

RAS/MUM/MA/18-19/486/019

April 11, 2018

Mr. Bhanu Katoch
Chief Executive Officer,
JM Financial Asset Management Limited
8th Floor, Cnergy,
Appasaheb Marathe Marg, Prabhadevi,
Mumbai 400 025.

Dear Sir,

Sub: Valuation Policy Review Report for the period April 2017 to March 2018

We have been requested by the JM Financial Asset Management Limited to independently review the valuation policy of the JM Financial Mutual Fund as per extant SEBI Regulation.

Accordingly, we have reviewed the existing valuation policy (version August 2015) and its adherence by performing independent check on sample basis. We are pleased to submit the review report as per **Appendix**.

We wish to extend our appreciation to the company officials for the cooperation extended to us during the course of our review.

Thanking you.

Yours Sincerely,

For Haribhakti & Co. LLP
Chartered Accountants



Vikas Gupta

Partner - Risk and Advisory Services

[ICAI Membership Number: 130712]

Email Id: vikas.gupta@haribhakti.co.in



Appendix

We have reviewed the valuation policy for the period April 2017 to March 2018 and carried out review of its procedures and internal controls. Our sampling methodology was based on the judgment and value stratification. The statistics of sampling is outlined hereunder:

Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
06,07	23,24	15,16	12,13	23,24	05,06	17, 18	29,30	14,15	18,19	01,02	15,16

The review was carried out in light of the following:

- SEBI circular dated February 21, 2012;
- AMFI Best Practice Guidelines Circular No.29/2012-13 dated 15th May 2012;
- AMFI Best Practice Guidelines Circular No. 41/2013-14 dated 19th September 2013;
- AMFI Best Practice Guidelines Circular No. 42/ 2013-14 dated 19th November 2013 for Scrip level valuation for debt securities having maturity greater than 60 days;

We noted that there is appropriate framework on investment and valuation related matters at respective Committee level which is duly documented in the minutes of the meeting.

Further, based on the information made available and explanation provided during the course of our review, the policy appears to be suitably updated as per SEBI regulation and AMFI guidelines.



Disclaimer:

As per Eight Schedule of SEBI Mutual Fund Regulations 1996;

Mutual fund is responsible:

- ❖ For valuation of its investments in accordance with the valuation policies and procedures approved by the Board of the asset management company to ensure fair treatment to all investors including existing investors as well as investors seeking to purchase or redeem units of mutual funds in all schemes at all points of time.
- ❖ For ensuring that assets held by the mutual funds shall be consistently valued according to the policies and procedures. The policies and procedures shall describe the process to deal with exceptional events where market quotations are no longer reliable for a particular security.

The Asset Management Company is responsible:

- ❖ For the periodic review of the valuation policies and procedures to ensure the appropriateness and accuracy of the methodologies used and its effective implementation in valuing the securities/assets. The Board of Trustee and the Board of Asset Management Company shall be updated of these developments at appropriate intervals.

Haribhakti & Co. LLP (referred to in this disclaimer as “H & Co. LLP” or “we” or “us”), has relied upon the documents, information and explanations provided to us by the management of the Company for the purpose of forming our observations and views in this Report. We are not aware of any information/record to the contrary which would lead us to believe that the conclusions stated in this Report are no longer valid. We have assumed that no changes, modifications of whatsoever nature have been made to the policies and procedures implemented by the Company, whether oral or in writing, subsequent to the date of review specified in our Report. Any observations stated in this Report are to the best knowledge of H & Co. LLP and such knowledge shall mean the actual knowledge of the employees of H & Co. LLP.

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Circulation of Report

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