



L	T	P/S	SW/F W	TOTAL CREDIT UNITS
3	0	-	-	3

Course Title: Mutual Funds Management
Course Code: FIBA712

Level: PG

Credit Units: 03

Course Objectives:

- To make the students understand the basic concepts of mutual funds, the types and working of the mutual funds industry.
- To make the students aware of the pricing, selling and investment management techniques and business ethics in mutual funds.

Pre-requisites: Knowledge of Financial Terms and Concepts

Course Contents/Syllabus:

	Weightage (%)
Module I- Introduction to Mutual Funds	10
Descriptors/Topics – Concept, Types, Structure, Management and Operation of Mutual Funds. Historical Perspective of Mutual Funds, Mutual Fund Industry in India and Abroad.	
Module II – Legal and Regulatory Framework	15
Descriptors/Topics – Regulators in India, Mutual Funds SEBI Guidelines 1996, Offer Documents - SID, SAI, KIM and Fact Sheets and Disclosures. SEBI versus IRDA Controversy.	
Module III - Pricing and Selling	25

<p>Descriptors/Topics –</p> <p>Mutual Fund Accounting - Accounting for Income, Gains & Losses from Investments, Accounting for Expenses, Determining the NAV.</p> <p>Mutual Fund Tax Provisions - Securities Transaction Tax (STT), Capital Gains Tax, Tax on Income Distributed, Tax Deducted at Source (TDS) / Withholding Tax; Dividend Payout and Growth Options within Schemes; Double Indexation; Setting Off & Carry Forward of Losses; Dividend Stripping.</p> <p>Fund Distribution Channels, Marketing and Sales Practices of Mutual Funds.</p>	
<p>Module IV- Financial Planning & Portfolio Management in Mutual Funds</p>	<p>20</p>
<p>Descriptors/Topics –</p> <p>Basics of Financial Planning, Financial Planning Strategies, Concept of Portfolio Management, Portfolio Management Process & Strategies. Developing a Model Portfolio for the Investor and Recommending the Right Fund.</p>	
<p>Module V- Quantitative Evaluation of Mutual Funds</p>	<p>30</p>
<p>Descriptors/Topics –</p> <p>Returns Calculation Methods: Percent Change in NAV Method, Simple total Return Method, Total Return with Reinvestment Method (CAGR). Risk involved in Mutual Funds: Standard Deviation, Beta, Unique Risk. Risk-Adjusted Returns Calculation Methods in Mutual Funds – Sharpe Ratio, Treynor Ratio, Jensen Alpha, Sortino Ratio, Appraisal Ratio: Individual and Peer Group Analysis.</p>	

Student Learning Outcomes:

- Understand the state of the mutual fund industry in India and abroad.
- Identify and describe the terms and concepts associated with mutual funds investment.
- Explain the set of regulatory and ethical business practices applied to Indian mutual fund industry.
- Acquire tools to analyze the performance of mutual funds (fund managers).
- Gain insight into the decision-making of fund investors, fund managers, and management companies.
- Describe and execute the steps involved in developing a financial plan & selecting the right fund.

Pedagogy for Course Delivery: Tutorials, Interactive sessions, presentations, case studies, seminars & guest lectures etc. The course is covered by adopting a combination of lecture methods, websites display, case study analysis, class presentation by groups of students and self study sessions. Each student is required to do the back ground reading from the specified chapters of the prescribed book before coming to class. Basics are to be discussed in groups (teams) outside the class as preparatory work.

Lab/ Practical details, if applicable: NA

List of Experiments:

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Assessment/ Examination Scheme:

Theory L/T (%)	Lab/Practical/Studio (%)	End Term Examination
100%	NA	70%

Theory Assessment (L&T):

Continuous Assessment/Internal Assessment					End Term Examination
Components (Drop down)	A	CT	C	H	EE
Weightage (%)	5	15	5	5	70

Lab/ Practical/ Studio Assessment:

	Continuous Assessment/Internal Assessment				End Term Examination
Components (Drop down)	Mid-Term Exam	Project	Viva	Attendance	EE
Weightage (%)	NA	NA	NA	NA	

Text & References:

- AMFI Mutual Fund Testing Programme Workbook.
- Mutual Funds: Products & Services, IIBF, Taxmann Publications.
- NSE Mutual Funds (Advanced) Module.
- Madhu Vij & Swati Dhavan, 'Merchant Banking and Financial Services', McGraw Hill Publications.

Additional Reading:

- Fisher & Jordan, 'Security Analysis and Portfolio Management', Pearson Publications.
- Sharpe, Alexander & Bailey, 'Investments', Prentice Hall international editions.

Any other Study Material:

- **News Papers.**
- **Articles & Research Papers.**