

Assuming investment of INR 18 lacs done on 1st Jan 2015 at an NAV of 26.3727, Units = 68252.40 in an equity oriented scheme

Date	NAV (A)	SWP (INR) (B)	Units Withdrawn through SWP (C) - B/A	Remaining Units (D)	Cost of the Investment (INR) C*26.3727	Profit (F) - (A- 26.3727)* C	Capital Gain Tax (G) = 15.45%*F	Net Profit (F-G)	Value of Remaining Units D*A
3-Feb-15	27.9645	15000	536.39	67716.00	14146.17	853.83	131.92		1893644
2-Mar-15	28.9439	15000	518.24	67197.76	13667.49	1332.51	205.87	1126.64	1944965
1-Apr-15	28.7025	15000	522.60	66675.16	13782.44	1217.56	188.11	1029.45	1913744
4-May-15	27.8273	15000	539.04	66136.12	14215.91	784.09	121.14	662.94	1840390
1-Jun-15	28.1687	15000	532.51	65603.61	14043.62	956.38	147.76	808.62	1847968
1-Jul-15	28.7171	15000	522.34	65081.27	13775.43	1224.57	189.20	1035.37	1868945
3-Aug-15	29.4024	15000	510.16	64571.11	13454.36	1545.64	238.80	1306.84	1898546
1-Sep-15	27.2988	15000	549.47	64021.64	14491.13	508.87	78.62	430.25	1747714
1-Oct-15	27.8575	15000	538.45	63483.18	14200.50	799.50	123.52	675.98	1768483
2-Nov-15	28.2484	15000	531.00	62952.18	14004.00	996.00	153.88	842.12	1778298
1-Dec-15	28.2421	15000	531.12	62421.06	14007.12	992.88	153.40	839.48	1762902
1-Jan-16	28.5397	15000	525.58	61895.47	13861.06	1138.94	175.97	962.97	1766478
1-Feb-16	27.4077	15000	547.29	61348.18	14433.55	566.45		566.45	1681413
1-Mar-16	26.0712	15000	575.35	60772.83	15173.47	-173.47		-173.47	1584421
1-Apr-16	27.8246	15000	539.09	60233.74	14217.29	782.71		782.71	1675980
2-May-16	28.7182	15000	522.32	59711.43	13774.91	1225.09		1225.09	1714805
1-Jun-16	29.7464	15000	504.26	59207.16	13298.77	1701.23		1701.23	1761200
1-Jul-16	30.3748	15000	493.83	58713.33	13023.64	1976.36		1976.36	1783406
1-Aug-16	31.9515	15000	469.46	58243.87	12380.97	2619.03		2619.03	1860979
1-Sep-16	32.1447	15000	466.64	57777.23	12306.55	2693.45		2693.45	1857232
3-Oct-16	32.7304	15000	458.29	57318.94	12086.33	2913.67		2913.67	1876072
1-Nov-16	32.4046	15000	462.90	56856.05	12207.85	2792.15		2792.15	1842397
1-Dec-16	30.3223	15000	494.69	56361.36	13046.19	1953.81		1953.81	1709006
2-Jan-17	29.931	15000	501.15	55860.21	13216.75	1783.25		1783.25	1671952
1-Feb-17	31.7816	15000	471.97	55388.24	12447.15	2552.85		2552.85	1760327
1-Mar-17	32.508	15000	461.42	54926.81	12169.02	2830.98		2830.98	1785561
3-Apr-17	33.7285	15000	444.73	54482.08	11728.67	3271.33		3271.33	1837599
2-May-17	34.4723	15000	435.13	54046.95	11475.61	3524.39		3524.39	1863123
1-Jun-17	35.117	15000	427.14	53619.81	11264.93	3735.07		3735.07	1882967
3-Jul-17	35.2205	15000	425.89	53193.92	11231.83	3768.17		3768.17	1873516
1-Aug-17	36.8582	15000	406.97	52786.95	10732.77	4267.23		4267.23	1945632
1-Sep-17	36.7499	15000	408.16	52378.79	10764.40	4235.60		4235.60	1924915
3-Oct-17	36.1092	15000	415.41	51963.38	10955.39	4044.61		4044.61	1876356
1-Nov-17	37.7597	15000	397.25	51566.13	10476.53	4523.47		4523.47	1947122
1-Dec-17	37.4724	15000	400.29	51165.84	10556.85	4443.15		4443.15	1917307
1-Jan-18	38.6218	15000	388.38	50777.46	10242.67	4757.33		4757.33	1961117
31-Jan-18	39.2322			50777.46					1992111.40

Benefit for using SWP for Withdrawals							
Invested Amount (in INR)	SWP Amount Withdrawn in 3 years	Principal Component in withdrawal (INR)	Growth/Gains over principal amount (INR)	Tax (INR) - 15.45% STCG for withdrawal within 1 year	Tax as % of SWP amount withdrawn during the year	Balance Units at the end of the 3 rd year (G)	Value of Investments G* Current NAV
1800000	540000	460861	78285	1908	0.35%	50777	1992111

Tax Paid through Traditional Investment Avenue				
Invested Amount (in INR)	Interest (%)	Interest (INR)	Tax as % of Gains	Tax (INR)
18,00,000	6.25%	337500	30.90%	104288

Withdrawals through SWP are more tax efficient as one pays only INR 1908 as tax on gains i.e. 0.35% on withdrawals of INR 5,40,000 as compared to INR 1,04,288 in case of traditional saving instrument

Source: Internal data compilation. **Note: Past performance may or may not be sustained in future.** The above examples including the taxation illustration for traditional investment are given for general information only. Load has not been taken into consideration. Units and numbers in the above calculations have been rounded off. Investments made in equity mutual fund schemes carry high risk and there is no assurance or guarantee that the objective of the schemes will be achieved. The above illustration should not be considered as any guarantee of returns to the investors who are opting for SWP. In view of the individual circumstances and risk profile, each investor is advised to consult their investment/tax advisor(s) before making a decision to invest. Valuation date – January 31, 2018. The date of enrolment for SWP has been assumed on the first working day of every month. If the same is a non-business day, then the NAV of next business day has been taken into consideration for calculation purposes. In the above calculations, it has been assumed that investor falls under highest tax bracket (i.e. 30%) and total income of the investor does not exceed Rs. 50 lacs. The prevailing tax rates are as per Finance Act 2017. Tax rates could change in future and investors should consult tax advisors for the same. Gains on the redemption of units of mutual fund are treated as capital gains for income tax purpose. For equity-oriented schemes, gains on the investment for <=1 year are treated as Short-Term Capital Gains (STCG) and taxed at 15% while gains on investment greater than 1 year are treated as Long-Term Capital Gains (LTCG) and are exempt as per current tax regulations. Calculations of tax include the amount of tax plus surcharge. At the time of the redemption of units, redemption amount comprises two parts. One is the invested amount and the other is gains on the invested amount. STCG/LTCG tax is applicable only on the gains made on the redemption units. In case of Systematic Withdrawal Plan (SWP), at the time of redemption of each instalment, investor needs to pay STCG/LTCG tax only on the gains part and not on the invested amount. Over a period of time with market appreciation, in each SWP instalment, invested amount (principal) component decreases and growth/gains part increases. Thus it helps the investor over a period of time to consume less principal amount and thereby allowing the balance principal amount to grow further. Please note that unlike the traditional investment avenues like PPF, NSC, Bank FD, investment in mutual fund is subject to market risks. Hence, the performance of these asset classes is not strictly comparable.

Please note that in the Union Budget 2018, it has been proposed to introduce Long Term Capital Gains (LTCG) on equity oriented mutual fund schemes. LTCG from sale of equity shares and equity mutual fund schemes are proposed to be taxed at 10%, if an individual's total capital gains cross Rs1 lakh. Currently, there is no LTCG tax if one holds the equity mutual fund units for more than a year. The Union Budget 2018 has proposed that all gains up to January 31, 2018 will be grandfathered. Only the Gains that would arise after January 31, 2018 would be considered. Education Cess is also proposed to change to 4%. Also, Exemption interest income on fixed deposits with banks has been proposed to be increased from Rs10,000/- to Rs50,000/- for Senior Citizens and TDS shall not be required to be deducted on such income, under section 194A. These changes have not been taken into consideration in the above illustration. The proposed changes could lead to increase in tax liability of investor for withdrawal made through SWP. Investors are requested to consult their tax / financial advisor before taking decision of investment / opting for Bandhan SWP facility.

DISCLAIMER

The illustration provided is for information purposes only and is not an offer to sell or a solicitation to buy any mutual fund units/securities. The views expressed herein are based on the basis of internal data, publicly available information & other sources believed to be reliable. Any calculations made are approximations meant as guidelines only, which need to be confirmed before relying on them. These views alone are not sufficient and should not be used for the development or implementation of an investment strategy. It should not be construed as investment advice to any party. All opinions and estimates included here constitute our view as of this date and are subject to change without notice. Neither SBI Funds Management Private Limited, SBI Mutual Fund nor any person connected with it, accepts any liability arising from the use of this information. The recipient of this material should rely on their investigations and take their own professional advice. SBI Mutual Fund/SBI Funds Management Private Limited is not guaranteeing return on investments made in the scheme and/or by opting for this facility. In view of the individual circumstances and risk profile, each investor is advised to consult his / her financial/tax advisor(s) before making a decision to invest. Unlike traditional savings instruments, investment in mutual funds are subject to market risks. Hence, these asset class performances are not strictly comparable. For further details on the facility, investors are required to refer the website of the Fund www.sbimf.com.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.