

ONE YEAR FIXED FEES ILLUSTRATION

Assumptions								
Capital Contribution (Rs.)	a	50,00,000						
Management Fee (%age per annum)	b	2.50%						
Other Expenses	c	0.50%						
Brokerage and Transaction cost	d	0.20%						
Fixed Fee Illustration			Scenario 1		Scenario 2		Scenario 3	
			Gain of	20%	Loss of	-20%	No Change	0%
Capital Contributed / Assets under Management	i	i = a	50,00,000		50,00,000		50,00,000	
Gain / (Loss) on Investment based on the Scenario	ii	ii = i * Scenario	10,00,000		-10,00,000		-	
Gross Value of the Portfolio at the end of the year	iii	iii = I + ii	60,00,000		40,00,000		50,00,000	
Average assets under management	iv	iv = (i + iii) / 2	55,00,000		45,00,000		50,00,000	
Other Expense	v	v = iv x c	-27,500		-22,500		-25,000	
Brokerage and Transaction cost	vi	vi = (iv x d)	-11,000		-9,000		-10,000	
Management Fees	vii	vii = (iv + v + vi) x b	-1,36,538		-1,11,713		-1,24,125	
Total charges during the year	viii	viii = v + vi + vii	-1,75,038		-1,43,213		-1,59,125	
Net value of the Portfolio at the end of the year	ix	ix = iii + viii	58,24,963		38,56,788		48,40,875	
% Portfolio Return	x	x = ((ix - i) / i) %	16.50%		-22.86%		-3.18%	

ONE YEAR HYBRID FEES ILLUSTRATION

Assumptions							
Capital Contribution (Rs.)	a	50,00,000					
Management Fee (%age per annum)	b	2.00%					
Other Expenses (%age per annum)	c	0.50%					
Performance (%age per annum)	d	20.00%					
Hurdle Rate of Return (%age per annum)	e	12.00%					
Brokerage and Transaction cost	f	0.20%					
Hybrid Fee Illustration			Scenario 1	Scenario 2	Scenario 3		
			Gain of 20%	Loss of -20%	No Change 0%		
Capital Contributed / Assets under Management	i	i = a	50,00,000	50,00,000	50,00,000		
Gain / (Loss) on Investment based on the Scenario	ii	ii = i * Scenario	10,00,000	-10,00,000	-		
Gross Value of the Portfolio at the end of the year	iii	iii = I + ii	60,00,000	40,00,000	50,00,000		
Daily Weighted Average assets under management	iv	iv = (i + iii) / 2	55,00,000.00	45,00,000.00	50,00,000.00		
Other Expense	v	v = iv x c	-27,500	-22,500	-25,000		
Brokerage and Transaction cost	vi	vi = iv x f	-11,000	-9,000	-10,000		
Management Fees	vii	vii = (iv + v + vi) x b	-1,09,230	-89,370	-99,300		
Total charges before Performance fee.	viii	viii = v + vi + vii	-1,47,730	-1,20,870	-1,34,300		
Gross Value of the Portfolio before Performance fee	ix	ix = iii + viii	58,52,270	38,79,130	48,65,700		
High Water Mark Value (HWM) (Capital contributed for 1st year and second year onwards as defined in the PMS agreement.	x		50,00,000	50,00,000	50,00,000		
Hurdle Rate of return or as defined in the PMS agreement	xi	xi = i x e	6,00,000	6,00,000	6,00,000		
Gross Value of the Portfolio before Performance fee is greater than High Water Mark Value + Hurdle rate of return	xii	xii = ix > (x+xi) then Yes else No P Fees	Yes	No Pfee	No Pfee		
If Yes, proceed to performance fee calculation else 0 (zero) performance fee for the period)							
Portfolio return subject of Performance Fee	xiii	xiii = ix - x - xi	2,52,270	0	0		
Performance fee	xiv	xiv = xiii x d	-50,454	0	0		
Net value of the Portfolio at the end of the year after all fees and expenses	xv	xv = ix + xiv	58,01,816	38,79,130	48,65,700		
% Portfolio Return	xvi	xvi = ((xv - i) / i) %	16.04%	-22.42%	-2.69%		
High Water Mark to be carried forward for next year.	xvii	xvii = Max (ix , x)	58,52,270	50,00,000	50,00,000		

ONE YEAR VARIABLE FEES ILLUSTRATION

Assumptions					
Capital Contribution (Rs.)	a	50,00,000			
Management Fee (%age per annum)	b	0.00%			
Other Expenses (%age per annum)	c	0.50%			
Performance (%age per annum)	d	30.00%			
Hurdle Rate of Return (%age per annum)	e	12.00%			
Brokerage and Transaction cost	f	0.20%			
Variable Fee Illustration			Scenario 1	Scenario 2	Scenario 3
			Gain of 20%	Loss of -20%	No Change 0%
Capital Contributed / Assets under Management	i	i = a	50,00,000	50,00,000	50,00,000
Gain / (Loss) on Investment based on the Scenario	ii	ii = i * Scenario	10,00,000	-10,00,000	-
Gross Value of the Portfolio at the end of the year	iii	iii = I + ii	60,00,000	40,00,000	50,00,000
Daily Weighted Average assets under management	iv	iv = (i + iii) / 2	55,00,000	45,00,000	50,00,000
Other Expense	v	v = iv x c	-27,500	-22,500	-25,000
Brokerage and Transaction cost	vi	vi = iv x f	-11,000	-9,000	-10,000
Management Fees	vii	vii = (iv + v + vi) x b	0	0	0
Total charges before Performance fee.	viii	viii = v + vi + vii	-38,500	-31,500	-35,000
Gross Value of the Portfolio before Performance fee	ix	ix = iii + viii	59,61,500	39,68,500	49,65,000
High Water Mark Value (HWM) (Capital contributed for 1st year and second year onwards as defined in the PMS agreement.	x		50,00,000	50,00,000	50,00,000
Hurdle Rate of return or as defined in the PMS agreement	xi	xi = i x e	6,00,000	6,00,000	6,00,000
Gross Value of the Portfolio before Performance fee is greater than High Water Mark Value + Hurdle rate of return	xii	xii = ix > (x+xi) then Yes else No P Fees	Yes	No Pfee	No Pfee
If Yes, proceed to performance fee calculation else 0 (zero) performance fee for the period)					
Portfolio return subject of Performance Fee	xiii	xiii = ix - x - xi	3,61,500	0	0
Performance fee	xiv	xiv = xiii x d	-1,08,450	0	0
Net value of the Portfolio at the end of the year after all fees and expenses	xv	xv = ix + xiv	58,53,050	39,68,500	49,65,000
% Portfolio Return	xvi	xvi = ((xv - i) / i) %	17.06%	-20.63%	-0.70%
High Water Mark to be carried forward for next year.	xvii	xvii = Max (ix , x)	59,61,500	50,00,000	50,00,000

MULTI- YEAR HYBRID FEES ILLUSTRATION

		Variables can be changed
Assumptions		
Capital Contribution (Rs.)	a	50,00,000
Management Fee (%age per annum)	b	1.50%
Other Expenses (%age per annum)	c	0.50%
Performance (%age per annum)	d	15.00%
Hurdle Rate of Return (%age per annum)	e	10.00%
Brokerage and Transaction cost	f	0.20%

Fees			Yr 1		Yr 2		Yr 3		Yr 4		Yr 5	
			Gain / (Loss)	20%	Gain / (Loss)	-30%	Gain / (Loss)	50%	Gain / (Loss)	25%	Gain / (Loss)	5%
Capital Contributed /Assets under Management	i	i = a	50,00,000		58,22,641		39,67,485		58,42,642		70,55,610	
Gain / (Loss) on Investment based on the Scenario	ii	ii= i*Scenario	10,00,000		-17,46,792		19,83,742		14,60,661		3,52,780	
Gross Value of the Portfolio at the end of the year	iii	iii= I + ii	60,00,000		40,75,849		59,51,227		73,03,303		74,08,390	
Daily Weighted Average assets under management	iv	iv= (i + iii) / 2	55,00,000.00		49,49,244.74		49,59,356.12		65,72,972.53		72,31,999.97	
Other Expense	v	v= iv x c	-27,500		-24,746		-24,797		-32,865		-36,160	
Brokerage and Transaction cost	vi	vi= iv x f	-11,000		-9,898		-9,919		-13,146		-14,464	
Management Fees	vii	vii = (iv + v + vi) x b	-81,922.50		-73,719.00		-73,869.61		-97,904.43		-1,07,720.64	
Total charges during the year (Sum of v, vi and vii)	viii	viii = v + vi + vii	-1,20,422.50		-1,08,363.71		-1,08,585.10		-1,43,915.23		-1,58,344.64	
Value of the Portfolio before Performance fee	ix	ix = iii + viii	58,79,578		39,67,485		58,42,642		71,59,388		72,50,046	
High Water Mark Value (HWM)	x		50,00,000		58,79,578		58,79,578		58,79,578		71,59,388	
Hurdle Rate of return	xi	xi = i x e	5,00,000		5,87,958		5,87,958		5,87,958		7,15,939	
Portfolio value in excess of Hurdle Rate Return	xii		3,79,578		-25,00,050.35		-6,24,893		6,91,852		-6,25,281	
Profit share of the PMS	xiii		3,79,577.50		0.00		0.00		6,91,852.32		0.00	
Profit Share To be taken by PMS	xiv		-56,936.63		0.00		0.00		-1,03,777.85		0.00	
Is the Performance Fee charged?	xvi		Yes		No Pfee		No Pfee		Yes		No Pfee	
Net value of the Portfolio at the end of the year after all fees and expenses	xvii	xvii = ix + xiv	58,22,640.9		39,67,484.9		58,42,642.2		70,55,609.7		72,50,045.6	
% Portfolio Return	xviii	xviii = ((xvii - i) / i) %	16.45%		-31.86%		47.26%		20.76%		2.76%	
High Water Mark to be carried forward for next year	xix	xix = Max (ix , x)	58,79,578		58,79,578		58,79,578		71,59,388		72,50,046	

NOTES:

1	In the illustration, Management fee is assumed to be charged annually. However, the Portfolio Manager can charge fee at any frequency i.e. Daily, Monthly, Quarterly, Semi-annually, Annually or at any other frequency as defined in the PMS agreement and as permitted under SEBI regulations.
2	Portfolio Manager will be charging the Management Fee on Average portfolio value for the management fee period as defined in the PMS agreement.
3	Returns are assumed to be generated linearly through the year.
4	Other Expenses includes Account Opening charges, stamp duty /Audit Fee/ Bank charges / Fund Accounting charges / Custody Fee / demat charges or other miscellaneous expense
5	Brokerage and transaction cost for the illustration purpose is charged on the Average AUM. However, Brokerage and Transaction cost are charged on basis the actuals trades.
6	All Fees and charges are subject to GST.
7	For this illustration, High Water Mark for the 1st Year is the Capital invested and from second year onwards if performance fee is charged, it's the year end closing value after all charges and fees, else it remains the highest of closing value and capital invested.
8	Hurdle rate is prorated in case the performance fee period is less than 1 year OR if there are inflow/outflows from the portfolio
9	The above illustration shows the High Water Mark to be carried forward in different scenario for equal and fair treatment to the investor.