

Mutual Funds (Advanced) Module

➤ **Mutual Funds in perspective**

- Mutual Funds
- Portfolio Management Schemes (PMS)
- Hedge Funds
- Venture Capital Funds & Private Equity Funds

➤ **Investments by Mutual Fund Schemes**

- Equity
- Debt
- Derivatives
- Gold
- Real Estate
- International Investments

➤ **Valuation of Investments by Mutual Fund Schemes**

- Equity: (i) Traded Securities (ii) Non-Traded / Thinly Traded / Unlisted Equities (iii) Warrants (iv) Rights
- Debt: (i) Money market and debt securities with residual maturity of upto 91 days.
(ii) Money market and debt securities with residual maturity of over 91 days (iii) Provisioning for Non-Performing Assets (NPA) (iv) Re-classification of Non-Performing Assets (NPA) and (v) Provisioning & Re-classification in case of re-scheduling.
- Gold
- Real Estate

➤ **Mutual Fund Accounting**

- Accounting for Income, Gains & Losses from investments
- Accounting for expenses
- Determining the NAV

- Accounting for Load
- Distributable Reserves

➤ **Novel Portfolio Structures in Mutual Fund Schemes**

- Index Funds
- Exchange Traded Funds (ETFs)
- Arbitrage Funds
- Monthly Income Plans (MIP)
- Fixed Maturity Plans (FMP)
- Capital Protecting Oriented schemes

➤ **Quantitative Evaluation of Mutual Fund Schemes**

- Returns – XIRR Dividend Re-investment (CGR), Compounding of periodic returns
- Risk – (i) Standard Deviation (ii) Beta (iii) Weighted Average Maturity (iv) Modified Duration
- Risk Adjusted Returns – (i) Sharpe ratio (ii) Sortino ratio (ii) Treynor ratio (iv) Jensen's Alpha.

➤ **Cut-off Time Regulations & Time Stamping**

- Cut off Timing: (i) Liquid schemes & plans – Subscriptions (ii) Liquid schemes & plans – Repurchase (iii) Other than Liquid schemes & plans – Subscriptions (iv) Other than Liquid schemes & plans – Re-purchases
- Official Points of Acceptance (PoA)
- Time Stamping requirements

➤ **Investment in Mutual Funds through Exchange**

- Listed Schemes
- Exchange Traded Funds (ETFs)
- Mutual Fund Service System (M FSS) – (i) Subscription (Physical mode) (ii) Subscription (Demat mode) (iii) Redemption (Physical Mode) (iv) Redemption (Demat Mode)

➤ **Non-Resident Investment in Indian M F Schemes**

- Investment by NRIs / PIOs – repatriable basis and non-repatriable basis
- Investment by Foreign Institutional Investors
- Investment by Qualified Foreign Investors – (i) Direct Route (Demat) (ii) Indirect Route (Unit Confirmation Receipts – UCR)

➤ **Investment by Indians in International MF Schemes**

- Foreign Direct Investment and Portfolio Investment
- Investing in International Mutual Fund Schemes – (i) Need to understand the international financial market (ii) Need to understand regulations regarding permissible investment (iii) Need to understand regulations regarding taxation (iv) Need to understand regulations regarding repatriation (v) Foreign currency risk (vi) Transaction costs
- Why invest abroad?
- International Fund of Funds

➤ **Mutual Fund Taxation**

- Mutual Fund Tax Provisions – (i) Securities Transaction Tax (STT) (ii) Capital Gains Tax (iii) Tax on Income Distributed (iv) Tax deducted at source (TDS) / withholding tax
- Compounding Wealth, Gross of Tax – (i) Bank Fixed Deposit (ii) Mutual Fund
- Dividend Payout and Growth Options within schemes
- Double Indexation
- Setting Off & Carry Forward of losses
- Dividend stripping

➤ **SID, SAI, KIM and Fact Sheets**

- Scheme Information Document (SID)
- Statement of Additional Information (SAI)
- Key Information Memorandum (KIM)
- Fund Account Statements / Consolidated Statement of Accounts
- Fact Sheets