Benchmark Report

September 30, 2021

Benchmark Report[1]

Category-III[2]
DSP High Conviction Fund

Trailing returns

Index	1-year (%)	2-year (%)	3-year (%)
Scheme (INR)	53.98	30.92	24.01
CRISIL AIF Index – Cat III (INR)	53.50	25.48	18.30
Scheme (USD)	53.03	27.73	23.06
CRISIL AIF Index – Cat III (USD)	52.55	22.43	17.39

Values as on September 30, 2021

Schemes that have completed at least one year since their first close as on September 30, 2021, have been considered for the benchmark. In all, 178 schemes have been considered for the above analysis

Returns refer to post-expense, pre-carry, pre-tax values. Returns for more than one year are annualised

Rolling returns

Date	3-year annualised rolling returns (quarterly shift)			
	Scheme (INR) (%)	CRISIL AIF Index – Cat III (INR) (%)	Scheme (USD) (%)	CRISIL AIF Index – Cat III (USD) (%)
Mar 31, 2021	14.38	9.28	9.82	4.92
Jun 30, 2021	19.79	13.10	16.61	10.10
Sep 30, 2021	24.01	18.30	23.06	17.39
Average	**19.40**	**13.56**	**16.50**	**10.80**

The above values of rolling returns for the benchmark have been updated historically due to increased coverage/revised numbers of Category-III funds

Calendar Year returns

Index	CYTD^	CY20	CY19
Scheme (INR)	28.21	24.09	15.14
CRISIL AIF Index – Cat III (INR)	28.51	18.65	6.52
Scheme (USD)	26.14	21.07	12.75
CRISIL AIF Index – Cat III (USD)	26.43	15.76	4.30

^till September 2021. Returns for more than one year are annualised

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[1] This Benchmark Report has been provided for the sole purpose of comparing the fund/scheme's performance with CRISIL AIF Benchmarks for reporting to the existing investors.

[2] DSP Investment Managers Private Limited manages three more Category III funds, for which three separate reports have been provided

Quartile analysis (INR)

Period	No. of schemes	Scheme returns (%)	Scheme quartile	Trailing returns (%)		
				1st Quartile (Threshold for top 25%)	Median	3rd Quartile (Threshold for top 75%)
1-year (%)	122	53.98	Third Quartile	70.40	55.88	37.10
2-year (%)	102	30.92	Second Quartile	35.78	27.13	17.81
3-year (%)	64	24.01	Top Quartile	23.43	18.54	12.13

Quartile analysis (USD)

Period	No. of schemes	Scheme returns (%)	Scheme quartile	Trailing returns (%)		
				1st Quartile (Threshold for top 25%)	Median	3rd Quartile (Threshold for top 75%)
1-year (%)	122	53.03	Third Quartile	69.35	54.92	36.25
2-year (%)	102	27.73	Second Quartile	32.48	24.04	14.95
3-year (%)	64	23.06	Top Quartile	22.47	17.62	11.26

First and third quartiles are the return thresholds for the top 25% and 75% schemes, respectively based on the individual scheme's trailing returns for the respective time-frames. Please refer to the annexure for details

For quartile analysis, only those time-frames have been considered that have at least 8 schemes available

Returns above one year are annualised

Sub-category: Long – only Equity Funds

DSP High Conviction Fund

Trailing returns

Index	1-year (%)	2-year (%)	3-year (%)
Scheme (INR)	53.98	30.92	24.01
CRISIL AIF Index – Long-only Equity Funds (INR)	60.62	27.43	18.82
Scheme (USD)	53.03	27.73	23.06
CRISIL AIF Index – Long-only Equity Funds (USD)	59.63	24.34	17.90

Values as on September 30, 2021

Schemes that have completed at least one year since their first close as on September 30, 2021, have been considered for the benchmark. In all, 109 schemes have been considered for the above analysis
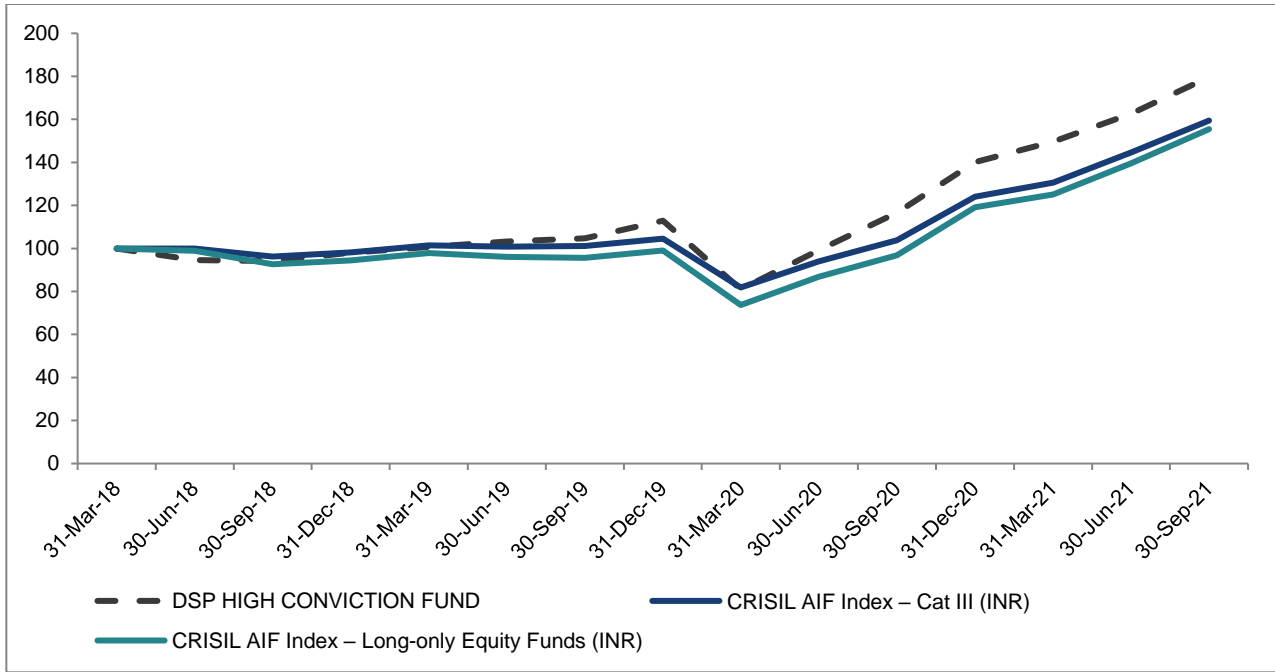
Returns refer to post-expense, pre-carry, pre-tax values. Returns for more than one year are annualised

Rolling returns

Date	3-year annualised rolling returns (quarterly shift)			
	Scheme (INR) (%)	CRISIL AIF Index – Long-only Equity Funds (INR) (%)	Scheme (USD) (%)	CRISIL AIF Index – Long-only Equity Funds (USD) (%)
Mar 31, 2021	14.38	7.73	9.82	3.43
Jun 30, 2021	19.79	12.14	16.61	9.16
Sep 30, 2021	24.01	18.82	23.06	17.90
Average	**19.40**	**12.89**	**16.50**	**10.16**

The above values of rolling returns for the benchmark have been updated historically due to increased coverage/revised numbers of Long-only Equity Funds

Growth of 100

Legend:
- DSP HIGH CONVICTION FUND (dashed line)
- CRISIL AIF Index – Cat III (INR)
- CRISIL AIF Index – Long-only Equity Funds (INR)

Annexure

Methodology, definitions and eligibility criteria

Vintage year

Benchmarks for categories-I and -II are calculated based on their vintage years. Vintage year is defined as the financial year in which the scheme had its first close, i.e., the vintage year of a fund will be Vintage FY14 if it had its first close between April 1, 2013, and March 31, 2014.

Only those vintage years are considered that have at least three schemes available; those with less than three schemes have been excluded.

Calculation metrics

The benchmarks for categories-I and -II are based on the following metrics:

Pooled internal rate of return (IRR)

Pooled IRR denotes the IRR calculated at an aggregate level by pooling all the cash flows that have occurred within all the schemes belonging to the category and the vintage year. Here the cash flows are considered according to the date on which they have occurred and the valuation as on the last day is considered as the terminal value for the calculation.

Investment multiples and ratios

Three types of ratios are considered for calculation of benchmarks – distributions to paid-in capital (DPI), residual value to paid-in capital (RVPI) and total value to paid-in capital (TVPI). All the three are calculated for each applicable vintage year.

DPI: DPI is the ratio of the total distributions made to the paid-in capital. DPI is also called as realisation multiple.

RVPI: RVPI is the ratio of the residual value of all investments remaining in the fund after distributions to paid-in capital. The residual value refers to the valuation of the scheme as on the date for which the benchmarks have been calculated.

TVPI: TVPI is the ratio of the sum of total distributions and residual value, to the total paid-in capital. It is also called as investment multiple.

Quartile Analysis

For understanding the distribution of IRR across the peer set, the returns for all the individual funds are calculated. First quartile, median and third quartile thresholds are reported. First and third quartiles are the return thresholds for the top 25% and 75% schemes, respectively based on the individual scheme IRRs in each vintage year. Thus, any fund with an IRR value above first quartile threshold belongs to the top quartile, similarly a fund with IRR value between first quartile and median belongs to the second quartile and so on. The fund with returns below the third quartile belongs to the bottom quartile.

For category III funds, quartile analysis is based on individual fund's trailing returns for various time-frames. Those funds have been considered that have been in existence as of September 30, 2021 and present for the whole time period.

For quartile analysis, only those vintage years have been considered where at least eight schemes are available.

Public Market Equivalent (PME+)

Public Market Equivalent as a metric helps in comparing the performance of an AIF against any public index. The PME+ method tries to replicate the cash flows of the AIF to a public index. The cash flows, depending on whether it is an inflow or an outflow are invested and distributed to and from the public index on the same dates as that of the AIF. The distributions are adjusted using a scaling factor in order to avoid a situation where the public index is oversold and results in the negative terminal value.

The benchmark for Category-III is based on the following metric:

Asset weighted index

For Category-III schemes, an asset weighted index at the category level is created based on the quarterly returns of each scheme and the respective assets under management for those schemes.

The index is created from the quarter in which at least three schemes were available, i.e. June 2013.

Eligibility criteria

- All AIFs registered with SEBI under the SEBI (Alternative Investment Funds) Regulations, 2012, are considered for the calculation of benchmarks provided they fulfill the following criteria:

  1. The scheme has completed one year from its first close as on the date for which the benchmarks are calculated. For example, AIF benchmark calculated for the period ending September 30, 2021, will have funds that had their first close on or before September 30, 2020

  2. Data is provided by the AIF in the required format within the specified deadline

- The following are excluded from calculation of benchmarks:

  1. Angel funds registered under sub-category VCF under Category I-AIF

  2. Fund of funds

  3. Any scheme that has not had any transactions or investments anytime in the past

  4. Any scheme that has not completed one year since its first close as on the date for which the benchmarks are calculated, i.e., September 30, 2021

  5. Any scheme that has not provided complete data or that has not provided data in the required format

- Schemes are divided based on their vintage years as described in the previous section. Only those vintage years are considered that have at least three funds available. Thus, schemes that belong to vintage years in which less than three schemes were available are excluded

- For quartile analysis, only those vintage years have been considered where at least eight schemes are available

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