DOCTRINE OF MUTUAL FUNDS

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ABSTRACT
Mutual funds are considered the best investment tool for retail investors. For making investments in the stock market one needs to understand its technicalities. An investor may not possess the required knowledge or may not have time to judge the markets. On the other hand, the investment goals of investors vary from persons to persons. While somebody wants security, other might give importance to the returns. In such cases the investor can invest in stock market through mutual funds. The first mutual funds were established in Europe. One researcher credits a Dutch merchant with creating the first mutual fund in 1774. The first mutual fund outside the Netherlands was the Foreign & Colonial Government Trust, which was established in London in 1868. The first introduction of a mutual fund in India occurred in 1963, when the Government of India launched Unit Trust of India (UTI). Until 1987, UTI enjoyed a monopoly in the Indian mutual fund market. Then a host of other government-controlled Indian financial companies came up with their own funds. These included State Bank of India, Canara Bank, and Punjab National Bank. This market was made open to private players in 1993, as a result of the historic constitutional amendments brought forward by the then Congress-led government under the existing regime of Liberalization, Privatization and Globalization (LPG). This paper attempts to identify the various information regarding MF. This paper also attempts to provide certain measure to make information much secure and robust.

KEYWORDS: RBI UTI, Liberalization, Privatization and Globalization