

Seventeenth Amendment to Investment Valuation Policy & Procedure (“Valuation Policy”) of Invesco Mutual Fund.

The amendment is effective from **October 09, 2023**.

Amendment in Part A – Equity and Equity Related Securities (Annexure I of the Valuation Policy)

Sr. #	Reference / Para No. of Annexure I of the Valuation Policy	Existing Provisions	Newly added Provision
1.	Para 1A: Compulsory Convertible Debentures (CCDs)	Nil	<p>Until listing, if prices are not available from AMFI approved valuation agencies, it will be valued at cost and appropriate illiquidity discount may be provided.</p> <p>On Listing, Valuation will be at the last quoted closing price on NSE Stock Exchange.</p> <p>Where security is not traded on the NSE on a particular valuation date, the last quoted closing price on BSE may be used.</p> <p>If Security is not traded on NSE or BSE on a particular valuation day and the prices from AMFI approved valuation agencies are available, then the average prices provided by AMFI approved agencies will be used.</p> <p>In case the securities do not get traded for a period of 30 days or prices of AMFI approved agencies are not available, CCDs will be valued at fair value as per procedures # determined by the Valuation Committee.</p> <p><u># Procedure & Methodology for valuation of CCDs</u></p> <ol style="list-style-type: none"> Each CCD shall be converted into such number of Equity Shares based on the conversion price arrived in accordance with the offer documents. In case the CCD has two components viz. one component having bond carrying a coupon rate and second component having an embedded forward contract for compulsory conversion into equity, at a pre-determine formula, linked to the underlying price of the stock on the exchange, the valuation derived would be a summation of the bond valuation and the Net present value (NPV) of the

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			<p>gain / loss on the embedded forward contract for conversion into equity shares.</p> <p>iii. Valuation of bonds: The same will be valued as per the framework for debt securities/instruments provided by AMFI until the prices are provided by AMFI approved agencies.</p> <p>iv. Valuation of embedded forward contract for equity conversion: The embedded forward contract has three elements – time value, price movement of the underlying stock and illiquidity risk. The time value (NPV) is the discounting factor, as derived from the bond valuations (from AMFI valuation agencies).</p> <p>v. In case the conversion is scheduled after completion of specified period/years as mentioned in the offer documents, the value arrived will be reduced by appropriate illiquidity discount on the gain, if any, as may be specified by SEBI under the applicable guidelines or as may be decided by Valuation Committee.</p> <p>The Valuation Committee may exercise its discretion to value the security at a conservative value i.e. at cost or as per the above methodology whichever is lower to ensure fair valuation.</p>