CHAPTER - 2 : REVIEW OF RELATED LITERATURE

2.1 INTRODUCTION:

Review of literature has vital significance with any research work due to literature review the possibility of repetition of study can be eliminated and another dimension can be selected for the study. The literature review helps researcher to remove limitations of existing work or may help to extend prevailing study. Several researches have been conducted to analyze the different aspects of performance of mutual funds in India and abroad. Present review of literature is related to the subject of thesis “A COMPARATIVE STUDY ON THE FINANCIAL PERFORMANCE OF MUTUAL FUND SCHEMES OF PRIVATE COMPANIES IN INDIA” The available literature and research are divided into four major parts according to the area of research i.e. literature related to:

1. Review of Literature related to Performance of mutual fund
2. Review of Literature related to Problems of mutual fund
3. Review of Literature related to investor’s perception
4. Review of Literature related to other factor comparisons

The above mentioned literature have been obtained from following four major sources such as

(i) Ph.D. research conducted in India,
(ii) The research / studies carried over by the institutions like SEBI, AMFI, Business magazines like Business Today, Economics Times and,
(iii) Research Studies of individual scholars published in journals and magazines and,
(iv) Websites of Mutual Funds, SEBI and websites of various Mutual funds.

The present study is undertaken in the light of the method adopted and conclusions emerged in the earlier studies relating to the performance evaluation, financial reforms and their impact on mutual Fund Companies.
2.2. REVIEW OF LITERATURE RELATED TO INVESTOR’S PERCEPTION

Singh and Chander (2003)\(^1\) in their study entitled “What Drives the Investors Towards Mutual Funds: An Empirical Analysis” pointed out that the need of the hour was to know what characteristics mutual funds should possess as expected by general investors. The characteristics like “past record of the organization”, “repurchase of the units” by the funds, “easy transferability” and “return provided on investment by the fund” had been rated as important because the money earned and saved was too precious and the investors do not want to compromise as regards safety of their invested money along with receiving reasonably good returns over it.

Mehru (2004)\(^2\) in his study entitled “Problems of Mutual Funds in India” classified the problems of mutual fund industry as problem related to structure, the investors, working and performance. He revealed the investors who invest in growth or equity schemes consider it an alternative to stock market investing and the investors who invest in debt schemes expect higher returns on their investments than returns on the nationalized banks’ fixed deposits. The investors expect higher returns and get dissatisfied when they do not receive the expected returns.

Singh and Chander (2006)\(^3\) in their study “Investors Preference of Investment in Mutual Funds: An Empirical Evidence” the simple techniques like weighted average score, chi-Square, mean, median have been applied for the purpose of analysis of data and found that the investors consider gold to be the most preferred form of investment, followed by NSC and Post Office schemes. Hence, the basic psyche of an Indian investor, who still prefers to keep his savings in the form of yellow metal, was indicated. Investors belonging to the salaried category and in the age group of 20-35 years showed inclination towards close-ended growth (equity-oriented) schemes over the other schemes types. A majority of the investors based their investment decision on the advice of brokers, professionals and financial advisors.
Varma (2006) in her study entitled “Mutual Funds can AMCs sustain their Big Gains” endeavored to find the underlying reasons for the growth of mutual funds industry in India and also the factors that could affect the growth of Asset Management Companies. Study revealed the AMCs need to focus on the investors’ financial desires and keeping their growth track intact. They need to understand the kind of the schemes desired by the investors so that they were able to get the share of the funds that were lying in other investment avenues.

Reddy, Babu and Viswanath (2006) in their study entitled “Investors’ Awareness on Corporate Securities- An Empirical Study” conducted a survey among the respondents in Bangalore to know the awareness level on corporate securities. It was found that the equity shares, debentures and fixed deposits were familiar to all the sample investor. Further more than 80% of the investors were aware of the investment avenues. There was no significant relationship between the age and the level of awareness of investors. Irrespective of the age, investors had awareness about the investment opportunities, based on the requirements and availability of funds. But there was a significant relationship between the level of income and the level of awareness of the investors. The study also revealed that higher income groups were more aware of investment avenues when compared to small income groups in Bangalore city. The study cleared that the higher the income of the investor, the higher was the awareness of investment opportunities. This was due to the investor’s necessity to diversify the funds among different instruments. Investors join the investors clubs to discuss the investment opportunities in different instruments, and the possible risk and return on their investment. The study found that the investors club plays a crucial role in the development of investment awareness.

Pandey (2008) in his study entitled “Performance Appraisal of Shareholding in Mutual Fund Industry in India” found that in the year 1999, Bank and Institutions sponsored mutual fund had attained maximum share holding of 89.99% in mutual fund industry. But in 2006 bank and institution sponsored mutual fund had only 21.7% market share. It seemed that the mindset of the Indian masses had been under change. Now they were
performance / returns-oriented, bullish with private sector mutual fund than public sector undertaking. This observation was supported by the reason that after 7 years private sector mutual fund had acquired 78.3% share in mutual fund industry and incompetence appears to be the basic reason for losing business by Public Sector Undertakings in Mutual Fund industry.

Rethinapandy and Selvakumar (2008)\(^7\) in their study entitled “Mutual Funds Investors’ Confidence” found that mutual funds provide better opportunities to investors to get more return. At present, the Indian mutual fund industry is dominated by private mutual fund companies. Developing countries like India have good opportunities for mutual funds. FIIs investments show an evidence for the confidence of foreigners in the Indian mutual fund industry. The Indian mutual fund industry provided constant and consistent return to investors. As the Indian Corporate Sector needs huge funds for its expansion and development programmes, better growth was expected in the Indian Mutual funds industry.

Sudalaimuthu and Kumar (2008)\(^8\) in their study entitled “A study on investors’ perception towards Mutual Fund Investments” made an attempt to understand the financial behaviour of mutual fund investors in connection with the scheme preference and selection. Simple percentage analysis, Chi- Square test and ANOVA were the tools employed and found mutual fund intermediaries play an important role in making markets. So improve the quality and efficiency of market intermediaries and promote new intermediaries as well as new products. It has been noted that for about 37.6% of the investor’s feedback from increase in capital appreciation is dissatisfied. Steps should be taken for funds to make pair and truthful disclosure of information to the investors. Mutual funds need to take advantage of modern technology like computer and telecommunications to render service to the investors.

Kainth and Kaur (2009)\(^9\) in their study entitled “Mutual Fund Industry in India Investors’ Perception” recaptured the growth phases and also the investor perception in investing in mutual funds and found that namely 60% of the investors had knowledge
about the mutual funds schemes. Analysis of micro factors influencing mutual funds revealed that one-third of the sample of (highest) the investors preferred to invest on the recommendations of their friends and relatives while one-fourth of the sample of investors depended upon the recommendations of their financial advisors. Nearly one-fifth of the investors gave more importance to their own analysis and perception and equal proportion thought that mutual fund manager’s image had got a major role to play while making mutual fund investment. Attempt was also made to examine the macro factors influencing mutual fund investment. Safety of investment was the major factor (27%) which influenced their investment and other factor being tax benefits. Liquidity and conscience were the least factors for mutual fund investment. Income share and monthly income plan were very popular among the old-age investors and risk-averse. On the other hand, balanced share was least popular among the investors.

Walia and Kiran (2009)\textsuperscript{10} in their study entitled “An Analysis of Investors’ Risk Perception towards Mutual Fund Services” conducted a research and they indentified investor’s expectations and parameters that caused dissatisfaction. In this study innovation of mutual funds portfolio wear also highlighted that these innovations should be according to investors’ expectations. Major findings of this study were that investors wanted innovative products and wanted to add quality in existing services.

Kabra ,Mishra and Dash (2010)\textsuperscript{11} in their study titled “Factors Influencing Investment Decision of Generations in India: An Econometric Study” attempted to find out factors which affects individual investment decision and differences in the perception of Investors in the decision of investing on basis of age and on the basis of gender. The data were analysed using standard techniques of factor analysis, Regression analysis and other basic techniques. In spite of the phenomenal growth in the security market and quality Initial Public Offerings (IPOs) in the market, the individual investors prefer investments according to their risk preference. Majority of investors are found to be using some source and reference groups for taking decisions. Though they are in the trap of some kind of cognitive illusions such as overconfidence and narrow framing, they consider multiple factors and seek diversified information before executing some kind of
investment transaction.

**Gupta and Chander (2011)**\(^\text{12}\) in their study “Consideration Of Sources of Information as Selection Criteria in Mutual Fund Purchase: A Comparative Study of Retail and Non Retails Investors’ ” evaluated the differences between retail and non-retail mutual fund investors against source of information as selection criteria construct. It was concluded that there was a significant difference between retail and non-retail mutual fund investors with respect to factors of advertisement and shows and „published returns”, while the former is more important for the retail investors, the latter is more important for the non-retail investors. The findings of the study assumed importance in the sense that all advertisements and TV shows regarding mutual funds should be more oriented towards retail investors. The study has also found that „data and information” and advice and recommendation make no significant difference between retail and non-retail mutual fund investors. The study also highlights the various components of the source of information construct their relative importance and the significant differences if any between retail and non-retail mutual fund investors.

**Sharma (2012)**\(^\text{13}\) in his study entitled “Indian Investor’s Perception towards Mutual Funds” attempted to study the extent to which investors are satisfied (in terms of different benefits offered by mutual fund companies to attract investment in mutual fund) and also to identify factors essential for securing investor’s penetration. The study found that all the benefits which emerge out from the investment in mutual fund may be grouped into three categories. The results reveal that in order to secure the patronage of Indian investor mutual fund companies are expected to ensure full disclosure and regular updates of the relevant information along with the assurance of safety and monetary benefits.

**D'Silva, D'Silva and Bhuptani (2012)**\(^\text{14}\) in their study entitled “A Study on Factors Influencing Mutual Fund Investment in India” Techniques like ANOVA, Friedman Test, and KH Test etc were used for purpose of analysis. The five factors that have been derived through factor analysis will help the companies to get properly acquainted with
the customer requirements and accordingly deliver them the maximum value for their investments. Further analysis of the study has revealed that investors do have inherent specific preference towards Mutual Fund investments. It has been found that the investors will prefer that mutual fund company the most which gives maximum attention towards investors needs and requirements. Further it has also been found that investors with different academic qualifications also create a significant difference in ranking the certain parameters towards investment in Mutual Fund. Finally the study also analyses that the purpose of an investor behind investing in Mutual Fund definitely influence in the selection of the Mutual Fund scheme for investment. Thus the need of the hour for all the domestic mutual fund companies is to expand their investor base which can be possible, only when the companies are determined to understand the value drivers and thus attract retail investors to invest in mutual funds.

Kothari and Mindargi (2013)\textsuperscript{15} in their study entitled “A Study of Investor’s Attitude towards Mutual Fund With Special Reference to Investors in Solapur City” This study analyses the impact of different demographic variables on the attitude of investors towards mutual funds. Apart from this, it also focuses on the benefits delivered by mutual funds to investors. To this end, 200 respondents of Solapur City, having different demographic profiles were surveyed. The study employed percentage analysis. Only a small segment of the investors are still in Mutual Funds and the main source sources of information still are the financial advisors followed by advertisements in different media. The Indian investors generally invest over period of 2-3 years. Also there is a tendency to invest in fixed deposits due to the security attached to it. In order to excel and make mutual funds a success, companies still need to create awareness and understand the psyche of the Indian customer. The study reveals that the majority of investors have still not formed any attitude towards mutual fund investments.

Subramanya and Murthy (2013)\textsuperscript{16} in their study entitled “Investors Attitude towards Mutual Fund (Special Reference to Chikkamagalore District, Karnataka State, India)” aims at finding out the attitude of the small investors towards investment in mutual funds in Chikkamagalore. To analyse the primary data simple statistical tools like percentage
method and Chi-Square analysis were used. The study found that the investors have a positive attitude towards their investment made in Mutual funds. Majority of the investors prefer Mutual Funds for the returns and feel that it is a safe measure of investment. As far as the socio economic variables age, gender, qualification, income and occupation have been encouraging the attitude of investors towards Mutual fund. Investors saving variables are not influencing the attitude of investors.

Chaudhary (2013)\textsuperscript{17} in his study entitled “Investment Behaviour of Engineers towards Mutual Funds: An Analysis of Gender Differences” the study favours Asset Management Companies for designing suitable products to meet the changing financial needs of the investors. Thus, examination of a sample of 200 (83 females and 117 males) investor engineer respondents discerned the differences in the choice of mutual funds and its likely implications on future investment for male and female engineer investors. Research hypotheses have been tested by invoking one-way analysis of variance (ANOVA). A higher level of awareness and satisfaction among the male respondents was observed in the study. The study also acknowledges that the female respondents based their choice of investment largely on the factors like previous experiences and publicity.

Jani and Jain (2013)\textsuperscript{18} in their study titled “A Comparative Analysis of Investors Buying Behaviour of Urban Rural for Financial Assets Specifically Focused on Mutual Fund” examined the investor buying behaviour of urban and rural for financial assets specifically focused on mutual fund, the impact of various demographic factors like age, gender, education, income etc. on the buying behavioural pattern of both Investors. It has found that different demographical factors have influence on buying behavioural pattern of investor. The study shows that each demographical (age, gender, income, educational qualification, occupation etc.) factor had significant bearing on both urban and rural investors buying behavioural process. As far as, behavioural pattern is concerned, the study has revealed that both investors are having same behavioural pattern, marginal deviation was noticed during analysis. Both investors provide more priority to the financial planner, on the second place risk and return profile, third place is
captured by past performance and so on. On the basis of study, it can be concluded in order to capture urban and rural market, mutual fund companies required to concentrate on financial planner.

Vipparthi and Margam (2013)\textsuperscript{19} in their study entitled “Perceptions of Investors on Mutual Funds: A Comparative Study on Public and Private Sector Mutual Funds” The study at first tests whether there is any relation between demographic profile of the investor and selection of mutual fund alternative from among public sector and private sector. For the purpose of analysis perceptions of selected investors from public and private sector mutual funds are taken into consideration. The major perceptual factors identified are Liquidity, Security, Flexibility, Transparency, Returns and Tax benefits along with Monetary and Core product as the most influencing factors.

Palanivelu and Chandrakumar (2013)\textsuperscript{20} in their entitled “A Study on Preferred Investment Avenues among Salaried Peoples with Reference to Namakkal Taluk, Tamil Nadu, India” analysis of the study was undertaken with the help of survey conducted. It is concluded that in Namakkal Taluk, Tamil Nadu, India respondents are medium aware about various investment choices but they do not know aware about stock market, equity, bond and debentures. All the age groups give more important to invest in Insurance and bank deposit. Income level of a respondent is an important factor which affects portfolio of the respondent. Middle age group, Lower income level groups respondents are preferred to invest in Insurance and bank deposit rather than any other investment avenues. Respondents are more aware about various investment avenues like Insurance, bank deposits, small savings like post office savings etc. For that awareness program has to be conducted by Stock Broking firms, because most of the respondents unaware about these new services about stock market.

Swain and Sahoo (2013)\textsuperscript{21} in their study entitled “Investors Perception and Growth Prospects of Mutual Funds: With Special Reference to SBI Mutual Fund” made an attempt to understand the financial behavior of Mutual Fund investors in connection with
the preferences of Brand (AMC), Products, and Channels etc. He observed that many of people have fear of investment in Mutual Fund. They think their money will not be secure in Mutual Fund. They need the knowledge of Mutual Fund and its related terms.

Padmaja (2013) in her study titled “A Study of Consumer Behaviour Towards Mutual Funds With Special Reference To ICICI Prudential Mutual Funds, Vijayawada” examined about investors” awareness towards mutual funds, investor perceptions, their preferences and the extent of satisfaction towards mutual funds. She found the people lack awareness and information towards mutual funds; hence awareness relating to mutual funds must be increased among the investors to encourage them to invest in mutual funds. Even among the investors who invest in mutual funds are unclear about how they function and how to manage them. Proper information must be provided to the investors in order to increase the loyalty among the investors. Investors” fee must be reduced by reducing paper work. Better commission should be paid to Asset Management Companies. If mutual funds are offered to rural and semi urban investors at subsidized rates like agricultural loans, the demand for mutual funds increases in rural and semi urban areas also. Advertising campaigns must be conducted in rural areas to increase awareness among rural investors.

2.3. REVIEW OF LITERATURE RELATED TO MUTUAL FUND’s FINANCIAL PERFORMANCE:
Anitha (2011) assessed the performance of private and public sector mutual funds for a period of two years (2005-2007). Selected funds were studied using Statistical measures like Mean, Variance, Co-variance and Standard Deviation. The performance of all the selected funds has exhibited volatility during period of study leading it to a difficult situation to assign one particular fund that would outperform the others consistently.

Patel and Prajapati (2012) estimated the performance of mutual funds in India using relative performance indices, Treynor’s and Sharpe’s ratio, risk-return analysis, Jensen’s measure, and Fama’s measure and concluded that most of the mutual funds have given positive return during the period of study.
Jain (2012) investigated the performance of equity mutual funds in India using CAPM. The results show that in the long run, the performance of private sector companies’ MFs have been far better than the public sector ones. Out of the pool of sample companies, HDFC and ICICI were the best performers whereas LIC did not perform well. Thus, the overall analysis discovers that the private sector mutual fund schemes are less risky but more rewarding when compared to the public sector ones.

Annapoorna and Gupta (2013) assess mutual fund schemes’ performances ranked 1 by CRISIL and give a comparison of these returns with SBI’s domestic term deposit rates. For the purpose of calculations, simple statistical methods of averages and rate of returns were used. The results obtained clearly depict that, in most cases the mutual fund schemes have been unsuccessful in providing the benefit of SBI domestic term deposits.

Karrupasamy and Vanaja (2013) study and evaluate the performance of Largecap, mid cap and small cap equity mutual funds, on a risk-adjusted basis using Shrpe, Jensen and Treynor’s measure for a period of three years. The findings suggest that most of the large cap and small and mid cap schemes have outperformed the category averaged as well as the benchmark indices. Also, they proposed that investors looking for an investment below 2 years can go for large cap schemes whereas those having investment beyond 3 years should invest in small and mid-cap schemes.

Bhavsar, Damani and Anvesha (2014) contribute by giving a comparative exploration of the performance of select private and public sector mutual funds and the conclusions are that mutual funds with public sector holdings have been greater performers when compared to their private sector complements. Also, with Jensen’s Alpha, private sector funds have been ranked better but a higher rank was given to public sector funds under Treynor and Sharpe ratio.

Arora (2015) studied the risk adjusted performance of 100 mutual funds from the period April 1, 2000 to March 31, 2008 where the results for overall performance was
mixed. Sharpe ratios of 52 mutual fund schemes were better than that their benchmark indices. Treynor ratios of 70 per cent of mutual fund schemes were higher than their respective indices. Thus majorly, almost half of the mutual funds have performed better than their indices.

2.4 REVIEW OF LITERATURE RELATED TO PROBLEMS OF MUTUAL FUND:
Roy, S. & Ghosh, S.K. (2012)\textsuperscript{30} evaluated the performance of the open ended gilt mutual fund schemes for the period of 2008-2009. They examined the risk adjusted performance, market timing performance, selectivity performance and found that the selected mutual fund schemes were not performed well. Further, performance of the Indian private sector mutual fund companies was better than the public sector. Overall, it was concluded that the performance of selected open ended gilt schemes was not performed satisfactory during the recession period.

Kesavraj, G. (2013)\textsuperscript{31} tried to know the investors perception and awareness level towards mutual fund. The author took a sample of two hundred & four respondents to know the their investing power & their interest in financial products. It was found that eighty eight percent respondents agreed that mutual fund could provide a high return & less risky. Seventy three percent respondents were aware about different tax benefits by investing in mutual fund and it was also found that eighty percent respondents were satisfied by investing in mutual fund.

Adhav & Chauhan (2015)\textsuperscript{32} assessed & compared the performance of mutual fund schemes of selected Indian companies by standard deviation & Sharpe’s Ratio. They found that all selected equity mutual funds performed better than their benchmark indices. It was revealed from the study that risk for debt fund was much lower than that of the equity funds. The authors concluded that equity oriented hybrid funds performed better than the other type of hybrid funds and arbitrage fund & conservative debt hybrid funds showed worst performance.
Wadhwa, B.; Kaur, D. & Vashist, A. (2015) studied the factors responsible for the selection of mutual fund as an investment option and also analyzed the impact of various demographic variables on investors attitude towards mutual fund by taking three hundred respondents from Delhi region. One third respondents had given positive response and half of them had neutral response towards mutual fund. The authors found significant association between attitude and demographic features of respondents such as: age, gender, income & occupation. It was also found that no significant association between education & attitude towards mutual fund.

Ayaluru, M.P. (2016) worked to evaluate the performance of ten open ended equity schemes of Reliance Mutual Fund. The study was related to period from Aug 2009 to July 2014. The study highlighted that all the selected funds performed above the selected benchmark return. Further, Jensen measure revealed that all the selected schemes showed positive alpha. According to beta values out of ten schemes, only four schemes showed high risk. In this study Reliance Pharma Fund had highest value and Reliance Diversified Power sector had lowest value of Sharpe & Treynor ratio.

Ratnarajun, P. & Madhav, V.V. (2016) analysed the risk return relationship and market volatility of the selected mutual funds and examined the performance of selected schemes from march 2012 to march 2016 by using Sharpe and Treynor models. The authors investigated the performance of thirty open ended diversified equity schemes. Performance of Reliance Regular Saving Fund Equity, SBI Contra Fund, HDFC Equity Fund was not found as good. It was also found that the Sharpe’s ratio was positive for all the selected schemes. These reviews are few in numbers and nowadays also mutual fund industry is one of popular research area for researchers in finance. Here, the researcher has focused only on topper schemes so that results of these can be produced before existing & potential investors of mutual funds as it is psychological view that investors focus on top schemes. Conversely Rajesh Kumar, Rituraj Chandrakar (2012) evaluates the performance of 29 open-ended, growth-oriented equity schemes for the period from April 2005 to March 2011 (six years) of transition economy. The study revealed that 14 out of 29 (48.28 percent) sample mutual fund schemes had outperformed the benchmark.
return. The results also showed that some of the schemes had underperformed; these schemes were facing the diversification problem.

2.5. REVIEW OF LITERATURE RELATED TO OTHER FACTORS OF MUTUAL FUND:

Dr. R. Narayanasamy, V. Rathnamani, (2013)\textsuperscript{36} evaluate the performance of selected equity large cap mutual funds schemes in terms of risk-return relationship. The performance analysis of the selected five equity are large cap funds. The study may conclude that all the funds have performed well in the high volatile market movement expect Reliance vision.

Dr. S. Narayanrao, (2003)\textsuperscript{37} evaluate the performance evaluation of Indian mutual funds in a bear market is carried out through relative performance index. The results of performance measures suggest that most of the mutual fund schemes in the sample of 58 were able to satisfied investor’s expectations by giving excess returns over expected returns based on both low-grade for systematic risk and total risk.

Suchitashukla (2015)\textsuperscript{38} analyzed the financial performance in terms of risk–return relationship of selected mutual fund schemes (5 categories ×3 mutual fund= 15 schemes). The study reveals that Overall the mutual funds have given better returns than the benchmark in the above period subject to infrastructure fund in year 2013.

Sahil Jain (2012)\textsuperscript{39} evaluate the performance of equity based mutual funds. A total of 45 schemes offered by 2 private sector companies and 2 public sector companies, have been studied over the period April 1997 to April 2012 (15 years). The analysis has been made using the risk-return relationship and Capital Asset Pricing Model (CAPM). The overall analysis finds that HDFC and ICICI have been the best performers, UTI an average performer and LIC the worst performer which gave below-expected returns on the risk-return relationship.
Dr. Shriprakash Soni, Dr. Deepalibankapue, Dr. Mahesh Bhutada, (2015)\textsuperscript{40} comparative analysis of mutual fund schemes available at Kotak mutual fund and HDFC mutual fund. The study conclude that Kotak Mutual Fund schemes are more destructive in Large Cap Equity schemes and HDFC Mutual Fund schemes are more destructive in Mid Cap Equity schemes where as both the companies schemes are very well managed in debt market. Kotak Select Focus is the best scheme in Large cap Equity, HDFC Mid-Cap is the best scheme in Mid-Cap sector and HDFC Balanced Fund is the best scheme in Balanced Fund for investment.

Dr. Vikaskumar (2011)\textsuperscript{41} analyzed of the open ended schemes shows that out of twenty five schemes namely Reliance Growth Fund, Reliance Vision Fund, ICICI Prudential Tax Plan, HDFC Top 200 and Birla Sun Life Equity Fund, performs better in comparison to benchmark index BSE-100 index in terms of monthly average return and risk involved in these schemes less then benchmark.

Kalpesh P. Prajapati, Mahesh K. Patel (2012)\textsuperscript{42} It evaluate the Indian mutual funds is carried out through relative performance index, risk-return analysis, Sharp's measure, Jensen's measure, and Fama's measure. All selected mutual fund companies have positive return during 2007 to 2011. HDFC and Reliance mutual fund have performed well as compared to the Sensex return. ICICI prudential and UTI Mutual fund has lower level of risk compare to HDFC and Reliance mutual fund.

Tej Singh, Priyanka (2014)\textsuperscript{43} analysed the private sector of mutual funds are gaining more in terms of scale of mobilization of funds compared to that of public sector mutual funds. The study reveals that the private sector mutual funds are gaining more in terms of scale of mobilization of funds compared to that of public sector. The gap is reaching up to 81 percent in 2003-04 from 31 percent in 1998-99 and finally settled at 54 percent in 2009-10

N. Bhagyasree Mrs. B. Kishori (April 2016)\textsuperscript{44} in the study “A Study on Performance Evaluation of Mutual Funds Schemes in India” investigated the 30 open ended mutual
funds to understand the performance of mutual funds. The paper investigates the performance of open-ended, growth-oriented equity schemes for the period from April 2011 to March 2015 of transition economy. Daily closing NAV of different schemes have been used to calculate the returns from the fund schemes. BSE-Sensex has been used for market portfolio.

Sonali Agarwal, Chand Tandon & P. S. Raychaudhuri (December 2015) in the Paper “A Study of Mutual Funds from Different Sectors in India” investigate the savings habits of the people. Savings constitute a major part of GDP in India. These savings flow into different investment avenues. People commit their funds in expectation of some future returns in terms of revenue or capital. The main hurdle in this process is the selection of the appropriate security which involves complete market and security analysis along with portfolio management.

Dr. S L Gupta & Meenakshi Garg (2014) in the paper “A study of performance evaluation of selected Mutual Funds in India” Revels that there is no significant difference among the performance of mutual fund based on Sharpe & Treynor models. Mutual funds are providing significant returns to the investors but still fails to obtain the confidence for the investment from the investors.

Mr. Sunil M. Adhav, Dr. Pratap M. Chauhan (Feb 2015) in the study “Comparative Study of Mutual Funds of Selected Indian Companies” says that India’s mutual fund market has witnessed phenomenal growth over the last decade. The consistency in the performance of mutual funds has been a major factor that has attracted many investors. The present research is an attempt to study comparative performance of mutual funds of selected Indian companies. The study focus on mutual fund schemes of selected Indian companies comprising Equity, Debt and Hybrid Schemes. The total of 390 schemes comprising of 178 equity mutual funds, 138 debt schemes and 74 hybrid schemes are selected for the study. The performance of selected Indian companies’ mutual fund is analyzed with the help of Return, risk (standard Deviation), and Sharpe ratio. Also the selected mutual funds are compared with their respective benchmark.
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REVIEW OF LITERATURE RELATED TO INVESTOR’S PERCEPTION


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