

# Understanding Note Applicability of NAV upon realization of funds across all schemes

Based on SEBI circular nos. SEBI/HO/IMD/DF2/CIR/P/2020/175 dated September 17, 2020 and SEBI/HO/IMD/DF2/CIR/P/2020/253 dated December 31, 2020, following is the understanding in terms of applicability with effect from NAV date 01-Feb-2021

Purchase received During Business hours from Monday till Friday			
Fund Type	Amount	Credit Received time	NAV Applicability
Liquid and Overnight Schemes	Any amount	Credit Received Before 1.30 pm	T-1
Liquid and Overnight Schemes	Any amount	Credit Received after 1.30 pm	T or day prior to next business day
Equity and Debt Schemes and other no Liquid Schemes	Any amount	Credit Received Before 3.00 pm	T
Non Liquid, Equity and Debt Schemes	Any amount	Credit Received After 3.00 pm	Next business day
<b>Transaction request received date and time or Credit received date and time whichever is later will be considered for NAV applicability.</b>			

For e.g. If purchase application for Mirae Asset Large Cap Fund - Regular Plan - Growth is time-stamped within cut-off on February 1, 2021 for Rs. 20,000 but the funds are credited to the scheme account after cut-off timing on that day, then the applicable NAV shall be of February 2, 2021.

**Switch IN NAV applicability for transactions received during business hours and Business day followed by a Business day - For Any Amount**

From Scheme	To Scheme	NAV Date for Switch Out	NAV Date for Switch IN
Liquid	Liquid (Intra schemes)	T	T
Overnight	Overnight (Intra schemes)	T	T
Liquid and Overnight Schemes	Equity and Debt Schemes	T	T+1/ Switch out Settlement date NAV
Liquid and Overnight Schemes	Liquid and Overnight Schemes	T	T+1 minus 1 day/ Switch out Settlement date minus one day NAV
Debt	Liquid and Overnight	T	T+1 minus 1 day/ Switch out Settlement date minus one day NAV
Debt	Equity and Debt Schemes (Inter schemes)	T	T+1/ Switch out Settlement date NAV
Debt	Debt (Intra scheme)	T	T
Equity	Liquid and Overnight	T	T+3 minus 1 day/ Switch out Settlement date minus one day NAV
Equity	Debt and Equity (inter scheme)	T	T+3/ Switch out Settlement date NAV
Equity	Equity (Intra Scheme)	T	T

**Transaction request received date and time or Credit received date and time whichever is later will be considered for NAV applicability.**

For e.g. If a switch application is submitted for any amount from Mirae Asset Large Cap Fund– Regular Plan – Growth option to Mirae Asset Overnight Fund– Regular Plan – Growth option on February 2, 2021 within cut-off time, the switch-in will be processed based on availability of funds for utilization purpose in scheme account of Mirae Asset Focused Fund– Regular Plan – Growth i.e. on February 7, 2021.

<b>Switch IN NAV applicability transactions received during business hours and Business day followed by a non-Business day - For Any Amount</b>			
<b>From Scheme</b>	<b>To Scheme</b>	<b>NAV Date for Switch Out</b>	<b>NAV Date for Switch IN</b>
Liquid	Liquid (Intra schemes)	Next business date minus one day NAV	T+1 minus 1 day/ Switch out Settlement date minus one day NAV
Overnight	Overnight (Intra schemes)	Next business date minus one day NAV	T+1 minus 1 day/ Switch out Settlement date minus one day NAV
Liquid and Overnight Schemes	Non-Liquid, Equity and Debt Schemes	Next business date minus one day NAV	T+1/ Switch out Settlement date NAV
Liquid and Overnight Schemes	Liquid and Overnight Schemes	Next business date minus one day NAV	T+1 minus 1 day/ Switch out Settlement date minus one day NAV
Debt	Liquid and Overnight	T	T+1 minus 1 day/ Switch out Settlement date minus one day NAV
Debt	Equity and Debt Schemes (Inter schemes)	T	T+1/ Switch out Settlement date NAV
Debt	Debt (Intra scheme)	T	T
Equity	Liquid and Overnight	T	T+3 minus 1 day/ Switch out Settlement date minus one day NAV
Equity	Debt and Equity (inter scheme)	T	T+3/ Switch out Settlement date NAV
Equity	Equity (Intra Scheme)	T	T
<b>Transaction request received date and time or Credit received date and time whichever is later will be considered for NAV applicability.</b>			

For e.g. If a switch application is submitted for any amount from Mirae Asset Large Cap Fund– Regular Plan – Growth option to Mirae Asset Focused Fund– Regular Plan – Growth option on February 4, 2021 within cut-off time, the switch-in will be processed based on availability of funds for utilization purpose in scheme account of Mirae Asset Focused Fund– Regular Plan – Growth i.e. on February 5, 2021.

Note:

- All subscription / switch transactions received before cut-off timing of 29<sup>th</sup> January 2021 will continue to be processed as per the existing business rules (i.e. same day NAV for transactions of value less than Rs. 2 lakh).
- Any subscription / switch transaction received on 29<sup>th</sup> January 2021 after cut-off or later will follow the new NAV applicability rules effective 1<sup>st</sup> Feb 2021
- Exchange, Channel partners, MFU and RIAs reporting through digital platforms to ensure that only those transactions are passed on to the RTAs where credit realization is already received by the respective platforms
- Any transactions pushed by the partners without getting credits at their end will be rejected on T+5 basis. Partners should refund the amount their end if they could not transfer the amount to AMC account on latest by T+4.
- Settlement Date is the date when payouts are made for a redemption from any scheme
- Allotment of units will be based on date and time of receipt of funds into the collection account of the fund house and not based on the debit date from investor's bank account. It may be noted that different payment modes have different clearing cycles. Hence, there is possibility of difference in the lumpsum transaction date/ SIP installment date/ SIP debit date and the final NAV allotted for the lumpsum transaction / SIP installment. Please note that the same practice was followed earlier for SIP installments of Rs. 2 lakh and above. This practice is now extended to SIP installment of all amounts as per the guidelines in the referred SEBI circulars dated September 17, 2020 and December 31, 2020.
- As per the new guidelines, the NAV that will be applied to the switch-in scheme for the STP registered with us will be based on the date and time of availability of funds for utilization purpose in the switch-in scheme, irrespective of the STP amount. Thus, as per the settlement date of the switch-out scheme which depends on the scheme category, the NAV allotted to the switch-in scheme will differ. In short, the practice earlier followed for STPs registered for Rs. 2 lakh and above is now extended to all amounts.