022	3004	6.69		
BANKS				29.27	31.02
HDFC BANK LTD	INE040A01026	1500	34.78		
ICICI BANK LTD	INE090A01021	6841	27.40		
INDUSIND BANK LIMITED	INE095A01012	1271	22.62		
AXIS BANK LIMITED	INE238A01034	2212	17.19		
STATE BANK OF INDIA	INE062A01020	4899	15.71		
RBL BANK LIMITED	INE976G01028	2252	15.32		
CITY UNION BANK LIMITED	INE491A01021	7029	14.40		
THE FEDERAL BANK LIMITED	INE171A01029	14300	13.79		

CHEMICALS				4.37	4.63
ATUL LTD	INE100A01010	418	14.99		
TATA CHEMICALS LTD	INE092A01019	1539	9.06		
CONSTRUCTION				1.34	1.41
ITD CEMENTATION INDIA LIMITED.	INE686A01026	5585	7.35		
CONSUMER DURABLES				5.42	5.74
BATA INDIA LTD	INE176A01028	1151	16.17		
BLUE STAR LTD	INE472A01039	1124	7.62		
DIXON TECHNOLOGIES (INDIA) LIMITED	INE935N01012	258	6.07		
CONSUMER NON DURABLES				5.91	6.26
DABUR INDIA LTD	INE016A01026	3199	13.08		
GLAXOSMITHKLINE CONSUMER HEALTHCARE LTD.	INE264A01014	140	10.15		
TATA GLOBAL BEVERAGES LTD. (EX-TATA TEA LTD)	INE192A01025	4106	8.37		
MARICO LIMITED	INE196A01026	275	0.95		
FERTILISERS				2.35	2.49
COROMANDEL INTERNATIONAL LTD	INE169A01031	2554	12.96		
FINANCE				5.24	5.55
MANAPPURAM FINANCE LIMITED	INE522D01027	9338	11.70		
BAJAJ FINANCE LIMITED	INE296A01024	313	9.47		
BAJAJ FINSERV LTD	INE918I01018	109	7.67		
HOTELS, RESORTS AND OTHER RECREATIONAL ACTIVITIES				1.72	1.82
INDIAN HOTELS CO LTD	INE053A01029	6117	9.48		
INDUSTRIAL PRODUCTS				5.49	5.82
CUMMINS INDIA LTD	INE298A01020	1571	11.72		
SUPREME INDUSTRIES LTD.	INE195A01028	844	9.43		
MOLD-TEK PACKAGING LIMITED	INE893J01029	3529	9.11		
MEDIA & ENTERTAINMENT				1.33	1.41
ENTERTAINMENT NETWORK INDIA LTD	INE265F01028	1364	7.34		
PETROLEUM PRODUCTS				7.60	8.05
RELIANCE INDUSTRIES LTD	INE002A01018	3069	41.84		
PHARMACEUTICALS				7.47	7.91
IPCA LABORATORIES LTD	INE571A01020	1618	15.89		
DIVI S LABORATORIES LIMITED	INE361B01024	770	13.11		
ALEMBIC PHARMACEUTICALS LIMITED	INE901L01018	2255	12.13		
POWER				2.05	2.17
KALPATARU POWER TRANSMISSION LTD	INE220B01022	2395	11.27		
SOFTWARE				4.64	4.91
TECH MAHINDRA LTD	INE669C01036	1810	14.04		
CYIENT LIMITED (EX INFOTECH ENTERPRISES LTD)	INE136B01020	1770	11.50		
TEXTILES - COTTON				2.39	2.53
VARDHMAN TEXTILES LIMITED	INE825A01012	1208	13.14		
(b) Unlisted		Nil	Nil	Nil	Nil
Equity Total (a+b)			519.76	94.38	100.00

2) Debt Instruments					
(a) Listed/awaiting Listing on Stock Exchange		Nil	Nil	Nil	Nil
(b) Privately Placed/Unlisted		Nil	Nil	Nil	Nil
(c) Securitised Debt		Nil	Nil	Nil	Nil
3) Money Market Instruments					
Collateralized Borrowing and Lending Obligation (CBLO)			0.00	0.00	0.00
4) Short term Deposit		Nil	Nil	Nil	Nil
5) Other- Net Current Assets			30.97	5.62	100.00
Grand Total			550.73	100.00	100.00

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

8.15 Holdings over 25% of the NAV of the scheme as of March 31, 2019.

Particulars	As on March 31, 2019	As on March 31, 2018
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.

Pending decision of SEBI on the above matter, the scheme accounts have been made 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, 2019 was Rs. 5.02 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 figures have been reclassified/regrouped, wherever necessary to conform to the current year's classification.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah
(Partner)

Mem. No.117510

Place: Mumbai

Date: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava
Director

R M Joshi
Director

Sudhir Kaup
Compliance Officer

Khozem Jabalpurwala
Fund Manager

Vidya Manjrekar
Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui
Trustee

S P Srivastava
Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA TAX GAIN FUND
Perspective Historical Per Unit Statistics

	As at	As at	As at
Particulars	31-Mar-19	31-Mar-18	31-Mar-17
	(Rs. Per Unit)	(Rs. Per Unit)	(Rs. Per Unit)
(A) Gross Income			
(I) Income other than Profit on sale of Investments	0.24	0.28	0.26
(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	6.45	3.73	1.65
(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	0.76	0.90	0.72
(c) Net Income	5.93	3.11	1.19
(d) Net unrealised appreciation/(diminution) in value of investments	1.78	4.97	4.77
(e) Net Asset Value			
Growth Plan	76.4313	72.9447	69.5416
Dividend Plan	17.9017	17.0852	16.2882
Direct Growth Plan	80.2936	75.8157	71.3881
Direct Dividend Plan	18.2436	17.3633	16.5050
(f) Purchase Price during the year**			
(I) Highest			
Growth Plan	78.4915	81.2032	69.5416
Dividend Plan	18.3842	19.0197	16.2882
Direct Growth Plan	82.0767	84.2036	71.3881
Direct Dividend Plan	18.7069	19.3191	16.5050
(ii) Lowest			
Growth Plan	65.9794	69.8547	56.2302
Dividend Plan	16.0399	16.3615	13.0332
Direct Growth Plan	69.1101	71.7560	56.6191
Direct Dividend Plan	16.1228	16.5864	13.4787
(g) Sale Price during the year**			
(I) Highest			
Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
(ii) Lowest			
Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000

(h) Ratio of expenses to average daily net assets by percentage*	2.73%	3.02%	3.00%
(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)	30.26%	30.21%	27.76%

*Annualised

**Based on the maximum load during the year

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

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara Growth Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Growth Fund** ("the Scheme"), which comprise the Balance Sheet as at March 31, 2019, the Revenue Account and the Cash Flow Statement for the year then ended, and noted to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2019;
- (b) in the case of the Revenue Account, of the surplus for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

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

- a) Note no. 8.17 which states, inter alia, that Sahara Mutual Fund had requested SEBI in January 2018 to extend the date of cancellation of 'Certificate of registration' till 27th July, 2018 considering the lock in period of certain unit holders' investments in Sahara Tax gain fund as well as for giving time for identification of a new sponsor. However, SEBI ordered for winding up of all schemes against which Sahara Mutual Fund appealed before SAT for a stay of SEBI order. In the meanwhile, a new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

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

The above indicates the existence of a material uncertainty that may cast significant doubt about Sahara Mutual Fund's ability to continue as a going concern. However, the financial statements of the Scheme have been prepared on a going concern basis, pending the decision of the SEBI on the sponsor.

- b) Note no. 8.18 which states that minimum four Trustees are required as per Reg. 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, has not been complied with.
- c) 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 have maintained a Net Worth of minimum Rs.50 crs. The Net Worth of SAMC as on March 31, 2019 was Rs.5.02 crs (refer Note 8.19); thereby net worth criteria has not been complied with.

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.

In preparing the financial statements, management is responsible for assessing the Scheme’s ability to continue as a going concern, disclosing , as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Scheme or to cease operations or has no realistic alternative but to do so.

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 account 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

Place: Mumbai
Date: July 19, 2019

SAHARA GROWTH FUND**BALANCE SHEET AS AT 31st MARCH, 2019**

Particulars	Schedule	As at	As at
		March 31, 2019	March 31, 2018
ASSETS		(Rs)	(Rs)
Investments	1	41,386,021	46,720,042
Other Current Assets	2	2,523,235	787,814
Total Assets		43,909,256	47,507,856
LIABILITIES			
Unit Capital	3	4,674,046	5,611,974
Reserves & Surplus	4	38,797,778	41,574,921
Current Liabilities & Provisions	5	437,432	320,961
Total Liabilities		43,909,256	47,507,856

NET ASSET VALUE

		As at	As at
		March 31, 2019	March 31, 2018
Net Asset Value per unit (Rs.)		148.7498	137.8319
Growth Option	G	43.1937	40.0234
Dividend Option	D	166.8069	151.5484
Direct Growth Option	GDP	44.0421	40.6891
Direct Dividend Option	DDP		

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava
Director

Sudhir Kaup
Compliance Officer

Vidya Manjrekar
Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui
Trustee

Place: Mumbai

R M Joshi
Director

Khozem Jabalpurwala
Fund Manager

S P Srivastava
Trustee

Date: 19th July, 2019

SAHARA GROWTH FUND

REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Schedule	For the year ended March 31, 2019 (Rs)	For the year ended March 31, 2018 (Rs)
INCOME			
Dividend		341,918	503,664
Interest & Discount Income		6,288	-
Other Income		146	-
Profit on Sale / Redemption of Investments(Net)		6,635,480	5,014,203
(Other than Inter Scheme Transfer / Sale)			
Total Income		6,983,832	5,517,867
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Management Fees		513,662	958,495
ST / GST on Management Fees		92,460	165,082
Investor Education & Awareness Fees		8,509	10,365
Registrar & Transfer Agent Charges		150,598	78,825
Transaction cost		15,345	17,629
Custodian Fees		81,918	-
Trusteeship Fees & Expenses		7,797	-
Audit Fees		100,386	-
Commission to Agents		2,608	-
Total Expenses		973,283	1,230,396
Net Surplus for the Year		6,010,549	4,287,471
Provision/ Write Back for diminution in the value of Investment	6	(256,196)	(38,647)
Net Surplus for the Year (excluding unrealised appreciation)		5,754,353	4,248,824
Transfer from Income Equalisation Reserve		(8,564,484)	(9,025,039)
Net : Transferred to Revenue Reserve		(2,810,131)	(4,776,215)

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava
Director

R M Joshi
Director

Sudhir Kaup
Compliance Officer

Khozem Jabalpurwala
Fund Manager

Vidya Manjrekar
Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui
Trustee

S P Srivastava
Trustee

Place: Mumbai

Date: 19th July, 2019

SCHEDULES FORMING PART OF THE BALANCE SHEET

SAHARA GROWTH FUND		As at		As at
		March 31, 2019		March 31, 2018
Particulars		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		41,386,021		46,720,042
		41,386,021		46,720,042
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		2,350,641		615,220
Investment - Liquid MF Units		159,229		159,229
Investment - Liquid MF Units for Investor Education		13,365		13,365
		2,523,235		787,814
SCHEDULE 3				
Unit Capital				
Growth Option:144088.323 units of Rs.10 each	G	1,440,883		1,631,426
(For 2017-2018: 163142.566 units of Rs.10 each)				
Dividend Option:257303.567 units of Rs.10 each	D	2,573,036		3,186,932
(For 2017-2018: 318693.161 units of Rs.10 each)				
Direct Growth Option: 65353.718 units of Rs.10 each	GDP	653,537		787,026
(For 2017-2018: 78702.640 units of Rs.10 each)				
Direct Dividend Option: 659.047 units of Rs.10 each	DDP	6,590		6,590
(For 2017-2018: 659.047 units of Rs.10 each)				
Total		4,674,046		5,611,974
(Refer note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	47,956,665		52,732,880	
Transfer from Revenue Account	(2,810,131)		(4,776,215)	

Balance as at end of the year		45,146,534		47,956,665
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(8,564,484)		(9,025,039)	
Transfer to Revenue Account	8,564,484		9,025,039	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	8,324,609		10,490,732	
Additions during the year	(2,143,215)		(2,166,123)	
Balance as at end of the year		6,181,394		8,324,609
Unit Premium Reserve				
Balance as at beginning of the year	(14,706,353)		(15,439,025)	
Additions during the year	2,176,203		732,672	
Balance as at end of the year		(12,530,150)		(14,706,353)
		38,797,778		41,574,921
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		160,205		5,989
Management Fees Payable		1,789		13,827
ST / GST on Management Fees Payable		322		2,489
Payable Fees on Investor Education		26,353		22,840
Payable on redemption of units		183,940		210,991
STT Payable		2		4
Unclaimed Distributed Income		64,821		64,821
		437,432		320,961

SCHEDULES FORMING PART OF REVENUE ACCOUNT

SAHARA GROWTH FUND		For the year ended		For the year ended
		March 31, 2019		March 31, 2018
Particulars		(Rs)		(Rs)
SCHEDULE 6				
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(1,724,265)		(1,685,618)
At the end of the year		(1,980,461)		(1,724,265)
		(256,196)		(38,647)

SCHEDULE – 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019.

1. INTRODUCTION

1.1 About the Scheme

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

1.2 Asset Management Company

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

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

The Shareholding of Sahara Asset Management Company Private Limited as on March 31, 2019 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%

SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting

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

2.2. Accounting for Investments

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

2.3. Valuation of Investments

Valuation Policy as on 31.03.2019 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		

	5) 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.
	6) 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.
	7) 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).
	8) 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

- viii) 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
- ix) 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.
- x) In case of any perceived conflict of interest while valuating the securities, the matter is dealt and decided by Investment and Valuation Committee.
- xi) 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
- xii) 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.
- xiii) The Valuation Policy is reviewed by the Statutory Auditor at least once in a financial year.
- xiv) Valuation Policy as updated and approved by the Board of AMC / Board of Trustees is applicable for the schemes of Sahara Mutual Fund.

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

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

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

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

2.3.2 Unrealized Appreciation/Depreciation.

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

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

2.4 Revenue Recognition

- 2.4.1 Income and Expenses are recognized on accrual basis.
- 2.4.2 Interest on funds invested in short term deposits with scheduled commercial banks is recognized on accrual basis.
- 2.4.3 Dividend income earned by the scheme is recognized on the date the share is quoted on ex-dividend basis on principal stock exchange.

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

3. Net Asset Value for Growth/Dividend Options:

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

4. Unit Premium Reserve Account

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

5. Income Equalization Account

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

6. Load Charges

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

7. Unclaimed Redemption

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

8. NOTES TO THE ACCOUNTS

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

Management Fees

Management Fees (inclusive of GST) has been computed at 1.42% (PY: 2.17%) on average net assets calculated on a daily basis.

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the financial year 2018-19, the Trusteeship fees and expenses amounted to Rs.75225.12. However, due to small AUM of the scheme, only an amount of Rs.7796.66 was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

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

Scheme Expenses

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

During the financial year 2018-19 due to small size of AUM of the scheme only 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	332910.16	150598.02	182312.14
Custodian Fees	195151.11	81918.48	113232.63
Audit fees	173066.38	100385.80	72680.58

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

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

8.4 During the year ended 31.03.2019 the Registrar and Transfer Agent charges amounting to Rs.150598.02 (PY:Rs.0.00) and Audit fees amounting to Rs.100385.80 (PY:Rs.0.00) constitutes 15.47% (PY:Rs.0.00%) & 10.31% (P Y:0.00%) respectively of the total schemes expenses.

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

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

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0541	0.0026	0.0053	0.0005	0.0047

(Rs. in lakhs)

Star Value Fund	Banking & Financial Services Fund
0.0003	0.0112

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2018.

(Rs.In lakhs)

Tax Gain Fund	Growth Fund	Liquid Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0920	0.0053	0.0003	0.0251	0.0005	0.0050

(Rs. In lakhs)

Star Value Fund	Super 20 Fund	Power and Natural Resources Fund	Banking & Financial Services Fund
0.0008	0.0001	-	0.0184

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 18-March 19	0.00	Rs.7874.96; 9.20%
SIFCL	Sponsor / Mutual Fund Distributor	April 17-March 18	0.00	Rs.14755.39; 8.10%

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

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

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

There are no associate brokers, hence not applicable for the period April – Mar 2019 & April – Mar 2018.

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
2018-19	5,37,80,216	126.32
2017-18	2,45,72,261	47.38

Sales

Year	Amount (Rs)	% of Daily average
2018-19	6,33,50,306	148.80
2017-18	3,44,97,440	66.52

8.7 Aggregate Appreciation and Depreciation in the value of Investments:

Asset Class	31-Mar-19		31-Mar-18	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	61.81	19.80	83.25	17.24

8.8 Income and Expense Ratio

	2018-19	2017-18
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	26.27%	23.37%
Total Expenditure to average net assets calculated on a daily basis	2.29%	2.37%

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

8.9.1 Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	1256545.617	12565456.17	1256545.617	12565456.17
Opening Balance	163142.658	1631426.58	183355.962	1833559.62
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(19054.243)	(190542.43)	(20213.304)	(202133.04)
Closing Balance	144088.415	1440884.15	163142.658	1631426.58

8.9.2 Growth Option –Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	78702.640	787026.40	101679.402	1016794.02
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(13348.922)	(133489.22)	(22976.762)	(229767.62)
Closing Balance	65353.718	653537.18	78702.640	787026.40

8.9.3 Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	308657.065	3086570.65	308657.065	3086570.65
Opening Balance	318693.151	3186931.51	391549.830	3915498.30
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(61389.594)	(613895.94)	(72856.679)	(728566.79)
Closing Balance	257303.557	2573035.57	318693.151	3186931.51

8.9.4 Dividend Option-Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	659.047	6590.47	2894.673	28946.73
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	(2235.626)	(22356.26)
Closing Balance	659.047	6590.47	659.047	6590.47

8.10 The scheme has declared Nil dividend for the year ended March 31, 2019 (PY: Nil). There was no bonus declared during the year ended March 31, 2019 (PY: Nil)

8.11 Unclaimed Amounts (beyond three months) :

Unclaimed Redemption and Dividend during the year ended March 31, 2019 are as below:

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No. of Investors	Unclaimed Redemption (Rs)
Sahara Growth Fund	18	64821.18	13	183939.94

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

8.13 Portfolio Statement as on March 31, 2019

Name of the Instrument	ISIN	Qty	Market Value (Rs. in Lakhs)	% to NAV	% to Category Total
1) Equity & Equity Related					
(a) Listed/awaiting Listing on Stock Exchange					
EQUITY SHARES					
AUTO				4.26	4.47
BAJAJ AUTO LTD	INE917I01010	380	11.06		
TATA MOTORS LTD.	INE155A01022	2200	3.83		
ASHOK LEYLAND LTD	INE208A01029	3959	3.61		
AUTO ANCILLARIES				4.90	5.15
EXIDE INDUSTRIES LTD	INE302A01020	3658	8.00		
BALKRISHNA INDUSTRIES LTD	INE787D01026	684	6.81		
APOLLO TYRES LTD	INE438A01022	2913	6.49		
BANKS				31.15	32.72
ICICI BANK LTD	INE090A01021	7066	28.30		
HDFC BANK LTD	INE040A01026	1091	25.30		
AXIS BANK LIMITED	INE238A01034	2608	20.27		
STATE BANK OF INDIA	INE062A01020	5863	18.81		
RBL BANK LIMITED	INE976G01028	1638	11.14		
INDUSIND BANK LIMITED	INE095A01012	624	11.11		
CITY UNION BANK LIMITED	INE491A01021	5112	10.47		
THE FEDERAL BANK LIMITED	INE171A01029	10400	10.03		
CEMENT				1.47	1.55
ULTRATECH CEMENT LTD.	INE481G01011	160	6.40		
CHEMICALS				4.02	4.23
ATUL LTD	INE100A01010	304	10.90		
TATA CHEMICALS LTD	INE092A01019	1119	6.59		
CONSUMER DURABLES				5.96	6.26
BATA INDIA LTD	INE176A01028	1116	15.68		
BLUE STAR LTD	INE472A01039	817	5.54		
AMBER ENTERPRISES INDIA LTD	INE371P01015	575	4.70		

CONSUMER NON DURABLES				4.57	4.80
DABUR INDIA LTD	INE016A01026	2327	9.51		
TATA GLOBAL BEVERAGES LTD. (EX-TATA TEA LTD)	INE192A01025	2986	6.09		
MARICO LIMITED	INE196A01026	1235	4.28		
FINANCE				5.60	5.88
MANAPPURAM FINANCE LIMITED	INE522D01027	6792	8.51		
BAJAJ FINANCE LIMITED	INE296A01024	228	6.90		
LIC HOUSING FINANCE LTD	INE115A01026	910	4.84		
BAJAJ FINSERV LTD	INE918I01018	58	4.08		
GAS				1.49	1.57
GUJARAT STATE PETRONET LTD	INE246F01010	3400	6.48		
HOTELS, RESORTS AND OTHER RECREATIONAL ACTIVITIES				2.11	2.22
INDIAN HOTELS CO LTD	INE053A01029	5932	9.19		
INDUSTRIAL PRODUCTS				1.96	2.06
CUMMINS INDIA LTD	INE298A01020	1142	8.52		
PESTICIDES				2.36	2.48
PI INDUSTRIES LIMITED	INE603J01030	993	10.25		
PETROLEUM PRODUCTS				7.92	8.32
RELIANCE INDUSTRIES LTD	INE002A01018	2125	28.97		
CASTROL INDIA LTD	INE172A01027	3273	5.45		
PHARMACEUTICALS				6.59	6.92
IPCA LABORATORIES LTD	INE571A01020	1177	11.56		
DIVI S LABORATORIES LIMITED	INE361B01024	560	9.54		
ALKEM LABORATORIES LIMITED	INE540L01014	431	7.55		
POWER				2.36	2.48
KALPATARU POWER TRANSMISSION LTD	INE220B01022	2178	10.25		
SOFTWARE				6.59	6.92
HCL TECHNOLOGIES LTD.	INE860A01027	970	10.55		
CYIENT LIMITED (EX INFOTECH ENTERPRISES LTD)	INE136B01020	1605	10.42		
TECH MAHINDRA LTD	INE669C01036	988	7.67		
TRANSPORTATION				1.89	1.99
CONTAINER CORPORATION OF INDIA LTD	INE111A01025	1565	8.22		
(b) Unlisted					
Equity Total (a+b)			413.86	95.19	100.00
2) Debt Instruments					
(a) Listed/awaiting Listing on Stock Exchange		Nil	Nil	Nil	Nil
(b) Privately Placed/Unlisted		Nil	Nil	Nil	Nil
(c) Securitised Debt		Nil	Nil	Nil	Nil
3) Money Market Instruments					
Collateralized Borrowing and Lending Obligation (CBLO)			0.00	0.00	0.00
4) Short term Deposit		Nil	Nil	Nil	Nil

5) Other- Net Current Assets			20.91	4.81	100.00
Grand Total			434.77	100.00	100.00

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

8.15 Holdings over 25% of the NAV of the scheme as of March 31, 2019.

Particulars	As on March 31, 2019	As on March 31, 2018
Number of Investors	1	2
Percentage of Holdings	25.10	50.58

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.

Pending decision of SEBI on the above matter, the scheme accounts have been made 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, 2019 was Rs.5.02 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 figures have been reclassified/regrouped, wherever necessary, to conform to the current year's classification.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

R M Joshi

Director

Sudhir Kaup

Compliance Officer

Khozem Jabalpurwala

Fund Manager

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA GROWTH FUND
Perspective Historical Per Unit Statistics

Particulars	As at 31-Mar-19 (Rs. Per Unit)	As at 31-Mar-18 (Rs. Per Unit)	As at 31-Mar-17 (Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	0.75	0.90	0.84
(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	14.20	8.93	3.78
(iv) Transfer to revenue account from past year's reserve	0.00	0.00	0.00
(b) Aggregate of expenses, write off, amortisation and charges	2.08	2.19	1.88
(c) Net Income	12.86	7.64	2.74
(d) Net unrealised appreciation/(diminution) in value of Investments	8.99	11.76	12.96
(e) Net Asset Value			
Growth Plan	148.7498	137.8319	134.2453
Dividend Plan	43.1937	40.0234	38.9820
Direct Growth Plan	166.8069	151.5484	143.4603
Direct Dividend Plan	44.0421	40.6891	39.5124
(f) Purchase Price during the year**			
(i) Highest			
Growth Plan	149.1647	151.7467	133.1709
Dividend Plan	43.3142	44.0640	38.9820
Direct Growth Plan	166.8069	166.0262	139.6645
Direct Dividend Plan	44.0931	44.7722	35.3553
(ii) Lowest			
Growth Plan	125.9222	132.6727	105.8943
Dividend Plan	36.5651	38.5253	30.3153
Direct Growth Plan	140.6855	142.3753	111.6170
Direct Dividend Plan	37.2404	39.0664	32.6135
(g) Sale Price during the year**			
(i) Highest			
Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
(ii) Lowest			

Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by Percentage*	2.29%	2.37%	2.35%
(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)	26.27%	23.37%	21.95%

*Annualised

**Based on the maximum load during the year

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

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara Midcap Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Midcap Fund** ("the Scheme"), which comprise the Balance Sheet as at March 31, 2019, the Revenue Account and the Cash Flow Statement for the year then ended, and noted to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2019;
- (b) in the case of the Revenue Account, of the surplus for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

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

- a) Note no. 8.17 which states, inter alia, that Sahara Mutual Fund had requested SEBI in January 2018 to extend the date of cancellation of 'Certificate of registration' till 27th July, 2018 considering the lock in period of certain unit holders' investments in Sahara Tax gain fund as well as for giving time for identification of a new sponsor. However, SEBI ordered for winding up of all schemes against which Sahara Mutual Fund appealed before SAT for a stay of SEBI order. In the meanwhile, a new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

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

The above indicates the existence of a material uncertainty that may cast significant doubt about Sahara Mutual Fund's ability to continue as a going concern. However, the financial statements of the Scheme have been prepared on a going concern basis, pending the decision of the SEBI on the sponsor.

- b) Note no. 8.18 which states that minimum four Trustees are required as per Reg. 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, has not been complied with.
- c) 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 have maintained a Net Worth of minimum Rs.50 crs. The Net Worth of SAMC as on March 31, 2019 was Rs.5.02 crs (refer Note 8.19); thereby net worth criteria has not been complied with.

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.

In preparing the financial statements, management is responsible for assessing the Scheme’s ability to continue as a going concern, disclosing , as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Scheme or to cease operations or has no realistic alternative but to do so.

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 account 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

Place: Mumbai
Date: July 19, 2019

SAHARA MIDCAP FUND
BALANCE SHEET AS AT 31st MARCH, 2019

Particulars	Schedule	As at	As at
		March 31, 2019	March 31, 2018
ASSETS		(Rs)	(Rs)
Investments	1	75,685,087	76,099,378
Other Current Assets	2	7,548,826	14,948,164
Total Assets		83,233,913	91,047,542
LIABILITIES			
Unit Capital	3	17,302,028	18,650,175
Reserves & Surplus	4	64,184,429	70,600,071
Current Liabilities & Provisions	5	1,747,456	1,797,296
Total Liabilities		83,233,913	91,047,542

NET ASSET VALUE

Net Asset Value per unit (Rs.)

Growth Option	G	80.4578	81.9550
Dividend Option	D	35.4846	36.1449
Bonus Option	BO	80.4578	81.9550
Growth Auto Earning Payout	GA	80.4578	81.9550
Direct Growth Plan	GDP	86.2620	86.4919
Direct Dividend Plan	DDP	36.0568	36.6254
Direct Bonus Plan	BODP	86.2620	86.4919
Direct Growth - Auto Earning Payout	GADP	86.2620	86.4919

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

Sudhir Kaup

Compliance Officer

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

Place: Mumbai

R M Joshi

Director

Khozem Jabalpurwala

Fund Manager

S P Srivastava

Trustee

Date: 19th July, 2019

SAHARA MID-CAP FUND
REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

	Schedule	For the Year ended	For the Year ended
		March 31, 2019	March 31, 2018
Particulars		(Rs)	(Rs)
INCOME			
Dividend		783,220	1,039,264
Interest and Discount Income		23,055	-
Other Income		73	-
Profit on Sale / Redemption of Investments(Net)		26,656,835	21,028,643
(Other than Inter Scheme Transfer / Sale)			
Total Income		27,463,183	22,067,907
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Management Fees		1,272,260	2,375,329
ST / GST on Management Fees		229,008	409,548
Investor Education & Awareness Fees		16,114	19,568
Registrar & Transfer Agent Charges		295,577	148,657
Transaction cost		29,805	33,292
Custodian Fees		161,075	-
Trusteeship Fees & Expenses		15,423	-
Audit Fees		196,764	-
Commission to Agents		3,228	-
Total Expenses		2,219,254	2,986,394
Net Surplus for the Year		25,243,929	19,081,513
Provision/ Write Back for diminution in the value of Investment	6	(6,062,153)	(766,400)
Net Surplus for the Year (excluding unrealised appreciation)		19,181,776	18,315,113
Transfer from Income Equalisation Reserve		(5,397,899)	(8,583,561)

Net : Transferred to Revenue Reserve		13,783,877	9,731,552
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Significant Accounting Policies and Notes to the accounts 7
Schedules 6 to 7 form an integral part of the Revenue Account

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

R M Joshi

Director

Sudhir Kaup

Compliance Officer

Khozem Jabalpurwala

Fund Manager

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA MIDCAP FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at		As at
		March 31, 2019		March 31, 2018
Particulars		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		75,685,087		76,099,378
		75,685,087		76,099,378
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		6,560,993		13,900,988
Outstanding & Accrued Income		-		21,000
Investment - Liquid MF units		972,007		1,010,350
Investment - Liquid MF units for Investor Education		15,826		15,826
		7,548,826		14,948,164
SCHEDULE 3				
Unit Capital				
Bonus Plan	BO	76,000		76,000
7600 units of Rs. 10 each				
(For 2017-2018 - 7600 units of Rs. 10 each)				
Dividend Plan	D	12,798,171		13,836,897
1279817.093 units of Rs. 10 each				
(For 2017-2018 - 1383689.731 units of Rs. 10 each)				
Growth Plan	G	4,069,102		4,350,035
406910.242 units of Rs. 10 each				
(For 2017-2018 - 435003.455 units of Rs. 10 each)				
Auto Earnings Payout Plan	GA	78,457		88,371
7845.643 units of Rs. 10 each				
(For 2017-2018 - 8837.120 units of Rs. 10 each)				
Direct Bonus Plan	BODP	129		129
12.929 units of Rs. 10 each				

(For 2017-2018 - 12.929 units of Rs. 10 each)				
Direct Dividend Plan	DDP	62,153		64,412
6215.331 units of Rs. 10 each				
(For 2017-2018 -6441.209 units of Rs. 10 each)				
Direct Growth Plan	GDP	217,851		234,165
21785.103 units of Rs. 10 each				
(For 2017-2018 - 23416.509 units of Rs. 10 each)				
Direct Auto Earnings Payout Plan	GADP	165		165
16.506 units of Rs. 10 each				
(For 2017-2018 - 16.506 units of Rs. 10 each)				
Total		17,302,028		18,650,174
(Refer Notes on Accounts 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	56,708,681		46,977,129	
Transferred from Revenue Account	13,783,877		9,731,552	
Balance as at end of the year		70,492,558		56,708,681
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(5,397,899)		(8,583,561)	
Transferred to Revenue Account	5,397,899		8,583,561	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	26,826,453		35524718	
Additions During the year	(20,846,883)		(8698265)	
Balance as at end of the year		5,979,570		26,826,453
Unit Premium Reserve				
Balance as at beginning of the year	(12,935,063)		(8,079,393)	

Additions During the year	647,364		(4,855,670)	
Balance as at end of the year		(12,287,699)		(12,935,063)
		64,184,429		70,600,071
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		311,168		11,410
Management Fees Payable		4,379		34,327
ST / GST on Management Fees Payable		788		6,179
STT Payable		2		12
Payable - Fees on Investor Education		38,842		32,190
Payable on Redemption of Units		756,358		1,053,557
Unclaimed Distributed Income		635,919		659,621
		1,747,456		1,797,296

**SAHARA MIDCAP 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 6				
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(1,884,265)		(1,117,865)
At the end of the year		(7,946,418)		(1,884,265)
		(6,062,153)		(766,400)

SCHEDULE - 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2019

1. INTRODUCTION

1.1 About the Scheme

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

1.2 Asset Management Company

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

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

The Shareholding of Sahara Asset Management Company Private Limited as on March 31, 2019 is as follows:

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting.

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

2.2. Accounting for Investments

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

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

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

2.3. Valuation of Investments

Valuation Policy as on 31.03.2019 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.

A (II) Pricing of Inter -Scheme Transfer of Debt Instruments (ISTs):

	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.
Sr. No.	Instrument	Valuation applicable on the day of valuation
1.	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc.	
	i) Same security traded and reported on FTRAC/CBRICS up to the time of IST.	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	ii) If Same security is not traded but similar Security/securities are traded and reported up to the time of IST on FTRAC/CBRICS	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	iii) If Same or similar Security/securities are not traded and reported up to the time of IST on FTRAC/CBRICS	Previous end of the day valuation plus accrual, if any, based on settlement day of the IST is taken. Example: if settlement is T+0 then no accrual/amortization and if the settlement is other than T+0 then appropriate accrual/amortization.
2.	Central Government Securities / State Government Securities / Treasury Bills/ Cash Management Bill etc	
	i) Same security traded and reported on NDS-OM section of CCIL website.	On last traded price as given on NDS-Section of CCIL Website (Excluding abnormal trade).

	ii)	Same security not traded and reported on NDS-OM section of CCIL website	Previous end of the day valuation price plus accrual/amortization is taken
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Similar Security:

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

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

Maturity Bucket:

- For Debt Security having remaining maturity up to 91 days

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

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

A (III) Notes:

1. For the purpose of Valuation of securities and for Inter Scheme Transfer, Weighted average of all trades of 5crs and above, excluding abnormal trades and retail trades is taken. Since retail trades are of small value and generally may deviate materially from the yield at which the market lots in WDM is traded, it would be appropriate to exclude the retail trades for the more realistic valuation of the security.
2. Abnormal Trade is defined as those transaction/s which is/are over +/- 250 Basis Point compared to the previous day valuation yield of the security in question

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

3. CRISIL and ICRA provide the valuation matrices for various maturity buckets. Script wise value for various debt instruments are also provided by CRISIL and ICRA. Trades are also reported and settled on various public platforms.
4. Public platform for the purpose of valuation of security shall mean FIMMDA managed FTRAC, NSE, BSE, (except NSER- NSE retail and BSER- BSE Retail), RBI managed

NDS-OM or any other Public platform for Debt market launched from time to time. Market trades from different Platforms are usually collected by BILAV Information LLP, which may be used for the purpose of Valuation of traded security for which Script wise values are not available from CRISIL/ICRA.

5. The data on yield and prices are generally provided up to 4 decimal points which shall be considered and these prices are considered on respective face value of the instruments for arriving at valuation.

6. For the valuation of traded securities where Script wise values are not available by CRISIL/ICRA, price derived from the corresponding Weighted Average yield of all available trades excluding abnormal and retail trades on any public platform for the same security on T+1 settlement basis is taken.

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

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

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

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

B: VALUATION OF EQUITY INSTRUMENTS

1. Traded Equity Securities

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

2. Thinly Traded Equity / Equity Related Securities

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

3. Non-traded / Suspended Securities

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

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

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

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

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

4. Unlisted Equity

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

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

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

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

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

5. Demerger

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

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

6. Preference Shares

Preference Shares valuation guidelines would be as follows:

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

(I). Redeemable Preference Shares

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

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

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

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

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

7. Warrants

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

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

8. Rights

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

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

Where

V_r = Value of rights

n = no. of rights offered

m = no. of original shares held

P_{ex} = Ex-rights price

P_{of} = Rights Offer Price

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

9. Derivatives

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

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

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

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

10. Mutual Fund Units

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

Related matters

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

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

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

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

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

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

2.3.2 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 1.86% (PY: 2.84%) on average net assets calculated on a daily basis.

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the financial year 2018-19, the Trusteeship fees and expenses amounted to Rs.147609.40. However, due to small AUM of the scheme, only an amount of Rs.15423.06 was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

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

Scheme Expenses

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

During the financial year 2018-19 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	653248.16	295576.69	357671.47
Custodian Fees	382932.45	161074.71	221857.74
Audit fees	339597.00	196763.55	142833.45

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

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

8.4 During the year ended 31.03.2019 the Registrar and Transfer Agent charges amounting to Rs.295576.69 (PY:Rs.0.00) constitutes 13.32% (PY:0.00%) of the total scheme expenses.

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

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

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0541	0.0026	0.0053	0.0005	0.0047

(Rs. in lakhs)

Star Value Fund	Banking & Financial Services Fund
0.0003	0.0112

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2018.

(Rs. In lakhs)

Tax Gain Fund	Growth Fund	Liquid Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0920	0.0053	0.0003	0.0251	0.0005	0.0050

(Rs. In lakhs)

Star Value Fund	Super 20 Fund	Power and Natural Resources Fund	Banking & Financial Services Fund
0.0008	0.0001	-	0.0184

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 18-March 19	0.00	Rs.7874.96; 9.20%
SIFCL	Sponsor / Mutual Fund Distributor	April 17-March 18	0.00	Rs.14755.39; 8.10%

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

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

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

There are no associate brokers, hence not applicable for the period April – Mar 2019 & April – Mar 2018.

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
2018-19	10,50,16,617	130.26
2017-18	3,44,43,971	35.19

Sales

Year	Amount (Rs)	% of Daily average
2018-19	10,51,78,706	130.46
2017-18	6,21,82,632	63.52

8.7 Aggregate Appreciation and Depreciation in the value of Investments:

Scheme	31-Mar-2019		31-Mar-2018	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	59.80	79.46	268.26	18.84

8.8 Income and Expense Ratio

	2018-19	2017-18
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	31.63%	48.02%
Total Expenditure to average net assets calculated on a daily basis.	2.75%	3.05%

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

8.9.1 Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	38747086.657	387470866.57	38747086.657	387470866.57
Opening Balance	435003.455	4350034.55	529204.014	5292040.14
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(28093.213)	(280932.13)	(94200.559)	(942005.59)
Closing Balance	406910.242	4069102.42	435003.455	4350034.55

8.9.2 Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	51626396.716	516263967.16	51626396.716	516263967.16
Opening Balance	1383689.731	13836897.31	1616837.567	16168375.67
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(103872.638)	(1038726.38)	(233147.836)	(2331478.36)
Closing Balance	1279817.093	12798170.93	1383689.731	13836897.31

8.9.3 Bonus Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	46030.000	460300.00	46030.000	460300.00
Opening Balance	7600.000	76000.00	7600.000	76000.00
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	7600.000	76000.00	7600.000	76000.00

8.9.4 Growth – Auto Earnings Payout Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	415034.300	4150343.00	415034.300	4150343.00
Opening Balance	8837.120	88371.20	9723.969	97239.69
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(991.477)	(9914.77)	(886.849)	(8868.49)
Closing Balance	7845.643	78456.43	8837.120	88371.20

8.9.5 Growth Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	23416.509	234165.09	24969.865	249698.65
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(1631.406)	(16314.06)	(1553.356)	(15533.56)
Closing Balance	21785.103	217851.03	23416.509	234165.09

8.9.6 Dividend Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	6441.209	64412.09	13235.011	132350.11
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(225.878)	(2258.78)	(6793.802)	(67938.02)
Closing Balance	6215.331	62153.31	6441.209	64412.09

8.9.7 Bonus Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	12.929	129.29	12.929	129.29
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	12.929	129.29	12.929	129.29

8.9.8 Growth – Auto Earnings Payout Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	16.506	165.06	16.506	165.06
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	16.506	165.06	16.506	165.06

- 8.10 The Scheme has declared nil dividends during the year ended March 31, 2019 (PY: Nil).
There was no Bonus declared during the year ended March 31, 2019. (PY: Nil)

8.11 Unclaimed Amounts (beyond three months):

Unclaimed Dividend and Redemption amounts as on March 31, 2019 are as below:

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No of Investors	Unclaimed Redemption (Rs)
Sahara Midcap Fund	577	635920.45	96	756357.92

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

8.13 Portfolio Statement as on March 31, 2019

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

AUTO ANCILLARIES				7.41	7.98
EXIDE INDUSTRIES LTD	INE302A01020	10000	21.87		
APOLLO TYRES LTD	INE438A01022	7242	16.13		
ASAHI INDIA GLASS LTD	INE439A01020	4713	12.22		
BALKRISHNA INDUSTRIES LTD	INE787D01026	1020	10.15		
BANKS				9.98	10.75
RBL BANK LIMITED	INE976G01028	4887	33.25		
CITY UNION BANK LIMITED	INE491A01021	15250	31.24		
THE FEDERAL BANK LIMITED	INE171A01029	17500	16.88		
CEMENT				1.71	1.84
RAMCO INDUSTRIES LIMITED	INE614A01028	6550	13.95		
CHEMICALS				7.53	8.11
ATUL LTD	INE100A01010	606	21.73		
NAVIN FLUORINE INTERNATIONAL LIMITED	INE048G01026	2823	19.98		
TATA CHEMICALS LTD	INE092A01019	3339	19.66		
CONSTRUCTION				3.91	4.21
KAJARIA CERAMICS LIMITED	INE217B01036	3000	17.70		
ITD CEMENTATION INDIA LIMITED.	INE686A01026	10772	14.18		
CONSUMER DURABLES				10.28	11.07
BATA INDIA LTD	INE176A01028	2220	31.19		
BLUE STAR LTD	INE472A01039	3254	22.06		
CROMPTON GREAVES CONSUMER ELECTRICALS LIMITED	INE299U01018	5443	12.37		
AMBER ENTERPRISES INDIA LTD	INE371P01015	1144	9.34		
DIXON TECHNOLOGIES (INDIA) LIMITED	INE935N01012	374	8.79		
CONSUMER NON DURABLES				1.86	2.00
TATA GLOBAL BEVERAGES LTD. (EX- TATA TEA LTD)	INE192A01025	7424	15.14		
FERTILISERS				3.11	3.35
COROMANDEL INTERNATIONAL LTD	INE169A01031	5000	25.38		
FINANCE				3.12	3.35
MANAPPURAM FINANCE LIMITED	INE522D01027	20261	25.39		
GAS				3.75	4.04
INDRAPRASTHA GAS LTD	INE203G01027	10000	30.55		
HOTELS, RESORTS AND OTHER RECREATIONAL ACTIVITIES				3.36	3.62
INDIAN HOTELS CO LTD	INE053A01029	17697	27.41		
INDUSTRIAL PRODUCTS				10.87	11.70
CUMMINS INDIA LTD	INE298A01020	3408	25.42		
MOLD-TEK PACKAGING LIMITED	INE893J01029	7656	19.76		
AIA ENGINEERING LTD	INE212H01026	1000	17.96		
SUPREME INDUSTRIES LTD.	INE195A01028	1220	13.63		
FINOLEX CABLES LTD	INE235A01022	2477	11.78		
NON - FERROUS METALS				1.35	1.45
NATIONAL ALUMINIUM CO.LTD.	INE139A01034	19778	10.97		
PESTICIDES				3.76	4.05

PI INDUSTRIES LIMITED	INE603J01030	2967	30.62		
PETROLEUM PRODUCTS				1.77	1.91
CASTROL INDIA LTD	INE172A01027	8682	14.45		
PHARMACEUTICALS				10.12	10.90
IPCA LABORATORIES LTD	INE571A01020	2342	22.99		
ALEMBIC PHARMACEUTICALS LIMITED	INE901L01018	4077	21.93		
ALKEM LABORATORIES LIMITED	INE540L01014	1074	18.80		
DIVI S LABORATORIES LIMITED	INE361B01024	1100	18.73		
POWER				3.00	3.23
KALPATARU POWER TRANSMISSION LTD	INE220B01022	5198	24.47		
SOFTWARE				2.39	2.58
CYIENT LIMITED (EX INFOTECH ENTERPRISES LTD)	INE136B01020	3005	19.52		
TEXTILE PRODUCTS				2.19	2.36
SRF LIMITED	INE647A01010	743	17.85		
TEXTILES - COTTON				1.40	1.51
VARDHMAN TEXTILES LIMITED	INE825A01012	1049	11.41		
(b) Unlisted		Nil	Nil	Nil	Nil
Equity Total (a+b)			756.85	92.87	100.00
2) Debt Instruments					
(a) Listed/awaiting Listing on Stock Exchange		Nil	Nil	Nil	Nil
(b) Privately Placed/Unlisted		Nil	Nil	Nil	Nil
(c) Securitised Debt		Nil	Nil	Nil	Nil
3) Money Market Instruments					
Collateralized Borrowing and Lending Obligation (CBLO)			0.00	0.00	0.00
4) Short term Deposit		Nil	Nil	Nil	Nil
5) Other- Net Current Assets			58.13	7.13	100.00
Grand Total			814.98	100.00	100.00

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

8.15 Holdings over 25% of the NAV of the scheme as of March 31, 2019:

Particulars	As on March 31, 2019	As on March 31, 2018
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. Pending decision of SEBI on the above matter, the scheme accounts have been made 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, 2019 was Rs.5.02 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 figures have been reclassified / regrouped wherever necessary to conform to the current year's classification.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

Sudhir Kaup

Compliance Officer

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

Place: Mumbai

R M Joshi

Director

Khozem Jabalpurwala

Fund Manager

S P Srivastava

Trustee

Date: 19th July, 2019

SAHARA MIDCAP FUND
Perspective Historical Per Unit Statistics

Particulars	As at	As at	As at
	31-Mar-19	31-Mar-18	31-Mar-17
	(Rs. Per Unit)	(Rs. Per Unit)	(Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	0.47	0.56	0.39
(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	15.41	11.28	3.21
(iv) Transfer to revenue account from past year's reserve	0.00	0.00	0.00
(b) Aggregate of expenses, write off, amortisation and charges	1.28	1.60	1.19
(c) Net Income	14.59	10.23	2.41
(d) Net unrealised appreciation/(diminution) in value of Investments	(1.14)	13.37	15.63
(e) Net Asset Value			
Growth Plan	80.4578	81.9550	74.6975
Dividend Plan	35.4846	36.1449	32.9336
Bonus Plan	80.4578	81.9550	74.6975
Growth - Auto Earning Payout	80.4578	81.9550	74.6975
Direct Growth Plan	86.2620	86.4919	77.1729
Direct Dividend Plan	36.0568	36.6254	33.2710
Direct Bonus Plan	86.2620	86.4919	77.1729
Direct Growth - Auto Earning Payout	86.2620	86.4919	77.1729
(f) Purchase Price during the year**			
(i) Highest			
Growth Plan	85.3728	93.6028	73.9007
Dividend Plan	37.6522	41.2688	32.9336
Bonus Plan	85.3728	93.6028	0.0000
Growth - Auto Earning Payout	85.3728	93.6028	72.8705
Direct Growth Plan	90.1976	98.3375	74.8507
Direct Dividend Plan	38.1587	41.7891	27.5863
Direct Bonus Plan	90.1976	98.3375	0.0000
Direct Growth - Auto Earning Payout	90.1976	98.3375	56.1286
(ii) Lowest			
Growth Plan	68.9888	75.3996	51.5872

Dividend Plan	30.4263	33.2431	22.9539
Bonus Plan	68.9888	75.3996	0.0000
Growth - Auto Earning Payout	68.9888	75.3996	64.0750
Direct Growth Plan	73.6712	77.9113	52.6557
Direct Dividend Plan	30.8799	33.5846	24.8166
Direct Bonus Plan	73.6712	77.9113	0.0000
Direct Growth - Auto Earning Payout	73.6712	77.9113	56.1286
(g) Sale Price during the year**			
(I) Highest			
Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Bonus Plan	0.0000	0.0000	0.0000
Growth - Auto Earning Payout	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
Direct Bonus Plan	0.0000	0.0000	0.0000
Direct Growth - Auto Earning Payout	0.0000	0.0000	0.0000
(ii) Lowest			
Growth Plan	0.0000	0.0000	0.0000
Dividend Plan	0.0000	0.0000	0.0000
Bonus Plan	0.0000	0.0000	0.0000
Growth - Auto Earning Payout	0.0000	0.0000	0.0000
Direct Growth Plan	0.0000	0.0000	0.0000
Direct Dividend Plan	0.0000	0.0000	0.0000
Direct Bonus Plan	0.0000	0.0000	0.0000
Direct Growth - Auto Earning Payout	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by Percentage*	2.75%	3.05%	3.03%
(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)	31.63%	48.02%	49.09%

*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 WealthPlus Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Wealth Plus Fund** ("the Scheme"), which comprise the Balance Sheet as at March 31, 2019, the Revenue Account and the Cash Flow Statement for the year then ended, and noted to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2019;
- (b) in the case of the Revenue Account, of the surplus for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) 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.

Emphasis of Matter

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

- c) Note no. 8.17 which states, inter alia, that Sahara Mutual Fund had requested SEBI in January 2018 to extend the date of cancellation of 'Certificate of registration' till 27th July, 2018 considering the lock in period of certain unit holders' investments in Sahara Tax gain fund as well as for giving time for identification of a new sponsor. However, SEBI ordered for winding up of all schemes against which Sahara Mutual Fund appealed before SAT for a stay of SEBI order. In the meanwhile, a new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

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

The above indicates the existence of a material uncertainty that may cast significant doubt about Sahara Mutual Fund's ability to continue as a going concern. However, the financial statements of the Scheme have been prepared on a going concern basis, pending the decision of the SEBI on the sponsor.

- d) Note no. 8.18 which states that minimum four Trustees are required as per Reg. 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, has not been complied with.
- c) 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 have maintained a Net Worth of minimum Rs.50 crs. The Net Worth of SAMC as on March 31, 2019 was Rs.5.02 crs (refer Note 8.19); thereby net worth criteria has not been complied with.

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.

In preparing the financial statements, management is responsible for assessing the Scheme’s ability to continue as a going concern, disclosing , as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Scheme or to cease operations or has no realistic alternative but to do so.

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 account 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

Place: Mumbai
Date: July 19, 2019

SAHARA WEALTH PLUS FUND

BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedule	As at March 31, 2019 (Rs)	As at March 31, 2018 (Rs)
ASSETS			
Investments	1	82,021,513	96,376,990
Other Current Assets	2	11,252,020	4,969,133
Total Assets		93,273,533	101,346,123
LIABILITIES			
Unit Capital	3	21,107,372	22,232,647
Reserves & Surplus	4	69,875,371	77,046,315
Current Liabilities & Provisions	5	2,290,790	2,067,161
Total Liabilities		93,273,533	101,346,123

NET ASSET VALUE

Net Asset Value per unit (Rs.)		As at March 31, 2019	As at March 31, 2018
Fixed Pricing - Dividend Plan	FPD	30.7057	32.1318
Fixed Pricing - Growth Plan	FPG	43.1140	45.1163
Variable Pricing - Dividend Plan	VPD	36.4576	37.6371
Variable Pricing - Growth Plan	VPG	50.2865	51.9133
Fixed Pricing - Direct Dividend Plan	FPDDP	31.2467	32.6030
Fixed Pricing - Direct Growth Plan	FPGDP	44.1489	45.9116
Variable Pricing - Direct Dividend Plan	VPDDP	37.0186	38.1245
Variable Pricing - Direct Growth Plan	VPGDP	51.6573	53.0408

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

Sudhir Kaup

Compliance Officer

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

Place: Mumbai

S P Srivastava

Trustee

Date: 19th July, 2019

R M Joshi

Director

Khozem Jabalpurwala

Fund Manager

SAHARA WEALTH PLUS FUND
REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Schedule	For the year ended March 31, 2019	For the year ended March 31, 2018
		(Rs)	(Rs)
INCOME			
Dividend Income		805,830	1,160,366
Interest & Discount Income		36,155	-
Other Income		18	-
Profit on Sale / Redemption of Investments (Net)		19,402,497	10,830,969
(Other than Inter Scheme Transfer / Sale)			
Total Income		20,244,500	11,991,335
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Management Fees		557,856	899,267
ST / GST on Management Fees		100,414	155,406
Investor Education & Awareness Fees		18,638	22,031
Registrar & Transfer Agent Charges		338,185	167,741
Transaction cost		35,243	37,367
Custodian Fees		184,301	-
Trusteeship Fees & Expenses		17,620	-
Audit Fees		225,177	-
Commission to Agents		3,707	-
Total Expenses		1,481,141	1,281,812
Net Surplus for the Year		18,763,359	10,709,523
Provision/ Write Back for diminution in the value of Investment	6	(3,234,083)	(3,559,815)
Net Surplus for the Year (excluding unrealised appreciation)		15,529,276	7,149,708
Transfer from Income Equalisation Reserve		(5,850,114)	(16,464,096)
Net : Transferred to Revenue Reserve		9,679,162	(9,314,388)

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava
Director

R M Joshi
Director

Sudhir Kaup
Compliance Officer

Khozem Jabalpurwala
Fund Manager

Vidya Manjrekar
Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui
Trustee

S P Srivastava
Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA WEALTH PLUS FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at		As at
		March 31, 2019		March 31, 2018
Particulars		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		82,021,513		96,376,990
		82,021,513		96,376,990
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		9,625,551		3,178,954
Outstanding and accrued income		-		18,000
Investment - Liquid MF Units		1,609,106		1,697,306
Investment - Liquid MF Units for Investor Education		17,362		17,362
Other Receivables		1		57,511
		11,252,020		4,969,133
SCHEDULE 3				
Unit Capital				
Fixed Plan Dividend	FPD	2,245,212		2,341,863
Fixed Pricing - Dividend Option 224521.197 units of Rs.10 each (For 2017-2018- 234186.315 units of Rs.10 each				
Fixed Plan Growth	FPG	1,294,013		1,357,607
Fixed Pricing - Growth Option 129401.271 units of Rs.10 each (For 2017-2018- 135760.675 units of Rs.10 each				
Variable Plan Dividend	VPD	7,079,111		7,375,881
Variable Pricing - Dividend Option 707911.102 units of Rs.10 each (For 2017-2018- 737588.130 units of Rs.10 each				

Variable Plan Growth	VPG	10,087,852		10,736,454
Variable Pricing - Growth Option 1008785.231 units of Rs.10 each (For 2017-2018- 1073645.361 units of Rs.10 each)				
Fixed Plan Direct Dividend	FPDDP	12,044		12,044
Fixed Pricing - Direct Dividend Option 1204.426 units of Rs.10 each (For 2017-2018- 1204.426 units of Rs.10 each)				
Fixed Plan Direct Growth	FPGDP	261		261
Fixed Pricing - Direct Growth Option 26.148 units of Rs.10 each (For 2017-2018- 26.148 units of Rs.10 each)				
Variable Plan Direct Dividend	VPDDP	44,128		47,727
Variable Pricing - Direct Dividend Option 4412.763 units of Rs.10 each (For 2017-2018- 4772.651 units of Rs.10 each)				
Variable Plan Direct Growth	VPGDP	344,751		360,810
Variable Pricing - Direct Growth Option 34475.143 units of Rs.10 each (For 2017-2018- 36081.048 units of Rs.10 each)				
Total		21,107,372		22,232,647
(Refer Note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	94,495,856		103,810,244	
Transferred from Revenue Account	9,679,162		(9,314,388)	94,495,856
Balance as at end of the year		104,175,018		
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(5,850,114)		(16,464,096)	
Transferred to Revenue Account	5,850,114		16,464,096	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				

Balance as at beginning of the year	24,198,501		24,696,876	
Additions During the year	(18,797,966)		(498,375)	
Balance as at end of the year		5,400,535		24,198,501
Unit Premium Reserve				
Balance as at beginning of the year	(41,648,042)		(44,125,040)	
Additions During the year	1,947,860		2,476,998	
Balance as at end of the year		(39,700,182)		(41,648,042)
		69,875,371		77,046,315
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		356,369		12,292
		1737		
Management Fees Payable				15,809
ST / GST on Management Fees		313		2,846
Payable on redemption of units		989,778		1,055,677
STT Payable		2		5
Payable - Fee on Investor Education		43,810		36,098
Distribution Payable		898,781		944,434
		2,290,790		2,067,161

SAHARA WEALTH PLUS 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 6				
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(5,482,633)		(1,922,818)
At the end of the year		(8,716,716)		(5,482,633)
		(3,234,083)		(3,559,815)

SCHEDULE - 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2019.

1. INTRODUCTION

1.1 About the Scheme

Sahara Wealth Plus Fund (the “Scheme”) is an open ended growth scheme of Sahara Mutual Fund (the “Fund”). The objective is to invest in equity and equity related instruments of companies that would be wealth builders in the long run. In line with SEBI Circular for providing separate options for direct investments, the scheme has eight options (i) Fixed Pricing- Growth Option (ii) Fixed Pricing - Dividend Option (iii) Fixed Pricing -Growth Option – Direct and (iv) Fixed Pricing - Dividend Option – Direct.(v) Variable Pricing- Growth Option (vi) Variable- Pricing - Dividend Option (vii) Variable Pricing -Growth Option – Direct and Variable Pricing - Dividend Option – Direct.

The scheme will not declare dividend under the Growth Plan. The Income earned on such units remain invested under the scheme and reflected in the Net Asset Value. The initial issue period of the scheme was from July 4, 2005 to August 9, 2005 and the scheme was reopen for continuous purchase and redemption at prevailing NAV from September 6, 2005.

1.2 Asset Management Company

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

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

The shareholding of Sahara Asset Management Company Private Limited as on March 31, 2019 is as follows:

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting

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

2.2. Accounting for Investments

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

2.3. Valuation of Investments

Valuation Policy as on 31.03.2019 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 be decided by the Investment and Valuation Committee.
- vi) The Valuation Policy is reviewed by the Statutory Auditor at least once in a financial year.
- vii) Valuation Policy as updated and approved by the Board of AMC / Board of Trustees is applicable for the schemes of Sahara Mutual Fund

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

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

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

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

2.3.2 Unrealised Appreciation/Depreciation.

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

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

2.4 Revenue Recognition

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

3. Net Asset Value for Growth/Dividend Options:

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

4. Unit Premium Reserve Account

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

5. Income Equalisation Account

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

6. Load Charges

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

7. Unclaimed Redemption.

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

in this plan and TER (Total Expense Ratio) of such plans shall be capped at 50 bps. The AMC should make continuous effort to remind the investors through letters to take their unclaimed amounts.

8. NOTES TO THE ACCOUNTS

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

Management Fees

The total Management Fee (inclusive of GST) has been computed at 0.71% (P.Y. 0.96%) on average net assets calculated on a daily basis.

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

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

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

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

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the financial year 2018-19, the Trusteeship fees and expenses amounted to Rs.169135.07. However, due to small AUM of the scheme, only an amount of Rs.17619.56 was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

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

Scheme Expenses

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

During the financial year 2018-19 due to small size of AUM of the scheme only certain expenses have been paid from TER and the balance amount had been borne by the AMC, details are as under:

Particulars	Total Expenses	Charged to Scheme TER	Balance borne by AMC
R & T Expenses	748510.44	338185.02	410325.42
Custodian Fees	438774.97	184301.10	254473.87
Audit fees	389119.97	225176.54	163943.43

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

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

8.4 During the year ended 31.03.2019 the Registrar and Transfer Agent charges amounting to Rs.3,38,185.02 (PY:Rs.1,67,741.01), Custodian fees amounting to Rs.1,84,301.10 (PY:Rs. 0.00) & Audit Fees amounting to Rs.2,25,176.54 (PY: Rs.0.00) constitutes 22.83% (PY:13.09%),12.44% (PY:0.00%) & 15.20% (PY:0.00%) respectively of the total scheme expenses.

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

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

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0541	0.0026	0.0053	0.0005	0.0047

(Rs. in lakhs)

Star Value Fund	Banking & Financial Services Fund
0.0003	0.0112

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2018.

(Rs. In lakhs)

Tax Gain Fund	Growth Fund	Liquid Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0920	0.0053	0.0003	0.0251	0.0005	0.0050

(Rs. In lakhs)

Star Value Fund	Super 20 Fund	Power and Natural Resources Fund	Banking & Financial Services Fund
0.0008	0.0001	-	0.0184

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 18-March 19	0.00	(Rs. 7874.96; 9.20%)
SIFCL	Sponsor / Mutual Fund Distributor	April 17-March 18	0.00	Rs.14755.39; 8.10%)

In column No 5, the amount relates to trail commission

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

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

There are no associate brokers, hence not applicable for the period April – Mar 2019 & April – Mar 2018.

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

Purchases

Year	Amount (Rs)	% of Daily Average
2018-19	12,31,06,438	132.02
2017-18	4,19,26,588	38.04

Sales

Year	Amount (Rs)	% of Daily Average
2018-19	13,48,32,363	144.59
2017-18	5,73,00,377	51.99

8.7 Aggregate Appreciation and Depreciation in the value of Investments :

Asset Class	31-Mar-19		31-Mar-18	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	54.01	87.17	241.99	54.83

8.8 Income and Expense Ratio

	2017-18	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.	18.15%	27.86%
Total Expenditure (excluding Deferred Revenue Expenditure) to average net assets calculated on a daily basis	1.59%	1.16%

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

8.9.1 Fixed Pricing Option - Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	1581244.089	15812440.89	1581244.089	15812440.89
Opening Balance	135760.675	1357606.75	147663.966	1476639.66
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(6359.404)	(63594.04)	(11903.291)	(119032.91)
Closing Balance	129401.271	1294012.71	135760.675	1357606.75

8.9.2 Fixed Pricing Option - Growth Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.00	0.00	0.00	0.00
Opening Balance	26.148	261.48	4696.768	46967.68
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	(4670.62)	(46706.20)
Closing Balance	26.148	261.48	26.148	261.48

8.9.3 Fixed Pricing Option - Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	2611581.056	26115810.56	2611581.056	26115810.56
Opening Balance	234186.315	2341863.15	278663.005	2786630.05
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(9665.118)	(96651.18)	(44476.690)	(444766.90)
Closing Balance	224521.197	2245211.97	234186.315	2341863.15

8.9.4 Fixed Pricing Option - Dividend Option- Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	1204.426	12044.26	1669.821	16698.21
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	(465.395)	(4653.95)
Closing Balance	1204.426	12044.26	1204.426	12044.26

8.9.5 Variable Pricing Option – Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	21486302.533	214863025.33	21486302.533	214863025.33
Opening Balance	1073645.361	10736453.61	1269641.520	12696415.20
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(64860.130)	(648601.30)	(195996.159)	(1959961.59)
Closing Balance	1008785.231	10087852.31	1073645.361	10736453.61

8.9.6 Variable Pricing Option – Growth Option -Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	36081.048	360810.48	39061.106	390611.06
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(1605.905)	(16059.05)	(2980.058)	(29800.58)
Closing Balance	34475.143	344751.43	36081.048	360810.48

8.9.7 Variable Pricing Option – Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	4007989.345	40079893.45	4007989.345	40079893.45
Opening Balance	737588.130	7375881.30	829080.850	8290808.50
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(29677.028)	(296770.28)	(91492.720)	(914927.20)
Closing Balance	707911.102	7079111.02	737588.130	7375881.30

8.9.8 Variable Pricing Option – Dividend Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	4772.651	47726.51	33766.220	337662.20
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(359.888)	(3598.88)	(28993.569)	(289935.69)
Closing Balance	4412.763	44127.63	4772.651	47726.51

8.10 The scheme has declared Nil dividend during the year ended March 31, 2019 (PY: Nil) There was no bonus declared during the year ended March 31, 2019 (PY: Nil)

8.11 Unclaimed Amounts (beyond three months) :

Unclaimed Dividend and Redemption amounts as of March 31, 2019 are given below:

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No of Investors	Unclaimed Redemption (Rs)
Sahara Wealth Plus Fund	879	898781.82	114	989778.38

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

8.13 Portfolio Statement as on March 31, 2019

Name of the Instrument	ISIN	Qty	Market Value (Rs. in Lakhs)	% to NAV	% to Category Total
1) Equity & Equity Related					
(a) Listed/awaiting Listing on Stock Exchange					
EQUITY SHARES					
AUTO				3.36	3.73
ASHOK LEYLAND LTD	INE208A01029	17535	16.01		
BAJAJ AUTO LTD	INE917I01010	500	14.56		
AUTO ANCILLARIES				14.27	15.83
EXIDE INDUSTRIES LTD	INE302A01020	12000	26.24		
BALKRISHNA INDUSTRIES LTD	INE787D01026	2272	22.62		
MOTHERSON SUMI SYSTEMS LTD	INE775A01035	12345	18.48		
APOLLO TYRES LTD	INE438A01022	8066	17.97		
BOSCH LTD (MOTOR INDUSTRIES CO LTD)	INE323A01026	97	17.64		
SUPRAJIT ENGINEERING LTD.	INE399C01030	6825	16.71		
ASAHI INDIA GLASS LTD	INE439A01020	3936	10.20		
BANKS				7.89	8.76
RBL BANK LIMITED	INE976G01028	5443	37.03		
CITY UNION BANK LIMITED	INE491A01021	16985	34.79		
CHEMICALS				3.99	4.43

ATUL LTD	INE100A01010	1013	36.33		
CONSUMER DURABLES				2.70	3.00
BLUE STAR LTD	INE472A01039	3624	24.57		
CONSUMER NON DURABLES				12.64	14.03
BRITANNIA INDUSTRIES LTD	INE216A01030	1066	32.89		
GLAXOSMITHKLINE CONSUMER HEALTHCARE LTD.	INE264A01014	360	26.09		
KANSAI NEROLAC PAINTS LTD	INE531A01024	5617	25.75		
DABUR INDIA LTD	INE016A01026	5153	21.07		
MARICO LIMITED	INE196A01026	2665	9.24		
FERTILISERS				3.44	3.82
COROMANDEL INTERNATIONAL LTD	INE169A01031	6171	31.32		
FINANCE				7.70	8.54
MANAPPURAM FINANCE LIMITED	INE522D01027	22564	28.27		
CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED	INE736A01011	9600	23.28		
BAJAJ FINSERV LTD	INE918I01018	263	18.51		
GAS				3.53	3.92
INDRAPRASTHA GAS LTD	INE203G01027	10521	32.14		
INDUSTRIAL PRODUCTS				9.02	10.00
MOLD-TEK PACKAGING LIMITED	INE893J01029	11369	29.34		
CUMMINS INDIA LTD	INE298A01020	3796	28.32		
NILKAMAL LIMITED	INE310A01015	1705	24.38		
MEDIA & ENTERTAINMENT				2.82	3.13
T.V. TODAY NETWORK LTD	INE038F01029	4231	13.44		
D B CORP LTD	INE950I01011	6551	12.25		
PESTICIDES				3.75	4.16
PI INDUSTRIES LIMITED	INE603J01030	3304	34.10		
PETROLEUM PRODUCTS				2.65	2.94
CASTROL INDIA LTD	INE172A01027	14504	24.13		
PHARMACEUTICALS				6.99	7.75
DIVI S LABORATORIES LIMITED	INE361B01024	1602	27.28		
ALEMBIC PHARMACEUTICALS LIMITED	INE901L01018	3633	19.54		
ALKEM LABORATORIES LIMITED	INE540L01014	956	16.74		
SOFTWARE				2.93	3.25
CYIENT LIMITED	INE136B01020	4105	26.66		
TRANSPORTATION				2.45	2.72
ADANI PORTS & SEZ LTD	INE742F01042	5907	22.34		
(b) Unlisted		Nil	Nil	NIL	Nil
Equity Total (a+b)			820.22	90.14	100.00
2) Debt Instruments					
(a) Listed/awaiting Listing on Stock Exchange		Nil	Nil	Nil	Nil
(b) Privately Placed/Unlisted		Nil	Nil	Nil	Nil
(c) Securitised Debt		Nil	Nil	Nil	Nil
3) Money Market Instruments					
Collateralized Borrowing and Lending Obligation (CBLO)			0.00	0.00	0.00

4) Short term Deposit		Nil	Nil	Nil	Nil
5) Other- Net Current Assets		Nil	89.72	9.86	100.00
Grand Total			909.93	100.00	100.00

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

8.15 Holdings over 25% of the NAV of the scheme as of March 31, 2019.

Particulars	As on March 31, 2019	As on March 31, 2018
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. Pending decision of SEBI on the above matter, the scheme accounts have been made 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, 2019 was Rs.5.02 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 figures have been reclassified/regrouped, wherever necessary, to conform to the current year's classification.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

R M Joshi

Director

Sudhir Kaup

Compliance Officer

Khozem Jabalpurwala

Fund Manager

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA WEALTH PLUS FUND
Perspective Historical Per Unit Statistics

Particulars	As at 31-Mar-19 (Rs. Per Unit)	As at 31-Mar-18 (Rs. Per Unit)	As at 31-Mar-17 (Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	0.40	0.52	0.29
(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	9.19	4.87	2.45
(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	0.70	0.58	0.47
(c) Net Income	8.89	4.82	2.26
(d) Net unrealised appreciation/(diminution) in value of Investments	(1.57)	8.42	8.74
(e) Net Asset Value			
Fixed Pricing - Dividend Plan	30.7057	32.1318	31.0807
Fixed Pricing - Growth Plan	43.1140	45.1163	43.6405
Variable Pricing - Dividend Plan	36.4576	37.6371	35.6137
Variable Pricing - Growth Plan	50.2865	51.9133	49.1224
Fixed Pricing - Direct Dividend Plan	31.2467	32.6030	31.4412
Fixed Pricing - Direct Growth Plan	44.1489	45.9116	44.1945
Variable Pricing - Direct Dividend Plan	37.0186	38.1245	35.9894
Variable Pricing - Direct Growth Plan	51.6573	53.0408	49.9095
(f) Purchase Price during the year**			
(i) Highest			
Fixed Pricing - Dividend Plan	33.5178	36.3696	30.3652
Fixed Pricing - Growth Plan	47.0624	51.0666	42.9279
Variable Pricing - Dividend Plan	39.3031	42.4100	35.2570
Variable Pricing - Growth Plan	54.2113	58.4967	48.6304
Fixed Pricing - Direct Dividend Plan	34.0148	36.8786	0.0000
Fixed Pricing - Direct Growth Plan	47.9059	51.8953	0.0000
Variable Pricing - Direct Dividend Plan	39.8171	42.9371	29.5391
Variable Pricing - Direct Growth Plan	55.4077	59.6829	48.4410
(ii) Lowest			
Fixed Pricing - Dividend Plan	27.992	31.0608	25.1333
Fixed Pricing - Growth Plan	39.3036	43.6125	35.2664
Variable Pricing - Dividend Plan	33.1803	35.6080	27.9474
Variable Pricing - Growth Plan	45.7661	49.1145	38.5713
Fixed Pricing - Direct Dividend Plan	28.4526	31.4229	0.0000
Fixed Pricing - Direct Growth Plan	40.1406	44.1686	0.0000

Variable Pricing - Direct Dividend Plan	33.6542	35.9850	29.5391
Variable Pricing - Direct Growth Plan	46.9265	49.9044	40.0777
(g) Sale Price during the year**			
(i) Highest			
Fixed Pricing - Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Growth Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
(ii) Lowest			
Fixed Pricing - Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Growth Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by Percentage*	1.59%	1.16%	1.22%
(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)	18.15%	27.86%	29.67%

*Annualised

**Based on the maximum load during the year

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

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara Infrastructure Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Infrastructure Fund** ("the Scheme"), which comprise the Balance Sheet as at March 31, 2019, the Revenue Account and the Cash Flow Statement for the year then ended, and noted to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2019;
- (b) in the case of the Revenue Account, of the surplus for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) 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.

Emphasis of Matter

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

- e) Note no. 8.17 which states, inter alia, that Sahara Mutual Fund had requested SEBI in January 2018 to extend the date of cancellation of 'Certificate of registration' till 27th July, 2018 considering the lock in period of certain unit holders' investments in Sahara Tax gain fund as well as for giving time for identification of a new sponsor. However, SEBI ordered for winding up of all schemes against which Sahara Mutual Fund appealed before SAT for a stay of SEBI order. In the meanwhile, a new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

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

The above indicates the existence of a material uncertainty that may cast significant doubt about Sahara Mutual Fund's ability to continue as a going concern. However, the financial statements of the Scheme have been prepared on a going concern basis, pending the decision of the SEBI on the sponsor.

- f) Note no. 8.18 which states that minimum four Trustees are required as per Reg. 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, has not been complied with.
- c) 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 have maintained a Net Worth of minimum Rs.50 crs. The Net Worth of SAMC as on March 31, 2019 was Rs.5.02 crs (refer Note 8.19); thereby net worth criteria has not been complied with.

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.

In preparing the financial statements, management is responsible for assessing the Scheme’s ability to continue as a going concern, disclosing , as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Scheme or to cease operations or has no realistic alternative but to do so.

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 account 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

Place: Mumbai
Date: July 19, 2019

SAHARA INFRASTRUCTURE FUND
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedule	As at	As at
		March 31, 2019	March 31, 2018
ASSETS		(Rs)	(Rs)
Investments	1	43,706,750	48,218,672
Other Current Assets	2	3,337,180	1,667,553
Total Assets		47,043,930	49,886,225
LIABILITIES			
Unit Capital	3	18,486,006	19,934,524
Reserves & Surplus	4	27,565,343	29,065,794
Current Liabilities & Provisions	5	992,581	885,907
Total Liabilities		47,043,930	49,886,225

NET ASSET VALUE

		As at	As at
		March 31, 2019	March 31, 2018
Net Asset Value per unit (Rs.)			
Fixed Pricing - Dividend Plan	IFD	19.2064	19.1394
Fixed Pricing - Growth Plan	IFG	26.3014	26.2097
Variable Pricing - Dividend Plan	IVD	22.4714	22.0819
Variable Pricing - Growth Plan	IVG	30.5471	30.0177
Fixed Pricing - Direct Dividend Plan	IFDDP	20.3280	19.4246
Fixed Pricing - Direct Growth Plan	IFGDP	28.6781	27.7905
Variable Pricing - Direct Dividend Plan	IVDDP	22.3093	22.3488
Variable Pricing - Direct Growth Plan	IVGDP	31.3341	30.6143

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava
Director

Sudhir Kaup
Compliance Officer

Vidya Manjrekar
Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui
Trustee

Place: Mumbai

S P Srivastava
Trustee

Date: 19th July, 2019

R M Joshi
Director

Khozem Jabalpurwala
Fund Manager

SAHARA INFRASTRUCTURE FUND
REVENUE ACCOUNT FOR THE YEAR ENDED March 31, 2019

Particulars	Schedule	For the year ended March 31, 2019	For the year ended March 31, 2018
		(Rs)	(Rs)
INCOME			
Dividend Income		425,603	752,453
Interest & Discount Income		11,004	274
Other Income		127	-
Profit on Sale / Redemption of Investments (Net)		16,413,825	5,083,645
(Other than Inter Scheme Transfer / Sale)			
Total Income		16,850,559	5,836,372
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Management Fees		370,055	689,700
ST / GST on Management Fees		66,610	119,232
Investor Education and Awareness Fees		9,096	11,027
Registrar & Transfer Agent Charges		167,534	83,788
Transaction cost		17,187	18,852
Custodian Fees		91,528	-
Trusteeship Fees & Expenses		8,771	-
Audit Fees		111,646	-
Commission to Agents		1,846	-
Total Expenses		844,273	922,599
Net Surplus for the Year		16,006,286	4,913,773
Provision/ Write Back for diminution in the value of Investment	6	(3,035,271)	(990,822)
Net Surplus for the Year (excluding unrealised appreciation)		12,971,015	3,922,951
Transfer from Income Equalisation Reserve		(2,298,407)	(2,660,323)
Net : Transferred to Revenue Reserve		10,672,608	1,262,628

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava
Director

R M Joshi
Director

Sudhir Kaup
Compliance Officer

Khozem Jabalpurwala
Fund Manager

Vidya Manjrekar
Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui
Trustee

S P Srivastava
Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA INFRASTRUCTURE FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at		As at
		March 31, 2019		March 31, 2018
Particulars		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		43,706,750		48,218,672
		43,706,750		48,218,672
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		2,734,636		1,034,859
Outstanding and accrued income		-		13,200
Investment - Liquid MF Units		593,797		610,747
Investment - Liquid MF Units for Investor Education		8,747		8,747
		3,337,180		1,667,553
SCHEDULE 3				
Unit Capital				
Fixed Plan Dividend	IFD	4,196,771		4,519,188
Fixed Pricing - Dividend Option 419677.057 units of Rs.10 each				
(For 2017-2018 451918.809 units of Rs.10 each)				
Fixed Plan Growth	IFG	3,018,624		3,150,602
Fixed Pricing - Growth Option 301862.445 units of Rs.10 each				
(For 2017-2018 315060.226 units of Rs.10 each)				
Variable Plan Dividend	IVD	5,438,181		5,880,991
Variable Pricing - Dividend Option 543818.080 units of Rs.10 each				
(For 2017-2018 588099.140 units of Rs.10 each)				

Variable Plan Growth	IVG	5,574,596		6,059,948
Variable Pricing - Growth Option 557459.649 units of Rs.10 each				
(For 2017-2018 605994.841 units of Rs.10 each)				
Fixed Plan Direct Dividend	IFDDP	-		54,744
Fixed Pricing - Direct Dividend Option NIL units of Rs.10 each				
(For 2017-2018 5474.359 units of Rs.10 each)				
Fixed Plan Direct Growth	IFGDP	54		54
Fixed Pricing - Direct Growth Option 5.436 units of Rs.10 each				
(For 2017-2018 5.436 units of Rs.10 each)				
Variable Plan Direct Dividend	IVDDP	-		11,217
Variable Pricing - Direct Dividend Option NIL units of Rs.10 each				
(For 2017-2018 1121.658 units of Rs.10 each)				
Variable Plan Direct Growth	IVGDP	257,780		257,780
Variable Pricing - Direct Growth Option 25777.957 units of Rs.10 each				
(For 2017-2018 25777.957 units of Rs.10 each)				
Total		18,486,006		19,934,524
(Refer Note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	17,666,610		16,403,982	
Transferred from Revenue Account	10,672,608		1,262,628	
Balance as at end of the year		28,339,218		17,666,610
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(2,298,407)		(2,660,323)	
Transferred to Revenue Account	2,298,407		2,660,323	
Balance as at end of the year		-		-

Unrealised Appreciation Reserve				
Balance as at beginning of the year	16,538,003		16,093,679	
Additions During the year	(12,408,379)		444,324	
Balance as at end of the year		4,129,624		16,538,003
Unit Premium Reserve				
Balance as at beginning of the year	(5,138,819)		(2,512,431)	
Additions During the year	235,320		(2,626,388)	
Balance as at end of the year		(4,903,499)		(5,138,819)
		27,565,343		29,065,794
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		177,055		6,408
Management Fees Payable		1,275		10,230
ST / GST On Management Fees Payable		229		1,842
STT Payable		3		6
Payable - Fee on Investor Education		21,593		17,828
Payable on redemption of units		673,851		723,518
Distribution Payable		118,575		126,075
		992,581		885,907

SAHARA INFRASTRUCTURE FUND
SCHEDULES FORMING PART OF REVENUE ACCOUNT

		For the year ended		For the year ended
Particulars		March 31, 2019		March 31, 2018
SCHEDULE 6		(Rs)		(Rs)
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(1,591,361)		(600,539)
At the end of the year		(4,626,632)		(1,591,361)
		(3,035,271)		(990,822)

SCHEDULE – 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2019.

1. INTRODUCTION

1.1 About the Scheme

Sahara Infrastructure Fund (the “Scheme”) is an open ended growth scheme of Sahara Mutual Fund (the “Fund”). The objective is to provide income distribution and / or medium to long term capital gains by investing predominantly in equity / equity related instruments of companies in the infrastructure sector. In line with SEBI Circular for providing separate options for direct investments, the scheme has two options – Fixed Pricing Option and Variable Pricing Option and now four sub options namely (i) Growth Option (ii) Dividend Option (iii) Growth Option – Direct and (iv) Dividend Option – Direct. The scheme will not declare dividend under the Growth Plan. The Income earned on such units remain invested under the scheme and reflected in the Net Asset Value. The initial issue period of the scheme was from February 15, 2006 to March 14, 2006 and the scheme was reopen for continuous purchase and redemption at prevailing NAV from April 6, 2006.

1.2 Asset Management Company

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

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

The Shareholding of Sahara Asset Management Company Private Limited as on March 31, 2019 is as follows:

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting

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

2.2. Accounting for Investments

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

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

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

2.3. Valuation of Investments

Valuation Policy as on 31.03.2019 is as under.

A: VALUATION OF DEBT INSTRUMENTS

A (I) - The Valuation Policy of Debt and Money Market Instruments is given below:

Sr. No.	Instrument	Valuation applicable on the day of valuation
1.	CBLO, REPO, Fixed Deposit, Call Money , etc and such Similar Instruments	On Amortization basis / Accrual basis.
2	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc. where Script wise values are available from CRISIL/ ICRA	The aggregated average price provided by CRISIL / ICRA for the given security or any other agencies as may be indicated from time to time by SEBI/AMFI for that day
3	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc where Script wise values are not available from CRISIL/ ICRA	

A (II) Pricing of Inter -Scheme Transfer of Debt Instruments (ISTs):

Sr. No.	Instrument	Valuation applicable on the day of valuation
1.	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc.	
	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

	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.
	iii)	If Same or similar Security/securities are not traded and reported up to the time of IST on FTRAC/CBRICS	Previous end of the day valuation plus accrual, if any, based on settlement day of the IST is taken. Example: if settlement is T+0 then no accrual/amortization and if the settlement is other than T+0 then appropriate accrual/amortization.
2.	Central Government Securities / State Government Securities / Treasury Bills/ Cash Management Bill etc		
	i)	Same security traded and reported on NDS-OM section of CCIL website.	On last traded price as given on NDS-Section of CCIL Website (Excluding abnormal trade).

	ii)	Same security not traded and reported on NDS-OM section of CCIL website	Previous end of the day valuation price plus accrual/amortization is taken
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Similar Security:

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

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

Maturity Bucket:

- For Debt Security having remaining maturity up to 91 days

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

- For Debt Securities having remaining maturities more than 91 days

“Time Bucket” for maturity profile of “Similar Securities” is same calendar month of that year.

A (III) Notes:

1. For the purpose of Valuation of securities and for Inter Scheme Transfer, Weighted average of all trades of 5crs and above, excluding abnormal trades and retail trades is taken. Since retail trades are of small value and generally may deviate materially from the yield at which the market lots in WDM is traded, it would be appropriate to exclude the retail trades for the more realistic valuation of the security.
2. Abnormal Trade is defined as those transaction/s which is/are over +/- 250 Basis Point compared to the previous day valuation yield of the security in question

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

3. CRISIL and ICRA provide the valuation matrices for various maturity buckets. Script wise value for various debt instruments are also provided by CRISIL and ICRA. Trades are also reported and settled on various public platforms.
4. Public platform for the purpose of valuation of security shall mean FIMMDA managed FTRAC, NSE, BSE, (except NSER- NSE retail and BSER- BSE Retail), RBI managed NDS-OM or any other Public platform for Debt market launched from time to time. Market trades from different Platforms are usually collected by BILAV Information LLP, which may be used for the purpose of Valuation of traded security for which Script wise values are not available from CRISIL/ICRA.
5. The data on yield and prices are generally provided up to 4 decimal points which shall be considered and these prices are considered on respective face value of the instruments for arriving at valuation.
6. For the valuation of traded securities where Script wise values are not available by CRISIL/ICRA, price derived from the corresponding Weighted Average yield of all available trades excluding abnormal and retail trades on any public platform for the same security on T+1 settlement basis is taken.

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

7. For non traded securities where Script wise values are not available, the valuation is done on the price derived from the corresponding the aggregated yield matrices for the respective category as provided by CRISIL/ICRA on T+1 settlement basis.

8. For Government Securities, SDL, T-Bills, Cash Management Bill etc, the valuation is done on aggregated Script wise pricing as provided by CRISIL/ICRA and as applicable for that day.

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

9. In case the valuation matrices/Script wise value is available either from CRISIL/ICRA up to a reasonable time limit, the same is considered for arriving at valuation.

10. In respect of on any day neither the Script wise value nor the valuation Matrices is available from CRISIL/ICRA within the reasonable time limit, the Valuation is done on the basis of accrual/amortization based on the last valuation.

B: VALUATION OF EQUITY INSTRUMENTS

1. Traded Equity Securities

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

2. Thinly Traded Equity / Equity Related Securities

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

3. Non-traded / Suspended Securities

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

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

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

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

- (a) Net Worth per share = [share capital+ reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
- (b) Average capitalization rate (P/E ratio) for the industry based upon NSE prices or BSE prices and discounted by 75% i.e. only 25% of the Industry average P/E would be taken as capitalization rate

(P/E ratio). Earnings per Share (EPS) of the latest audited annual accounts would be considered for this purpose.

- (c) The value as per the net worth value per share and the capital earning value calculated as above would be averaged and further discounted by 10% for illiquidity so as to arrive at the fair value per share.
- (d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.
- (e) In case, where the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- (f) In case, an individual security accounts for more than 5% of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it would be valued by the procedure above and the proportion which it bears to the total net assets of the scheme to which it belongs will be compared on the date of valuation.

4. Unlisted Equity

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

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

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

- a) All calculations would be based on audited accounts.
- b) If the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- c) If the Net Worth of the company is negative, the share would be marked down to zero.
- d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.

- e) In case an individual security accounts for more than 5 per cent of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it is valued in accordance with the procedure as mentioned above on the date of valuation.

5. Demerger

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

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

6. Preference Shares

Preference Shares valuation guidelines would be as follows:

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

(I). Redeemable Preference Shares

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

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

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

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

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

7. Warrants

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

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

8. Rights

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

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

Where

V_r = Value of rights

n = no. of rights offered

m = no. of original shares held

P_{ex} = Ex-rights price

P_{of} = Rights Offer Price

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

9. Derivatives

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

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

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

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

10. Mutual Fund Units

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

Related matters

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

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

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

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

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

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

2.3.2 Unrealised Appreciation/Depreciation.

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

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

2.4 Revenue Recognition

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

3. Net Asset Value for Growth/Dividend Options:

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

4. Unit Premium Reserve Account

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

5. Income Equalisation Account

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

6. Load Charges

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

7. Unclaimed Redemption.

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

8. NOTES TO THE ACCOUNTS

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

Management Fees

The Management Fee (inclusive of GST) has been computed at 0.96% (P.Y. 1.47%) on average net assets calculated on a daily basis.

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

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

(a) If NPR < Benchmark and NPR < 0	IMA fees = zero
(b) if either NPR > Benchmark or NPR > 0	Actual IMA fees = ½ of maximum permissible IMA fees
(c) if both NPR > Benchmark and NPR > 0	Actual IMA fees = maximum permissible IMA fees

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

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the financial year 2018-19, the Trusteeship fees and

expenses amounted to Rs.83807.59. However, due to small AUM of the scheme, only an amount of Rs.8771.02 was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

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

Scheme Expenses

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

During the financial year 2018-19 due to small size of AUM of the scheme only 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	370892.04	167533.97	203358.07
Custodian Fees	217416.00	91527.53	125888.47
Audit fees	192811.61	111646.33	81165.28

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

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

8.4 During the year ended 31.03.2019 the Registrar and Transfer Agent charges amounting to Rs.1,67,533.97 (PY:Rs.0.00), Custodian fees amounting to Rs.91,527.53 and Audit Fees amounting to Rs.1,11,646.33 (PY: Rs.0.00) constitutes 19.34% (PY: 0.00%), 10.84% (PY: 0.00%) & 13.22% (PY:0.00%) respectively of the total schemes expenses.

8.5 Transactions with Associates/Related Parties/Group Companies of Sponsor/AMC

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

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

(Rs. in lakhs)				
Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0541	0.0026	0.0053	0.0005	0.0047

(Rs. in lakhs)	
Star Value Fund	Banking & Financial Services Fund
0.0003	0.0112

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2018.

(Rs. In lakhs)					
Tax Gain Fund	Growth Fund	Liquid Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0920	0.0053	0.0003	0.0251	0.0005	0.0050

(Rs. In lakhs)			
Star Value Fund	Super 20 Fund	Power and Natural Resources Fund	Banking & Financial Services Fund
0.0008	0.0001	-	0.0184

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 18-March 19	0.00	(Rs. 7874.96; 9.20%)
SIFCL	Sponsor / Mutual Fund Distributor	April 17-March 18	0.00	(Rs.14755.39; 8.10%)

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

Brokerage paid to Associates / Related Parties / Group Companies of Sponsor/AMC

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

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

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

Purchases

Year	Amount (Rs)	% of Daily average
2018-19	5,67,75,316	124.71
2017-18	1,17,32,682	21.26

Sales

Year	Amount (Rs)	% of Daily Average
2018-19	6,22,57,413	136.76
2017-18	1,86,56,063	33.80

8.7 Aggregate Appreciation and Depreciation in the value of Investments:

Asset Class	31-Mar-2019		31-Mar-18	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	41.30	46.27	165.38	15.91

8.8 Income and Expense Ratio

	2018-19	2017-18
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	35.92%	37.65%
Total Expenditure (excluding Deferred Revenue Expenditure) to average net assets calculated on a daily basis	1.85%	1.67%

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

8.9.1 Fixed Pricing Option - Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	3908842.083	39088420.83	3908842.083	39088420.83
Opening Balance	315060.226	3150602.26	399379.952	3993799.52
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(13197.781)	(131977.81)	(84319.726)	(843197.26)
Closing Balance	301862.445	3018624.45	315060.226	3150602.26

8.9.2 Fixed Pricing Option - Growth Option - Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	5.436	54.36	5.436	54.36
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	0.000	0.00
Closing Balance	5.436	54.36	5.436	54.36

8.9.3 Fixed Pricing Option - Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	3999162.348	39991623.48	3999162.348	39991623.48
Opening Balance	451918.809	4519188.09	537247.318	5372473.18
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(32241.752)	(322417.52)	(85328.509)	(853285.09)
Closing Balance	419677.057	4196770.57	451918.809	4519188.09

8.9.4 Fixed Pricing Option - Dividend Option- Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	5474.359	54743.59	5474.359	54743.59
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(5474.359)	(54743.59)	0.000	0.00
Closing Balance	0.000	0.00	5474.359	54743.59

8.9.5 Variable Pricing Option – Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	15622781.058	156227810.58	15622781.058	156227810.58
Opening Balance	605994.841	6059948.41	679125.249	6791252.49
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(48535.192)	(485351.92)	(73130.408)	(731304.08)
Closing Balance	557459.649	5574596.49	605994.841	6059948.41

8.9.6 Variable Pricing Option – Growth Option – Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	25777.957	257779.57	36674.812	366748.12
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	(10896.855)	(108968.55)
Closing Balance	25777.957	257779.57	25777.957	257779.57

8.9.7 Variable Pricing Option – Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	7613483.957	76134839.57	7613483.957	76134839.57
Opening Balance	588099.140	5880991.40	683343.537	6833435.37
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(44281.060)	(442810.60)	(95244.397)	(952443.97)
Closing Balance	543818.080	5438180.80	588099.140	5880991.40

8.9.8 Variable Pricing Option – Dividend Option-Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	1121.658	11216.58	1121.658	11216.58
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	1121.658	11216.58	0.000	0.00
Closing Balance	0.000	0.00	1121.658	11216.58

8.10 The scheme has declared nil dividend during the year ended March 31, 2019 (PY: Nil). There was no bonus declared during the year ended March 31, 2019 (PY: Nil).

8.11 Unclaimed Amounts (Beyond three months):

Unclaimed Dividend & Redemption amounts as of March 31, 2019 are as below:

Scheme Name	No of Investors	Unclaimed Dividend (Rs)	No. of Investors	Unclaimed Redemption (Rs)
Sahara Infrastructure Fund	26	118575.30	71	673850.63

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

8.13 Portfolio Statement as on March 31, 2019:

Name of the Instrument	ISIN	Qty	Market Value (Rs. in Lakhs)	% to NAV	% to Category Total
1) Equity & Equity Related					
(a) Listed/awaiting Listing on Stock Exchange					
EQUITY SHARES					
AUTO				1.43	1.51
ASHOK LEYLAND LTD	INE208A01029	7230	6.60		
AUTO ANCILLARIES				5.83	6.14
EXIDE INDUSTRIES LTD	INE302A01020	5900	12.90		
APOLLO TYRES LTD	INE438A01022	3991	8.89		
ASAHI INDIA GLASS LTD	INE439A01020	1947	5.05		
BANKS				9.40	9.90
RBL BANK LIMITED	INE976G01028	2692	18.32		
CITY UNION BANK LIMITED	INE491A01021	7003	14.35		
ICICI BANK LTD	INE090A01021	2650	10.61		
CEMENT				5.56	5.86
ULTRATECH CEMENT LTD.	INE481G01011	352	14.07		
RAMCO INDUSTRIES LIMITED	INE614A01028	5414	11.53		
CHEMICALS				8.22	8.67
ATUL LTD	INE100A01010	333	11.94		
FINE ORGANICS INDUSTRIES LIMITED	INE686Y01026	800	9.92		
NAVIN FLUORINE INTERNATIONAL LIMITED	INE048G01026	1244	8.80		
TATA CHEMICALS LTD	INE092A01019	1226	7.22		
CONSTRUCTION				2.12	2.23
ITD CEMENTATION INDIA LIMITED.	INE686A01026	7420	9.77		
CONSTRUCTION PROJECT				2.05	2.16
LARSEN AND TOUBRO LIMITED	INE018A01030	682	9.45		
CONSUMER DURABLES				10.22	10.77
BATA INDIA LTD	INE176A01028	1529	21.48		
BLUE STAR LTD	INE472A01039	1792	12.15		
CROMPTON GREAVES CONSUMER ELECTRICALS LIMITED	INE299U01018	2999	6.81		
AMBER ENTERPRISES INDIA LTD	INE371P01015	419	3.42		

DIXON TECHNOLOGIES (INDIA) LIMITED	INE935N01012	137	3.22		
CONSUMER NON DURABLES				0.99	1.04
MARICO LIMITED	INE196A01026	1315	4.56		
FERTILISERS				3.09	3.25
COROMANDEL INTERNATIONAL LTD	INE169A01031	2800	14.21		
FINANCE				4.55	4.80
CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED	INE736A01011	4750	11.52		
BAJAJ FINANCE LIMITED	INE296A01024	312	9.44		
GAS				2.30	2.43
INDRAPRASTHA GAS LTD	INE203G01027	3470	10.60		
HOTELS, RESORTS AND OTHER RECREATIONAL ACTIVITIES				2.19	2.30
INDIAN HOTELS CO LTD	INE053A01029	6501	10.07		
INDUSTRIAL PRODUCTS				10.05	10.59
MOLD-TEK PACKAGING LIMITED	INE893J01029	5626	14.52		
CUMMINS INDIA LTD	INE298A01020	1878	14.01		
SUPREME INDUSTRIES LTD.	INE195A01028	1008	11.26		
FINOLEX CABLES LTD	INE235A01022	1365	6.49		
MEDIA & ENTERTAINMENT				0.79	0.83
D B CORP LTD	INE950I01011	1944	3.63		
NON - FERROUS METALS				1.31	1.38
NATIONAL ALUMINIUM CO.LTD.	INE139A01034	10900	6.04		
PESTICIDES				4.88	5.14
PI INDUSTRIES LIMITED	INE603J01030	2179	22.49		
PETROLEUM PRODUCTS				6.07	6.40
RELIANCE INDUSTRIES LTD	INE002A01018	1467	20.00		
CASTROL INDIA LTD	INE172A01027	4784	7.96		
PHARMACEUTICALS				2.26	2.38
DIVI S LABORATORIES LIMITED	INE361B01024	610	10.39		
POWER				2.93	3.09
KALPATARU POWER TRANSMISSION LTD	INE220B01022	2865	13.49		
SOFTWARE				1.98	2.09
CYIENT LIMITED (EX INFOTECH ENTERPRISES LTD)	INE136B01020	1405	9.12		
TEXTILES - COTTON				1.82	1.92
VARDHMAN TEXTILES LIMITED	INE825A01012	771	8.39		
TRANSPORTATION				4.86	5.12
CONTAINER CORPORATION OF INDIA LTD	INE111A01025	2575	13.53		
ADANI PORTS & SEZ LTD (EX- MUNDRA PORT AND SEZ LTD)	INE742F01042	2338	8.84		
(b) Unlisted		Nil	Nil	Nil	Nil
Equity Total (a+b)			437.07	94.90	100.00

2) Debt Instruments					
(a) Listed/awaiting Listing on Stock Exchange		Nil	Nil	Nil	Nil
(b) Privately Placed/Unlisted		Nil	Nil	Nil	Nil
(c) Securitised Debt		Nil	Nil	Nil	Nil
3) Money Market Instruments					
Collateralized Borrowing and Lending Obligation (CBLO)			0.00	0.00	0.00
4) Short term Deposit		Nil	Nil	Nil	Nil
5) Other- Net Current Assets			23.50	5.10	100.00
Grand Total			460.57	100.00	100.00

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

8.15 Holdings over 25% of the NAV of the scheme as of March 31, 2019.

Particulars	As on March 31, 2019	As on March 31, 2018
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.

Pending decision of SEBI on the above matter, the scheme accounts have been made on a 'going concern basis'.

8.18 Net worth.

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 Events occurring after Balance Sheet Date:

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, 2019 was Rs.5.02 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 figures have been reclassified/regrouped, wherever necessary, to conform to the current year's classification

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

R M Joshi

Director

Sudhir Kaup

Compliance Officer

Khozem Jabalpurwala

Fund Manager

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA INFRASTRUCTURE FUND
Perspective Historical Per Unit Statistics

Particulars	As at 31-Mar-19 (Rs. Per Unit)	As at 31-Mar-18 (Rs. Per Unit)	As at 31-Mar-17 (Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	0.24	0.38	0.27
(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	8.88	2.55	2.37
(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	0.46	0.35
(c) Net Income	8.66	2.46	2.29
(d) Net unrealised appreciation/(diminution) in value of Investments	(0.27)	7.50	6.61
(e) Net Asset Value			
Fixed Pricing - Dividend Plan	19.2064	19.1394	18.0366
Fixed Pricing - Growth Plan	26.3014	26.2097	24.6995
Variable Pricing - Dividend Plan	22.4714	22.0819	20.3562
Variable Pricing - Growth Plan	30.5471	30.0177	27.6717
Fixed Pricing - Direct Dividend Plan	20.3280	19.4246	18.2513
Fixed Pricing - Direct Growth Plan	28.6781	27.7905	25.5171
Variable Pricing - Direct Dividend Plan	22.3093	22.3488	20.5511
Variable Pricing - Direct Growth Plan	31.3341	30.6143	28.0406
(f) Purchase Price during the year**			
(i) Highest			
Fixed Pricing - Dividend Plan	20.0264	22.1719	17.7710
Fixed Pricing - Growth Plan	27.4244	30.3625	24.1959
Variable Pricing - Dividend Plan	23.131	25.4773	20.3562
Variable Pricing - Growth Plan	31.4438	34.6332	27.3935
Fixed Pricing - Direct Dividend Plan	20.328	22.4891	0.0000
Fixed Pricing - Direct Growth Plan	29.1227	32.0370	18.6182
Variable Pricing - Direct Dividend Plan	23.4136	25.7721	15.0586
Variable Pricing - Direct Growth Plan	32.0797	35.2674	27.3082
(ii) Lowest			
Fixed Pricing - Dividend Plan	16.6436	18.0826	13.0410
Fixed Pricing - Growth Plan	22.792	24.7625	17.7483
Variable Pricing - Dividend Plan	19.443	20.4782	14.3772
Variable Pricing - Growth Plan	26.4305	27.8375	19.6074
Fixed Pricing - Direct Dividend Plan	19.7531	18.3058	0.0000

Fixed Pricing - Direct Growth Plan	24.5677	25.6983	18.6182
Variable Pricing - Direct Dividend Plan	21.7124	20.6816	15.0586
Variable Pricing - Direct Growth Plan	27.0480	28.2275	20.5121
(g) Sale Price during the year**			
(i) Highest			
Fixed Pricing - Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Growth Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
(ii) Lowest			
Fixed Pricing - Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Growth Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Fixed Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Dividend Plan	0.0000	0.0000	0.0000
Variable Pricing - Direct Growth Plan	0.0000	0.0000	0.0000
(h) Ratio of expenses to average daily net assets by Percentage*	1.85%	1.67%	1.76%
(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)	35.92%	37.65%	46.30%

*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 R.E.A.L Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara R.E.A.L Fund** ("the Scheme"), which comprise the Balance Sheet as at March 31, 2019, the Revenue Account and the Cash Flow Statement for the year then ended, and noted to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2019;
- (b) in the case of the Revenue Account, of the surplus for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

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

- a) Note no. 8.17 which states, inter alia, that Sahara Mutual Fund had requested SEBI in January 2018 to extend the date of cancellation of 'Certificate of registration' till 27th July, 2018 considering the lock in period of certain unit holders' investments in Sahara Tax gain fund as well as for giving time for identification of a new sponsor. However, SEBI ordered for winding up of all schemes against which Sahara Mutual Fund appealed before SAT for a stay of SEBI order. In the meanwhile, a new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

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

The above indicates the existence of a material uncertainty that may cast significant doubt about Sahara Mutual Fund's ability to continue as a going concern. However, the financial statements of the Scheme have been prepared on a going concern basis, pending the decision of the SEBI on the sponsor.

- b) Note no. 8.18 which states that minimum four Trustees are required as per Reg. 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, has not been complied with.
- c) 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 have maintained a Net Worth of minimum Rs.50 crs. The Net Worth of SAMC as on March 31, 2019 was Rs.5.02 crs (refer Note 8.19); thereby net worth criteria has not been complied with.

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.

In preparing the financial statements, management is responsible for assessing the Scheme’s ability to continue as a going concern, disclosing , as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Scheme or to cease operations or has no realistic alternative but to do so.

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 account 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

Place: Mumbai
Date: July 19, 2019

SAHARA R.E.A.L FUND
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedule	As at	As at
		March 31, 2019	March 31, 2018
ASSETS		(Rs)	(Rs)
Investments	1	34,032,231	39,285,476
Other Current Assets	2	3,760,810	2,761,213
Total Assets		37,793,041	42,046,689
LIABILITIES			
Unit Capital	3	17,659,581	18,839,121
Reserves & Surplus	4	19,272,518	22,464,050
Current Liabilities & Provisions	5	860,942	743,518
Total Liabilities		37,793,041	42,046,689

NET ASSET VALUE

Net Asset Value per unit (Rs.)

i) Dividend Plan	D	20.8818	21.9026
ii) Growth Plan	G	20.8784	21.8991
iii) Direct Dividend Plan	DDP	21.3282	22.3004
iv) Direct Growth Plan	GDP	23.1026	23.7818

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava
Director

Sudhir Kaup
Compliance Officer

Vidya Manjrekar
Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui
Trustee

Place: Mumbai

R M Joshi
Director

Khazem Jabalpurwala
Fund Manager

S P Srivastava
Trustee

Date: 19th July, 2019

SAHARA R.E.A.L FUND
REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Schedule	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
		(Rs)	(Rs)
INCOME			
Dividend Income		335,806	377,531
Interest & Discount Income		14,148	-
Profit on Sale / Redemption of Investments(Net)		15,315,568	5,792,116
(Other than Inter Scheme Transfer / Sale)			
Total Income		15,665,522	6,169,647
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Management Fees		595,787	1,064,122
ST / GST on Management Fees		107,243	183,738
Investor Education & Awareness Fees		7,484	8,753
Registrar & Transfer Agent Charges		135,550	66,518
Transaction cost		14,275	14,743
Custodian Fees		73,808	-
Trusteeship Fees & Expenses		7,087	-
Audit Fees		90,198	-
Commission to Agents		1,490	-
Total Expenses		1,032,922	1,337,874
Net Surplus for the Year		14,632,600	4,831,773
Provision / Writeback for diminution in value of investments	6	(3,674,908)	(407,649)
Net Surplus for the Year (excluding unrealised appreciation)		10,957,692	4,424,124
Transfer from Income Equalisation Reserve		(1,714,657)	(1,994,967)
Net : Transferred to Revenue Reserve		9,243,035	2,429,157

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

R M Joshi

Director

Sudhir Kaup

Compliance Officer

Khozem Jabalpurwala

Fund Manager

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA R.E.A.L FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at		As at
		March 31, 2019		March 31, 2018
Particulars		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		34,032,231		39,285,476
		34,032,231		39,285,476
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		3,257,630		2,258,033
Investment - Liquid MF Units		496,150		496,150
Investment - Liquid MF Units for Investor Education		7,030		7,030
		3,760,810		2,761,213
SCHEDULE 3				
Unit Capital				
Dividend Option 302028.976 units of Rs.10 each	D	3,020,290		3,310,290
(For 2017-2018- 331028.976 units of Rs.10 each)				
Growth Option 1433694.746 units of Rs.10 each	G	14,336,947		15,226,487
(For 2017-2018- 1522648.659 units of Rs.10 each)				
Direct Dividend Option 720.335 units of Rs.10 each	DDP	7,203		7,203
(For 2017-2018- 720.335 units of Rs.10 each)				
Direct Growth Option 29514.075 units of Rs.10 each	GDP	295,141		295,141
(For 2017-2018 36277.184 units of Rs.10 each)				
Total		17,659,581		18,839,121
(Refer Note 8.9 of Schedule 7)				

SCHEDULES FORMING PART OF THE BALANCE SHEET		As at		As at
		March 31, 2019		March 31, 2018
SCHEDULE 4		(Rs)		(Rs)
Reserves and Surplus				
Revenue Reserve				
Balance as at beginning of the year	13,640,853		11,211,696	
Transferred from Revenue Account	9,243,035		2,429,157	
Balance as at end of the year		22,883,888		13,640,853
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(1,714,657)		(1,994,967)	
Transferred to Revenue Account	1,714,657		1,994,967	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	15,599,586		13,227,120	
Additions During the year	(12,821,807)		2,372,466	
Balance as at end of the year		2,777,779		15,599,586
Unit Premium Reserve				
Balance as at beginning of the year	(6,776,389)		(5,128,474)	
Additions During the year	387,240		(1,647,915)	
Balance as at end of the year		(6,389,149)		(6,776,389)
		19,272,518		22,464,050
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		143,226		5,249
Management Fees Payable		1,987		15,902
ST/ GST on Management Fees		358		2,862
Payable - Fee on Investor Education		17,454		14,371
STT Payable		1		3
Payable on redemption of units		697,916		705,131
		860,942		743,518

SAHARA R.E.A.L FUND

SCHEDULES FORMING PART OF THE REVENUE ACCOUNT

SCHEDULE 6				
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(894,445)		(486,796)
At the end of the year		(4,569,353)		(894,445)
		(3,674,908)		(407,649)

SCHEDULE - 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019.

1. INTRODUCTION

1.1 About the Scheme

SAHARA 'R.E.A.L. FUND' (Retailing, Entertainment & Media, Auto & auto ancillaries and Logistics Sector) (the "Scheme") is an open ended equity scheme of Sahara Mutual Fund (the "Fund"). The investment objective is to provide long term capital gains by investing predominantly in equity / equity related instrument of companies in the Retailing, Entertainment & Media, Auto & auto ancillaries and Logistics sector. In line with SEBI Circular for providing separate options for direct investments, the scheme has four options (i) Growth Option (ii) Dividend Option (iii) Growth Option – Direct and (iv) Dividend Option – Direct. The scheme will not declare dividend under the Growth Plan. The Income earned on such units remain invested under the scheme and reflected in the Net Asset Value. The New Fund Offer period of the scheme was from 05/10/2007 to 02/11/2007. The scheme was a closed ended equity scheme with a provision to become open ended upon completion of three years from the date of allotment. Accordingly the scheme became an open ended scheme w.e.f 27th November, 2010.

1.2 Asset Management Company

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

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

The Shareholding of Sahara Asset Management Company Private Limited as on March 31, 2019 is as follows:

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting.

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

2.2. Accounting for Investments

- 2.2.1 Investments are accounted on trade dates at cost including brokerage, stamp duty and other charges which are included in the acquisition of investments.
- 2.2.2 Profit or loss on sale of investments is determined on the respective trade date by adopting the "Weighted Average Cost" method.

- 2.2.3 Bonus/Rights entitlements on equity holdings are recognized only when the original shares on which the entitlement accrues are traded on the Principal stock exchange on ex-bonus/ex-rights basis respectively. In respect of unlisted/ non- traded securities, the Bonus/Rights on equity holdings are recognised only on the receipt of the Bonus/Rights.

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

2.3. Valuation of Investments

Valuation Policy as on 31.03.2019 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 Rs.5 crs and above, excluding abnormal trades and retail trades is taken. Since retail trades are of small value and generally may deviate materially from the yield at which the market lots in WDM is traded, it would be appropriate to exclude the retail trades for the more realistic valuation of the security.
2. Abnormal Trade is defined as those transaction/s which is/are over +/- 250 Basis Point compared to the previous day valuation yield of the security in question

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

3. CRISIL and ICRA provide the valuation matrices for various maturity buckets. Script wise value for various debt instruments are also provided by CRISIL and ICRA. Trades are also reported and settled on various public platforms.
4. Public platform for the purpose of valuation of security shall mean FIMMDA managed FTRAC, NSE, BSE, (except NSER- NSE retail and BSER- BSE Retail), RBI managed NDS-OM or any other Public platform for Debt market launched from time to time. Market trades from different Platforms are usually collected by BILAV Information LLP, which may be used for the purpose of Valuation of traded security for which Script wise values are not available from CRISIL/ICRA.
5. The data on yield and prices are generally provided up to 4 decimal points which shall be considered and these prices are considered on respective face value of the instruments for arriving at valuation.

6. For the valuation of traded securities where Script wise values are not available by CRISIL/ICRA, price derived from the corresponding Weighted Average yield of all available trades excluding abnormal and retail trades on any public platform for the same security on T+1 settlement basis is taken.

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

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

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

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

B: VALUATION OF EQUITY INSTRUMENTS

1. Traded Equity Securities

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

2. Thinly Traded Equity / Equity Related Securities

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

3. Non-traded / Suspended Securities

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

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

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

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

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

4. Unlisted Equity

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

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

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

- a) All calculations would be based on audited accounts.

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

5. Demerger

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

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

6. Preference Shares

Preference Shares valuation guidelines would be as follows:

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

(I). Redeemable Preference Shares

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

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

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

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

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

7. Warrants

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

8. Rights

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

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

Where

V_r = Value of rights

n = no. of rights offered

m = no. of original shares held

P_{ex} = Ex-rights price

P_{of} = Rights Offer Price

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

9. Derivatives

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

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

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

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

10. Mutual Fund Units

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

Related matters

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

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

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

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

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

2.3.2 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 1.88% (P.Y. 2.85%) on average net assets calculated on a daily basis.

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the financial year 2018-19, the Trusteeship fees and expenses amounted to Rs.67803.67. However, due to small AUM of the scheme, only an amount of Rs.7087.26 was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

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

Scheme Expenses

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

During the financial year 2018-19 due to small size of AUM of the scheme only 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	300066.42	135549.72	164516.70
Custodian Fees	175898.20	73808.41	102089.79
Audit fees	155992.26	90197.98	65794.28

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

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

8.4 During the year ended 31.03.2019 the Registrar and Transfer Agent charges amounting to Rs.135549.72 (PY: Rs.0.00) constitutes 13.12% (PY: 0.00%) of the total scheme expenses.

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

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

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0541	0.0026	0.0053	0.0005	0.0047

(Rs. in lakhs)

Star Value Fund	Banking & Financial Services Fund
0.0003	0.0112

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2018.

(Rs. In lakhs)

Tax Gain Fund	Growth Fund	Liquid Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0920	0.0053	0.0003	0.0251	0.0005	0.0050

(Rs. In lakhs)

Star Value Fund	Super 20 Fund	Power and Natural Resources Fund	Banking & Financial Services Fund
0.0008	0.0001	-	0.0184

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 18-March 19	0.00	Rs.7874.96; 9.20%
SIFCL	Sponsor / Mutual Fund Distributor	April 17-March 18	0.00	Rs.14755.39; 8.10%

In column No 5, the amount relates to trail commission

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

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

There are no associate brokers, hence not applicable for the period April – Mar 2019 & April – Mar 2018.

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
2018-19	5,07,75,176	135.54
2017-18	98,23,446	22.42

Sales

Year	Amount (Rs)	% of Daily average
2018-19	5,48,47,275	146.41
2017-18	1,71,08,165	39.05

8.7 Aggregate Appreciation and Depreciation in the value of Investments :

Asset Class	31-Mar-19		31-Mar-18	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	27.78	45.69	156.00	8.94

8.8 Income and Expense Ratio

	2018-19	2017-18
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	37.03%	47.65%
Total Expenditure to average net assets calculated on a daily basis	2.76%	3.05%

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

8.9.1 Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	10898668.702	108986687.02	10898668.702	108986687.02
Opening Balance	1522648.659	15226486.59	1750645.591	17506455.91
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(88953.913)	(889539.13)	(227996.932)	(2279969.32)
Closing Balance	1433694.746	14336947.46	1522648.659	15226486.59

8.9.2 Growth Option (Direct)

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	29514.075	295140.75	36277.184	362771.84
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	(6763.109)	(67631.09)
Closing Balance	29514.075	295140.75	29514.075	295140.75

8.9.3 Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	3653051.558	36530515.58	3653051.558	36530515.58
Opening Balance	331028.976	3310289.76	410011.247	4100112.47
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(29000.000)	(290000.00)	(78982.271)	(789822.71)
Closing Balance	302028.97 6	3020289.76	331028.976	3310289.76

8.9.4 Dividend Option(Direct)

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.00	0.00	0.00	0.00
Opening Balance	720.335	7203.35	720.335	7203.35
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.000	0.000	0.00
Closing Balance	720.335	7203.35	720.335	7203.35

8.10 The scheme has declared Nil dividend for the year ended March 31, 2019 (PY: Nil).

There was no bonus declared during the year ended March 31, 2019 (PY: Nil).

8.11 Unclaimed Amounts (beyond three months):

Unclaimed Dividend and Redemption amounts as on March 31, 2019 are as below:

Scheme name	No of Investors	Unclaimed Dividend (Rs)	No. of Investors	Unclaimed Redemption (Rs)
Sahara R.E.A.L Fund.	-	-	48	687476.9

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

8.13 Portfolio Statement as on March 31, 2019

Name of the Instrument	ISIN	Qty	Market Value (Rs. in Lakhs)	% to NAV	% to Category Total
1) Equity & Equity Related					
(a) Listed/awaiting Listing on Stock Exchange					
EQUITY SHARES					
AUTO				2.76	3.00
BAJAJ AUTO LTD	INE917I01010	200	5.82		
ASHOK LEYLAND LTD	INE208A01029	4804	4.39		
AUTO ANCILLARIES				16.51	17.92
SUPRAJIT ENGINEERING LTD.	INE399C01030	7014	17.17		
ASAHI INDIA GLASS LTD	INE439A01020	4314	11.18		
EXIDE INDUSTRIES LTD	INE302A01020	4900	10.72		
SUBROS LTD	INE287B01021	3672	9.83		
BALKRISHNA INDUSTRIES LTD	INE787D01026	622	6.19		
APOLLO TYRES LTD	INE438A01022	2652	5.91		
BANKS				8.19	8.89
ICICI BANK LTD	INE090A01021	2645	10.59		
RBL BANK LIMITED	INE976G01028	1490	10.14		
CITY UNION BANK LIMITED	INE491A01021	4653	9.53		
CHEMICALS				4.92	5.34
ATUL LTD	INE100A01010	277	9.93		
FINE ORGANICS INDUSTRIES LIMITED	INE686Y01026	665	8.24		
CONSTRUCTION				1.32	1.43
ITD CEMENTATION INDIA LIMITED.	INE686A01026	3697	4.87		
CONSUMER DURABLES				9.35	10.15
BATA INDIA LTD	INE176A01028	1270	17.84		
BLUE STAR LTD	INE472A01039	1241	8.41		
AMBER ENTERPRISES INDIA LTD	INE371P01015	523	4.27		
DIXON TECHNOLOGIES (INDIA) LIMITED	INE935N01012	171	4.02		
CONSUMER NON DURABLES				3.84	4.17
GLAXOSMITHKLINE CONSUMER HEALTHCARE LTD.	INE264A01014	145	10.51		
MARICO LIMITED	INE196A01026	1065	3.69		
FERTILISERS				2.32	2.52
COROMANDEL INTERNATIONAL LTD	INE169A01031	1690	8.58		
FINANCE				9.23	10.02
BAJAJ FINANCE LIMITED	INE296A01024	311	9.41		

CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED	INE736A01011	3850	9.34		
MANAPPURAM FINANCE LIMITED	INE522D01027	6182	7.75		
BAJAJ FINSERV LTD	INE918I01018	108	7.60		
INDUSTRIAL PRODUCTS				7.99	8.67
MOLD-TEK PACKAGING LIMITED	INE893J01029	5841	15.08		
CUMMINS INDIA LTD	INE298A01020	1039	7.75		
NILKAMAL LIMITED	INE310A01015	467	6.68		
MEDIA & ENTERTAINMENT				5.09	5.52
T.V. TODAY NETWORK LTD	INE038F01029	2608	8.29		
ENTERTAINMENT NETWORK INDIA LTD	INE265F01028	1203	6.47		
D B CORP LTD	INE950I01011	2154	4.03		
NON - FERROUS METALS				2.04	2.21
NATIONAL ALUMINIUM CO.LTD.	INE139A01034	13580	7.53		
PESTICIDES				3.79	4.12
PI INDUSTRIES LIMITED	INE603J01030	1358	14.01		
PHARMACEUTICALS				2.35	2.55
DIVI S LABORATORIES LIMITED	INE361B01024	510	8.69		
POWER				2.53	2.74
KALPATARU POWER TRANSMISSION LTD	INE220B01022	1982	9.33		
SOFTWARE				2.05	2.22
CYIENT LIMITED (EX INFOTECH ENTERPRISES LTD)	INE136B01020	1165	7.57		
TEXTILES - COTTON				2.83	3.07
VARDHMAN TEXTILES LIMITED	INE825A01012	960	10.45		
TRANSPORTATION				5.01	5.44
CONTAINER CORPORATION OF INDIA LTD	INE111A01025	1780	9.35		
ADANI PORTS & SEZ LTD (EX- MUNDRA PORT AND SEZ LTD)	INE742F01042	2427	9.18		
(b) Unlisted		Nil	Nil	Nil	Nil
Equity Total (a+b)			340.32	92.11	100.00
2) Debt Instruments					
(a) Listed/awaiting Listing on Stock Exchange		Nil	Nil	Nil	Nil
(b) Privately Placed/Unlisted		Nil	Nil	Nil	Nil
(c) Securitised Debt		Nil	Nil	Nil	Nil
3) Money Market Instruments					
Collateralized Borrowing and Lending Obligation (CBLO)			0.00	0.00	0.00
4) Short term Deposit		Nil	Nil	Nil	Nil
5) Other- Net Current Assets			29.16	7.89	100.00
Grand Total			369.48	100.00	100.00

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

8.15 Holdings over 25% of the NAV of the scheme as of March 31, 2019.

Particulars	As on March 31, 2019	As on March 31, 2018
Number of Investors	1	0
Percentage of Holdings	25.32	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.

Pending decision of SEBI on the above matter, the scheme accounts have been made 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, 2019 was Rs.5.02 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 figures have been reclassified/regrouped, wherever necessary, to conform to the current year's classification.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

R M Joshi

Director

Sudhir Kaup

Compliance Officer

Khozem Jabalpurwala

Fund Manager

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA R.E.A.L FUND
Perspective Historical Per Unit Statistics

Particulars	As at	As at	As at
	31-Mar-19	31-Mar-18	31-Mar-17
	(Rs. Per Unit)	(Rs. Per Unit)	(Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	0.20	0.20	0.14
(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	8.67	3.07	1.27
(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	0.58	0.71	0.53
(c) Net Income	8.29	2.56	0.87
(d) Net unrealised appreciation/(dimunition) in value of Investments	(1.01)	7.81	5.80
(e) Net Asset Value			
Dividend Plan	20.8818	21.9026	18.7712
Growth Plan	20.8784	21.8991	18.7684
Direct Dividend Plan	21.3282	22.3004	19.0174
Direct Growth Plan	23.1026	23.7818	19.8471
(f) Purchase Price during the year**			
(i) Highest			
Dividend Plan	22.8292	24.3003	18.7712
Growth Plan	22.8255	24.2963	18.4222
Direct Dividend Plan	23.2464	24.6834	0.0000
Direct Growth Plan	24.8094	26.2338	0.0000
(ii) Lowest			
Dividend Plan	18.5944	18.8777	14.8547
Growth Plan	18.5914	18.8749	14.8525
Direct Dividend Plan	18.9863	19.1258	0.0000
Direct Growth Plan	20.5549	19.9634	0.0000
(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*	2.76%	3.05%	3.03%
(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)	37.03%	47.65%	41.05%

*Annualised

**Based on the maximum load during the year

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

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Sahara Mutual Fund- Sahara Banking and Financial Services Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Sahara Mutual Fund – Sahara Banking and Financial Services Fund** ("the Scheme"), which comprise the Balance Sheet as at March 31, 2019, the Revenue Account and the Cash Flow Statement for the year then ended, and noted to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Scheme as at March 31, 2019;
- (b) in the case of the Revenue Account, of the surplus for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

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

- a) Note no. 8.17 which states, inter alia, that Sahara Mutual Fund had requested SEBI in January 2018 to extend the date of cancellation of 'Certificate of registration' till 27th July, 2018 considering the lock in period of certain unit holders' investments in Sahara Tax gain fund as well as for giving time for identification of a new sponsor. However, SEBI ordered for winding up of all schemes against which Sahara Mutual Fund appealed before SAT for a stay of SEBI order. In the meanwhile, a new sponsor was identified for Sahara Mutual Fund viz., One Life Capital Advisors Limited.

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

The above indicates the existence of a material uncertainty that may cast significant doubt about Sahara Mutual Fund's ability to continue as a going concern. However, the financial statements of the Scheme have been prepared on a going concern basis, pending the decision of the SEBI on the sponsor.

- b) Note no. 8.18 which states that minimum four Trustees are required as per Reg. 15(1) read with para 22 of the Third Schedule (Contents of Trust Deed) of SEBI (Mutual Funds) Regulations 1996, has not been complied with.
- c) 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 have maintained a Net Worth of minimum Rs.50 crs. The Net Worth of SAMC as on March 31, 2019 was Rs.5.02 crs (refer Note 8.19); thereby net worth criteria has not been complied with.

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.

In preparing the financial statements, management is responsible for assessing the Scheme’s ability to continue as a going concern, disclosing , as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Scheme or to cease operations or has no realistic alternative but to do so.

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 account 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

Place: Mumbai
Date: July 19, 2019

SAHARA BANKING AND FINANCIAL SERVICES FUND
BALANCE SHEET AS AT MARCH 31, 2019

Particulars	Schedule	As at	As at
		March 31, 2019	March 31, 2018
ASSETS		(Rs)	(Rs)
Investments	1	47,103,616	47,551,673
Other Current Assets	2	2,733,942	1,274,562
Total Assets		49,837,558	48,826,235
LIABILITIES			
Unit Capital	3	14,221,785	16,870,660
Reserves & Surplus	4	35,058,112	31,362,502
Current Liabilities & Provisions	5	557,661	593,073
Total Liabilities		49,837,558	48,826,235

NET ASSET VALUE

Net Asset Value per unit (Rs.)

i) Dividend Plan	D	25.8882	21.2538
ii) Growth Plan	G	73.2303	60.1208
ii) Direct Dividend Plan	DDP	26.4001	21.6147
iv) Direct Growth Plan	GDP	77.9193	63.0969

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

Sudhir Kaup

Compliance Officer

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

Place: Mumbai

S P Srivastava

Trustee

Date: 19th July, 2019

R M Joshi

Director

Khozem Jabalpurwala

Fund Manager

SAHARA BANKING AND FINANCIAL SERVICES FUND
REVENUE ACCOUNT FOR THE YEAR ENDED March 31, 2019

Particulars	Schedule	For the Year ended March 31, 2019	For the Year ended March 31, 2018
		(Rs)	(Rs)
INCOME			
Dividend Income		187,282	317,377
Interest & Discount Income		4,191	144
Other Income		18	-
Profit on Sale / Redemption of Investments (Net)		19,505,458	6,877,900
(Other than Inter Scheme Transfer / Sale)			
Total Income		19,696,949	7,195,421
EXPENSES & LOSSES			
(Refer note 8.1 of Schedule 7)			
Management Fees		691,333	1,274,068
ST / GST on Management Fees		124,441	219,421
Investor Education & Awareness Fees		9,225	10,827
Registrar & Transfer Agent Charges		164,827	82,678
Transaction cost		16,602	18,184
Custodian Fees		90,069	-
Trusteeship Fees & Expenses		8,560	-
Audit Fees		110,307	-
Commission to Agents		16,544	-
Total Expenses		1,231,908	1,605,178
Net Surplus for the Year		18,465,041	5,590,243
Provision/ Write Back for diminution in the value of Investment	6	304,234	(456,267)
Net Surplus for the Year (excluding unrealised appreciation)		18,769,275	5,133,976
Transfer from Income Equalisation Reserve		(7,187,350)	(7,245,684)
Net : Transferred to Revenue Reserve		11,581,925	(2,111,708)

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: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava
Director

R M Joshi
Director

Sudhir Kaup
Compliance Officer

Khozem Jabalpurwala
Fund Manager

Vidya Manjrekar
Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui
Trustee

S P Srivastava
Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA BANKING AND FINANCIAL SERVICES FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET

		As at		As at
		March 31, 2019		March 31, 2018
Particulars		(Rs)		(Rs)
SCHEDULE 1				
Investments				
(Refer Note 8.13 of Schedule 7 for detailed Portfolio statement)				
Equity Shares		47,103,616		47,551,673
		47,103,616		47,551,673
SCHEDULE 2				
Other Current Assets				
Balances with Banks in Current accounts		2,426,177		962,823
Investment - Liquid MF Units		284,383		288,357
Investment - Liquid MF Units - Investor Education		23,382		23,382
		2,733,942		1,274,562
SCHEDULE 3				
Unit Capital				
Dividend Option 1010007.170 units of Rs.10 each	D	10,100,072		12,192,701
(For 2017-2018 - 1219270.080 units of Rs.10 each)				
Growth Option 215051.378 units of Rs.10 each	G	2,150,514		2,588,821
(For 2017-2018 - 258882.084 units of Rs.10 each)				
Direct Dividend Option 154667.157 units of Rs.10 each	DDP	1,546,672		1,546,672
(For 2017-2018 - 154667.157 units of Rs.10 each)				
Direct Growth Option 42452.704 units of Rs.10 each	GDP	424,527		542,466
(For 2017-2018 - 54246.582 units of Rs.10 each)				
Total		14,221,785		16,870,660
(Refer Note 8.9 of Schedule 7)				
SCHEDULE 4				
Reserves and Surplus				

Revenue Reserve				
Balance as at beginning of the year	28,364,246		30,475,954	
Transferred from Revenue Account	11,581,925		(2,111,708)	
Balance as at end of the year		39,946,171		28,364,246
Income Equalisation Reserve				
Balance as at beginning of the year	-		-	
Additions During the year	(7,187,350)		(7,245,684)	
Transferred to Revenue Account	7,187,350		7,245,684	
Balance as at end of the year		-		-
Unrealised Appreciation Reserve				
Balance as at beginning of the year	18,655,417		16,833,329	
Additions During the year	(9,391,999)		1,822,088	
Balance as at end of the year		9,263,418		18,655,417
Unit Premium Reserve				
Balance as at beginning of the year	(15,657,161)		(14,188,749)	
Additions During the year	1,505,684		(1,468,412)	
Balance as at end of the year		(14,151,477)		(15,657,161)
		35,058,112		31,362,502
SCHEDULE 5				
Current Liabilities and Provisions				
Sundry Creditors		181,036		6,246
Management Fees Payable		2,339		17,940
ST / GST on Management Fees		421		3,229
Payable - Fee on Investor Education		37,336		33,483
STT Payable		4		5
Distribution Payable		103,894		107,868
Payable on redemption of units		232,631		424,302
		557,661		593,073

SAHARA BANKING AND FINANCIAL SERVICES FUND
SCHEDULES FORMING PART OF THE REVENUE ACCOUNT

		For the year ended		For the year ended
		March 31, 2019		March 31, 2018
Particulars		(Rs)		(Rs)
SCHEDULE 6				
Provision/ Write Back for diminution in the value of Investment				
At the beginning of the year		(456,267)		-
At the end of the year		(152,033)		(456,267)
		304,234		(456,267)

SCHEDULE - 7

ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2019.

1. INTRODUCTION

1.1 About the Scheme

Sahara Banking and Financial Services Fund is an open ended sectoral growth scheme of Sahara Mutual Fund (the "Fund"). The investment objective is to provide long term capital appreciation through investment in equities and equities related securities of companies engaged in Banking & Financial Services, either whole or in part. In line with SEBI Circular for providing separate options for direct investments, the scheme has four options (1) Growth Option (ii) Dividend Option (iii) Growth Option – Direct and (iv) Dividend Option – Direct.

The scheme will not declare dividend under the Growth Plan. The Income earned on such units remain invested under the scheme and reflected in the Net Asset Value. The New Fund Offer period of the scheme was from 28/07/2008 to 26/08/2008.

1.2 Asset Management Company

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

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

The Shareholding of Sahara Asset Management Company Private Limited as on March 31, 2019 is as follows:

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

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Accounting.

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

2.2. Accounting for Investments

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

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

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

2.3. Valuation of Investments

Valuation Policy as on 31.03.2019 is as under.

A: VALUATION OF DEBT INSTRUMENTS

A (I) - The Valuation Policy of Debt and Money Market Instruments is given below:

Sr. No.	Instrument	Valuation applicable on the day of valuation
1.	CBLO, REPO, Fixed Deposit, Call Money , etc and such Similar Instruments	On Amortization basis / Accrual basis.
2	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc. where Script wise values are available from CRISIL/ ICRA	The aggregated average price provided by CRISIL / ICRA for the given security or any other agencies as may be indicated from time to time by SEBI/AMFI for that day
3	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc where Script wise values are not available from CRISIL/ ICRA	

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

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

A (II) Pricing of Inter -Scheme Transfer of Debt Instruments (ISTs):

Sr. No.	Instrument		Valuation applicable on the day of valuation
1.	Certificate of Deposit (CD), Commercial Paper (CP), Non-Convertible Debenture (NCD) Pass Through Certificate (PTC), Bonds, etc.		
	i)	Same security traded and reported on FTRAC/CBRICS up to the time of IST.	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	ii)	If Same security is not traded but similar Security/securities are traded and reported up to the time of IST on FTRAC/CBRICS	Pricing will be based on Weighted Average Yield of all trades in similar security/securities on FTRAC/CBRICS (excluding abnormal and retail trades) irrespective of settlement day plus accrual/amortization, if any, based on settlement day of the IST. Example : If settlement is T+0 then no accrual/amortization and if the settlement is other than T+0, then appropriate accrual/amortization
	iii)	If Same or similar Security/securities are not traded and reported up to the time of IST on FTRAC/CBRICS	Previous end of the day valuation plus accrual, if any, based on settlement day of the IST is taken. Example: if settlement is T+0 then no accrual/amortization and if the settlement is other than T+0 then appropriate accrual/amortization.
2.	Central Government Securities / State Government Securities / Treasury Bills/ Cash Management Bill etc		
	i)	Same security traded and reported on NDS-OM section of CCIL website.	On last traded price as given on NDS-Section of CCIL Website (Excluding abnormal trade).

	ii)	Same security not traded and reported on NDS-OM section of CCIL website	Previous end of the day valuation price plus accrual/amortization is taken
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Similar Security:

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

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

Maturity Bucket:

- For Debt Security having remaining maturity up to 91 days

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

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

A (III) Notes:

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

2. Abnormal Trade is defined as those transaction/s which is/are over +/- 250 Basis Point compared to the previous day valuation yield of the security in question

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

3. CRISIL and ICRA provide the valuation matrices for various maturity buckets. Script wise value for various debt instruments are also provided by CRISIL and ICRA. Trades are also reported and settled on various public platforms.
4. Public platform for the purpose of valuation of security shall mean FIMMDA managed FTRAC, NSE, BSE, (except NSER- NSE retail and BSER- BSE Retail), RBI managed NDS-OM or any other Public platform for Debt market launched from time to time. Market trades from different Platforms are usually collected by BILAV Information LLP, which may be used for the purpose of Valuation of traded security for which Script wise values are not available from CRISIL/ICRA.
5. The data on yield and prices are generally provided up to 4 decimal points which shall be considered and these prices are considered on respective face value of the instruments for arriving at valuation.
6. For the valuation of traded securities where Script wise values are not available by CRISIL/ICRA, price derived from the corresponding Weighted Average yield of all available trades excluding abnormal and retail trades on any public platform for the same security on T+1 settlement basis is taken.

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

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

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

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

B: VALUATION OF EQUITY INSTRUMENTS

1. Traded Equity Securities

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

2. Thinly Traded Equity / Equity Related Securities

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

3. Non-traded / Suspended Securities

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

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

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

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

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

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

4. Unlisted Equity

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

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

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

- a) All calculations would be based on audited accounts.
- b) If the latest Balance Sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies would be valued at zero.
- c) If the Net Worth of the company is negative, the share would be marked down to zero.
- d) In case the EPS is negative, EPS value for that year would be taken as zero for arriving at capitalized earning.

- e) In case an individual security accounts for more than 5 per cent of the total assets of the scheme, an Independent Valuer would be appointed for the valuation of the said security. To determine if a security accounts for more than 5 per cent of the total assets of the scheme, it is valued in accordance with the procedure as mentioned above on the date of valuation.

5. Demerger

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

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

6. Preference Shares

Preference Shares valuation guidelines would be as follows:

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

(I). Redeemable Preference Shares

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

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

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

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

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

7. Warrants

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

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

8. Rights

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

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

Where

V_r = Value of rights

n = no. of rights offered

m = no. of original shares held

P_{ex} = Ex-rights price

P_{of} = Rights Offer Price

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

9. Derivatives

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

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

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

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

10. Mutual Fund Units

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

Related matters

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

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

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

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

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

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

2.3.2 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 1.77% (P.Y. 2.76%) on average net assets calculated on a daily basis.

Trusteeship Fees & Expenses

In accordance with Deed of Trust dated 18th July 1996 between the Settler and the Trustees, an annual fee of Rs.1,00,000/- per Trustee is payable. During the financial year 2018-19, the Trusteeship fees and expenses amounted to Rs.82476.35. However, due to small AUM of the scheme, only an amount of Rs.8560.13 was charged to the scheme expenses and the balance amount was borne by the AMC.

Custodian Charges

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

Scheme Expenses

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

During the financial year 2018-19 due to small size of AUM of the scheme only 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	365000.64	164827.31	200173.33
Custodian Fees	213962.47	90068.70	123893.77
Audit fees	189748.91	110307.08	79441.83

- 8.2 Provision for tax has not been made since the income of the scheme is exempt from tax under Section 10(23D) of the Income Tax Act, 1961.
- 8.3 Transactions with Brokers in excess of 5% or more of the aggregate purchases and sale of securities made by the Fund have been reported to the Trustees on a Bimonthly basis.
- 8.4 During the year ended 31.03.2019 the Registrar and Transfer Agent charges amounting to Rs.1, 64,827.31 (PY: Rs.0.00) constitutes 13.38% (PY: 0.00%) of the total scheme expenses.
- 8.5 Transactions with Associates/related parties/group companies of Sponsor/AMC
Brokerage / Commission on sale of units by the Scheme or by the Asset Management Company given to associates, pursuant to Regulation 25(8): Related Party:- Sahara India Financial Corporation Ltd(SIFCL):(Sponsor)

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

Tax Gain Fund	Growth Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0541	0.0026	0.0053	0.0005	0.0047

(Rs. in lakhs)

Star Value Fund	Banking & Financial Services Fund
0.0003	0.0112

Commission to SIFCL made for sale of units of the MF for the previous year ended 31st March 2018.
(Rs. In lakhs)

Tax Gain Fund	Growth Fund	Liquid Fund	Mid cap Fund	Wealth Plus Fund	Infrastructure Fund
0.0920	0.0053	0.0003	0.0251	0.0005	0.0050

(Rs. In lakhs)

Star Value Fund	Super 20 Fund	Power and Natural Resources Fund	Banking & Financial Services Fund
0.0008	0.0001	-	0.0184

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 18-March 19	0.00	(Rs. 7874.96; 9.20%)
SIFCL	Sponsor / Mutual Fund Distributor	April 17-March 18	0.00	Rs.14755.39; 8.10%

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

Brokerage paid to Associates / Related Parties / Group Companies of Sponsor/AMC

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

There are no associate brokers, hence not applicable for the period April – Mar 2019 & April– Mar 2018.

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
2018-19	5,24,69,842	113.67
2017-18	24,94,233	4.60

Sales

Year	Amount (Rs)	% of Daily average
2018-19	6,33,35,591	137.21
2017-18	1,85,50,769	34.25

8.7 Aggregate Appreciation and Depreciation in the value of Investments :

Asset Class	31-Mar-2019		31-Mar-2018	
	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)	Appreciation (Rs. In lakhs)	Depreciation (Rs. In lakhs)
Equity Shares	92.63	1.52	186.55	4.56

8.8 Income and Expense Ratio

	2018-19	2017-18
Total Income (including net unrealized appreciation and net of loss on sale of investments) to average net assets calculated on a daily basis.	62.41%	46.88%
Total Expenditure to average net assets calculated on a daily basis	2.67%	2.96%

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

8.9.1 Growth Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31,2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	1902668.279	19026682.79	1902668.279	19026682.79
Opening Balance	258882.084	2588820.84	306289.685	3062896.85
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(43830.706)	(438307.06)	(47407.601)	(474076.01)
Closing Balance	215051.378	2150513.78	258882.084	2588820.84

8.9.2 Growth option –Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	54246.582	542465.82	59263.509	592635.09
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(11793.878)	(117938.78)	(5016.927)	(50169.27)
Closing Balance	42452.704	424527.04	54246.582	542465.82

8.9.3 Dividend Option

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	356886.705	3568867.05	356886.705	3568867.05
Opening Balance	1219270.080	12192700.80	1693453.642	16934536.42
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	(209262.910)	(2092629.10)	(474183.562)	(4741835.62)
Closing Balance	1010007.170	10100071.70	1219270.080	12192700.80

8.9.4 Dividend Option Direct

	Number of Units	Amount (Rs)	Number of Units	Amount (Rs)
	As on March 31, 2019	As on March 31, 2019	As on March 31, 2018	As on March 31, 2018
Initial Capital	0.000	0.00	0.000	0.00
Opening Balance	154667.157	1546671.57	227222.984	2272229.84
Units Sold during the year	0.000	0.00	0.000	0.00
Units Repurchased during the year	0.000	0.00	(72555.827)	(725558.27)
Closing Balance	154667.157	1546671.57	154667.157	1546671.57

8.10 The scheme has declared Nil dividend during the year ended March 31, 2019 (PY: Nil). There was no bonus declared during the year ended March 31, 2019 (PY: Nil).

8.11 Unclaimed Amounts (beyond three months) :

Unclaimed Redemption and Dividend during the year ended March 31, 2019 are as below:

Scheme Name	No of Investors	Unclaimed Dividend(Rs)	No. of Investors	Unclaimed Redemption (Rs)
Sahara Banking and Financial Services Fund	40	103894.31	15	220731.90

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

8.13 Portfolio Statement as on March 31, 2019

Name of the Instrument	ISIN	Qty	Market Value (Rs. in Lakhs)	% to NAV	% to Category Total
1) Equity & Equity Related					
(a) Listed/awaiting Listing on Stock Exchange					
EQUITY SHARES					
BANKS				85.39	89.37
HDFC BANK LTD	INE040A01026	4593	106.51		
ICICI BANK LTD	INE090A01021	22869	91.59		
AXIS BANK LIMITED	INE238A01034	6792	52.79		
STATE BANK OF INDIA	INE062A01020	14992	48.09		
RBL BANK LIMITED	INE976G01028	4308	29.31		
CITY UNION BANK LIMITED	INE491A01021	13443	27.54		
KOTAK MAHINDRA BANK LTD.	INE237A01028	1823	24.33		
THE FEDERAL BANK LIMITED	INE171A01029	22000	21.22		
INDUSIND BANK LIMITED	INE095A01012	1100	19.58		
FINANCE				10.16	10.63
MANAPPURAM FINANCE LIMITED	INE522D01027	10715	13.43		
GRUH FINANCE LIMITED	INE580B01029	4000	11.03		
BAJAJ FINANCE LIMITED	INE296A01024	360	10.89		
BAJAJ FINSERV LTD	INE918I01018	125	8.80		
CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED	INE736A01011	2450	5.94		
(b) Unlisted		Nil	Nil	Nil	Nil
Equity Total (a+b)			471.04	95.55	100.00
2) Debt Instruments					
(a) Listed/awaiting Listing on Stock Exchange		Nil	Nil	Nil	Nil
(b) Privately Placed/Unlisted		Nil	Nil	Nil	Nil
(c) Securitised Debt		Nil	Nil	Nil	Nil
3) Money Market Instruments					
Collateralized Borrowing and Lending Obligation (CBLO)			0.00	0.00	0.00
4) Short Term Deposit		Nil	Nil	Nil	Nil
5) Other- Net Current Assets			21.95	4.45	100.00
Grand Total			492.99	100.00	100.00

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

8.15 Holdings over 25% of the NAV of the scheme as of March 31, 2019.

Particulars	As on March 31, 2019	As on March 31, 2018
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.

Pending decision of SEBI on the above matter, the scheme accounts have been made 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, 2019 was Rs.5.02 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 figures have been reclassified/regrouped, wherever necessary, to conform to the current year's classification.

As per our attached report of even date

For Chaturvedi & Partners

Chartered Accountants

(Firm's Registration No. 307068E)

Khyati Shah

(Partner)

Mem. No.117510

Place: Mumbai

Date: 19th July, 2019

For Sahara Asset Management Company Private Limited

O P Srivastava

Director

R M Joshi

Director

Sudhir Kaup

Compliance Officer

Khozem Jabalpurwala

Fund Manager

Vidya Manjrekar

Head – Operations & NAV Accounting

For Sahara Mutual Fund

M R Siddiqui

Trustee

S P Srivastava

Trustee

Place: Mumbai

Date: 19th July, 2019

SAHARA BANKING AND FINANCIAL SERVICES FUND
Perspective Historical Per Unit Statistics

Particulars	As at	As at	As at
	31-Mar-19	31-Mar-18	31-Mar-17
	(Rs. Per Unit)	(Rs. Per Unit)	(Rs. Per Unit)
(a) Gross Income			
(i) Income other than Profit on sale of Investments	0.13	0.19	0.23
(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	13.72	4.08	3.89
(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	0.87	0.95	0.77
(c) Net Income	12.98	3.31	3.35
(d) Net unrealised appreciation/(dimunition) in value of Investments	6.41	10.79	7.36
(e) Net Asset Value			
Dividend Plan	25.8882	21.2538	18.8924
Growth Plan	73.2303	60.1208	53.4410
Direct Dividend Plan	26.4001	21.6147	19.1572
Direct Growth Plan	77.9193	63.0969	55.1456
(f) Purchase Price during the year**			
(i) Highest			
Dividend Plan	25.8882	23.5788	18.9610
Growth Plan	73.2303	66.6977	53.4410
Direct Dividend Plan	26.4001	23.9666	18.6420
Direct Growth Plan	77.9193	69.7865	54.2971
(ii) Lowest			
Dividend Plan	20.7793	18.8598	13.7609
Growth Plan	58.7786	53.3488	39.2827
Direct Dividend Plan	21.1647	19.1252	14.9428
Direct Growth Plan	62.2947	55.0676	41.2338
(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*	2.67%	2.96%	2.97%
(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)	62.41%	46.88%	44.53%

*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.