

Session 1: Introduction

Course: **MUTUAL FUNDS AGENT**

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MUTUAL FUNDS AGENT



INTRODUCTION

- A mutual fund agent is representative of a bank or similar financial institution, who offers mutual funds to prospective investors, maintains records of their investments and conducts regular market research to advice customers.



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INTRODUCTION

- The mutual fund industry in India began in 1963 with the formation of the Unit Trust of India (UTI) as an initiative of the Government of India and the Reserve Bank of India.
- Much later, in 1987, SBI Mutual Fund became the first non-UTI mutual fund in India.



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- Subsequently, the year 1993 heralded a new era in the mutual fund industry.
- This was marked by the entry of private companies in the sector.



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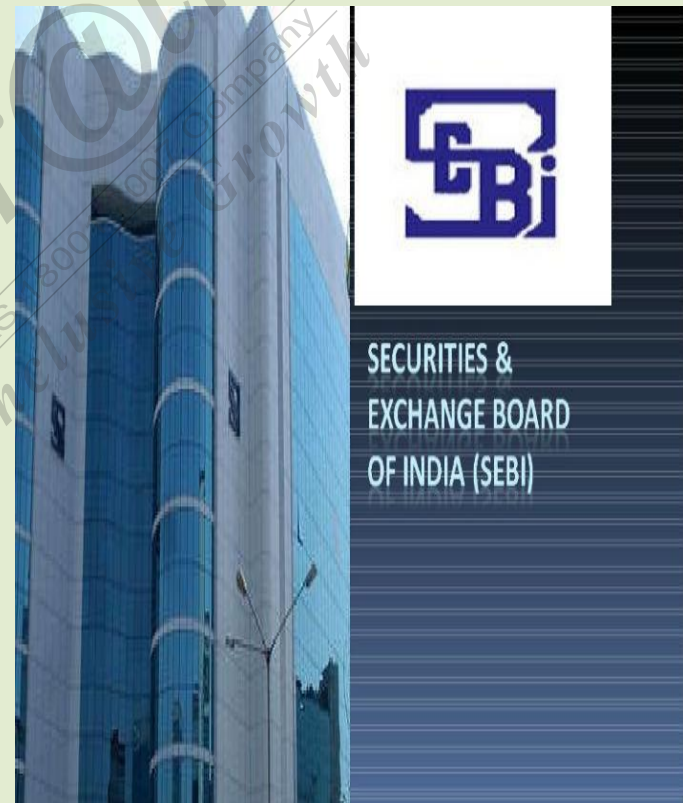


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INTRODUCTION

- After the Securities and Exchange Board of India (SEBI) Act was passed in 1992, the SEBI Mutual Fund Regulations came into being in 1996.
- Since then, the Mutual fund companies have continued to grow exponentially with foreign institutions setting shop in India, through joint ventures and acquisitions.



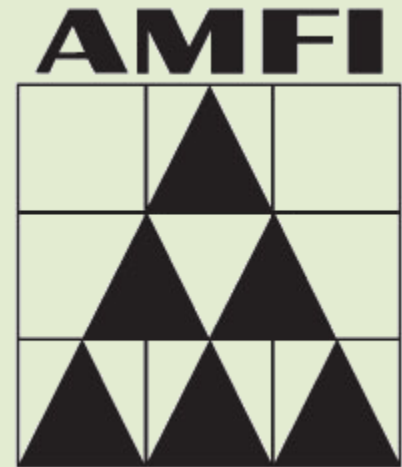
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- As the industry expanded, a non-profit organization, the Association of Mutual Funds in India (AMFI), was established on 1995.
- Its objective is to promote healthy and ethical marketing practices in the Indian mutual fund Industry.



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INTRODUCTION

- As the affluence of Indians increase, the range of financial products to meet people's need will expand and with it the need for professional financial advice from the MF distributors will increase.
- There is going to be a huge demand for trained Mutual Funds agents to render professional advice to investor and reduce mis-selling of the Mutual Fund products.



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- The Mutual Funds industry will need distributors who are able to inform the investors about the efficacy of the product for a particular risk profile and stage in their life cycle.
- This module focuses on the various Mutual Fund products available in the Indian market. It also focuses on the regulatory guidelines, taxation and sales process related to Mutual Funds in India.

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Introduction

Check Your Progress

- 1) A mutual fund agent is representative of a bank or similar financial institution, who offers _____ to prospective investors, maintains records of their _____ and conducts regular market research to advice customers.
- i. Mutual fund, funds
 - ii. Mutual Fund, investments
 - iii. Mutual Fund, accounts
 - iv. Mutual Fund, equity

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Check Your Progress

- 2) In which year did the private sector companies entered into the Mutual Fund Industry?
- i. 1990
 - ii. 1991
 - iii. 1992
 - iv. 1993

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Introduction

Check Your Progress

- 3) Which of the following authority's objective is to promote healthy and ethical marketing practices in the Indian mutual fund Industry?
- i. SEBI
 - ii. AMC
 - iii. AMFI
 - iv. SENSEX

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