

PPFAS Mutual Fund

PPFAS Asset Management Private Limited
(Investment Manager to PPFAS Mutual Fund)

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CIN No: - U65100MH2011PTC220623

NOTICE CUM ADDENDUM TO THE STATEMENT OF ADDITIONAL INFORMATION (SAI) OF PPFAS MUTUAL FUND ('THE FUND')

Changes in the Valuation Policy:

NOTICE is hereby given that PPFAS Trustee Company Private Limited, the Trustee to PPFAS Mutual Fund and PPFAS Asset Management Private Limited (Investment manager to PPFAS Mutual Fund) has approved the following changes w.e.f. **July 01, 2023** to the Valuation policy of the Fund. The revised valuation policy is uploaded on the website of the PPFAS AMC (www.amc.ppfas.com).

Previous		Current	
Instrument type	Valuation	Instrument type	Valuation
--	--		Term of reference of Valuation Committee
Options	In case of Options, premium received/ paid is marked to market based on settlement price on the relevant exchange.	Options	In case of Options, premium received/ paid is marked to market based on settlement price on the relevant exchange. If the settlement price is not available on the relevant exchange, then fair value as determined by the valuation committee shall be used.
Futures	Outstanding contracts in Futures are valued based on the settlement price on the relevant exchange.	Futures	Outstanding contracts in Futures are valued based on the settlement price on the relevant exchange. If the settlement price is not available on the relevant exchange, then the settlement price available on other exchange (NSE or BSE) of identical future contracts will be used for valuation. if the contracts are not identical then the fair value as determined by the valuation committee shall be used.
Application Money for Primary Market Issue:	Application money should be valued at cost up to 30 days from the closure of the issue or traded price whichever is earlier. If the security is not allotted / traded within 30 days from the closure of the issue, application money is to be valued as per the directives of valuation committee, which shall be ratified in the next board meeting. Rationale of valuing such application money should also be recorded	Initial public offering Application	These shall be valued as below : (i) Prior to allotment - at Bid Price. (ii) Post allotment but awaiting listing - at allotment price
Notes to Equity and equity related instruments	In exceptional scenarios wherein due to technical reasons if closing price is not available of a security traded on principal stock exchange on a particular day, then the last traded price on that day (latest available price) of that security on principal stock exchange will be considered for valuation. Secondly, if the latest available traded price is of a trade carried out by PPFAS AMC on behalf of it's schemes on that particular day, then that trade price can be considered for valuation in the absence of availability of closing price / last traded price on principal stock exchange.	Equity and equity related instruments	In case of non-availability of price from the principal stock exchange i.e. National Stock Exchange (NSE), prices as quoted on Bombay Stock Exchange (BSE) will be used for valuation purposes. For this purpose, only NSE & BSE shall be considered as the recognized stock exchanges.
Procedure & Methodology for valuation of corporate action securities	a. Both the shares are traded immediately on de-merger: In this case both the shares to be valued at respective traded prices. b. Shares of only one company continued to be traded on de-merger: In such a scenario, the shares of Non Traded /Unlisted would be fairly valued in good faith by AMC on case to case basis. Traded share to be valued at traded price. c. Both the shares are not traded on de-merger: In such a scenario, the shares of both the companies would be fairly valued in good faith by AMC on case to case basis. In case of any other type of capital corporate action event, the same to be valued at fair price on case to case basis.	Procedure & Methodology for valuation of corporate action securities	Shares of only one company continued to be traded on de-merger The shares of Resulting Company will be valued by residual price methodology which would be the closing value of the shares of De-merged Company on the day before the de-merger less opening value of the shares of De-merged Company immediately post de-merger. If value of the shares of De-merged Company is equal or in excess of the value of pre de-merger shares, then the shares of Resulting Company will be valued at Zero. c. In case there are more than one Resulting Companies along with the De-merged Company and all or some Resulting Companies are unlisted / non-traded: The shares of Resulting Companies will be valued by residual price methodology as explained in point (b) above. The residual value will be allocated into Resulting Companies in the ratio provided as a part of scheme of arrangement or such other ratio as decided by the Valuation Committee. If one of the Resulting Companies is listed / traded, the residual value of unlisted / non-traded Resulting Companies would be further determined by reducing the traded value of listed Resulting Companies from the residual value computed as above.
Procedure & Methodology for valuation of corporate action securities	--	Procedure & Methodology for valuation of corporate action securities	d. Both the shares are not traded on de-merger. The traded value of the De-merged Company on the day before the de-merger will be allocated between De-merged Company and Resulting Companies in the ratio provided as a part of scheme of arrangement or such other ratio as decided by the Valuation Committee. Cost allocation would be done proportionate to the derived value of the resultant scrips or other appropriate basis to be decided on case to case basis depending on the terms of de-merger. The valuation committee may in specific cases decide to use a different method for valuation by assigning reasons therefore. e. In case of merger, if the shares of the merged entity are not listed / traded, then valuation of the merged entity will be decided on case to case basis depending on the terms of merger and may be valued at previous day closing price of the respective companies prior to merger.
Right entitlement	Non traded rights entitlement will be valued as difference between the value of the underlying equity share (determined as per valuation policy) and the rights offer price. In case the rights offer price is greater than the ex-rights price, the value of the rights share is to be taken as zero.	Right entitlement	Non traded rights entitlement will be valued as difference between the value of the underlying equity share (determined as per valuation policy) and the rights offer price. In case the rights offer price is greater than the ex-rights price, the value of the rights share is to be taken as zero. In case the rights offer price is greater than the ex-rights price, the value of the rights share is to be taken as zero.
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Valuation of Foreign Securities:	"If the security is listed in a time zone ahead of India, then the same day's closing price would be used for valuation. If the security is listed in a time zone behind India, then the previous day's price would be used for valuation." On the Valuation Day, all assets and liabilities denominated in foreign currency will be valued in Indian Rupees at the exchange rate available on Reuters / RBI (Financial Benchmarks India Ltd- FBIL) / Bloomberg. Trustees reserve the right to change the source for determining the exchange rate.	Valuation of Foreign Securities:	Foreign securities shall be valued based on the same day closing price. On the valuation day, all assets and liabilities denominated in foreign currency will be valued in Indian Rupees at the exchange rate available on Bloomberg. If the exchange rate is not available on Bloomberg then the RBI reference rate will be considered. The Trustees reserve the right to change the source for determining the exchange rate.
Valuation of IDR/ADR/ GDR:	If the security is listed/ traded in a time zone ahead of India, then the same day's closing price would be used for valuation. If the security is listed/traded in a time zone behind India, then the previous day's price would be used for valuation.	Valuation of IDR/ADR/ GDR:	IDR/ADR/GDRs securities shall be valued based on the same day closing price
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Note: - Procedure & Methodology for valuation of thinly traded equity or non-traded equity and unlisted equity are updated as per SEBI Regulation. The relevant sections of SAI shall stand modified in accordance with the above.
This addendum shall form an integral part of the SAI as amended from time to time. All other features, terms and conditions mentioned in the SAI remain unchanged.

For PPFAS Asset Management Private Limited
(Investment Manager to PPFAS Mutual Fund)

Place: Mumbai
Date: June 30, 2023

Sd/-
Director

**MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS,
READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.**

