

**BACHELOR OF VOCATION**  
**Management Financial Services**  
**Subject: Mutual Fund Operations**  
**Subject Code: BFS605**  
**Semester: Third**  
**January 2021**  
**Theory (External): 70 Marks**  
**Time: 03 Hours**

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**Instructions to the Students**

1. This Question paper consists of two Sections. All sections are compulsory.
2. Section A comprises 10 questions of objective type in nature. All questions are compulsory. Each question carries 2 marks.
3. Section B comprises 8 essay type questions out of which students need to do any 5. Each question carries 10 marks.
4. Read the questions carefully and write the answers in the answer sheets provided.
5. Do not write anything on the question paper.
6. Wherever necessary, the diagram drawn should be neat and properly labelled.

**Roll Number**

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**SECTION -A (SHORT/OBJECTIVE TYPE QUESTIONS)**  
**(10x2=20 Marks)**

- A What contents are given in the scheme information document?
- B Write small note on statement of additional information.
- C Briefly explain the types of investors in mutual fund.
- D Write down the objectives of Foreign Account Tax Compliance ACT.
- E Distinguish physical and financial assets.
- F How would you differentiate financial planning and investment planning?
- G Write a brief note on  $M^2$  ratio.
- H Write down the advantages of diversification.
- I What is systematic investment plan and why it is popular?
- J How do you compute upside & downside capture?

**SECTION -B (ESSAY TYPE QUESTIONS)**

**(5x10=50 Marks)**

- 1 Who are mutual fund agents? How to become a mutual fund agent in India?
- 2 Why investors redeem mutual funds? Describe the procedure to redeem mutual fund.
- 3 What is NAV and how is it determined?
- 4 Write down the latest tax provisions with regard to mutual fund accommodated in Finance Bill 2020.
- 5 The traditional sales/distribution model wasn't helping AMC's to drive AUM growth or reduction in TER and led to additional costs and inefficiencies in the system. Comment.
- 6 Distinguish between Treynor and Sharpe indices of portfolio performance. Which do you recommend and why?
- 7 Distinguish between FDI and FII's. Discuss the most popular method of FDI in India.
- 8 How the stock market is affected by Foreign institutional investors?

**===END OF PAPER===**