

Time: 2½ Hours

Total Marks: 75

Q 1) a) Match the columns. (Any 8)

08 Marks

Column A	Column B
(i) AMFI	a) Follows market index
(ii) SIP	b) Total Return
(iii) NFO	c) Combination of equity fund and debt fund
(iv) Quant Fund	d) Use of standard deviation
(v) Passively Managed Funds	e) 3 year lock in period
(vi) Sharpe Ratio	f) Market value of fund
(vii) Hybrid Fund	g) Protect interest of unit holders
(viii) ELSS	h) Algorithmic buy and sell decision
(ix) Holding Period Return	i) First Time Subscription Offer
(x) NAV	j) Periodical Investment

Q 1) b) State whether True or False. (Any 7)

07 Marks

- (i) Mutual fund provides diversification benefits.
- (ii) Open ended funds have maturity date.
- (iii) SEBI regulates mutual fund companies.
- (iv) Closed ended funds are highly liquid.
- (v) Sponsor establishes a mutual fund.
- (vi) Gilt funds invest in corporate securities.
- (vii) Sectoral funds are highly risky.
- (viii) Jensen's Alpha focuses on unsystematic risk.
- (ix) ETF investment is helpful for portfolio diversification.
- (x) Low NAV fund is cheaper than high NAV fund.

Q 2 A) What are the advantages and disadvantages of investment in Mutual funds?

8 Marks

B) Explain the role of SEBI in Mutual fund industry.

7 Marks

OR

C) What are the rights and obligations of Trustees in Mutual funds?

8 Marks

D) What is the significance of Key Information Memorandum?

7 Marks

Q 3 A) How to select the best performing mutual fund scheme?

8 Marks

B) What are equity funds? Explain the its types

7 Marks

OR

C) What are the steps to create wealth through Mutual fund investments?

8 Marks

D) What are active funds and passive funds?

7 Marks

Q4. A) Mr. Vinay invested some amount in units, of face value Rs. 10 each, of two income funds viz. ICICIMF and IDBIMF. Following are the details about them.

Mutual Fund	NAV (1/5/2017)	NAV (1/11/2018)	Rate of dividend
ICICIMF	Rs. 320	Rs. 400	120%
IDBIMF	Rs. 60	Rs. 78	40%

You are required to find holding period return and annualized return for both. In which fund would you invest?

8 marks

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B) Calculate closing NAV assuming sales and purchase at Rs. 58.00

7 marks

Opening NAV	Rs. 57.50
Opening outstanding units	20,40,500
Appreciation in portfolio	Rs. 28,00,000
Units subscribed	42000
Units redeemed	16000
Dividend earned	Rs. 50,000
Expenses incurred	Rs. 75,000

OR

Q4 C) Mr. Rohan wants to invest some amount in growth scheme of a mutual fund. He has requested you to suggest, in which of the following mutual fund schemes he should invest, on the basis of compounded annual growth rate (CAGR).

8 marks

Mutual Fund	NAV (01/04/2017)	NAV (31/03/2019)
LICMF	186	215
GICMF	80	102

D) The portfolio details of a fund are given below:

Stock	No. of shares	Price (Rs.)
A Ltd	400	3512
B Ltd	250	4132
C Ltd	500	2134
D Ltd	400	2567

The fund has accrued liability for expenses amounting to Rs. 25,000. Other current assets of the fund stood at Rs. 1,25,000. The fund has also invested in Government securities worth Rs. 2,40,000. Calculate NAV if outstanding units are 2,00,000.

07 marks

Q 5) a) Discuss different rights and duties of Mutual fund investors.

08 Marks

Q 5) b) Explain in detail valuation of thinly traded securities.

07 Marks

OR

Q 5) Short Notes (any 3 out of 5)

15 Marks

- Treynor Ratio
- STP
- Open ended and closed ended fund
- Dividend Stripping
- Liquid Fund