ISSN (Online) : 2455 - 3662
SJIF Impact Factor :3.967

EPRA International Journal of Multidisciplinary Research

Monthly Peer Reviewed & Indexed
International Online Journal

Volume: 3 Issue: 4 April 2017

Published By :
EPRA Journals

SJIF Impact Factor: 3.967 Volume: 3 | Issue: 4 | April 2017
EPRA International Journal of Multidisciplinary Research (IJMR) ISSN (Online): 2455-3662

ASSESSING THE PERFORMANCE OF RELIANCE TAX SAVING FUND

Dr.S.P.Dhandayuthapani[1]
[1]Assistant professor,
Department of Management Studies,
Anna University (BIT campus),
Tiruchirappalli, Tamil Nadu, India

A.Katharbatsha[2]
[2]Final year PG student,
Department of Management Studies,
Anna University (BIT campus),
Tiruchirappalli, Tamil Nadu, India

ABSTRACT
The tax planning is the essential part of financial planning. Efficient tax planning aims to reduce the tax liability of the tax payer. This done through identifies the tax deduction source investment and allocation of investment for minimizes the tax liability. Tax exemption, rebate tax allowances ensure that your investment in line with long term goal. There are many tax saving instruments available to tax payer such as PPF, NPF, ELSS, LIS, UTIM and now we going to analyze the ELSS fund of reliance mutual fund and aims to study about the reliance tax saver fund growth and performance, portfolio investment, sectorial investment.

KEY WORDS: *ELSS mutual fund, Tax reduction, Reliance tax saver.*

INTRODUCTION
The planning is the arrangement of one affairs to handle the liability of the tax there is no such tax evasion the all tax planning is minimize tax liability and also following the transaction detail is must clearly defined don't hide any income. The part of tax payer who entitle to reduce the burden of his tax liability to the maximum possible to extent under the existing laws.

TYPES OF TAX PLANNING
Short Term The short range planning is year – year to achieve the specific objective to minimize the tax liability which is under the income tax law 1961. The individual assess the excess income the plan to subscribe the PPF, NPS to reduce the annual tax burden.

Long Term Its refers to gains the long term capital appreciation from the investment by the individual and its only benefits to the tax payer after 3 to 5 years of investment. This investment returns is growing slowly but steady income.

Permissive tax planning The permissive tax planning is reducing the tax liability done through the express of provision of tax laws tax exemption and incentives.

Purposive Tax planning The purposive tax planning is not followed by tax laws the individual asses their income and intentionally change the tax statue under the different sanctions for the purpose to reduce tax.

LITERATURE REVIEW
(Dr.M.Moganasundari, 2016) The paper analyzes the various tax saving mutual fund investment avenues available to investors. The equity linked saving scheme is provides tax benefits under the sec.80 (c) of income tax act 1961. They were comparing the investment in banks v/s mutual funds; analyze the investor perception in the area of equity/tax saving mutual funds. The certain ELSS schemes are outperform than the bench mark index, liquidity, rate of return, tax benefits, high return, price, capital appreciation these factor facilitate the investor preference in mutual fund schemes.

(Dr.S.M. Tariq Zafar, 2013) The analyze the investor preference influence the factor awareness in mutual fund by using chi-squire test on nine most trusted mutual fund through SPSS to find out the frequency rate investor preference of mutual fund schemes to categorize the funds of consumer prefers to invest to set the score the equity link tax saving schemes preference score is 45, analysis of asset under management to understand the fund selection/switch behavior of the investor, liquidity and higher return.

(Krishna Kumar Kadambat, 2015) Evaluates the performance of Equity linked savings schemes of mutual fund and analyze the tax provision of the ELSS fund to promote the investment of people by the government of India. The ELSS fund is diversified in nature therefore the risk is manageable the return is stable and also gain benefits form tax savings in annual income. The investor only choose this investment for risk adjusted return and short term capital gains through the growth oriented or dividend oriented ELSS fund.

(Aijay Mittal, 2015) The tax saving mutual fund is one of the financial instrument in capital market, the study based upon the ELSS fund of the public sector and private sector mutual funds, aims to compares the ELSS fund among them. Naturally the capital market is fluctuating by some influence factor happened in the market and buy/sell/hold of the securities of the company. The tax saving mutual fund industry is grown at rate of 50% annually. Its includes the price earnings ratio (P/E), book price ratio, Return and net asset value and asset under management. The performance index model is represents the flow of risk and return relationship of the investment and tools used to F-test, T-test, one way Anova to classify the rows and columns. This classifies the variance of the average of rows and average of columns. SBI, UTI, LIC, Baroda, Canara Robeco, HDFC, ICICI, Reliance these some private and public sector tax saving mutual fund schemes is to took for analyze the comparative study of the private as well as public. The conclusion of this study is analyze the return of the tax saving schemes among the public and private sector and suggests to the investor for which suits to the individual for income tax planning.

(Savita, 2013) The income tax planning is the essential part of the financial planning, the tax payer is identifies the source of investment for reduce the tax liability. This paper is identify and analyze briefly about the tax saving instruments such as PPF, NPS, ELSS, LIC so for this source income is non-taxable to the tax payer they can claim the income tax deduction as per tax saving investment avenues. The evasion is the tax payer is hiding their taxable income and ignores the laws of income tax. Also tax avoidance is the process of identify tax deducted source regarding our investment. The tax saving instruments is according to sec (c) is the tax payer claim the taxable income deducted up to 1kh. The respondents rank of their priority according to tax saving instrument. This study classifies the priorities of the tax saving instruments such as Age, Income, Residents, and Gender.

EQUITY LINKED TAX SAVING SCHEME

The income tax act 1961 under sec. 80 (c) the equity linked mutual fund scheme the investment is eligible for tax deduction from annual taxable income up to 1.5LK its only applicable for short term capital appreciation. The investor can subscribe this investment in any time in locking period. The locking period is 3 years. The equity funds short term capital gains is taxed at 15% the long term is not applicable in equity.

The income tax act 1961 the income generated from the any of form investment made in mutual fund under the registration of SEBI act 1992. Either in the form of capital gains (short term or long term), dividends or interest is exempt from income tax.

The STCG tax rate on non-equity funds or debt funds is as per the investor income tax slab rate. (Tax deducted at source is 30% applicable) the LTCG tax rate on equity funds the tax deducted at source is 15% applicable.

Mutual Fund Taxes and Factors

Resident Indian

Types of tax saving fund

Equity Funds

Non-Equity Funds

Holding Period and Capital Gains

STCG – MF units held for 1year or less

LTCG – MF units held for more than 1year

STCG – MF units held for 3years or less

LTCG –MF units held for more than 3years

LTCG – Legally avail exemptions on long-term Capital Gains

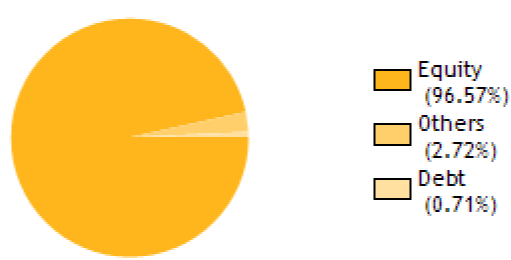
STCG – Short Term Capital Gains

RELIANCE TAX SAVER FUND

The Reliance is one of the finest company in mutual industry, the reliance tax saver fund is main objective of this scheme is to generate the long term capital appreciation from a portfolio that is invested in equity related investment. The minimum investment in this scheme and in multiples of Rs.500 thereafter. Seeks to maintain balance between large cap companies and mid cap companies.

FUND DETAILS

Category: Equity: tax planning
Growth: R53.2895
Dividend yearly: R11.2591
Assets: R6, 916 cr
Expense: 1.99%
Bench mark: S&P BSE 100
Risk meter: Moderate high
Turn over: 36%
Asset Allocation



http://www.morningstar.in/mutualfunds/f0gbr06r5e/reliance-tax-saver-(elss)-fund-growth/performance.aspx
NAV: 53.789 ^0.5 (0.94%)
Expense Ratio: 1.99%

PERFORMANCE OF RELIANCE TAX SAVER FUND

History (02/28/2017)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD
0P00005UQM	42.40	-52.35	82.01	22.49	-24.23	46.05	3.47	83.00	-2.92	4.24	11.88
Category (ELSS (Tax Savings))	56.71	-55.55	81.94	19.00	-23.86	30.94	6.53	50.63	3.20	4.46	9.98
+/- Category (ELSS (Tax Savings))	-14.31	3.20	0.06	3.50	-0.37	15.11	-3.05	32.36	-6.13	-0.22	1.89
Annual Report Net Expense Ratio	—	1.90	1.93	1.90	1.88	1.90	2.16	2.33	2.42	2.42	—
Turnover Ratio	159	176	221	168	77	61	56	105	62	40	—
Rank in Category	74	32	52	38	63	5	75	3	92	46	17

http://www.morningstar.in/mutualfunds/f0gbr06r5e/reliance-tax-saver-(elss)-fund-growth/performance.aspx

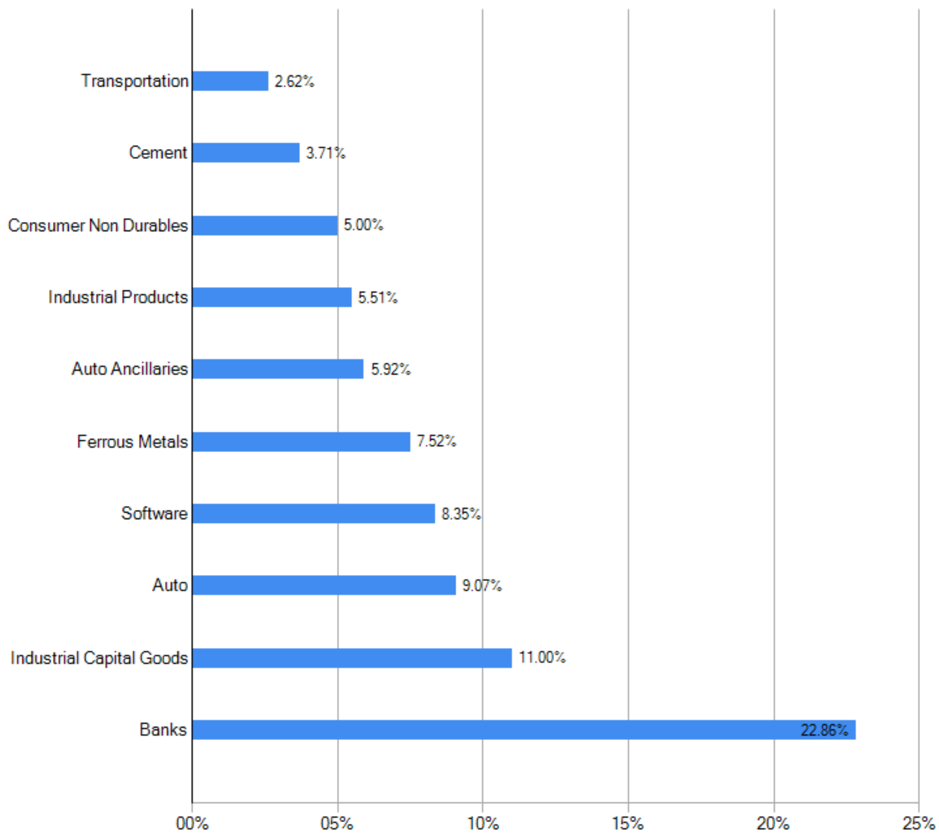
http://www.morningstar.in/mutualfunds/f0gbr06r5e/reliance-tax-saver-(elss)-fund-growth/performance.aspx

NAV Returns

Scheme	1mth	3mth	6mth	1 year	2 year	3 year	5 year
Returns	2.9%	12.0%	7.2%	32.6%	4.7%	27.0%	20.6%
Rank#	68	72	26	36	77	5	4

http://www.morningstar.in/mutualfunds/f0gbr06r5e/reliance-tax-saver-(elss)-fund-growth/performance.aspx

PORTFOLIO DETAILED INVESTMENT IN RELIANCE TAX SAVER FUND



http://www.morningstar.in/mutualfunds/f0gbr06r5e/reliance-tax-saver-(elss)-fund-growth/performance.aspx

CONCLUSION

The mutual fund investment is accumulating the retail investment and investment is managed by the asset professional of mutual fund. The government of India focusing the saving from the retail investor so for the government introduces the ELSS fund for encourages and promotes the investment from retail investor. The Reliance tax saver fund is moderate risk and high return investment the performance of fund is going in growth the NAV is 53.38. The asset under management is (AUM) is R6, 916 cr and dividend yearly is R11.2591 and turn over this scheme is 36%. Total market value is 69,163.2300ml. Market capitalization of the fund is 2,85,961ml.

The earnings yield is 0.0434 and book value is 0.4217. The reliance tax saver fund is begun in 2007 till to date 2016 the fund is growing well and the greatest dividend yield in annually. The performance of fund is positively moving. This paper help to assess the reliance tax saver fund and suggests to the investor for invests in this equity linked tax saving scheme.

REFERENCE

1. ***A Strategic study on investor preference of mutual funds in India*** *[Journal] / auth. Dr.S.M. Tariq Zafar Dr. Adeel maqbool, S.M. Khalid // International journal of marketing ,financial services and mangement research . - 2013. - pp. 94-110.*
2. ***Comparative Study of ELSS of Public Sector and Private Sector of mutual fund industry in india*** *[Journal] / auth. Aijay Mittal Dr.V.K Agarwal // THE INTERNATIONAL JOURNAL OF SCIENCE AND TECHNOLOGY. - 2015. - pp. 1-15.*
3. ***Income tax planning : a study of tax saving instuments*** *[Journal] / auth. Savita Lokesh Gautam // international journal of management and social sciences research. - 2013. - pp. 83-91.*
4. ***investment performance of equity linked saving schemes (ELSS) of indian mutual funds*** *[Journal] / auth. Krishna Kumar Kadambat*

Raghavendra T S, B M Singh // international journal of recent scientific research. - 2015. - pp. 1-8.

5. ***Perception of mutual fund investor** [Journal] / auth. Dr.M.Selvaraj A.Balamurugan // elk journals. - 2012. - pp. 1-10.*
6. ***Risk and return analysis in selected equity linked savings scheme in India** [Journal] / auth. Dr.M.Moganasundari S.C.Vetrivel, R.E.Lavanya // Asian journal of management science . - 2016. - pp. 1-6.*
7. *http://www.morningstar.in/mutualfunds/f0gbr06r5e /reliance-tax-saver-(elss)-fun growth/performance.aspx*
8. *http://www.moneycontrol.com*
9. *http://www.Amfi india.com*