18. (a) Evaluate the advantages of New Fund Offers.

Or

(b) Explain about the prerequisites to become distributor of a mutual fund.

19. (a) Bring out the factors affecting NAV of mutual fund.

Or

(b) Express the process involved in investment of mutual fund.

20. (a) What are the factors to be considered in selecting money market fund?

Or

(b) Specify the sources of data to track mutual fund informations.

PART C — (3 × 10 = 30)

Answer any THREE questions.

21. Describe the advantages of mutual funds.

22. Explain the role and functions of AMFI.

23. Enumerate the process involved in NFO.

24. Elucidate the applicability of taxes in respect of mutual funds.

25. What are the factors to be considered in selecting equity fund?

S.No. 1244 **P 22 MCVAC 1**

(For candidates admitted from 2022–2023 onwards)

M.Com. DEGREE EXAMINATION, NOVEMBER 2022.

Commerce — Value Added Course

MUTUAL FUNDS – CONCEPTS AND PLANNING

Time : Three hours Maximum : 75 marks

PART A — (20 Marks)

Answer ALL questions.

I. (A) Choose the correct answer: $(5 \times 1 = 5)$

1. The best suited fund to the business people is

(a) Income fund (b) Balanced fund

(c) Growth fund (d) Taxation fund

2. The Facility offered to investors to shift from one scheme to another under the same fund is called

(a) Rollover facility

(b) Repurchase facility

(c) Reissue facility

(d) Lateral shifting facility

3. Mutual Fund Distributors Certification Examination offered by __________ is required for becoming a mutual fund distributor.

(a) Securities and Exchange Board of India

(b) National Institute of Securities Market

(c) Association of Mutual Funds in India

(d) National Skills Development Corporation

4. In the non equity oriented funds, the rate of long term capital gain tax is __________.

(a) 10% with indexation

(b) 10% without indexation

(c) 20% with indexation

(d) 20% without indexation

5. Which of the following cannot be considered for the purpose of selecting a scheme's bench mark?

(a) Mutual fund scheme's investment objective

(b) Investment strategy of the mutual fund scheme

(c) Scheme's assets allocation pattern

(d) Schemes past returns

(B) Fill in the blanks: (5 × 1 = 5)

6. __________ represents the market value per share for a particular mutual fund.

7. __________ is the risk of losses on financial investments caused by adverse price movements in the market.

8. __________ is the commission paid to the mutual fund distributors every year until the investment in withdrawn.

9. __________ is the process of getting loan against mutual fund units by the mutual fund investor.

10. __________ return represents the cumulative effect of a series of gains or losses has on an original amount of capital over a period of time.

II. Answer the following questions. (5 × 2 = 10)

11. What is Assets Under Management?

12. Who is called as Sponsor in mutual find?

13. Who is called as an aggressive investor?

14. What do you mean by nomination in mutual fund?

15. What do you mean by balanced fund?

PART B — (5 × 5 = 25)

Answer ALL questions, choosing either (a) or (b).

16. (a) Mention the investment objectives of mutual funds.

Or

(b) Describe the benefits of Closed Ended Mutual Funds.

17. (a) Bring down the rights of investors in mutual fund.

Or

(b) Highlight the measures taken by SEBI for investor protection.