

Assumptions

Capital Contribution (Rs.)	a	5,000,000
Management Fee (%age per annum)	b	2.50%
Other Expenses	c	0.15%
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	$i = a$	5,000,000	5,000,000	5,000,000
Gain / (Loss) on Investment based on the Scenario	ii	$ii = i * \text{Scenario}$	1,000,000	-1,000,000	-
Gross Value of the Portfolio at the end of the year	iii	$iii = I + ii$	6,000,000	4,000,000	5,000,000
Average assets under management	iv	$iv = (i + iii) / 2$	5,500,000.00	4,500,000.00	5,000,000.00
Other Expense	v	$v = iv \times c$	-8,250	-6,750	-7,500
Brokerage and Transaction cost	vi	$vi = (iv \times d)$	-11,000	-9,000	-10,000
Management Fees	vii	$vii = (iv + v + vi) \times b$	-137,019	-112,106	-124,563
Total charges during the year	viii	$viii = v + vi + vii$	-156,269	-127,856	-142,063
Net value of the Portfolio at the end of the year	ix	$ix = iii + viii$	5,843,731	3,872,144	4,857,938
% Portfolio Return	x	$x = ((ix - i) / i) \%$	16.87%	-22.56%	-2.84%

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 can charge Management Fee on Average portfolio value for the management fee period or the closing portfolio value or in any other manner 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 This is only a generic illustration, each portfolio manager can modify the illustration as per the terms and condition of their PMS agreement.
- 8 Portfolio Managers are advised to also refer to the illustrations provided in Annexure 4A of Master Circular for Portfolio Managers dated June 07, 2024.