

1. What is a Multicap Fund?

These funds invest in stocks across market capitalization. That is, their portfolio comprises of large cap, midcap and small cap stocks. .

2. Are Multicap funds risky?

MultiCap funds are less risky compared to a pure mid cap or a small cap fund.

3. For which kind of investor are multicap funds suitable for?

MultiCap funds are suitable for not so aggressive investors. .

4. What is market capitalisation?

The market capitalisation of a company that is traded on the stock market is calculated by multiplying the total number of shares by the present share price.

5. What is a large cap fund?

Large cap mutual funds invest in stocks of large companies or stocks with large market capitalizations

6. Are large cap funds risky?

Large cap funds are known to offer stable and sustainable returns over a period of time.

Large cap funds are the best choice for those who are looking for a long-term investment and prefer to stay away from the risks involved in the sudden ups and downs in the stock market.

7. What are small cap funds?

In small-cap fund, the investments are made in small companies which are new and less stable in comparison to better established corporations.

8. Are small cap funds risky ?

These companies are usually start-ups in early stages of development and thus have greater potential to succeed but also have a higher risk of going out of business. If you are looking for aggressive growth and are willing to take greater risks, then investing in small-cap fund can be a good idea.

9. What is an Exchange Traded Fund (ETF)?

An ETF, or exchange traded fund, is a marketable security that tracks an index, a commodity, bonds, or a basket of assets like an index fund. Unlike mutual funds, an ETF trades like a common stock on a stock exchange. ETFs experience price changes throughout the day as they are bought and sold.

10. Are mutual funds liquid?

Liquidity is all about having access to the money you've invested at your convenience. After all, what is the point of getting high returns if you can't use the funds when you need it? Solid liquidity gives you the advantage of getting your money when you need it the most.

11. Are mutual funds only for the long term?

Long-term investments have an advantage, but that doesn't mean that Mutual Funds are only for such investors. In fact, there are various short-term schemes where you can invest from a day to a few weeks.

12. Does one need a large sum of money to invest in Mutual Funds ?

Most funds today allow investments as low as Rs. 1000, with no limits on the maximum amount. In fact, even for Equity linked savings schemes the amount is as low as Rs. 500. What's more, there is no monthly or annual maintenance charge even if you don't transact further. Mutual Funds also offer the SIP facility in many of their schemes which allows you to invest small amounts of your choice regularly.

13. Does one need to have a demat account to transact in Mutual Funds ?

No. You can maintain your mutual fund holdings in physical form.

14. Can I put my mutual fund units in my demat account?

If you have a Demat account, you can even consolidate the Mutual Fund holdings along with other holdings in the Demat account. You can even buy Mutual Funds through the same intermediary who helps you buy and sell shares on exchanges.

15. Are mutual funds transparent?

Mutual Funds publish a monthly fact sheet which basically lists out all the important facts you need to know about the scheme you've invested in.

16. Are mutual funds only for equity?

People usually associate Mutual Funds with Equity Funds, but this is not entirely true. Mutual Funds invest in a variety of instruments ranging from equity to debt. Within debt they may invest in debt instruments that mature in a day (also known as Money Market Instruments) to those that mature in 1 or even 10 years.

17. What are Sector Funds?

These are the funds/schemes which invest in the securities of only those sectors or industries as specified in the offer documents. e.g. Pharmaceuticals, Software, Fast Moving Consumer Goods (FMCG), Petroleum stocks, etc.

18. What is the Power of Compounding?

Compounding is the process of generating earnings on an asset's reinvested earnings. So, we require two things to make it work: the re-investment of earnings and time.

19. What is exit load?

The non refundable fee paid to the Asset Management Company at the time of redemption/ transfer of units between schemes of mutual funds is termed as exit load. It is deducted from the NAV(selling price) at the time of such redemption/ transfer.

20. What is Purchase Price?

Purchase price or NAV is the price paid by you to purchase a unit of a mutual fund scheme

21. What is Redemption Price?

Redemption price is the price received on selling units of open-ended scheme. If the fund does not levy an exit load, the redemption price will be same as the NAV. The redemption price will be lower than the NAV in case the fund levies an exit load.

22. What is Switch?

Some Mutual Funds provide the investor with an option to shift his investment from one scheme to another within that fund. For this option the fund may levy a switching fee.

23. Can a nomination be changed in a Mutual Fund Folio.

Yes. Kindly contact your nearest StockHolding branch for the detailed procedure on the same.

24. Can I change my address / contact details / bank details in a folio?

Yes. Kindly contact your nearest StockHolding branch for the detailed procedure on the same.

25. Can I pledge my mutual fund units ?

Yes. Kindly contact your nearest StockHolding branch for the detailed procedure on the same.

26. What is the process of change of status from Minor to Major ?

Kindly contact your nearest StockHolding branch for the detailed procedure on the same.

27. What is a Gilt Fund?

These funds invest in Central and State Government securities and are best suited for the medium to long-term investors who are averse to risk. Government securities have no default risk.

28. What is a Balanced Fund?

These funds invest both in equity shares and debt (fixed income) instruments and strive to provide both growth and regular income. They are ideal for medium- to long-term investors willing to take moderate risks.

29. What is an Index Fund?

These funds invest in the same pattern as popular stock market indices like CNX Nifty Index and S&P BSE Sensex. The value of the index fund varies in proportion to the benchmark index

30. What is a Liquid / Money Market Fund?

These funds invest in highly liquid money market instruments and provide easy liquidity. The period of investment in these funds could be as short as a day. They are ideal for Corporates, institutional investors and business houses who invest their funds for very short periods.

31. How much do I need to invest to get 1 crore ?

Kindly contact your nearest StockHolding branch for useful calculators which will help you with your investments.

32. What are the cut off timings for investing in Mutual Fund?

Cut-off timing is the time before when an investor must submit / lodge his / her application form for the date of submission / lodgement to be considered as the transaction date. For applications submitted / lodged after the cut-off time the applicable transaction date is the next business day. Depending on the transaction date the NAV is applicable.

33. At what time is the NAV declared ?

On all business days, depending on the scheme type, NAV is declared in the evening at or before 9 pm.

34. Can the redemption proceeds be directly credited to my bank account?

When an investor has an account in a designated direct credit bank for a specific Mutual Fund, based on a redemption request, the redemption proceeds can be credited directly to the investor's bank account. .

35. To whom is KYC applicable?

Currently, KYC is done free of cost..

36. What is a perpetual SIP?

If you do not specify the SIP end date in the Application form or if the SIP date is unclear then the SIP will be treated as Perpetual i.e. it will be continued till December 2099.

37. For KYC – what happens if I have multiple folios / accounts with a Mutual Fund?

You can inform the Mutual Fund to update the KYC Acknowledgement against all the folios/accounts you have with it. However, each of the holders in these folios/accounts should be KYC Compliant.

38. Who can I approach to readdress my grievances?

Kindly contact your nearest StockHolding branch. We will help you resolve your issue on priority.