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(FOR THE CANDIDATES ADMITTED
DURING THE ACADEMIC YEAR 2023 ONLY)

REG.NO. :

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

END-OF-SEMESTER EXAMINATIONS : APRIL-2026

BBA

MAXIMUM MARKS: 50

SEMESTER: VI

TIME : 2 HOURS

PART - III

23 UBM 6S1 – MUTUAL FUND FOUNDATION

SECTION – A

(10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.

(K1)

1. Mutual funds are primarily a form of
a) Borrowing b) Collective investment c) Insurance policy d) Tax payment
2. The entity responsible for managing mutual fund schemes is called
a) Trustee b) Custodian c) AMC d) Broker
3. Diversification in investment means
a) Investing in one asset only b) Avoiding all risks c) Spreading investments across assets
d) Investing only in equity
4. Sharpe Ratio is used to measure
a) Total returns b) Risk-free rate c) Risk-adjusted returns d) Market price
5. SIP stands for _____
a) Systematic Investment Plan b) Standard Investment Policy c) Strategic Income Plan
d) System Investment Policy

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES.

(K2)

6. Define mutual fund.
7. What is Net Asset Value (NAV)?
8. What is meant by risk tolerance?
9. What is standard deviation in mutual funds?
10. What is a fund factsheet?

SECTION – B

(5 X 8 = 40 MARKS)

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

(K3)&(K4)

11. a) Explain the types of mutual funds and analyze their suitability for different investors.
b) Discuss the advantages and disadvantages of investing in mutual funds with examples.
12. a) Explain the structure of a mutual fund and analyze the roles of AMC, trustees, and custodians.
b) Describe how NAV is calculated and evaluate its importance for investors.
13. a) Explain diversification and asset allocation strategies with suitable examples.
b) Compare active and passive investment strategies and analyze their effectiveness.
14. a) Discuss the Strategies to manage investment risk.
b) Analyze different types of investment risks and suggest strategies to manage them.
15. a) Discuss the factors to consider when selecting a mutual fund and analyze their importance.
b) Discuss the Impact of technology on mutual fund investing.
