

GE 10: INTRODUCTION TO MUTUAL FUNDS

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course
		Lecture	Tutorial	Practical/Practice		
Introduction to Mutual Funds GE- 10	4	3	1	0	Class 12	None

Learning Objectives

- To develop an understanding of fundamental concepts of mutual funds, channels for mutual funds distribution, financial planning as an approach to investing in mutual funds, accounting, valuation, and taxation aspects underlying mutual funds.

Learning outcomes

After studying this course, the students will be able to:

- Understand the basic principles and characteristics of mutual funds.
- Explore and understand the different distribution channels for mutual funds, including direct channels and intermediaries.
- Assess the impact of regulatory frameworks on the distribution of mutual funds.
- Apply financial planning concepts to create investment strategies using mutual funds.
- Analyse the methods used for the valuation of mutual fund assets.
- Understand the tax implications associated with investing in mutual funds, including capital gains taxation and other relevant tax considerations.

Unit 1: Foundations of Mutual Funds

(12 hours)

Introduction to Mutual Funds: Definition and purpose of Mutual Funds, historical evolution, significance in the financial market; Types and structure of Mutual Funds: Equity Funds, Debt Funds, Hybrid Funds, Close-ended vs Open-ended Funds, ETFs; Net Asset Value (NAV); Risk and Return in Mutual Funds, Diversification and portfolio management, Fund Managers and Investment objectives

Unit 2: Distribution Channel and Intermediaries**(9 hours)**

Direct vs Indirect Channels; Online Platforms and Fintech in distribution, Financial Intermediaries in the Mutual funds Market; SEBI Regulations and Guidelines; AMFI; Compliance and Code of Conduct; Investor Protection Measures

Unit 3: Financial Planning and Management of Mutual Funds**(12 hours)**

Role of Mutual Funds in Goal Achievement; Investment Horizons and Strategies; Systematic Investment Plans (SIPs) and Lump-Sum Investments; Performance Evaluation of Managed Funds using Sharpe's, Treynor's, and Jensen's measures.

Unit 4: Accounting, Valuation and Taxation in Mutual Funds**(12 hours)**

NAV Calculation; Mark-to-Market Valuation; Fair Value Accounting, Capital Gain Taxation, Dividend Distribution Tax (DDT), Tax Planning with Mutual Funds; Latest developments in the Mutual Fund industry.

Essential/Recommended Readings:

1. Sankaran, S. (2018). Indian Mutual Funds Handbook (5th Edition): A Guide for Industry Professionals and Intelligent Investors. Vision Books.
2. Mishra, S. K. (2018). A guide to Indian mutual fund investments. Independently Published.
3. Halan, M. (2023). Let's talk mutual funds: A Systematic, Smart Way to Make Them Work for You. Harper Collins.
4. Tripathy, N. P. (2007). Mutual funds in India: Emerging Issues. Excel Books India

Examination scheme and mode:

Evaluation scheme and mode will be as per the guidelines notified by the University of Delhi.