

Disclosure under timelines for rebalancing of mandated Asset Allocation of Samco Active Momentum Fund

Background:

To ensure consistency in portfolio rebalancing timelines, Securities and Exchange Board of India (SEBI), as per point 2.9 of SEBI master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, has outlined specific timelines for rebalancing Mutual Fund scheme portfolios. The said circular mandates that the deviations of the asset allocation due to passive breaches must be rebalanced within 30 business days. In case the portfolio is not rebalanced within 30 business days, then justification in writing including details of efforts taken to rebalance the portfolio needs to be placed before the Investment Committee. The Investment Committee, if it so desires, can extend the timeline upto 60 business days from date of completion of mandated rebalancing period to rebalance the portfolio.

Further, in a clarification dated June 29, 2022, SEBI stated that the reporting to Trustees to be initiated after the expiry of mandated rebalancing period of 30 business days and the fact of deviation should also be disclosed on the website of the AMC.

In line with above requirements, we hereby inform you that, the portfolio of Samco Active Momentum Fund has passively deviated from mandated asset allocation and is not rebalanced within the timelines of 30 business days. Accordingly, disclosure about the deviation from the mandated asset allocation is made on the website of the AMC, pursuant to SEBI master circular dated May 19, 2023.

Brief details of the Scheme, deviations from the Mandated Asset Allocation and Rebalancing of the Portfolio:

Samco Active Momentum Fund is an open ended equity scheme with the investment objective to generate long-term capital appreciation by investing in stocks showing strong momentum. Momentum stocks are such that exhibit positive price momentum – based on the phenomenon that stocks which have performed well in the past relative to other stocks (winners) continue to perform well in the future, and stocks that have performed relatively poorly (losers) continue to perform poorly. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

The asset allocation of the Scheme as per the Scheme Information Document ('SID') is as follows:

Instruments	Indicative allocations (% of net assets)		Risk Profile
	Minimum	Maximum	
Equity & Equity related instruments of momentum theme	80%	100%	High to Very High
Equity and Equity related securities of other Companies	0%	20%	High to Very High
Debt and Money Market instruments	0%	20%	Low to Moderate

Pursuant to the asset allocation, the scheme is required to invest minimum 80% in Equity and Equity related instruments of momentum theme. Considering the prevailing market scenario and to safeguard the interest of investor, there was a deviation in asset allocation of Samco Active Momentum Fund beyond 30 working days.



The details of asset allocation as on March 22, 2024 is as follows:

Instrument Type	% of Net Asset
Equity and Equity related instruments	64.10%

Investors are requested to take note of the same.

Samco Active Momentum Fund

(An open-ended equity scheme following momentum theme)

<p>This product is suitable for investors who are seeking* :</p> <ul style="list-style-type: none"> • Long Term Capital Appreciation; • An actively managed thematic equity scheme that invests in stocks exhibiting momentum characteristics <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	<div style="display: flex; justify-content: space-around;"> <div data-bbox="889 552 1091 707"> <p>Scheme Risk-o-meter</p>  <p>RISKOMETER</p> <p>Investors understand that their principal will be at very high risk</p> </div> <div data-bbox="1133 552 1334 707"> <p>Benchmark Risk-o-meter</p>  <p>RISKOMETER</p> <p>Benchmark riskometer is at Very High risk</p> </div> </div>
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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.