



CONTENTS

	<i>PAGE</i>
<i>Foreword</i>	<i>I-3</i>
<i>Acknowledgement</i>	<i>I-5</i>
<i>About NISM Certifications</i>	<i>I-7</i>
<i>About the NISM-Series-V-C: Mutual Fund Distributors (Level 2) Certification Examination</i>	<i>I-9</i>

CHAPTER 1

MUTUAL FUND STRUCTURES

1.1	Fund of Funds	<i>1</i>
1.2	Exchange Traded Funds	<i>3</i>
1.3	Real Estate Mutual Funds (REMF) & Real Estate Investment Trusts (REIT)	<i>6</i>
1.4	Venture Capital Funds	<i>7</i>
1.5	Angel Funds	<i>10</i>
1.6	Private Equity Funds	<i>12</i>
1.7	International Funds	<i>13</i>

CHAPTER 2

LEGAL AND REGULATORY ENVIRONMENT OF MUTUAL FUNDS

2.1	Regulatory Framework for Real Estate Mutual Funds	<i>17</i>
-----	---	-----------

	<i>PAGE</i>
2.2 Regulatory Framework for Real Estate Investment Trusts	21
2.3 Investment Norms for Mutual Funds	25
2.4 SEBI Norms for Mutual Funds' Investment in Derivatives	35
2.5 SEBI Norms with respect to Changes in Controlling Interest of an AMC	36
2.6 Changes in Mutual Fund Schemes	37

CHAPTER 3

FUND DISTRIBUTION AND SALES PRACTICES

3.1 Internet and Mobile Technologies	46
3.2 Stock Exchanges	49

CHAPTER 4

INVESTMENT AND RISK MANAGEMENT

4.1 Fundamental Analysis	57
4.2 Technical Analysis	60
4.3 Quantitative Analysis	63
4.4 Debt Investment Management	64
4.5 Issues for a Debt Fund Manager	68
4.6 Derivatives	69
4.7 Application of Derivatives	75

CHAPTER 5

VALUATION OF SCHEMES

5.1 Equities	81
5.2 Debt	84
5.3 Non-Performing Assets (NPA) and Provisioning for NPAs	84
5.4 Gold	87
5.5 Real Estate Mutual Funds	88

CHAPTER 6**ACCOUNTING**

6.1	Net Asset Value	91
6.2	Investor Transactions	93
6.3	Distributable Reserves	96
6.4	Unique Aspects of Real Estate Schemes Accounting	96

CHAPTER 7**TAXATION**

7.1	Taxes for AMCs	99
7.2	Taxes for Investors	100

CHAPTER 8**INVESTOR SERVICES**

8.1	New Fund Offer	105
8.2	Open-end Fund	106
8.3	Closed-end Fund	106
8.4	Exchange Traded Fund	107
8.5	Nomination	107
8.6	Pledge	109

CHAPTER 9**SCHEME EVALUATION**

9.1	Measures of Return	111
9.2	Measures of Risk	115
9.3	Benchmarks and Relative Returns	118
9.4	Risk-adjusted Returns	119
9.5	Limitations of Quantitative Evaluation	123

CHAPTER 10

ASSET CLASSES AND ALTERNATE INVESTMENT PRODUCTS

10.1	Historical Returns	125
10.2	Perspectives on Asset Class Returns	128
10.3	Alternate Investment Products	130

CHAPTER 11

CASES IN FINANCIAL PLANNING

Case 1		140
Case 2		143
Case 3		144
Case 4		145

CHAPTER 12

ETHICS AND INVESTOR PROTECTION

12.1	Code of Conduct	147
12.2	Mis-selling	149
12.3	Safeguards in Mutual Fund Structure	150
12.4	Regulatory Steps for Protecting Investors against Fraud	151
	List of abbreviations	159
	Reading List	161
	Browsing List	162