

**NATIONAL POLICY No. 8**  
**MUTUAL FUNDS - COMPUTATION OF NET ASSET VALUE PER SHARE**

**Portfolio Transactions and Capital Transactions - Definition and  
Timing of Application - Net Asset Value Per Share**

The term portfolio transactions shall mean transactions of purchase and sale of investments effected by a mutual fund and the term capital transactions shall mean issues and redemptions by a mutual fund of its shares or units.

- a) *Portfolio Transactions:*  
A portfolio transaction shall be reflected in the computation of N.A.V.P.S. not later than the first such computation made after the date on which the transaction becomes binding.
  
- b) *Capital Transactions:*  
A capital transaction shall be reflected in computations of N.A.V.P.S. made more than twenty-four hours after the time as at which the N.A.V.P.S. applied to implement the transactions is computed.

Where transactions known at the time of an N.A.V.P.S. computation would change the resultant N.A.V.P.S. by as much as a cent, and this fact is known or ought reasonably to be known to the responsible organization, an appropriate adjustment shall be made in the resultant figure.