



MBA DEGREE EXAMINATIONS: APRIL / MAY 2023

(Regulation 2021)

Fourth Semester

MASTER OF BUSINESS ADMINISTRATION

P21MBE0157: Mutual Funds

COURSE OUTCOMES

CO1: Explain the basics of mutual funds and its management of funds

CO2: Assess the types and evaluation of mutual fund products

CO3: Outline the legalities, accounting, and taxation aspects of mutual funds

Time: Two Hours

Maximum Marks: 50

PART A (1Q x 10M = 10 Marks) Case Study

- 1 a Ramesh, aged 35, is the regional marketing head at a famous company. His family is wife and twins aged 3. Ramesh is in the modern class of investors, who know how important savings and emergency funds are. Since, he is an aggressive, unconventional investor, he prefers to invest in equity funds like SIPs. His needs are growing. The present net salary of Ramesh is Rs. 1 lakh per month.

Expenses	Amount (Rs.)
Household Expenses	25,000
Personal Expenses	10,000
Insurance premiums	5,000
Miscellaneous	10,000

10 CO2 [K₆]

Financial goals of Mr. Ramesh:

Goals	Target Amount (Rs.)	No of Years to Complete
Buying a Car	10,00,000	4
Childrens Education	30,00,000	15
Retirement	5,00,000	25

Question:

- Propose suitable mutual fund scheme(s) for Mr. Ramesh to accomplish his financial goals.

PART B (5Q x 2M = 10 Marks)

2	List out the advantages of investing in Mutual Funds.	2	CO1	[K ₁]
3	Recall the term Scheme Re-opening Date.	2	CO1	[K ₂]
4	Reproduce the meaning of Net Asset Value (NAV).	2	CO2	[K ₁]
5	Label the Parameters and Criteria for selecting the best Mutual Funds.	2	CO2	[K ₁]
6	Summarize the Renewal and Cancellation processes related to Systematic Investment Plan (SIP).	2	CO3	[K ₂]

PART C (3Q x 10M = 30 Marks) Answer Any Three Question only

7	a	Classify the mutual fund schemes based on the guidelines issued by SEBI on Categorization and Rationalization of schemes.	5	CO1	[K ₄]
	b	List the key constituents of a Mutual Fund and explain the role of any one constituent.	5	CO1	[K ₄]
8	a	Explain the regulations with respect to drafting and filing of an Offer Document for New Fund Offer (NFO).	5	CO1	[K ₂]
	b	Summarize the important information's to be included in the Scheme Information Document (SID).	5	CO1	[K ₂]
9	a	Identify the Net Asset Value (NAV) based on the following information: a) Value of Stocks: Rs. 150 Crore b) Value of Bonds: Rs. 67 Crore c) Value of Money Market Instruments: Rs. 2.36 Crore d) Dividend accrued but not received: Rs. 1.09 Crore e) Interest accrued but not received: Rs. 2.68 Crore f) Fess payable: Rs. 0.36 Crore g) No. of outstanding units: Rs. 1.90 Crore	5	CO2	[K ₃]
	b	Experiment the impact on Net Asset Value (NAV) due to Entry and Exit Load.	5	CO2	[K ₃]
10	a	Outline the points to be considered for the selection of mutual fund scheme offered by different Asset Management Companies (AMCs).	5	CO3	[K ₂]
	b	Demonstrate the benchmarks to be followed for equity and debt schemes.	5	CO3	[K ₂]
11	a	Explain the key accounting and reporting requirements of a mutual fund.	5	CO3	[K ₂]
	b	Summarize the Applicability of taxes in respect of mutual funds.	5	CO3	[K ₂]
