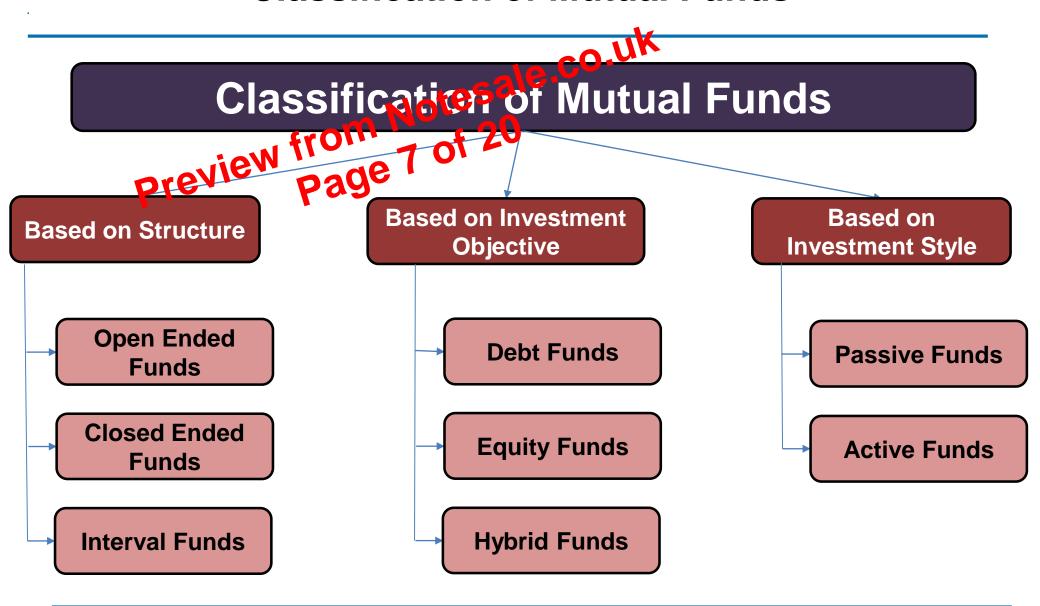
Classification of Mutual Funds



How to check information about the Mutual Funds (Offer Document)?

Statement of additional of information (SAI)

Rains generic and statutory information of mutual fund.

Contains financial information of mutual fund.

- · Lays down rights of investor.
- Other additional information.

Scheme information document (SID)

- Scheme type (open or closed end).
- Investment objective.
- Asset allocation.
- Investment strategies.
- Terms with regard to liquidity.
- Fees and expenses.
- Other information relating to the scheme.

Risk-o-Meter and its importance



Six levels of risk for mutual fund schemes:

- i. Low Risk
- ii. Low to Moderate Risk
- iii. Moderate Risk
- iv. Moderately High Risk
- v. High Risk and
- vi. Very High Risk

Importance of Risk-o-meter:

- Helps align risk that a fund carries with the risk profile of the investor.
- Equity as asset class: Volatile: High risk
- Debt as asset class: Stable: Low risk
- Hybrid: Moderate: Depends on allocation and concentration