

FAQs for eSIP

What is eSIP?

eSIP is a unique product offering from Abchlor Portfolio Management Services P Ltd. eSIP will aid clients to invest in stock markets similar to Systematic Investment Plans of Mutual Funds. This means, clients can invest in a bunch of pre-selected stocks on a chosen date each month.

Why eSIP?

eSIP will help investors to discipline their investments with regular and consistent investing. It is proven over time that regular investing has always reaped high returns for investors. Here are some facts for the last 10 yrs. If one would have invested Rs. 10000/month on the 1st of each month, the annualised return would be 18.61%. Data has been taken from March 2002 – Feb 2011 on 1st of each month.

Who can invest?

Resident Individuals having trading accounts can invest. If an investor has a demat account elsewhere, the same can also be used but trading account is mandatory. NRIs cannot invest as of now.

How does eSIP work?

An investor is required to fill up a registration form selecting a list of scrips as desired by him/her or can choose our advisory services where we will recommend some scrips. This choice of scrips has been made by our internal research team which recommends the allocation towards each scrip. Client will choose a fixed amount to invest each month. Selection on scrips will be done on the basis ‘%’ to be allocated each month to the specific scrip. This is an intentional, so that incase some scrip is down in a specific month, higher number of shares will be purchased in that month and vice versa.

Monthly Inv:	20,000
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Sr No.	Scrip	Industry	% Allocation	Industry %	Rate - Jan 11	Qty Bought	Rate - Feb 11	Qty Bought	Total Qty	Total Inv.	Average Price
1	RIL	REFINERIES	15%	15%	950	3	975	3	6	6000	962
2	Cipla	PHARMACEUTICALS	20%	20%	275	15	305	13	28	8000	289
3	HUL	DIVERSIFIED	25%	25%	295	17	281	18	35	10000	288
4	M&M	AUTOMOBILES - 4 WHEELERS	20%	40%	600	7	644	6	13	8000	621
5	Maruti	AUTOMOBILES - 4 WHEELERS	20%		1605	2	1192	3	6	8000	1368
			100%	100%							

Note: This is only an illustration. It is not a recommendation. Prices may differ from actual price.

How the payment is made?

Depending upon the instalments chosen, investor will have to provide post dated cheques. ECS facility is being introduced soon where customers will be able to sign up a single ECS Mandate form. Once signed, customer's account will get debited on the pre-chosen date.

What is the minimum duration of the investment?

Minimum Period is 6 months. There is no upper limit to choose a period.

Can we pause/cancel or modify the instalment in-between? Is there any penalty for the same?

Yes, you can pause, cancel or modify the investments. The same must be informed in writing, 15 working days in advance. There is no charge or penalty for the same.

Can any date be chosen for eSIP?

We provide 2 date options to clients: 1st of each month OR 15th of each month. Investor can also choose both dates. In such a situation, similar amount will be chosen for the investment. PDCs will have to be issued accordingly.

What are the charges the investor will incur?

An Advisory fees of 1.5% p.a. will be charged to the investor subject to a minimum of Rs. 5000/annum payable half yearly. Transaction Brokerage and other statutory charges will be charged on actuals.

Will the investor get confirmation of transaction?

Yes. By end of day of transaction, contract note will be sent to the investor. Additionally, the following day a detailed statement showing all transactions, their average price, individual rates of acquisition, pie charts etc will be mailed to the investor.

Can an investor renew the subscription?

Yes. A renewal form will need to be signed by the investor. For continuous subscription, renewal form must be submitted 15 days prior to expiry of the subscription.

Can an investor sell the securities?

Yes. Investor can sell the securities anytime after the securities are credited to the demat account by calling the dealing room.

For any further clarifications, please contact your Relationship Manager OR email us at esip@abchclor.com OR call us on +91 22 4071 3322.

Note: eSIP is a product offering of Abchclor Portfolio Management Services P Ltd. Abchclor Investment Advisors P Ltd., are sole distributors of this product.