



Mutual Fund

A Glossary of Terms



No.	Terms	Description
1	Account Statement	A document issued by the mutual fund, giving details of transactions and holdings of an investor.
2	Adjusted NAV (total return)	The net asset value of a unit assuming reinvestment of distributions made to the investors in any form.
3	Advisor	Your financial consultant who gives professional advice on the fund's investments and who supervise the management of its assets.
4	Age of fund	The time elapsed since the launch of the fund.
5	Amortization	A method of equated monthly payments over the life of a loan. Payments usually are paid monthly but can be paid annually, quarterly, or on any other schedule. In the early part of a loan, repayment of interest is higher than that of principal. This relationship is reversed at the end of the loan.
6	Annual return	The percentage of change in net asset value over a year's time, assuming reinvestment of distribution such as dividend payment and bonuses.
7	Asset	Property and resources, such as cash and investments, comprise a person's assets; i.e., Anything that has value and can be traded. Examples include stocks, bonds, real estate, bank accounts, and jewellery.
8	Asset allocation	When you divide your money among various types of investments, such as stocks, bonds, and short-term investments (also known as "instruments"), you are allocating your assets. The way in which your money is divided is called your asset allocation.
9	Asset management company / AMC / Investment Manager/ Reliance Capital Asset Management Ltd.	It is the investment manager for the mutual fund. It is a company set up primarily for managing the investment of mutual funds and makes investment decisions in accordance with the scheme objectives, deed of trust and other provisions of the investment management agreement.
10	Asked or offering price	The price at which a mutual fund's shares can be purchased. The asked or offering price means the current net asset value (NAV) per share plus sales charge, if any. For a no-load fund, the asked price is the same as the nav.
11	Automatic Investment Plan	Under these plans, the investor mandates the mutual fund to allot fresh units at specified intervals (monthly, quarterly, etc.) against which the investor provides post-dated cheques. On the specified dates, the cheques are realized by the mutual fund and on realization, additional units are allotted to the investor at the prevailing NAV.

No.	Terms	Description
12	Automatic Reinvestment	A service offered by most mutual funds whereby income, dividends and capital gain distributions are automatically invested into the fund by buying additional shares and thus building up holdings through the effects of compounding.
13	Annualised Return	This is the hypothetical rate of return, if the fund achieved it over a year's time, would produce the same cumulative total return if the fund performed consistently over the entire period. A total return is expressed in a percentage and tells you how much money you have earned or lost on an investment over time, assuming that all dividends and capital gains are reinvested.
14	Average Cost Method	A method of finding out the cost per unit by adding up all the costs involved in purchasing all the units of investment and then dividing the sum by the total number of units.
15	Average Credit Quality	The composite indicator of the credit quality of the Scheme's portfolios. It is an average of each debt instrument's credit rating, weighted by the instruments relative weight in the portfolio. For these calculations, Government of India securities, cash and call money instruments are taken as AAA credit quality and non-rated debt instruments are taken as having BBB credit quality.
16	Back End Load	The difference between the NAV of the units of a scheme and the price at which they are redeemed. The difference is charged by the fund.
17	Balance Sheet	A financial statement showing the nature and amount of a company's assets, liabilities and shareholders' equity.
18	Balanced Fund	A mutual fund that maintains a balanced portfolio, generally 40% bonds and 60% equity.
19	Balance Maturity Tenure Of A Scheme	In the case of close-ended schemes, the balance period till the redemption of the scheme.
20	Barter	The exchange of goods and services for other goods and services without the use of money.
21	Bear Market	Period during which investors are on a selling spree and the share prices are going down.
22	Benchmark	A parameter with which a scheme can be compared. For example, the performance of a scheme can be benchmarked against an appropriate index.
23	Bid or Sell Price	The price at which a mutual fund's shares are redeemed (bought back) by the fund. The bid or redemption price means the current net asset value per share, less any redemption fee or back-end load.
24	Blue Chip	A share in a large, safe, prestigious company, of the highest class among stock market investments. A blue-chip company would be called thus by being well-known, having a large paid-up capital, a good track record of dividend payments and skilled management.
25	Board of Directors	A committee elected by the shareholders of a company, empowered to act on their behalf in the management of company affairs. Directors are normally elected each year at the annual meeting.

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26	Bond Rating	System of evaluating the probability of whether a bond issuer will default. CRISIL, ICRA, CARE and other rating agencies analyze the financial stability of both corporate and state government debt issuers. Ratings range from AAA (extremely unlikely to default) to D (likely to default). Mutual funds generally restrict their bond purchases to issues of certain quality ratings, which are specified in their prospectus.
27	Bonus	Additional units allotted to investors on the basis of their existing holdings. Basically, there is a split of existing units into more than one unit resulting in the reduction of the NAV per unit.
28	Broker	One who guides the investors on one or more investments and facilitates the process of investment. A broker is a member of a recognized stock exchange who buys and sells or otherwise deals in securities.
29	Brokerage	The fee payable to a broker for acting as an intermediary in a transaction. For example, brokerage is payable by a fund for getting fresh investments from investors.
30	BSE Index	A index reflecting the stock prices of 30 companies listed on the Bombay Stock Exchange (BSE) which is taken to be representative of the stock market movement.
31	Bull Market	Period during which the prices of stocks in the stock market keep continuously rising for a significant period of time on the back of sustained demand for the stocks.
32	Capital	This is the amount of money you have invested. When your investing objective is capital preservation, your priority is trying not to lose any money. When your investing objective is capital growth, your priority is trying to make your initial investment grow in value.
33	Capital Appreciation	As the value of the securities in a portfolio increases, a fund's Net Asset Value (NAV) increases, meaning that the value of your investment rises. If you sell units at a higher price than you paid for them, you make a profit, or capital gain. If you sell units at a lower price than you paid for them, you'll have a capital loss.
34	Capital Gains	The difference between an asset's purchased price and selling price, when the difference is positive. A capital loss would be when the difference between an asset's purchase price and selling price is negative.
35	Capital Growth	A rise in market value of a mutual fund's securities, reflected in its NAV per share. This is a specific long-term objective of many mutual funds. Capital Loss Loss realized when an instrument or asset is sold at a price below its cost.
36	Capital Market	The market where capital funds, debt (bonds) and equity (stocks) are traded.
37	Cash & Other Category	A mutual fund asset allocation theory that includes net cash, short-term securities, and any other securities (such as options) not included in other asset allocation categories.
38	Callable Bond	A bond which the issuer is permitted or required to redeem before the stated maturity date at a specified price, usually at or above par, by giving notice of redemption in a manner specified in the bond contract.

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39	CDSC	Contingent Deferred Sales Charge (CDSC), a charge imposed when the units are redeemed within the first four years of unit ownership. The SEBI (Mutual Funds) Regulations, 1996, direct that a CDSC may be charged only for the first four years after purchase and mandates the maximum amount that can be charged in each year.
40	Closed-ended Mutual Fund	They are schemes that have a pre-specified maturity period generally ranging from 2 to 15 years. One can invest directly in the scheme at the time for the initial issue and thereafter transact (buy or sell) the units of the scheme on the stock exchanges where they are listed. The market price at the stock exchanges could vary from the scheme's net asset value (NAV) on account of demand and supply situation, unitholders' expectations and other market factors. Some close-ended schemes provide an additional option of selling the units directly to the Mutual Fund through periodic repurchase at NAV related prices. SEBI Regulations ensure that at least one of the two exit routes are provided to the investor.
41	Collateral Security	This is extra security provided by a borrower to back up his/her intention to repay a loan.
42	Commission	The broker's or agent's fee for buying or selling securities for a client. The fee is usually based on a percentage of the transaction's market value.
43	Compliance Officer	Officer appointed by the AMC to comply with regulatory requirement and to redress investor grievances
44	Compounding	When you deposit money in a bank, it earns interest. When that interest also begins to earn interest, the result is compound interest. Compounding occurs if bond income or dividends from stocks or mutual funds are reinvested. Because of compounding, money has the potential to grow much faster.
45	Continuous Offer	Offer of the Units when the Scheme becomes open ended, after closure of the initial offer.
46	Convertible Bond	A corporate bond, usually a junior subordinated debenture, which can be exchanged for shares of the issuer's common stock.
47	Convexity	A mathematical concept that measures the sensitivity of the market price of interest-bearing bonds to changes in interest rate levels.
48	Corpus	The total amount of money invested by all the investors in a scheme.
49	Correlation Measures	Measures that show the validity of a comparison to a benchmark index based on the historical relationship between portfolio returns and index returns.
50	Cost Of Churning/ Turnover Cost	The portfolio of a scheme changes from time to time. The rate of change depends on the style of the fund manager. Such portfolio changes have associated costs of brokerage, custody fees, transaction fees and registration fees, which lower the returns. These costs comprise the cost of churning.
51	Coupon	The term is used colloquially to refer to a security's interest rate.
52	Coupon Rate	The annual rate of interest payable on a debt security expressed as a percentage of the principal amount.

No.	Terms	Description
53	Currency Fluctuation	Changes in the value of a currency in relationship to other major currencies. Currency fluctuations can have a significant effect on the value of international mutual funds.
54	Currency Risk	The risk that shifts in foreign exchange rates may undermine the dollar or any other foreign currency value of overseas investments.
55	Current Load	Load structure applicable currently. Funds keep revising the load structures from time to time.
56	Current Market Value	The amount a willing buyer will pay for a bond today, which may be at a premium (above face value) or a discount (below face value).
57	Current Yield	The ratio of interest to the actual market price of the bond stated as a percentage $\frac{\text{Annual interest}}{\text{Current market value}} = \text{Current yield}$
58	Custodian	The bank or trust company that maintains a mutual fund's assets, including its portfolio of securities or some record of them. Provides safekeeping of securities but has no role in portfolio management. For Reliance Capital Asset Management, Deutsche Bank AC, Mumbai, is Custodian to the Schemes, or any other custodian who is appointed by the Trustee.
59	Cut Off Time	In respect of all mutual funds regulated by SEBI, fresh subscriptions and redemptions are processed at a particular NAV. Every fund specifies a cut-off time in respect of fresh subscriptions and redemption of units. All requests received before the cut-off times are processed at that day's NAV and thereafter at the next day's NAV.
60	Debt /Income Funds	Funds that invest in income bearing instruments such as corporate debentures, PSU bonds, gilts, treasury bills, certificates of deposit and commercial papers. These funds are the least risky and are generally preferred by risk-averse investors.
61	Deficit	The shortfall between government revenues and budgetary spending in any given year. A surplus occurs when annual revenues exceed expenditures.
62	Derivative	In finance, a security whose price is dependent upon or derived from one or more underlying assets. The derivative itself is merely a contract between two or more parties. Its value is determined by fluctuations in the underlying asset. The most common underlying assets include stocks, bonds, commodities, currencies, interest rates and market indexes. Most derivatives are characterized by high leverage.
63	Designated Investor Service Centres	Any location, as may be defined by the Asset Management Company from time to time, where investors can tender the request for subscription, redemption, switching of units, or any other request.
64	Diversification	Diversification is the concept of spreading your money across different types of investments and/or issuers to potentially moderate your investment risk.
65	Dividend	Income distributed by the Scheme on the Units

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66	Dividend Distribution Tax	A tax payable by a debt oriented mutual fund (a mutual fund that invests more than 50% of its portfolio in the debt market) before dividend is distributed to the unit holders.
67	Dividend Frequency	The periodicity of dividend payout of a scheme. This is especially valid in the case of an income/debt scheme.
68	Dividend History	The track record of dividends declared by a fund till date.
69	Dividend Per Unit	Total amount of dividend declared by a fund for a scheme divided by total number of units issued to all the investors.
70	Dividend Period	The period for which the dividend is declared
71	Dividend Plan	In a dividend plan, the fund pays dividend from time to time as and when the dividend is declared.
72	Dividend Reinvestment	In a dividend reinvestment plan, the dividend is reinvested in the scheme itself. Hence instead of receiving dividend, the unit holders receive units. Thus the number of units allotted under the dividend reinvestment plan would be the dividend declared divided by the ex-dividend NAV.
73	Dividend Warrant	An instrument issued by companies/ mutual funds to an investor for the purpose of payment of dividends
74	Dividend Yield	The dividend earned per unit of a scheme at the prevailing per unit price.
75	Duration	A measure of the sensitivity whose of the price (the value of principal) of a fixed income investment to a change in interest rates. Duration is expressed as a number of years.
76	Endorsement	Assigning or transferring a lien to another person is accomplished through the use of an endorsement. The words "PAY TO THE ORDER OF" and then the name of the person to whom the lien is being assigned to, is written. If there is not enough space on the original note to write an endorsement, it is written on a separate piece of paper that is permanently affixed to the original note. This is called an allonge.
77	Entry Load	It is the load charged by the fund when one invests into the fund. It increases the price of the units to more than the NAV and is expressed as a percentage of NAV.
78	Equity Schemes	Schemes where more than 50% of the investments are done in equity shares of various companies. The objective is to provide capital appreciation over a period of time.
79	Exchange Rate	The price at which one currency trades for another
80	Ex-dividend Date	It is the effective date of a dividend distribution. When the dividend is paid, the NAV of the fund drops by the amount of the dividend.
81	Expense Ratio	Annual percentage of fund's assets that is paid out in expenses. Expenses include management fees and all the fees associated with the fund's daily operations.

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82	Exit Load	It is the load charged by the fund when one redeems the units from the fund. It reduces the price of the units to less than the NAV and is expressed as a percentage of NAV.
83	Face Value	The original issue price of one unit of a scheme
84	FII	Foreign Institutional Investors, registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
85	Fiscal Year	An accounting period consisting of 12 consecutive months.
86	Fund Category	Classification of a scheme depending on the type of assets in which the mutual fund company invests the corpus. It could be a growth, debt, balanced, gilt or liquid scheme
87	Fund Family	All the schemes, which are managed by one mutual fund.
88	Fund Management Costs	The charge levied by an AMC on a mutual fund for managing their funds.
89	Fund Manager	Appointed by the AMC, he is the person who makes all the final decisions regarding investments of a scheme.
90	Gilt Funds	Funds, which invest only in government securities of different maturities. With virtually no default risk, they are very secure. While returns are steady and secure, they are lower than those from other debt funds
91	Growth Fund	A mutual fund whose primary investment objective is long-term growth of capital. It invests principally in common stocks with significant growth potential. Growth Stocks Stocks of companies that have shown or are expected to show rapid earnings and revenue growth. Growth stocks have relatively more risk than other conventional forms of investment.
92	Income Fund	A mutual fund that primarily seeks current income rather than growth of capital. It will tend to invest in stocks and bonds that normally pay high dividends and interest.
93	Index Fund	A type of mutual fund in which the portfolios are constructed to mirror a specific market index. Index funds are expected to provide a rate of return over time that will approximate or match, but not exceed, that of the market, which they are mirroring.
94	Inflation	When the price of goods and services rises, the result is called inflation. This means that things you buy today at one price are likely to cost more in the future.
95	Inflation Risk	The chance that the value of assets or income will be diminished as inflation shrinks the value of a currency.
96	Initial Offer/initial Issue	Offer of Reliance Income Fund units during the initial offer period.
97	Initial Offer Price	The price at which units of a scheme are offered in its Initial Public Offer (IPO).

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98	Initial Offer Period	The dates on or the period during which the initial subscription to units of the Scheme can be made i.e. December 20, 1997 to December 27, 1997 in the case of Reliance Income Fund.
99	Interest	The amount paid by a borrower as compensation for the use of borrowed money. This amount is generally expressed as an annual percentage of the principal amount.
100	Interest Rate	The annual rate, expressed as a percentage of principal, payable for use of borrowed money.
101	International Funds / Emerging Market Funds	Funds investing in assets or bonds/shares of companies from emerging economies. These are not permissible in India due to regulations against investing abroad. Most of the schemes of Foreign Institutional Investors (FII's) investing in India are funds of this type.
102	Investment Grade Or Investment Grade Bond	The broad credit designation given to corporate and municipal bonds which have a high probability of being paid and minor, if any, speculative features. Bonds rated BAA and higher by Moody's Investors Service or BBB and higher by Standard & Poor's are deemed by those agencies to be "investment grade."
103	Investment Objective	The declared purpose of investment of a mutual fund scheme
104	Issue Date	The date on which a security is deemed to be issued or originated.
105	Issuer	A state, political subdivision, agency or authority that borrows money through the sale of bonds or notes.
106	Issued Share Capital	This is the total number of shares a company has made publicly available multiplied by the total nominal value of the shares. A company may have 10 million shares in issue, each with a nominal value of Re. 1. So the issued share capital is Rs. 10 million.
107	Junk Bond	A speculative bond with higher credit risk.
108	Launch Date	The date on which a scheme is first made open to the public for subscription
109	Lessee	The person who makes lease payments. He has right of possession and use of a property under the terms of a lease.
110	Lessor	The person who receives lease payments. He leases property.
111	Libor	LIBOR stands for London Inter Bank Offer Rate. It's the rate of interest at which banks offer to lend money to one another in the so-called wholesale money markets in the City of London.
112	Lien	A type of security instrument (i.e., a tax lien), placed against property, making it security for the payment of a debt, judgment, mortgage, or taxes. If the lien is not paid, the lien holder has the right to confiscate the property in order to recover the money that was loaned.
113	Liquidity	The ability to buy or sell an asset quickly or the ability to convert to cash quickly

No.	Terms	Description
114	Liquid Funds /Money Market Funds	Funds investing only in short-term money market instruments including treasury bills, commercial paper and certificates of deposit. The objective is to provide liquidity and preserve the capital
115	Load	A charge that may be levied as a percentage of NAV at the time of entry into the Scheme/Plans or at the time of exiting from the Scheme/Plans.
116	Local Cheque	A Cheque handled locally and drawn on any bank, which is a member of the banker's clearing house located at the place where the application form is submitted.
117	Lock In Period	The period after investment in fresh units during which the investor cannot redeem the units.
118	Management Fee	Money paid by a mutual fund to its investment manager or advisor for overseeing the portfolio. A management fee is usually between one-half and one percent of the fund's net asset value.
119	Market	A public place where the buying and selling of all types of bonds, stocks and other securities takes place. A stock exchange is a market.
120	Market Price	The price at which the units of a scheme are quoted on a stock exchange.
121	Market Risk	The risk that the price of a security will rise or fall due to changing economic, political, or market conditions, or due to a company's individual situation.
122	Marketability	The ease or difficulty with which securities can be sold in the market.
123	Maturity Or Maturity Date	The date upon which the principal of a security becomes due and payable to the security holder.
124	Maturity Value	The amount (other than periodic interest payment) that will be received at the time a security is redeemed at its maturity. On most securities the maturity value equals the par value.
125	Minimum Additional Investment	The minimum amount, which an existing investor should invest for purchasing fresh units.
126	Minimum Balance	Minimum amount specified by a fund that should remain invested in a scheme after any redemption.
127	Minimum Subscription	The minimum amount required to be invested to purchase units of a scheme of a mutual fund.
119	Market	A public place where the buying and selling of all types of bonds, stocks and other securities takes place. A stock exchange is a market.
120	Market Price	The price at which the units of a scheme are quoted on a stock exchange.
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126	Minimum Balance	Minimum amount specified by a fund that should remain invested in a scheme after any redemption.
127	Minimum Subscription	The minimum amount required to be invested to purchase units of a scheme of a mutual fund.
128	Minimum Withdrawal	The smallest sum that an investor can withdraw (get redeemed) from the fund at one time.
129	Money Market Fund	A mutual fund that aims to pay money market interest rates. This is accomplished by investing in safe, highly liquid securities, including certificates of deposit, commercial paper, and Government securities. Money funds make these high interest securities available to the average investor seeking immediate income and high investment safety.
130	Money Market Instruments	Commercial paper, treasury bills, GOI securities with an unexpired maturity up to one year, call money, certificates of deposit and any other instrument specified by the Reserve Bank of India.
131	Mortgage	A legal instrument given by a borrower to the lender entitling the lender to take over pledged property if conditions of the loan are not met.
132	Moving Averages	The average price of a mutual fund calculated periodically over some designated period of time and plotted on a chart against actual price. The effect of a moving average is to minimize short-term price fluctuations and highlight long-term price fluctuations.
133	Mutual Funds	An investment company that pools money from its unitholders and invests that money into a variety of securities, including stocks, bonds, and money-market instruments. This represents a way of investing money into a professionally managed and diversified pool of securities that hopefully will provide a good return on unitholders' money.
134	Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended up to date and such other Regulations, as may be in force from time to time, to regulate the activities of the Mutual Fund.
135	No-load Scheme	A Scheme where there is no initial Entry or Exit Load.

No.	Terms	Description
136	NAV	Net Asset Value of the Units in each plan of the Scheme is calculated in the manner provided in this Offer Document or as may be prescribed by Regulations from time to time. The NAV will be computed upto four decimal places. NAV Formula : Market / Fair Value of Scheme's investments (+) Receivables (+) Accrued Income (+) Other Assets (-) Accrued Expenses (-) Payables (-) Other Liabilities ----- Number of Units Outstanding
137	NAV Change	The difference between today's closing net asset value (NAV) and the previous day's closing net asset value (NAV).
138	NAV Change Percentage	The percentage change between today's closing net asset value (NAV) and the previous day's closing net asset value (NAV)
139	Net Worth	A person's net worth is equal to the total value of all possessions, such as a house, stocks, bonds, and other securities, minus all outstanding debts, such as mortgage and revolving credit lines.
140	Net Yield	Rate of return on a security net of out-of-pocket costs associated with its purchase, such as commissions or markups.
141	Non Performing Investments	Part of the portfolio investment of a debt fund which is not making interest payment or principal amount repayments in time.
142	NIFTY	An index of prices of a group of fifty stocks listed on the NSE.
143	NRI	Non-Resident Indian
144	Offer Document or Prospectus	The official document issued by mutual funds prior to the launch of a fund describing the characteristics of the proposed fund to all its prospective investors. It contains information required by the Securities and Exchange Board of India, such as investment objective and policies, services, and fees. Individual investors are encouraged to read and understand the fund's prospectus.
145	Offering Period	The period during which the initial offer to subscribe for the units of a scheme is open.
146	Offer Price	The lowest price that a seller is willing to accept from a prospective buyer. In the case of a mutual fund with a sales charge, this price is the net asset value (NAV) plus the sales charge. In the case of no-load funds, it is the NAV.
147	Offering Date	The date on which a distribution of stocks or bonds will first be available to the public.
148	Open-ended Schemes/ Funds	Scheme of a mutual fund where purchase or sale of units is allowed on a continued basis. Funds that do not have any fixed maturity and are continuously open for subscription and redemption. The key feature is liquidity. One can conveniently buy and sell the units held at the NAV related price.
149	Opening NAV	The NAV disclosed by the fund for the first time after the closure of an NFO.
150	Opportunity Risk	The risk that a better opportunity may present itself after you have already committed your money elsewhere.

No.	Terms	Description
151	PIO	Person of Indian Origin
152	Portfolio	It refers to the total investment holdings of the fund.
153	Portfolio Churning	It refers to the changes made to the portfolio keeping in view the market conditions. It includes both buying and selling of holdings and is aimed at giving a better yield to the investor.
154	Premium	The amount by which a bond/ or a stock (in case of a IPO) sells above its par (face) value.
155	Price Of Units	Price offered by a mutual fund for repurchase or sale of a unit on a daily basis. This is the price of a stock divided by its earnings per share. This ratio gives an investor an idea of how much they are paying for a particular company's earning power. A trailing P/E refers to a ratio that is based on earnings from the latest year, while a forward P/E uses an analyst's forecast of next year's earnings. For instance, a stock selling for Rs. 20 a share that earned Re. 1 last year has a trailing P/E of 20. If the same stock has projected earnings of Rs. 2 next year, then it has a forward P/E of 10.
156	Primary Market	The market on which newly issued securities are sold, including government security auctions and underwriting purchases of blocks of new issues, which are then resold.
157	Prospectus	An offer document by which a mutual fund invites the public for subscribing to the units of a scheme. This document contains information about the scheme and the AMC so as to enable a prospective investor make an informed decision.
158	Purchase Price	The price at which a mutual fund's units can be purchased. The asked or offering price means the current net asset value per unit plus sales charge, if any.
159	Rate of Return	The total proceeds derived from the investment per rupee initially invested. Proceeds must be defined broadly to include both cash distributions and capital gains. The rate of return is expressed as a percentage.
160	Ratings	Designations given by credit rating agencies indicating relative credit quality as compared to other funds.
161	Record Date	The date the fund determines who its unitholders are; "unitholders of record" who will receive the fund's income dividend and/or net capital gains distribution.
162	Redemption	The paying off or buying back of units of a mutual fund / bond by the issuer.
163	Redemption Fee	A fee charged by a limited number of funds for redeeming, or buying back, fund units.
164	Redemption Price	The price at which a mutual fund's units are redeemed (bought back) by the fund. The redemption price is usually equal to the current NAV per unit.
165	Refund	The act of returning money to an investor by the fund. This could be on account of rejection of an application to subscribe units or in response to an application made by the investor to the fund to redeem units held by him.
166	Registrar	The institution that maintains a registry of unitholders of a fund and their unit ownership. Normally the registrar also distributes dividends and provides periodic statements to unitholders.

No.	Terms	Description
167	Reinvestment Date	The date on which a share's dividend and/or capital gains will be reinvested (if requested) in additional fund shares.
168	Relative Volatility	A ratio of a portfolio's standard deviation to the standard deviation of a benchmark index. See Volatility Measures.
169	Repurchase	Buying back/ cancellation of the units by a fund on an ongoing basis or for a specified period or on maturity of a scheme. The investor is paid a consideration linked to the NAV of the scheme
170	Repurchase Date / period	In the case of close-ended schemes, the specified date on which or period during which the investor can redeem units held by him in the scheme before the maturity of the scheme.
171	Repurchase Price	The price of a unit (net of exit load) that the fund offers the investor to redeem his investment.
172	Returns	The dividend and capital appreciation accruing to the investor on the investment held by him.
175	Sales Charge	Fee on the purchase of new shares of a mutual fund. A sales charge is similar to paying a premium for a security in that the customer must pay a higher offering price. Sometimes called a load.
176	Scheme	A mutual fund can launch more than one scheme. With different schemes, in spite of there being a common trust, the assets contributed by the unit holders of a particular scheme are maintained and managed separately from other schemes and any profit/loss from the assets accrue only to the unit holders of that scheme
177	SEBI	The Securities and Exchange Board of India.
178	SEBI Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 or such other SEBI (MF) Regulations as may be in force from time to time and would include Circulars, Guidelines etc., unless specifically mentioned to the contrary.
179	Secondary Market	The market where the securities are traded i.e purchased or sold after they have been initially offered to the public through a public offer in the primary market.
180	Sector Allocation	It refers to the portion of assets of a fund which is invested in a particular well-defined segment of the economy, like Information Technology, pharmaceuticals, utilities, media, telecommunications, etc.
181	Sector Funds	Sector funds invest in the stocks of one specific sector of the economy, such as health care, chemicals, or information technology.
182	Security	Generally, an instrument evidencing debt of or equity in a common enterprise in which a person invests on the expectation of financial gain. The term includes notes, stocks, bonds, debentures or other forms of negotiable and non-negotiable evidences of indebtedness or ownership

No.	Terms	Description
183	Share Price	The value of one share in a listed company fund. With most funds, the NAV is calculated every day, because the value of a fund's securities changes every day in response to the movements of the stock, bond and money markets. For some funds, share price is calculated on an hourly basis.
184	Share Holder	The owner of one or more shares of stock in a corporation. Shareholder rights can vary according to the articles of incorporation of the by-laws of a particular company.
185	Sharpe Ratio	The Sharpe ratio measures the risk-adjusted return of a fund. Simply put, the ratio measures the variability of 'excess returns' (defined by returns of the fund over the 'risk less' 91 day T-bill). Mathematically, the formula takes a fund's return in excess of a risk-free investment and divides this by the standard deviation of the returns. The higher the Sharpe ratio, the better the fund.
186	Sponsors	A sponsor is the person who, acting alone or in combination with another body or corporate, establishes a mutual fund and applies to SEBI for its registration. The sponsor is also closely associated with the AMC. As per SEBI regulations, the sponsor has to contribute a minimum of 40% of the net worth of the AMC.
187	Systematic Investment Plan (SIP)	A program that allows an investor to provide post-dated cheques to the mutual fund to allot fresh units at specified intervals (usually monthly or quarterly). On the specified dates, the cheques are realized by the mutual fund and additional units at the prevailing NAV are allotted to the investor. This enables him to invest as little as Rs 1000 a month and take advantage of rupee cost averaging.
188	Systematic Withdrawal Plans (SWP)	A plan offered with some schemes under which post-dated cheques for fixed amounts (as may be fixed by the fund) are issued to the investors for monthly, bi-monthly or quarterly withdrawals. The withdrawals are as per the requirements of the investor specified by him/ her at the time of investment.
189	Systematic Transfer Program (STP)	A plan that allows the investor to give a mandate to the fund to periodically and systematically transfer a certain amount from one scheme to another.
190	Standard Deviation	A statistical measurement of the dispersion of a fund's return over a specified time period. Investors may examine historical standard deviation in conjunction with historical returns to decide whether a fund's volatility would have been acceptable given the returns it would have produced. A higher standard deviation indicates a wider dispersion of past returns and thus greater historical volatility. Standard deviation does not indicate the absolute performance, but merely indicates the volatility of its returns over time.
191	Term	The time during which interest payments will be made on a bond or certificate of deposit.
192	Total Return	Return on an investment, taking into account capital appreciation, dividends or interest, and individual tax considerations adjusted for present value and expressed on an annual basis.
193	Trade Date	The actual date on which your shares were purchased or sold. The transaction price is determined by the closing Net Asset Value on that date.
194	Transaction Slip	A brief form to be filled at the time of additional purchases or redemption.

No.	Terms	Description
195	Trustee	A person or a group of persons having an overall supervisory authority over the fund managers. They ensure that the managers keep to the trust deed, that the unit prices are calculated correctly and the assets of the funds are held safely.
196	Trust Deed	The Trust Deed entered into on April 24, 1995 between the Sponsor and the Trustee, and any amendment thereof.
197	Trust Fund	The corpus of the Trust, unit capital and all property belonging to and i or vested in the Trustee.
198	Turnover	The extent to which the fund's portfolio is turned over during the course of a year. High turnover results in greater investment expenses and therefore in an erosion of the value of share assets.
199	Turnover Rate	A measure of the fund's trading activity calculated by dividing total purchases or sales of portfolio securities (whichever is lower) by the fund's net assets over a period of time.
200	Underwriter	The organisation that acts as the distributor of an initial offer share to broker/dealers and investors and undertakes to subscribe to any under-subscription of the offer.
201	Unit	A Unit represents one undivided share in the assets of the Schemes.
202	Unit Holder	A person who holds Unit(s) under any plan of the Scheme.
203	Unit Holder of Record	A person who holds Unit(s) under a Mutual Fund.
204	Valuation	Calculation of the market value of the assets of a mutual fund scheme at any point of time.
205	Value Date	The date on which a foreign exchange transaction or a cash movement takes place. Can be used interchangeably with settlement date.
206	Value Stocks	Stocks that are considered to be undervalued based upon such ratios as price-to-book or price-to-earnings (P/E). These stocks generally have lower price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth rates than growth stocks.
207	Volatility	In investing, volatility refers to the ups and downs of the price of an investment. The greater the ups and downs, the more volatile the investment.
208	Volatility Measures	Volatility measures the variability of historical returns. Relative Volatility, Beta, and R ² compare a portfolio's total return to those of a relevant market, represented by the benchmark index. Standard Deviation is calculated independent of an index.
209	Working Day	Any day, provided such day is not a Saturday or a Sunday or a Reliance Capital Asset Management Limited Head Office holiday or any day on which Banks in Mumbai and / or The Stock Exchange, Mumbai and National Stock Exchange are closed for transactions or a day on which sale and repurchase of units is suspended by the AMC or a day on which normal business could not be transacted due to storms, floods, bandhs, strikes etc., subject to modifications by Reliance Capital Asset Management Ltd. from time to time.

No.	Terms	Description
210	52 Week High	The highest market value of a unit (in terms of NAV) during the immediately preceding 52 weeks.
211	Week Low	The lowest value of a unit (in terms of NAV) during the immediately preceding 52 weeks
212	Yield	Distributions form investment income, usually expressed as a percentage of net asset value or market price. Unlike total return, yield has the single component of investment income and does not include capital gains distributions or capital appreciation of underlying shares.
213	Yield Curve	The Yield Curve gives the relationship at a given point in time between yields on a group of fixed-income securities with varying maturities viz. treasury bills, notes, and bonds. The curve typically slopes upward since longer maturities normally have higher yields, although it can be flat or even inverted.
214	Yield To Maturity	Used to determine the rate of return an investor will receive if a long-term, interest-bearing investment, such as a bond is held to its maturity date. It takes into account purchase price, redemption value, time to maturity, coupon yield and the time between interest payments.
215	Zero-coupon Bond	A bond where no periodic interest payments are made. The investor purchases the bond at a discounted price and receives one payment at maturity. The maturity value an investor receives is equal to the principal invested plus interest earned compounded semi-annually at the original rate to maturity. Interest income from zero-coupon bonds is subject to taxes annually even though no payments will be made.
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