

Duration: 2:30 Hours Marks:75

NB: 1. All the questions are compulsory.

2. Figures to right indicate full marks.

Q.1a) Fill in the blanks ( Any eight)

8

1) The first offshore fund was launched by \_\_\_\_\_ in 1986.

(AMFI, UTI, AMC)

2) SEBI replaces colour coding of mutual fund products with \_\_\_\_\_.

( riskoparameter, riskometer, riskoscale)

3) In Micro SIP, annual investment does not exceed \_\_\_\_\_.

(Rs. 50000, Rs. 100000, Rs. 150000)

4) Mutual fund taxation is based on \_\_\_\_\_ of an individual.

(Income status, Residential status, Wealth status)

5) A mutual fund's benchmark is usually \_\_\_\_\_.

( fund amount, an index, book value)

6) \_\_\_\_\_ affects buying price for the unit holder.

( exit load, front load, asset load)

7) Only \_\_\_\_\_ schemes are considered in CRISIL mutual fund ranking.

(open ended, close ended, both open ended and close ended)

8) The NAV of a mutual fund \_\_\_\_\_

(is always constant, keeps going up at a steady rate, fluctuates with market price movement)

9) A close ended mutual fund has a fixed \_\_\_\_\_

( NAV, Fund size, Rate of return)

10) A mutual fund is owned by \_\_\_\_\_.

( The government of India, SEBI, all its investors)

Q.1b) State whether the following statements are true or false(Any seven) 7

1. All mutual funds are registered with RBI.
2. Only AMFI certified agents can sell mutual fund units.
3. Mutual funds are risk – free investments.
4. Non resident Indian can invest in domestic mutual funds.
5. Custodians are appointed by Asset management company.
6. Bonds held in portfolio of mutual fund are valued at Yield to maturity.
7. Security transaction tax is applicable to equity schemes.
8. The objective of asset allocation is risk management.
9. IRDA is a credit rating agency
10. Net asset value is known as front load.

Q.2a) Explain the origin and growth of mutual fund industry in India. 8

Q.2b) Explain the role of Association of mutual funds in India. 7

OR

Q.2c) Explain the organisation structure of mutual fund in India. 8

Q.2d) Explain the process of investing in mutual funds in India. 7

Q.3a) Explain “Growth/ Equity “ scheme of Mutual fund and its features. 8

Q.3b) Distinguish between Bank fixed deposit and mutual fund 7

OR

Q.3c) Calculate closing NAV and Closing units, assuming Sales & purchase NAV to be Rs. 17.65 8

Opening NAV – Rs. 30.00

Outstanding units – 30,000 nos.

Appreciation in portfolio – Rs.1,00,000

Units subscribed – 16,000 nos

Units sold – 7000 nos

Dividend received –Rs. 8000

Expenses : Rs. 6000

Q.3d) What is systematic transfer plan? Explain its shortcomings 7

Q.4a) Explain : a) Rolling returns b) Benchmarking 8

Q.4b) How ratings of mutual funds are done by CARE 7

OR

Q.4 c) Explain the various basis of ratings of mutual funds.

8

Q.4d) What is bond valuation ? A bond of Rs. 1000 has a coupon rate of 9 % per annum and maturity period of 4 years. The bond is currently selling at Rs. 900. What is yield to maturity in the investment of this bond?

7

Q.5a) Explain KYC norms for Individual, Micro SIP's and Institutional investors.

8

Q.5b) What is model portfolio? Explain its process.

7

OR

Q.5) Write short notes on the following ( Any three)

15

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|---------------------|----------------------|-----------------------|
| 1) Taxation norms   | 2) Life cycle        | 3) Portfolio maturity |
| 4) Asset allocation | 5) Financial advisor |                       |

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