

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE & MANAGEMENT

I
J
R
C
M



A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A., Google Scholar,

Open J-Gate, India [link of the same is duly available at Inlibnet of University Grants Commission (U.G.C)],

The American Economic Association's electronic bibliography, EconLit, U.S.A.,

Index Copernicus Publishers Panel, Poland with IC Value of 5.09 & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than 5555 Cities in 190 countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

<http://ijrcm.org.in/>

CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	MACRO ECONOMIC ANALYSIS OF DEMONETIZATION AND ITS ECONOMIC IMPLICATION <i>PIYUSH KUMAR & DR. DHANI SHANKER CHAUBEY</i>	1
2.	WOMEN ENTREPRENEURSHIP: PROBLEM AND PROSPECTS: A STUDY OF CHITTOOR DISTRICT <i>DR. A. B. SANTHI</i>	6
3.	THE ROLE OF MANAGERIAL SKILLS IN SUCCESS OF AN ORGANIZATION <i>DR. CHAMPA DEVI MAURYA & MAJ. DR. ASHOK KUMAR SHARMA</i>	12
4.	FACTORS AFFECTING CUSTOMER SATISFACTION: AN EMPIRICAL STUDY ON RETAIL STORES OF SHOPPING MALL, BHOPAL <i>DR. ANKUR SAXENA</i>	15
5.	MUTUAL FUNDS: A RIGHT SOURCE FOR SMALL INVESTORS <i>G. ASHOK REDDY & DR. S. RAGHUNATHA REDDY</i>	18
6.	AN ANALYTICAL STUDY OF FACTORS AFFECTING EMPLOYEES' PERFORMANCE IN SARVA HARYANA GRAMIN BANK <i>NEHA DANGI & DR. MAHABIR NARWAL</i>	20
7.	ESTIMATING INDIA'S AGGREGATE IMPORT DEMAND FUNCTION <i>DR. AMAL SARKAR</i>	26
8.	A STUDY OF FACILITY MANAGEMENT SERVICES AND ITS AUDIT IN INDIA <i>DR. RAJENDRA SINGH, VINOD GUPTA & DR. NINA JAIN</i>	31
9.	IMPACT OF TAXATION ON FOREIGN DIRECT INVESTMENT <i>JASLEEN KAUR</i>	38
10.	AN INTRODUCTION TO GOODS AND SERVICES TAX 2017 <i>DR. PRERNA</i>	41
11.	BRAND PERSONALITY AND BRAND LOYALTY <i>RAMYA JAIN</i>	43
12.	MOVING FROM EMPLOYEE SATISFACTION TO EMPLOYEE ENGAGEMENT <i>SILKY MADAN</i>	46
13.	CONSUMERS BUYING BEHAVIOUR AT SUPERMARKET IN TIRUVARUR DISTRICT <i>DR. V. MURUGAN</i>	51
14.	NON- FINANCIAL REPORTING: CORPORATE SOCIAL RESPONSIBILITY, EXECUTIVES AND MATERIALITY <i>PRAKHAR WADHWA</i>	54
15.	IMPACT OF FDI ON ENVIRONMENTAL QUALITY IN INDIA <i>JASLEEN KAUR</i>	57
16.	CORPORATE SOCIAL RESPONSIBILITY IN INDIA <i>AARUSHI JAIN & GURJOT KAUR</i>	60
17.	SARIMA MODEL OF MALARIA IN NIGERIA: A CASE STUDY OF MALARIA CASES OF A TEACHING HOSPITAL IN NIGERIA <i>ADEKANMBI, D.B</i>	63
18.	UNDERSTANDING THE CONCEPT OF ENTREPRENEURIAL EDUCATION: CHALLENGES AND IMPLICATIONS <i>AFIFA IBRAHIM</i>	70
19.	MIGRATION TO CITIES REVS UP PROFITABILITY IN HOUSING SECTOR <i>MANEESHA GAUR</i>	73
20.	GOODS AND SERVICE TAX (GST): A BRIEF INTRODUCTION <i>SAPNA</i>	75
	REQUEST FOR FEEDBACK & DISCLAIMER	80

CHIEF PATRON**Prof. (Dr.) K. K. AGGARWAL**

Chairman, Malaviya National Institute of Technology, Jaipur
(An institute of National Importance & fully funded by Ministry of Human Resource Development, Government of India)
Chancellor, K. R. Mangalam University, Gurgaon
Chancellor, Lingaya's University, Faridabad
Founder Vice-Chancellor (1998-2008), Guru Gobind Singh Indraprastha University, Delhi
Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

FOUNDER PATRON**Late Sh. RAM BHAJAN AGGARWAL**

Former State Minister for Home & Tourism, Government of Haryana
Former Vice-President, Dadri Education Society, Charkhi Dadri
Former President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

FORMER CO-ORDINATOR**Dr. S. GARG**

Faculty, Shree Ram Institute of Business & Management, Urjani

ADVISOR**Prof. S. L. MAHANDRU**

Principal (Retd.), Maharaja Agrasen College, Jagadhri

EDITOR**Dr. R. K. SHARMA**

Professor & Dean, Bharti Vidyapeeth University Institute of Management & Research, New Delhi

CO-EDITOR**Dr. BHAVET**

Faculty, Shree Ram Institute of Engineering & Technology, Urjani

EDITORIAL ADVISORY BOARD**Dr. CHRISTIAN EHIOBUCHÉ**

Professor of Global Business/Management, Larry L Luig School of Business, Berkeley College, USA

Dr. JOSÉ G. VARGAS-HERNÁNDEZ

Research Professor, University Center for Economic & Managerial Sciences, University of Guadalajara, Guadalajara, Mexico

Dr. M. N. SHARMA

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

Dr. TEGUH WIDODO

Dean, Faculty of Applied Science, Telkom University, Bandung Technoplex, Jl. Telekomunikasi, Indonesia

Dr. M. S. SENAM RAJU

Professor, School of Management Studies, I.G.N.O.U., New Delhi

Dr. KAUP MOHAMED

Dean & Managing Director, London American City College/ICBEST, United Arab Emirates

Dr. ANIL K. SAINI

Professor, Guru Gobind Singh Indraprastha University, Delhi

Dr. ARAMIDE OLUFEMI KUNLE

Dean, Department of General Studies, The Polytechnic, Ibadan, Nigeria

Dr. SYED TABASSUM SULTANA

Principal, Matrusri Institute of Post Graduate Studies, Hyderabad

Dr. MIKE AMUHAYA IRAVO

Principal, Jomo Kenyatta University of Agriculture & Tech., Westlands Campus, Nairobi-Kenya

Dr. NEPOMUCENO TIU

Chief Librarian & Professor, Lyceum of the Philippines University, Laguna, Philippines

Dr. ANA ŠTAMBUK

Head of Department of Statistics, Faculty of Economics, University of Rijeka, Rijeka, Croatia

Dr. FERIT ÖLÇER

Professor & Head of Division of Management & Organization, Department of Business Administration, Faculty of Economics & Business Administration Sciences, Mustafa Kemal University, Turkey

Dr. SANJIV MITTAL

Professor & Dean, University School of Management Studies, GGS Indraprastha University, Delhi

Dr. SHIB SHANKAR ROY

Professor, Department of Marketing, University of Rajshahi, Rajshahi, Bangladesh

Dr. NAWAB ALI KHAN

Professor & Dean, Faculty of Commerce, Aligarh Muslim University, Aligarh, U.P.

Dr. SRINIVAS MADISHETTI

Professor, School of Business, Mzumbe University, Tanzania

Dr. ABHAY BANSAL

Head, Department of Information Technology, Amity School of Engg. & Tech., Amity University, Noida

Dr. KEVIN LOW LOCK TENG

Associate Professor, Deputy Dean, Universiti Tunku Abdul Rahman, Kampar, Perak, Malaysia

Dr. OKAN VELI ŞAFAKLI

Associate Professor, European University of Lefke, Lefke, Cyprus

Dr. V. SELVAM

Associate Professor, SSL, VIT University, Vellore

Dr. BORIS MILOVIC

Associate Professor, Faculty of Sport, Union Nikola Tesla University, Belgrade, Serbia

Dr. N. SUNDARAM

Associate Professor, VIT University, Vellore

Dr. IQBAL THONSE HAWALDAR

Associate Professor, College of Business Administration, Kingdom University, Bahrain

Dr. MOHENDER KUMAR GUPTA

Associate Professor, Government College, Hodal

Dr. ALEXANDER MOSESOV

Associate Professor, Kazakh-British Technical University (KBTU), Almaty, Kazakhstan

RODRECK CHIRAU

Associate Professor, Botho University, Francistown, Botswana

Dr. PARDEEP AHLAWAT

Associate Professor, Institute of Management Studies & Research, Maharshi Dayanand University, Rohtak

Dr. DEEPANJANA VARSHNEY

Associate Professor, Department of Business Administration, King Abdulaziz University, Saudi Arabia

Dr. BIEMBA MALITI

Associate Professor, School of Business, The Copperbelt University, Main Campus, Zambia

Dr. KIARASH JAHANPOUR

Research Adviser, Farabi Institute of Higher Education, Mehrshahr, Karaj, Alborz Province, Iran

Dr. SAMBHAVNA

Faculty, I.I.T.M., Delhi

YU-BING WANG

Faculty, department of Marketing, Feng Chia University, Taichung, Taiwan

Dr. MELAKE TEWOLDE TECLEGHIORGIS

Faculty, College of Business & Economics, Department of Economics, Asmara, Eritrea

Dr. SHIVAKUMAR DEENE

Faculty, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

Dr. THAMPOE MANAGALESWARAN

Faculty, Vavuniya Campus, University of Jaffna, Sri Lanka

Dr. JASVEEN KAUR

Head of the Department/Chairperson, University Business School, Guru Nanak Dev University, Amritsar

SURAJ GAUDEL

BBA Program Coordinator, LA GRANDEE International College, Simalchaur - 8, Pokhara, Nepal

Dr. RAJESH MODI

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

FORMER TECHNICAL ADVISOR

AMITA

FINANCIAL ADVISORS

DICKEN GOYAL

Advocate & Tax Adviser, Panchkula

NEENA

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

LEGAL ADVISORS

JITENDER S. CHAHAL

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

CHANDER BHUSHAN SHARMA

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

SUPERINTENDENT

SURENDER KUMAR POONIA

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to the recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography; Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript** **anytime** in **M.S. Word format** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. infoijrcm@gmail.com or online by clicking the link **online submission** as given on our website ([FOR ONLINE SUBMISSION, CLICK HERE](#)).

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. **COVERING LETTER FOR SUBMISSION:**

DATED: _____

THE EDITOR

IJRCM

Subject: SUBMISSION OF MANUSCRIPT IN THE AREA OF _____.

(e.g. Finance/Mkt./HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, **please specify**)

DEAR SIR/MADAM

Please find my submission of manuscript titled ' _____ ' for likely publication in one of your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published anywhere in any language fully or partly, nor it is under review for publication elsewhere.

I affirm that all the co-authors of this manuscript have seen the submitted version of the manuscript and have agreed to inclusion of their names as co-authors.

Also, if my/our manuscript is accepted, I agree to comply with the formalities as given on the website of the journal. The Journal has discretion to publish our contribution in any of its journals.

NAME OF CORRESPONDING AUTHOR :

Designation/Post* :

Institution/College/University with full address & Pin Code :

Residential address with Pin Code :

Mobile Number (s) with country ISD code :

Is WhatsApp or Viber active on your above noted Mobile Number (Yes/No) :

Landline Number (s) with country ISD code :

E-mail Address :

Alternate E-mail Address :

Nationality :

* i.e. Alumnus (Male Alumni), Alumna (Female Alumni), Student, Research Scholar (M. Phil), Research Scholar (Ph. D.), JRF, Research Assistant, Assistant Lecturer, Lecturer, Senior Lecturer, Junior Assistant Professor, Assistant Professor, Senior Assistant Professor, Co-ordinator, Reader, Associate Professor, Professor, Head, Vice-Principal, Dy. Director, Principal, Director, Dean, President, Vice Chancellor, Industry Designation **etc.** The qualification of author is not acceptable for the purpose.

NOTES:

- a) The whole manuscript has to be in **ONE MS WORD FILE** only, which will start from the covering letter, inside the manuscript. **pdf. version is liable to be rejected without any consideration.**
 - b) The sender is required to mention the following in the **SUBJECT COLUMN of the mail:**
New Manuscript for Review in the area of (e.g. Finance/Marketing/HRM/General Mgt./Engineering/Economics/Computer/IT/ Education/Psychology/Law/Math/other, please specify)
 - c) There is no need to give any text in the body of the mail, except the cases where the author wishes to give any **specific message** w.r.t. to the manuscript.
 - d) The total size of the file containing the manuscript is expected to be below **1000 KB.**
 - e) Only the **Abstract will not be considered for review** and the author is required to submit the **complete manuscript** in the first instance.
 - f) **The journal gives acknowledgement w.r.t. the receipt of every email within twenty-four hours** and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of the manuscript, within two days of its submission, the corresponding author is required to demand for the same by sending a separate mail to the journal.
 - g) The author (s) name or details should not appear anywhere on the body of the manuscript, except on the covering letter and the cover page of the manuscript, in the manner as mentioned in the guidelines.
2. **MANUSCRIPT TITLE:** The title of the paper should be typed in **bold letters, centered and fully capitalised.**
 3. **AUTHOR NAME (S) & AFFILIATIONS:** Author (s) **name, designation, affiliation (s), address, mobile/landline number (s), and email/alternate email address** should be given underneath the title.
 4. **ACKNOWLEDGMENTS:** Acknowledgements can be given to reviewers, guides, funding institutions, etc., if any.
 5. **ABSTRACT:** Abstract should be in **fully italic printing**, ranging between **150 to 300 words**. The abstract must be informative and elucidating the background, aims, methods, results & conclusion in a **SINGLE PARA. Abbreviations must be mentioned in full.**
 6. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of **five**. These should be arranged in alphabetic order separated by commas and full stop at the end. All words of the keywords, including the first one should be in small letters, except special words e.g. name of the Countries, abbreviations etc.
 7. **JEL CODE:** Provide the appropriate Journal of Economic Literature Classification System code (s). JEL codes are available at www.aea-web.org/econlit/jelCodes.php. However, mentioning of JEL Code is not mandatory.
 8. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER. It should be free from any errors i.e. grammatical, spelling or punctuation. It must be thoroughly edited at your end.**
 9. **HEADINGS:** All the headings must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
 10. **SUB-HEADINGS:** All the sub-headings must be bold-faced, aligned left and fully capitalised.
 11. **MAIN TEXT:**

THE MAIN TEXT SHOULD FOLLOW THE FOLLOWING SEQUENCE:**INTRODUCTION****REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESIS (ES)****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****LIMITATIONS****SCOPE FOR FURTHER RESEARCH****REFERENCES****APPENDIX/ANNEXURE****The manuscript should preferably be in 2000 to 5000 WORDS, But the limits can vary depending on the nature of the manuscript.**

12. **FIGURES & TABLES:** These should be simple, crystal **CLEAR, centered, separately numbered** & self-explained, and the **titles must be above the table/figure. Sources of data should be mentioned below the table/figure. It should be ensured that the tables/figures are referred to from the main text.**
13. **EQUATIONS/FORMULAE:** These should be consecutively numbered in parenthesis, left aligned with equation/formulae number placed at the right. The equation editor provided with standard versions of Microsoft Word may be utilised. If any other equation editor is utilised, author must confirm that these equations may be viewed and edited in versions of Microsoft Office that does not have the editor.
14. **ACRONYMS:** These should not be used in the abstract. The use of acronyms is elsewhere is acceptable. Acronyms should be defined on its first use in each section e.g. Reserve Bank of India (RBI). Acronyms should be redefined on first use in subsequent sections.
15. **REFERENCES:** The list of all references should be alphabetically arranged. **The author (s) should mention only the actually utilised references in the preparation of manuscript** and they may follow Harvard Style of Referencing. **Also check to ensure that everything that you are including in the reference section is duly cited in the paper.** The author (s) are supposed to follow the references as per the following:
- All works cited in the text (including sources for tables and figures) should be listed alphabetically.
 - Use (ed.) for one editor, and (ed.s) for multiple editors.
 - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc., in chronologically ascending order.
 - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
 - The title of books and journals should be in italic printing. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
 - For titles in a language other than English, provide an English translation in parenthesis.
 - **Headers, footers, endnotes and footnotes should not be used in the document.** However, **you can mention short notes to elucidate some specific point**, which may be placed in number orders before the references.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:

BOOKS

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–23

UNPUBLISHED DISSERTATIONS

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITES

- Garg, Bhavet (2011): Towards a New Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>

MUTUAL FUNDS: A RIGHT SOURCE FOR SMALL INVESTORS

G. ASHOK REDDY
RESEARCH SCHOLAR
RAYALASEEMA UNIVERSITY
KURNOOL

DR. S. RAGHUNATHA REDDY
PROFESSOR
DEPARTMENT OF COMMERCE
YOGI VEMANA UNIVERSITY
KADAPA

ABSTRACT

The capital markets become more sophisticated and complex, investors need a financial intermediary who can provide the required knowledge and professional expertise on taking informed decisions. It has become very difficult for the small investors to invest in securities market directly due to their less investment capacity, lack of knowledge over investment avenues and high risk involved in the market. In this condition the mutual funds are playing a vital role in helping the small investors to invest their money in the securities market. The present paper enlightens the importance and benefits of the mutual fund industry for small investors.

KEYWORDS

diversification, automatic reinvestment, transparency, audited records, well regulated.

INTRODUCTION

The Indian capital market has been growing tremendously with the reforms in industrial policy, financial sector, and new economic policies of liberalization, deregulation and restructuring. The Indian economy has opened up and many developments have been taking place in the Indian capital market and money market with the help of financial system and financial institutions or intermediaries. As financial markets become more sophisticated and complex, investors need a financial intermediary who can provide the required knowledge and professional expertise on taking informed decisions. It has become very difficult for the small investors to invest in securities market directly due to their less investment capacity, not having knowledge over investment avenues and high risk involved in the market, hence, mutual fund is a right source for small investors to invest their money in small amounts with less risk.

MEANING OF MUTUAL FUNDS

Mutual funds are the most popular, very simple to understand and they are easy to use. Furthermore, the simplicity of investing in mutual funds is not just an attractive feature for beginning investors but also the accessibility, versatility and easy-to-understand structure of mutual funds make the powerful investing vehicles for all kinds of investors. It is an appropriate instrument for a variety of savings and investing objectives.

A mutual fund is an investment vehicle, which pools money from investors with common investment objectives. It then invests the money in multiple assets such as stocks, bonds, money market instruments, government securities in accordance with the stated objective of the scheme. The investments are made by an 'Asset Management Company' (AMC).

HISTORY OF MUTUAL FUNDS

The concept of Mutual Fund was first introduced in the year 1822 in Belgium. Later it rooted to Great Britain and France. Mutual funds became popular in the U.S in 1920s and continued to be popular since 1930s mainly open ended funds.

The mutual fund industry was started 1963 with the formation of Unit Trust of India. For many years, it was the sole organisation providing opportunity to investors to investment in funds. However, the real growth of the industry started in 1992 where formal regulation was formed. Considering this, one may say that Mutual fund industry in India is less than 25 years old. By the end of 1988, UTI had total assets worth Rs. 6,700 crores. Soon after, eight funds were established by banks, LIC and GIC between 1987 and 1993. In 1993, private and foreign players entered the industry, marking the third phase. The first entrant was Kothari Pioneer Mutual fund, which launched in association with a foreign fund.

The Securities and Exchange Board of India (SEBI) formulated the Mutual Fund Regulation in 1996, which, for the first time, established a comprehensive regulatory framework for the mutual fund industry. Since then, several mutual funds have been set up by the private and joint sectors.

Today, the Indian mutual fund industry has opened up many exciting investment opportunities for investors. As a result, it has started witnessing the phenomenon of savings now being entrusted to the funds rather than in banks alone. Mutual Funds are now perhaps one of the most sought-after investment options for most investors. Currently there are around 41 mutual fund organizations in India offering 11288 schemes. There is an impressive growth in the assets under management of mutual funds. According to Association of Mutual Funds in India (AMFI) the assets under management of mutual fund industry has touched an all time high of Rs. 18.29 trillion in March 2017. It is expected to cross Rs. 20 trillion by the end of this year. The robust performance of the industry comes on the back of growing investor's awareness and increased investments in systematic investment plans.

OBJECTIVE OF THE STUDY

The objective of the study is to provide information about the importance and benefits of investment in mutual funds by the investors when compared with other investment avenues.

BENEFITS OF MUTUAL FUNDS

The following are the multitude of benefits offered to the mutual fund investors.

1. BUILT-IN DIVERSIFICATION

The beauty of a mutual fund is that it diversifies the portfolio across a large number of securities so as to mitigate the risk. It can be taken place by spreading the money over numerous securities. Asset management companies provide investors with more diversification and investing options than they would have by themselves. There is no need to worry about the fluctuations of the individual securities in the fund's portfolio. Thus, by investing in mutual funds, the investor can avail the benefits of diversification and asset allocation without investing a large amount of money that would be required to create an individual portfolio.

2. PROFESSIONAL MANAGEMENT

The retail investors may not have the know-how to trade in the markets. The funds are managed by fund managers appointed by Asset Management Company (AMC) who are experienced and skilled professionals and they are responsible for investing the money into various securities and oversight by the Trustees. They

make research on investment and analyze the performance and prospects of various instruments before selecting a particular investment. The professionals will have real time access to crucial market information and can trade on the large and the most cost effective scale.

3. WIDE RANGE OF OFFERINGS

A mutual fund company can offer many varieties of schemes. According to AMFI there are around 41 companies offering 11288 schemes in India. The schemes consist of stock funds, bond funds, sector funds, target-date mutual funds, money market mutual funds and balanced funds. The availability of different types of mutual funds allows the investor to build a diversified portfolio at low cost and without much difficulty. The investors can choose from various kinds of scheme available to them. The risk-seeker investors can go for more aggressive schemes while risk-averse investors can go for income scheme funds.

4. VERY SMALL AMOUNT OF INVESTMENT

A mutual fund enables an investor to participate in a diversified portfolio with very small amounts. There is no other way to invest with reasonable diversification with an amount as low as Rs 500. SIP (Systematic Investment Plans) of a lot of mutual funds allow minimum investment with just Rs 500.

5. AUTOMATIC REINVESTMENT OPPORTUNITY

The investors can easily and automatically reinvest their capital gains and dividends into their mutual fund without a sales load or extra fees. This will take advantage of compounding interest, which essentially means that the interest, dividends, and gains will go to buy more units of mutual funds, rather than the cash coming out and being deposited into a separate account.

6. TRANSPARENCY

Mutual fund holdings are publicly available, which ensures that investors are getting what they pay for. Investors can also see the underlying securities (stocks, bonds, cash, or a combination of those) that the mutual fund portfolio holds. All of the information need to know can easily be found on the mutual fund company's website, through fact sheets, offer documents, annual reports, newspapers and promotional materials help investors gather knowledge about their investments.

7. LIQUIDITY

The investors can get cash from most mutual funds within a few days. The investors can sell their mutual fund units as and when they need money. The sale proceeds will be available as soon as the day after the sale of mutual fund. Some mutual funds have a "settlement" period of up to three days. This level of liquidity is much better than some investment assets, such as real estate. The unit holders can sell their open-ended scheme units at their fund house at any time. Even the close-ended schemes, the unit holder can sell the units on a stock exchange at the prevailing market price. Besides, some close-ended and interval schemes allow direct repurchase of units at NAV related prices from time to time. Thus investors do not have to worry about finding buyers for their investments.

8. AUDITED RECORDS

A mutual fund company has to maintain performance track records for each mutual fund and audited them for accuracy, which ensures that investors can trust the mutual fund's stated returns. The audit involves the examination of fund accounting systems for calculation of net asset values, financial accounting and reporting system for the AMC, unit-holder administration and servicing systems for customer service, funds flow process, system processes for meeting regulatory requirements, prudential investment limits and access rights to systems interface. Accordingly, these systems audits will be conducted once in every two years. A systems audit report and compliance status will be presented before the trustees of the mutual fund. The systems audit report/findings, along with trustee comments, are to be communicated to SEBI. Mutual fund companies also offer a prospectus for each fund, as well as semi-annual or annual reports.

9. CONVENIENCE

An investor can place an order with the broker or can go online to buy mutual fund. The investor can move funds easily from one fund to another, within a mutual fund family, which allows investor to easily rebalance the portfolio to respond to significant fund management and economic changes.

10. WELL REGULATED

Mutual funds in India are regulated and monitored by the Securities and Exchange Board of India (SEBI). In 1996, SEBI formulated the Mutual Fund Regulation. Along with SEBI, mutual funds are regulated by RBI, Companies Act, Stock exchange, Indian Trust Act and Ministry of Finance. The SEBI strives to protect the interests of mutual fund investors. RBI acts as a regulator of Sponsors of bank-sponsored mutual funds, especially in case of funds offering guaranteed returns. Mutual funds provide up to date information to the investors about their investments in addition to other disclosures like specific investments made by the scheme and the proportion of investment in each asset classes.

11. ECONOMIES OF SCALE

Large number of investors and huge amount of investments will result in minimizing the fund's transaction costs, commissions and other fees to a considerable extent. Thus, mutual funds are comparatively less expensive than direct investment in the capital markets.

12. TAX BENEFITS

The investments in Equity Linked Saving Schemes (ELSS) offer tax rebates to investors Under Section 80C of the Indian Income Tax Act 1961. The Capital gains from the above Mutual Funds are tax-free in the hands of the investor.

CONCLUSION

The mutual fund is the smart investment choice for the investor depending on the investment objective and strategy. Built-in diversification, professional management, wide range of offerings, automatic reinvestment opportunity, transparency, well regulated, economies of scale are some of the clear reasons for investment in mutual funds.

REFERENCES

1. Dr. U. Raghavendra Prasad, 'A study on investors' satisfaction towards mutual funds returns with special reference to Chittoor district', International Journal of Research In Commerce & Management, Volume No. 7 (2016), Issue No. 12 (December), ISSN 0976 - 2183, pp. 64-67.
2. G. Ramesh & C. Jyothi, 'Importance of mutual funds in India', International Journal of Research In Computer Application & Management, Vol. No. 7 (2017), Issue No. 5 (May), ISSN 2231 – 1009, pp. 35-39.
3. Aruna R. Shet, 'Mutual Fund: An avenue to investors in India', International Journal of Research In Commerce, Economics & Management, Volume No. 7 (2017), Issue No. 3 (March), ISSN 2231 – 4245, pp. 54-56.
4. S. Prasanna Kumar & Dr. T. Joseph, 'Investors attitude towards safety as an important criterion for mutual fund investment – with special reference to Chennai City', International Journal of Research In Commerce, IT & Management, Volume No. 6 (2016), Issue No. 12 (December), ISSN 2231-5756, pp. 27-31.

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue, as well as on the journal as a whole, on our e-mail infoijrcm@gmail.com for further improvements in the interest of research.

If you have any queries, please feel free to contact us on our e-mail infoijrcm@gmail.com.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward to an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-

Co-ordinator

DISCLAIMER

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, neither its publishers/Editors/ Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal are exclusively of the author (s) concerned.

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals

