

# Important Terminologies

## 1 AIF (Alternative Investment Fund)

Privately pooled investment vehicles that invest in assets beyond traditional stocks and bonds. These include hedge funds, private equity, and venture capital funds.

## 2 AML (Anti-Money Laundering)

Laws and procedures aimed at detecting and preventing the illegal generation of income through fraudulent financial transactions.

## 3 AMC (Asset Management Company)

A firm that manages investment portfolios for clients by pooling funds into various instruments like stocks, bonds, and other securities.

## 4 Assets Under Management (AUM)

The total market value of all financial assets that an AMC or financial institution manages on behalf of its clients. AUM is a key indicator of size and success in the investment management industry.

## 5 Digital KYC

The process of verifying a customer's identity using online tools and digital documents, streamlining the onboarding experience.

## 6 eIA (Electronic Insurance Account)

A digital account that stores all of a policyholder's insurance policies electronically, improving access and service delivery.

## 7 NAV (Net Asset Value)

The per-unit value of a mutual fund, calculated as the fund's total assets minus liabilities, divided by the number of units outstanding.

## 8 SIP (Systematic Investment Plan)

A method of investing in mutual funds through periodic contributions, promoting disciplined and regular investment habits.

## 9 RTA (Registrar and Transfer Agent)

An entity responsible for maintaining investor records, processing mutual fund transactions, and facilitating communications on behalf of AMCs.

## 10 PMS (Portfolio Management Services)

Custom investment services provided by licensed professionals for high-net-worth individuals or institutions, tailored for specific goals.