CARE Portfolio Managers

Assumptions		
Capital Contribution (Rs.)	a	5,000,000
Management Fee (%age per annum)	b	1.00%
Other Expenses (%age per annum)	c	0.15%
Performance (%age per annum)	d	10.00%
Hurdle Rate of Return (%age per annum)	e	0.00%
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	5,000,000		5,000,000		5,000,000	
Gain / (Loss) on Investment based on the Scenario	ii	ii= i*Scenario	1,000,000		-1,000,000		0	
Gross Value of the Portfolio at the end of the year	iii	iii= I + ii	6,000,000		4,000,000		5,000,000	
Daily Weighted Average assets under management	iv	iv= (i + iii) / 2	5,500,000		4,500,000		5,000,000	
Other Expense	v	v= iv x c	-8,250		-6,750		-7,500	
Brokerage and Transaction cost	vi	vi= iv x f	-11,000		-9,000		-10,000	
Management Fees	vii	vii = (iv + v + vi) x b	-54,808		-44,843		-49,825	
Total charges before Performance fee.	viii	viii = v + vi + vii	-74,058		-60,593		-67,325	
Gross Value of the Portfolio before Performance fee	ix	ix = iii + viii	5,925,943		3,939,408		4,932,675	
High Water Mark Value (HWM) (Capital contributed for 1st year and second year onwards as defined in the PMS agreement.	x		5,000,000		5,000,000		5,000,000	
Hurdle Rate of return or as defined in the PMS agreement	xi	xi = i x e	0		0		0	
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	
Portfolio return subject of Performance Fee	xiii	xiii = ix - x - xi	925,943		0		0	
Performance fee	xiv	xiv = xiii x d	-92,594		0		0	
Net value of the Portfolio at the end of the year after all fees and expenses	xv	xv = ix + xiv	5,833,348		3,939,408		4,932,675	
% Portfolio Return	xvi	xvi = ((xv - i) / i) %	0		-0		-0	
High Water Mark to be carried forward for next year. **When performance fee is charged from the portfolio itself**.	xvii	xvii = Max (x , xv)	5,833,348		5,000,000		5,000,000	
High Water Mark to be carried forward for next year. **When performance fee is paid separately by the investor to the PM**.	xvii	xvii = Max (ix , x)	5,925,943		5,000,000		5,000,000	

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 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 same. However, in actual, High Water Mark is defined in the PMS agreement and may differ from this illustration.
8	For this illustration, Hurdle rate is calculated on Higher of (HWM or previous year closing capital). However, in actual Hurdle Rate of return is defined in the PMS agreement and may differ from this illustration.
9	Hurdle rate is prorated in case the performance fee period is less than 1 year OR if there are inflow/outflows from the portfolio
10	The above illustration shows the High Water Mark to be carried forward in different scenario for equal and fair treatment to the investor.
11	All the amounts rounded off to nearest rupee

		Variables can be changed
Assumptions		
Capital Contribution (Rs.)	a	5,000,000
Management Fee (%age per annum)	b	1.00%
Other Expenses (%age per annum)	c	0.15%
Performance (%age per annum)	d	10.00%
Hurdle Rate of Return (%age per annum)	e	0.00%
Brokerage and Transaction cost	f	0.20%

Fees			Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
			Gain / (Loss) -26%	Gain / (Loss) 79%	Gain / (Loss) 22%	Gain / (Loss) 0%	Gain / (Loss) 40%
Capital Contributed /Assets under Management	i		5,000,000	3,641,427	6,304,780	7,511,327	7,410,187
Gain / (Loss) on Investment based on the Scenario	ii		-1,300,000	2,876,728	1,418,946	0	2,964,075
Gross Value of the Portfolio at the end of the year	iii		3,700,000	6,518,155	7,723,726	7,511,327	10,374,261
Daily Weighted Average assets under management	iv		4,350,000	5,079,791	7,014,253	7,511,327	8,892,224
Other Expense	v		-6,525	-7,620	-10,521	-11,267	-13,338
Brokerage and Transaction cost	vi		-8,700	-10,160	-14,029	-15,023	-17,784
Management Fees	vii		-43,348	-50,620	-69,897	-74,850	-88,611
Total charges during the year (Sum of v, vi and vii)	viii		-58,573	-68,399	-94,447	-101,140	-119,734
Value of the Portfolio before Performance fee	ix		3,641,427	6,449,755	7,629,279	7,410,187	10,254,528
High Water Mark Value (HWM)	x		5,000,000	5,000,000	6,449,755	7,629,279	7,511,327
Hurdle Rate of return	xi		0	0	0	0	0
Portfolio value in excess of Hurdle Rate Return	xii		-1,358,573	1,449,755	1,179,524	-219,092	2,743,201
Performance fee	xiii		0	144,976	117,952	0	274,320
Profit Share To be taken by PMS	xiv		0	144,976	117,952	0	274,320
Is the Performance Fee charged?	xiv		No	Yes	Yes	No	Yes
Net value of the Portfolio at the end of the year after all fees and expenses	xv		3,641,427	6,304,780	7,511,327	7,410,187	9,980,208
% Portfolio Return	xvi		-0	1	0	-0	0
High Water Mark to be carried forward for next year	xvii		5,000,000	6,449,755	7,629,279	7,511,327	10,254,528

	Notes:
1	This is only a generic format for illustration, each portfolio manager can add numbers and method's of calculation as per the terms and conditions of the PMS agreement and as permitted under SEBI regulations.
2	Returns are assumed to be generated linearly through the year.
3	Other Expenses includes Audit Fee/ Bank charges / Fund Accounting charges / Custody Fee / demat charges or other miscellaneous expense
4	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.
5	All Fees and charges are subject to GST.
6	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 same. However, in actual, High Water Mark is defined in the PMS agreement and may differ from this illustration.
7	For this illustration, Hurdle rate is calculated on Higher of (HWM or previous year closing NAV). However, in actual Hurdle Rate of return is defined in the PMS agreement and may differ from this illustration.
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.
10	This is only a generic illustration, each portfolio manager can modify the illustration as per the terms and condition of their PMS agreement.
11	All the amounts rounded off to nearest rupee