

FM
26/09/24

Time: 2 ½ Hours

Marks: 75

N.B: 1. All questions are compulsory.**2. figures to right indicate full marks****Q 1 A Multiple Choice Question. (Any 8)**

08

1. _____ is a type of financial intermediary that pools the funds of investors who seek the same general investment objectives and invests them in different types of instruments.

a) Mutual Funds b) Debt Market c) Capital Market d) Money Market

2. SIP stands for _____.

a) Systematic Investment Policy b) Systematic Insurance Policy c) Systematic Investment Plan d) Systematic Investment Proposal

3. Trustees are appointed by _____.

a) SEBI b) Mutual Fund Company c) Sponsors d) RBI

4. The sponsor is the _____ of the mutual fund.

a) maker b) promoter c) manager d) employee

5. A mutual fund that does not charge investors a fee and sells direct to investors is an _____ mutual fund.

a) no load b) full load c) partial load d) semi load

6. _____ is the first subscription offering for any new fund offered by an investment company.

a) IPO b) NFO c) CFO d) SFO

7. All advertisements need to disclose the _____ factor.

a) Return b) Risk c) Money d) Fund

8. Mutual funds are regulated by _____.

a) SEBI b) RBI c) AMFI d) IRDA

9. _____ a facility offered by mutual funds to the investors to invest in a disciplined manner.

a) SIP b) SAP c) SUP d) SPI

10. Books of accounts, records and documents have to be preserved for a period of _____ years.

a) 7 b) 8 c) 9 d) 10

Q 1B) Answer True or False (Any 7)

07

1. ELSS have 10-year lock in period.
2. A mutual fund offers the advantage of diversification.
3. Closed ended funds are highly liquid.
4. Gilt edged funds invest in government securities.
5. Trustees are appointed by AMFI.
6. An AMC's net worth should be Rs 10 Crores.
7. All advertisement mutual funds have to be in print media.

8. Before launching a mutual fund scheme the offer document has to be approved by SEBI.
 9. Money market mutual funds invest majorly in equity securities.
 10. NAV stands for new asset value

Q 2 A) What are Mutual Funds? What are advantages of Mutual fund investments? 08
 Q 2 B) Explain history of mutual fund in India. 07

OR

Q 2 C) Explain in detail Debt mutual funds. 08
 Q 2 D) Explain in detail ETF. 07

Q 3 A) Explain in detail role of Trustee, AMC, Custodian, RTA in mutual fund in India. 08
 Q 3 B) Explain objectives of AMFI in Mutual Fund industry. 07

OR

Q 3 C) What are Equity funds? Explain its types. 08
 Q 3 D) Explain in detail SIP and SWP. 07

Q 4 A) From the following Calculate Holding period return & annualized return of two funds. 08

	Fund X	Fund Y
Price on 01/04/2022	70	100
Price on 01/04/2024	100	120
Dividend for the period	15	15

Q 4 B) Calculate closing Units & Closing NAV from following data 07
 Opening NAV = Rs. 36/-
 Outstanding Units = 90000
 Units subscribed = 10000, Units redeem = 6000
 Appreciation in portfolio = Rs. 1,50,000/-
 Expenses = Rs. 30,000/- Dividend = Rs. 40,000/-
 Assume that purchase & sale of units at Rs.40 per unit

OR

Q 4 C) Scheme HSBC gives 12%p.a. returns and Scheme SBI gives returns 13%p.a. Risk free rate is 8%p.a. Standard Deviation of HSBC and SBI is 8% and 6% respectively and Beta of HSBC and SBI is 0.8 and 0.5 respectively. Find Sharpe Ratio and Treynor Ratio for both the funds and suggest which investment is better. 08

Q 4 D) Calculate CAGR for following two funds. 07

	Fund A	Fund B
NAV as on 1/04/2022	500	400
NAV as on 1/04/2024	750	500

Q 5 A) What is the role of SEBI in mutual funds. 08
 B) Explain in detail the taxation of mutual funds in India. 07

OR

C Write Short Notes (Any 3 out of 5) 15

1. Treynors Measure
2. Index Funds
3. Principles of Valuation
4. Types of Risk
5. Bonus and Dividend Stripping
