

1.1 COMPANY PROFILE

Reliance Mutual Fund ('RMF'/'Mutual Fund') is one of India's leading Mutual Funds, with Average Assets Under Management (AAUM) of Rs. 78,112 Crores and an investor count of over 64.65 and 70.99 Lakh folios. (AAUM and investor count as of Jan - Mar '12) Source : <http://www.amfiindia.com/>

Reliance Mutual Fund, a part of the Reliance Group, is one of the fastest growing mutual funds in India. RMF offers investors a well-rounded portfolio of products to meet varying investor requirements and has presence in 179 cities across the country. Reliance Mutual Fund constantly endeavors to launch innovative products and customer service initiatives to increase value to investors. Reliance Capital Asset Management Limited ('RCAM') is the asset manager of Reliance Mutual Fund. RCAM a subsidiary of Reliance Capital Limited, which holds 92.93% of the paid-up capital of RCAM, the balance paid up capital being held by minority shareholders.

Reliance Capital Ltd. is one of India's leading and fastest growing private sector financial services companies, and ranks among the top 3 private sector financial services and banking companies, in terms of net worth. Reliance Capital Ltd. has interests in asset management, life and general insurance, private equity and proprietary investments, stock broking and other financial services.

Sponsor : Reliance Capital Limited

Trustee : Reliance Capital Trustee Co. Limited

Investment Manager / AMC : Reliance Capital Asset Management Limited

Statutory Details : The Sponsor, the Trustee and the Investment Manager are incorporate under the Companies Act 1956.

Vision Statement

To be a globally respected wealth creator with an emphasis on customer care and a culture of good corporate governance.

Mission Statement

To create and nurture a world-class, high performance environment aimed at delighting our customers

January 20, 2004 and February 17, 2011 in line with SEBI (Mutual Funds) Regulations, 1996. Pursuant to this IMA, RCAM is acting as the Investment Manager of the Mutual Fund. The net worth of the Asset Management Company based unaudited financials statements as on September 30, 2011 is Rs. 1,228.89 Crore. RCAM is also registered as a Portfolio Manager vide SEBI Registration Number PM/INP000000423 and renewed with effect from August 1, 2009. The AMC is also rendering advisory services in respect of 'Emergent India Investment Limited', an offshore fund for investment in India.

RCAM has ensured that key personnel of the AMC, the systems, back office, bank and securities accounts are segregated activity wise and there exists systems to prohibit access to inside information of various activities. As per SEBI Regulations, it will further ensure that AMC meets the capital adequacy requirements, if any, separately for each such activity. However, there is no conflict of interest between various business activities carried on by RCAM.

The mutual fund:

About

RMF has been registered with the Securities & Exchange Board of India (SEBI) vide registration number MF/022/95/ dated June 20, 1995. The name of Reliance Capital Mutual Fund was changed to Reliance Mutual Fund effective 11th March 2004 vide SEBI's letter no. IMD/P/4958/2004 date 11th March 2004. Reliance Mutual Fund was formed to launch various schemes under which units are issued to the Public with a view to contribute to the capital market and to provide investors the opportunities to make investments in diversified securities.

The main objectives of the Reliance Mutual Fund are:

- To carry on the activity of a Mutual Fund as may be permitted at law and formulate and devise various collective Schemes of savings and investments for people in India and abroad and also ensure liquidity of investments for the Unit holders.
- To deploy Funds thus raised so as to help the Unit holders earn reasonable returns on their savings.
- To take such steps as may be necessary from time to time to realise the effects without any limitation.

Awards and achievements:

CNBC TV18 - CRISIL Mutual Fund of the Year Award for 2009: Reliance Mutual Fund has won the 'CNBC TV18 - CRISIL Mutual Fund of the Year' Award in the Category – Mutual Fund House of the Year (Awarded by CRISIL Fund Services, CRISIL Limited). In total 37 fund houses were considered as the award universe. Fund Houses winning at least one award for their schemes in the category level awards for 2009 were eligible to be in contention for the award. The award is based on consistency of fund house's performance across various scheme categories in the four quarterly CRISIL Composite Performance Rankings (CPRs) released during the calendar year 2009. The individual CRISIL CPR ranks for their schemes were aggregated on a weighted average basis to arrive at the final ranks for fund houses. The mutual fund house with the highest final score is the "Mutual Fund House of the Year". The award has been granted for the year 2009 and will be in vogue till the announcement of the award for the next year in the same category. A detailed methodology of the CRISIL CPR is available at www.crisilfundservices.com. Past performance is no guarantee of future results. Rankings and Award Source: CRISIL Fund Services, CRISIL Limited.

Preview from Notesale.co.uk
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finds that the participation of investors in Tax saving mutual funds is comparatively less than other safer investment areas like Insurance, Postal Deposit Schemes and Fixed Deposits. The dynamic relationship between investors' biographical information and their behavior has been examined by using relevant statistical techniques.

The investors' Knowledge and satisfaction on Tax saving mutual funds and awareness on regulating bodies also has been analyzed. The study finds that majority of the investor doesn't have the knowledge on schemes and awareness on controlling authorities and they are satisfied with the overall benefits on Tax saving mutual funds.

For the purpose of research, Primary data have been collected from the Tax saving Mutual fund Investors' in Tamil Nadu, India through well structured questionnaire schedule.

2.6 Investors attitude towards Mututal Funds Project Report

The research was done on the topic "Investors Attitude towards UTI Mutual Funds". The study aims at analysing the attitude of the investors towards UTI Mutual Funds. The data was collected with the help of a questionnaire. The sample size considered for the study was 100 wherein all the samples were investors of UTI Mutual Funds in Coonoor.

The tools used for the analysis include Percentage Analysis and Mean Score Values. The analysis was divided into 2 phases which are Personal Factors and Investment Factors. The study revealed that the investors have a positive attitude towards their investments in UTI Mutual Funds. The investors mainly look into the returns earned from the investment. It was found that the awareness towards the risk related to the investment was relatively low. Based on the analysis Suggestions for improvement are provided.

2.7 Perceptions of investors, brokers and fund managers on the indian mutual fund industry

Financial system comprises of financial institutions, services, market and instruments. Financial institutions mobilize resources, purchase and sell instruments and render various services in accordance with the practices and procedures of law. Investing in financial securities is a complex one involving knowledge of various investment tools, terms, concepts, strategies and process. The success of a financial investment activity depends on the knowledge and ability of investors to invest the right amount, in the right type, at the right time. Investor has to use his intellect, which is an art to acquire by learning and experience.

Table showing classification of respondents based on Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid < 20	5	3.3	3.3	3.3
21 TO 40	98	65.3	65.3	68.7
41 TO 60	46	30.7	30.7	99.3
> 60	1	.7	.7	100.0
Total	150	100.0	100.0	

Table 4.3

Chart showing classification of respondents based on Age

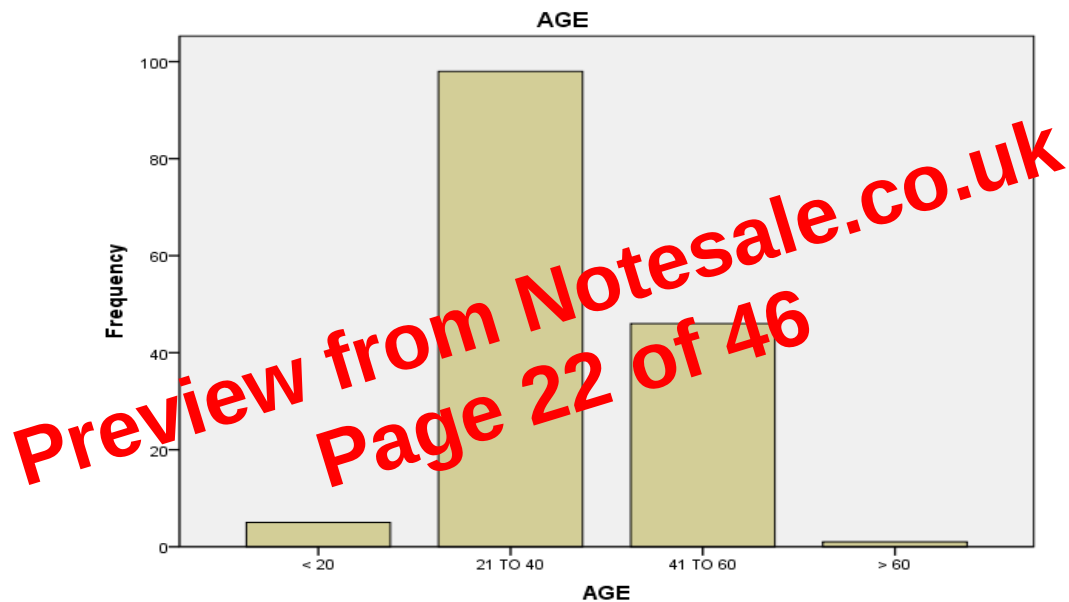


Chart 4.3

INTERPRETATION:

- 3.3% of the respondents are at the age less than 20.
- 65.3% are at the age 21 to 40
- 30.7% are at the age 41 to 60
- 0.7% are at the age above 60.

Table showing classification of respondents based on how long they are investors of mutual funds

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid < 1YR	7	4.7	4.7	4.7
1 TO 3YR	103	68.7	68.7	73.3
>5yr	40	26.7	26.7	100.0
Total	150	100.0	100.0	

Table4.7

Chart showing classification of respondents based on how long they are investors of mutual funds

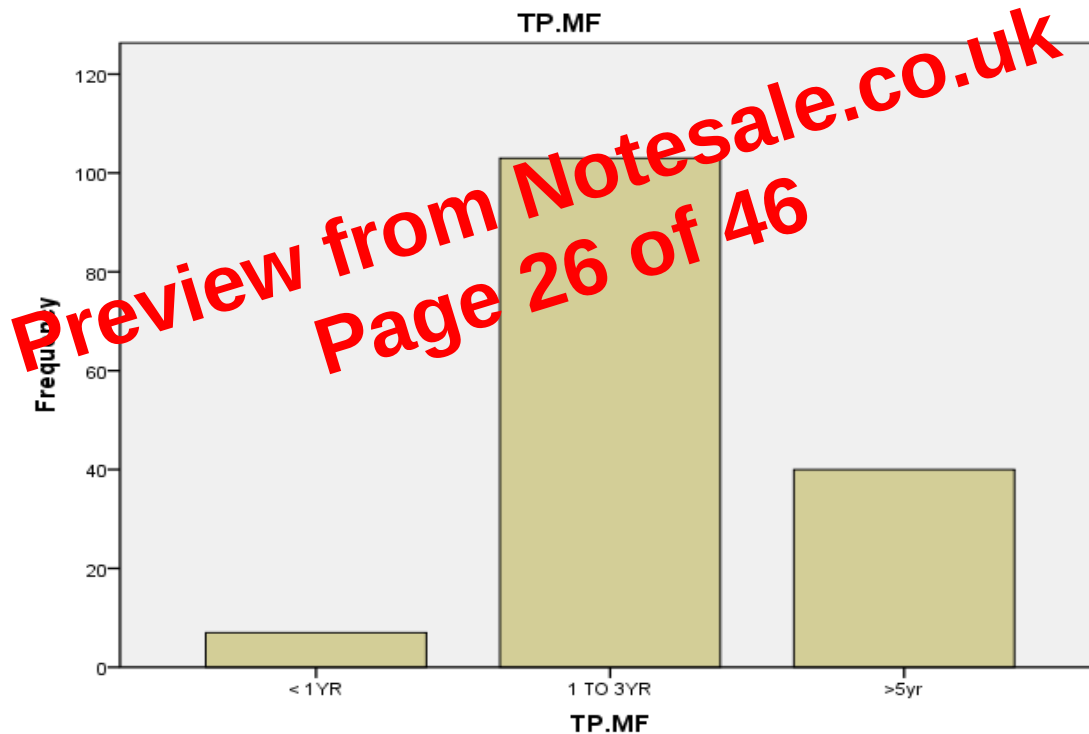


Chart 4.7

INTERPRETATION:

- 4.7% of the respondents are investing in less than one year
- 68.7% are invested one to 3 year.
- 26.7% are invested above 5 year.

Table showing classification of respondents based on number of plans they have invested in mutual funds.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	65	43.3	43.3	43.3
2	54	36.0	36.0	79.3
3	24	16.0	16.0	95.3
>3	7	4.7	4.7	100.0
Total	150	100.0	100.0	

Table 4.9

Chart showing classification of respondents based on number of plans they have invested in mutual funds.

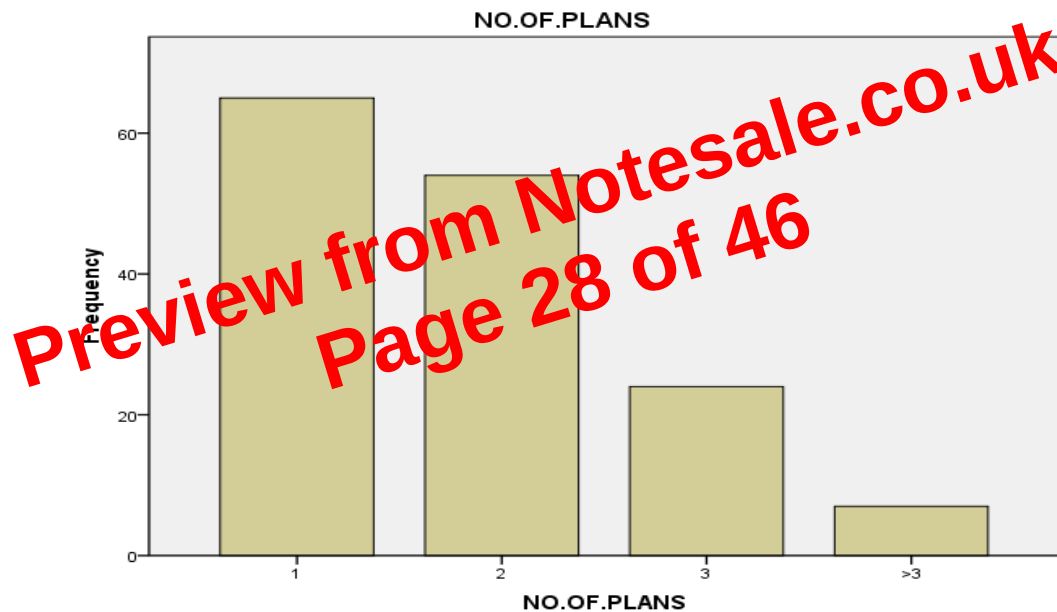


Chart 4.9

INTERPRETATION:

- 43.3% of the respondents invested in one scheme.
- 36% of the respondents invested in 2 schemes.
- 16% of the respondents invested in 3 schemes.
- 4.7% of the respondents invested in more than 3 schemes.