

News monitored for: Kotak Mutual Fund

# Economic Times - Wealth

## Reading a fund statement



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In the 17th of the 52-part series, *ET Wealth* offers a quick guide to the details provided in the document sent by your fund house.

**S**o you've invested in a mutual fund? What is the entry/exit load on it? What is your current net asset value, or NAV? If this seems Greek to you, you clearly haven't been taking a close look at the statement that your fund house mails to you. Much like a bank account statement, this document offers all transaction details carried out within a defined time period. It is also available online and indicates account changes whenever there is a redemption, additional investment or dividend declaration. Here's a look at some of the important details in the mutual fund statement, which should be checked regularly by investors.

**Investor's personal details:** The name, address and phone number of the investor and joint investors (if any) are mentioned in this section. Ensure that all these details are correct and updated, and if there is any discrepancy, it should be communicated to the broker or fund house.

**Adviser name:** This indicates the source through which you have invested. If you have done so through an agent, the latter's name and code will appear on the statement. However, if you have invested directly, these parts should be blank on your account statement.

**Bank details:** Make sure your bank's name and your account number are accurately mentioned to avoid problems while redeeming units. If you want to change your bank mandate, fill out the slip at the bottom of your account statement and submit it to your fund house or agent.

**Folio and account numbers:** Most mutual funds offer one folio number and several account numbers in the same folio for all investments under the same unitholder combination. This makes tracking all your investments with same fund easier. Make sure you keep tabs on the different account numbers within a single folio.

**Current cost and value:** The cost indicates the amount you invested in a scheme while the current value is the latest market value of your investments as on the date the statement is generated.

**PAN details:** You must give the correct Permanent Account Number (PAN), irrespective of the amount invested. Check your PAN details mentioned in the account statement and ensure there are no discrepancies.

**Transaction summary:** This section details the type of transactions you have opted for, such as purchase, systematic investment plan (SIP) and systematic withdrawal plan (SWP). Transactions like dividend payout or reinvestment are also mentioned along with percentage or rupees per unit at which the dividend is reinvested or paid.

**Transaction slip:** At the bottom of the account statement, there is a transaction-cum-service request slip, which can be used for buying additional units, redeeming and switching units between schemes. The transaction slip can also be used if an investor wants to notify any changes in his/her correspondence address and bank details.

The back of the account statement is also worth a careful look. It contains important notes relating to investor services, KYC norms, additional purchase, switch, and the like. A little due diligence and careful monitoring by you can ensure the safety of your investment.

**Next issue: Asset allocation funds**