

All questions are compulsory.

2 Hours 30 Mins

Figures on right indicate full marks.

75 Marks

Q1. A) Multiple choice question: (Any 8; write correct option number under Correct Option No. column)

(08 Marks)

Sr. No.	QUESTION	1	2	3	4	CORRECT OPTION NO.
1	UTI was set up in which phase	Phase 1	Phase 2	Phase 3	Phase 4	
2	The money collected from investors for mutual funds is invested into shares, debentures and other securities by the _____.	directors	service provider	financial advisor	fund manager	
3	Every mutual fund is managed by a professional _____.	AMC	investors	financial advisor	fund manager	
4	Mutual fund was set up under _____.	UTI Act	Companies Act	RTI Act	Finance act	
5	_____ invests only in stocks	Equity	Debt	Money Market	Balanced	
6	Returns on bonds investment options are	High	Moderate	Low	Least	
7	As per CRISIL, which is a Long term mutual fund schemes rating symbol?	CRISIL BBB mfs	CRISIL A 3 Mfs,	CRISIL A4mfs.	CRISIL A2mfs,	
8	_____ displays the frequency and magnitude of an investment's good and bad performance period.	Hedging	Rolling returns	Benchmarking	Front Running	
9	The aim of _____ is to provide regular and steady income to _____ investors.	Balanced funds	Growth funds	Income funds	MMMMF	
10	When an investor joins the mutual fund as an investor, they pay a certain amount of fee which is known as _____.	Entry load	Exit load	Investment charges	Fees	

Q1. B) State whether the following statements are true or false: (Any 7)

(07 Marks)

1. The investor's share in the fund is denominated by "units".
2. Mutual fund does not provide diversity in investments.
3. The sponsor appoints the board of trustees.
4. AMFI is an apex body of all AMC.
5. Ministry of Finance is the supervisor of both the RBI and SEBI.
6. STPs are ideal for those who have a lump sum to invest but don't want to commit all the money at one go.
7. KARVY acts like a middleman between investor and mutual fund.
8. SIP cannot be modified once commenced.
9. Mutual funds in general guarantees returns.
10. Benchmarking is the process of comparing one's business processes to industry worst practice from other industries.

Q2. A) What are the advantages of mutual fund? (15 marks)

OR

Q2. B) What are mutual funds? What are the features of mutual fund? (08 Marks)

Q2. C) Explain SEBI advertisement guidelines of mutual funds. (07 Marks)

Q3. A) What is the process of investing in mutual funds? Explain modes of investment. (15 Marks)

OR

Q3. B) What is SIP? What are the advantages of SIP? (08 Marks)

Q3. C) Explain the role of SEBI in investor protection. (07 Marks)

Q4. A) Explain classification of mutual fund. (15 Marks)

OR

Q4. B) Distinguish between Bank fixed deposit & mutual funds. (08 Marks)

Q4. C) What is the need for financial advisor? (07 Marks)

Q5. A) Explain steps to financial planning. (15 Marks)

OR

Q5. B) Write short notes: (Any 3) (15 Marks)

- i) Grievance mechanisms in mutual fund in India.
- ii) Distinguish between financial advisor & distributor
- iii) Benchmarking
- iv) Future of mutual fund industry in India
- v) AMC
