

**(FOR THE CANDIDATES ADMITTED DURING  
THE ACADEMIC YEAR 2022 ONLY)**

**(NO OF PAGES 2)  
22UBM6S1**

**REG.NO.:**

**N.G.M.COLLEGE (AUTONOMOUS):POLLACHI**

**END-OF-SEMESTEREXAMINATIONS: April-2025**

**BBA**

**MAXIMUMMARKS: 50**

**SEMESTER: IV**

**TIME:2 HOURS**

**PART-III**

**22UBM6S1– Mutual Fund Foundation**

**SECTION - A**

**(10X1=10MARKS)**

**ANSWER THE FOLLOWING QUESTIONS.**

**MULTIPLE CHOICE QUESTIONS.**

**(K1)**

1. What does AMC stand for in mutual fund structure?  
a) Asset Marketing Corporation b) Asset Management Company c) Account Management Corporation d) Annual Money Control
2. What is the primary role of trustees in a mutual fund?  
a) Sell mutual fund units to investors b) Execute stock trades for the fund  
c) Protect the interests of investors and oversee the AMC  
d ) Maintain records of mutual fund unit holders
3. What is the role of a mutual fund manager?  
a) Collect money from investors b) Ensure regulatory compliance  
c) Make investment decisions and manage the fund portfolio d) Distribute dividends to investors
4. What does “risk tolerance” refer to in investing?  
a) The number of funds in a portfolio b) The investor's willingness and ability to take risk  
c) The type of mutual fund selected d) The guaranteed return on investment

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5. What is the main goal of diversification in investing?
  - a) Increasing taxes
  - b) Reducing investment cost
  - c) Spreading risk across different assets
  - d) Maximizing investment in one sector.

**ANSWER THE FOLLOWING IN ONE (OR)TWO SENTENCES**

(K2)

6. Define Mutual funds.
7. Define Equity funds.
8. Define custodians.
9. Expand AMC
10. Expand SIP.

**SECTION – B**

**(5X8=40MARKS)**

**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.**

11. a) Examine the Types of mutual funds  
b) Examine the Advantages and disadvantages of investing in mutual funds.
12. a) Compute the Role of fund managers and their responsibilities  
b) Identify Fund distribution channels in Mutual direct plans vs. regular plans.
13. a) Interpret Diversification and asset allocation principles.  
b) Evaluate Active vs. passive investment strategies
14. a) Identify market and investment risks in mutual Funds.  
b) Interpret Strategies to manage investment risk.
15. a) Classify Systematic Investment Plan vs. lump sum investments  
b) Examine Impact of technology on mutual fund investing.