

2112M096

MASTER OF VOCATION
Management Banking and Finance
Subject: Mutual Fund Management
Subject Code: MFM-802
Semester: First
December 2021
Theory (External): 70 Marks
Time: 03 Hours

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 -B (ESSAY TYPE QUESTIONS)
(5x10=50 Marks)

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

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| A | What are the advantages of making investment in mutual funds? | 2 | 1 | 'Mutual funds are subject to market risks; documents must be read carefully before investing in mutual funds' Justify the said statement by highlighting the advantages and disadvantages of making investments in mutual funds. | 10 |
| B | Highlight the important milestones of development of mutual fund industry in India | 2 | 2 | 'A number of mutual fund schemes are available as per the requirement of investors' Justify with relevant examples considering the theme based mutual fund schemes in India. | 10 |
| C | Differentiate between entry and exit load of a mutual fund. | 2 | 3 | Mr Shyam invested in a mutual fund when the NAV was Rs 12.65 per unit. 60 days later the asset value per unit of the fund was Rs 12.25. In the meantime, Shyam had received a cash dividend of Rs 0.50 and a capital gain distribution of Rs 0.30. Compute the monthly return | 10 |
| D | Explain AUM. | 2 | 4 | (a) What is the difference between hedge funds and arbitrage funds? | 5 |
| E | What is tracking error of index fund? | 2 | | (b) What is the role of portfolio rebalancing in portfolio management? Explain with an imaginary example. | 5 |
| F | Suggest the best sectors of mutual funds in which an investor must invest for making investment in year 2021. | 2 | 5 | Elaborate sectorial schemes of mutual funds. | 10 |
| G | What are hedge funds? Explain with example | 2 | 6 | Write a detailed note on regulatory authorities of mutual fund companies in India. | 10 |
| H | What is the role of AMFI as a self-regulator in mutual funds in India? | 2 | 7 | 'Asset allocation and portfolio rebalancing are important tool for portfolio management' Justify. | 10 |
| I | What is the role of Portfolio management service providers in managing a portfolio? | 2 | 8 | What is the role and relevance of AMFI code of ethics for mutual fund companies in India? Explain | 10 |
| J | 'Mutual funds give us the opportunity to make investment in diversified funds' Justify the said statement in context to portfolio management. | 2 | | | |

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