

A STUDY ON INVESTOR'S PERCEPTION TOWARDS MUTUALFUNDS

Submitted in partial fulfillment of the requirements for the award of

Master of Business Administration

by

Sanjai. K

Register No: 42410191



**DEPARTMENT OF BUSINESS ADMINISTRATION
SCHOOL OF MANAGEMENT STUDIES**

SATHYABAMA

**INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)**

**Accredited with Grade "A++" by NAAC | 12B Status by UGC | Approve by AICTE
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BONAFIDE CERTIFICATE

This is to certify that this Project Report is the Bonafide work of **Sanjai.K (42410191)** who carried out the project entitled, “**A Study on Investor’s Perception towards Mutual Funds**” under my supervision from October 2023 to December 2023.

DR. VELUMONI
Internal Guide

External Guide

DR. BHUVANESWARI. G, MBA, Ph.D.
Dean – School of Management Studies

Submitted for Viva voce Examination held on _____

Internal Examiner

External Examiner

DECLARATION

I **Sanjai.K (42410191)** hereby declare that the Project Report entitle, “**A study on Investor’s Perception towards Mutual Funds**” done by me under the guidance of **Dr. D Velumoni** is submitted inpartial fulfillment of the requirements for the award of Master of Business Administration degree.

DATE:

PLACE:

SANJAI.K

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TABLE OF CONTENTS

	TITLE	PAGE NO
	ABSTRACT	i
	LIST OF TABLES	ii
	LIST OF CHARTS	iii
1	INTRODUCTION	1
	1.1 Mutual Fund	1
	1.2 Opportunity	4
	1.3 Challenges & Facing Mutual Fund	10
	1.4 History of Mutual Fund	11
	1.5 Advantage of Mutual Fund	12
	1.6 Need of the Study	15
	1.7 Scope of the study	15
	1.8 Objective of the Study	15
	1.9 Limitation of the Study	15
2	REVIEW OF LITERATURE	16
	2.1 Review of Literature	16
3	RESEARCH AND METHODOLGY	35
	3.1 Research Design	35
	3.2 Sampling Techniques	35
	3.3 Sources of Data	35
	3.4 Structure of Questionnaires	36
	3.5 Sample Size	36
	3.6 Analytical Tools	36
4	DATA ANALYSIS AND INTERPRETATION	37
	4.1 Percentage Analysis	37
	4.2 Chi Square Analysis	54
	4.3 Questionnaire	55
5	FINDINGS SUGGESTIONS AND CONCLUSION	59
	5.1 Findings	59
	5.2 Suggestions	60
	5.3 Conclusions	61
	REFERENCES	62

ABSTRACT

Mutual funds are most suitable investment for a common man as it offers an opportunity to invest in a diversified, professionally managed basket of securities at a reasonably low cost. The diversification of schemes provides a variety of options to suit the individual objectives according to their age, financial position, risk tolerance and return expectations. Investment in mutual funds is affected by the perception of the investors. The study focuses on identify the investor's perception towards mutual funds and to analyze the factors influencing investors' perception towards mutual fund and data was collected by applying convenience method of sampling. Statistical tools like "Chi-square" were applied to analyze the data. The result of the chi-square test revealed an association among the problem faced by the investor in mutual fund and good option to invest in mutual fund.

LIST OF TABLES

TABLE NO	PARTICULARS	PAGE NO
4.1.1	Age group of the Respondents	37
4.1.2	Gender of the Respondents	38
4.1.3	Occupation of the Respondents	39
4.1.4	Monthly Income of the Respondents	40
4.1.5	Annual savings of the Respondents	41
4.1.6	Source of awareness of the Respondents	42
4.1.7	Method of purchase Mutual Fund unit	43
4.1.8	Aware of risk involved in Mutual Fund investment	44
4.1.9	Problem faced by investors in Mutual Fund	45
4.1.10	Mode of investment	46
4.1.11	Investment experience in Mutual Fund	47
4.1.12	Duration of time preferred by investors	48
4.1.13	The Respondents think good options to invest in Mutual Fund	49
4.1.14	The Respondent think to reinvest in mutual funds	50
4.1.15	Prefer friends and relatives to invest in Mutual Fund	51
4.1.16	Factors influencing investment in mutual funds	52

LIST OF CHARTS

TABLE NO	PARTICULARS	PAGE NO
4.1.1	Age group of the Respondents	37
4.1.2	Gender of the Respondents	38
4.1.3	Occupation of the Respondents	39
4.1.4	Monthly Income of the Respondents	40
4.1.5	Annual savings of the Respondents	41
4.1.6	Source of awareness of the Respondents	42
4.1.7	Method of purchase Mutual Fund unit	43
4.1.8	Aware of risk involved in Mutual Fund investment	44
4.1.9	Problem faced by investors in Mutual Fund	45
4.1.10	Mode of investment	46
4.1.11	Investment experience in Mutual Fund	47
4.1.12	Duration of time preferred by investors	48
4.1.13	The Respondents think good options to invest in Mutual Fund	49
4.1.14	The Respondents prefer to reinvest in mutual funds	50
4.1.15	Prefer friends and relatives to invest in Mutual Fund	51
4.1.16	Factors influencing investment in mutual funds	52

CHAPTER-1

INTRODUCTION

1.1 MUTUAL FUND

Mutual funds refer to funds which collect money from investors and put this money in stocks, bonds and other securities to gain financial profit. Persons whose money is used by the mutual fund manager to buy stocks, bonds and other securities, get a percentage of the profit earned by the mutual fund in return of their investments. In this way, the mutual fund offers benefit to both parties. A mutual fund is a trust that pools the savings of a number of investors who share a common financial goal. The money thus collected is then invested in capital market instruments such as shares, debentures and other securities. The income earned through these investments and the capital appreciation realized is shared by its unit holders in proportion to the number of units owned by them. Thus, a mutual fund is the most suitable investment for the common man as it offers an opportunity to invest in a diversified, professionally managed basket of securities at a relatively low cost. The flow chart below describes broadly the working of a mutual fund.

A mutual fund is a professionally managed type of collective investment scheme that pools money from many investors and invests it in stocks, bonds, short-term money market instruments, and/or other securities. The mutual fund will have a fund manager that trades the pooled money on a regular basis. Currently, the worldwide value of all mutual funds totals more than \$26 trillion.

The mutual fund organization earns profit by using people's money for investment and the persons who invest in mutual fund acquire financial profit without going into intensive analysis and research on bonds and stocks. The work of stock and bond market analysis, market research and market speculation is done by the mutual fund managers. The people who invest in mutual funds are generally exposed to much lower risk compared to those who directly invest in bonds and stocks. Mutual fund investment

involves lower risk as the investment is diversified in to different bonds and stocks. So, if at any time market value of one particular bond or value of the stocks of any particular company drops, then the loss incurred by the mutual fund can be offset by the market gain of any other bond or stocks.

Investment is a commitment of funds in real assets or financial assets. Investment involves risk and gain. In the present dynamic global environment, exploring investment avenues are of great relevance. Investment skills developed over a period of time are considerably influenced by experience and spadework carried out to arrive at conclusions. The success of an investment activity depends on the knowledge and ability of investors to invest, the right amount, in the right type of investment, at the right time. Real assets, being tangible material things, are less liquid than financial assets. Compared to financial assets, returns on real assets are more difficult to measure accurately due to the absence of broad, ready, and active market.

Financial assets available to individual investors are manifold, having different concomitant benefits to choose from. All financial investments are risky but the degree of risk and return differ from each other. An investor has to use his discretion, which is an art acquired by learning and practical experience. The knowledge of financial investment and the art of its management are the basic requirements for a successful investor. Investment also lies in its liquidity, apart from risk and return on investment. Liquidity through easy marketability of investments demands the existence of a well organized government regulated financial system.

Financial system comprises of financial institutions, services, markets and instruments, which are closely related and work in conjunction with each other. The litany of new financial institutions and instruments developed in recent years, with the ostensible objective of modernizing the financial sector, is impressively long; mutual funds, discount and finance house of India, money market mutual funds, certificate of deposit, commercial paper, factoring and treasury bills.

Financial services through the network of elements (institutions, markets and instruments) serve the needs of individuals, institutions and companies. It is

through these elements, the functioning of the financial system is facilitated. Financial services comprise of various functions and services that are provided by financial institutions. Financial services are offered by both asset management companies, which include leasing companies, mutual funds, merchant bankers, issue managers, portfolio managers and liability management companies comprising of bill discounting houses and acceptance houses. Financial services lend a big hand in raising the required funds and ensure its efficient deployment. Over the years, the financial services in India have undergone revolutionary changes and had become more sophisticated, in response to the varied needs of the economy.

The process of financial sector reforms, economic liberalization and globalization of Indian capital market had generated and augmented the interest of the investors in equity. But, due to inadequate knowledge of the capital market and lack of professional expertise, the common investors are still hesitant to invest their hard earned money in the corporate securities. The advent of mutual funds has helped in garnering the investible funds of this category of investors in a significant way. As professional experts manage mutual funds, investment in them relieves investors from the emotional stress involved in buying and selling of securities.

Systematic Investment Plan:

Systematic investment plan is an approach to investing within managed investments which involves investing a set of amount at regular intervals rather than investing a larger lump sum amount in one shot. By investing this way you are not attempting to capture the highs and lows of the market but rather the cost of your investment is averaged over a period of time. The essence of sips is that when the markets fall investors automatically acquire more units. Likewise they acquire lesser units when the market rises. This means that you buy less when the price is high whereas you buy more the price is low. Hence the average cost per unit drops down over a period of time. Mutual funds that invest in stock market related instruments cannot be termed risk-free or safe as investment in shares are inherently risky by nature, whereas funds that invest in fixed-income instruments are relatively safe and

those that invest only in government securities are the safest. Systematic investment plan (sip) is a smart financial planning tool that helps you to create wealth, by investing small sums of money every month, over a period of time. Systematic investment plan (sip) is a planned approach to investments and an investment technique that allows you to provide for the future by investing small amounts of money in mutual fund schemes of your choice

Types of mutual fund scheme

Mutual fund schemes can be classified into different categories depends on their investment goals or their maturity time. mutual fund schemes can be classified into three categories based on their maturity periods.

Open-ended funds:

An open-ended fund or scheme is one that is available for subscriptions and redemptions on a continuous basis. Investors can willingly sell and buy units at net asset value (nav) related prices which are declared on weekly bases.

Close-ended funds:

A close-ended fund or scheme has a variable maturity period which can range from a few months to a few years, e.g., 6 months, 6 years or 10 years. I.e., fund is open for subscription only during a specified period at the time of launch of the scheme.

1.2 OPPORTUNITY OF MUTUAL FUND

Opportunities of mutual funds are tremendous especially when investment is concerned. For any individual who intends to allocate his assets into proper forms of investment and want to diversify his investment portfolio as well as the risks, mutual funds can be proved as the biggest opportunity. Investors get a lot of advantages with the mutual fund investment. Firstly, they are not required to carry on intensive research and detailed analysis on stock market and bond market. This work is done by the fund managers of the investment management company on behalf of the investors. In fact, the professional fund managers who handle the mutual funds of any particular company are able to speculate the market trend more correctly than any

common individual. good speculation about the trends of stock prices and bond prices leads to right allocation of funds in the right stocks and bonds resulting in good rate of returns.

Investors also get the advantage of high liquidity of the mutual funds. This means the investors can enjoy easy access to the funds invested in the mutual funds whenever they require the money. When the investors invest in any mutual fund, they are given some equity position in that fund. The investors can any time sell their mutual fund shares to get back the money invested in mutual funds. The only thing is that the rate of return that they will get may not be favorable as the return depends on the present market condition. The greatest opportunity that the mutual funds offer is the opportunity of diversifying their investments. investment diversification actually diversifies the risk associated with investment. this is because, if at a time, if prices of some stocks are declining, decreasing the value of investment, prices of some other stocks and bonds may tend to rise and in this way the loss of the mutual fund is offset by the strength of the stocks whose prices are raising. As all the mutual funds diversify their investments in various common stocks, preferred stocks and different bonds, the risk to be borne by the investors are well diversified and in other terms lowered.

1.2.1 MUTUAL FUND CONSTITUENTS:-

Sponsors:

The sponsors initiate the idea to set up a mutual fund. It could be a registered company, scheduled bank or financial institution. A sponsor has to satisfy certain conditions, such as capital, record (at least five years' operation in financial services), and de-fault free dealings and general reputation of fairness. The sponsors appoint the trustee, AMC and custodian. Once the AMC is formed, the sponsor is just a stakeholder.

Trust/ Board of Trustees:

Trustees hold a fiduciary responsibility towards unit holders by protecting their interests. Trustee floated and market schemes, and secure necessary approvals. They check if the AMC's investments are within well-defined limits,

whether the fund's assets are protected, and also ensure that unit holders get their due returns. They also review any due diligence by the AMC. For major decisions concerning the fund, they have to take the unit holder's consent. They submit reports every six months to

SEBI: Investors get an annual report. Trustees are paid annually out of the fund's assets -0.5 percent of the weekly net asset value.

Fund Managers/ AMC:

They are the ones who manage money of the investors. An AMC takes decisions, compensates investors through dividends, maintains proper accounting and information for pricing of units, calculates the NAV, and provides information on listed schemes. It also exercises due diligence on investments, and submits quarterly reports to the trustees. A fund's AMC can neither act for any other fund nor undertake any business other than asset management. Its net worth should not fall below Rs. 10 crore. And, its fee should not exceed 1.25 percent if collections are below Rs. 100 crore and 1 percent if collections are above Rs. 100 crore. SEBI can pull up an AMC if it deviates from its prescribed role.

Custodian:

Often an independent organization, it takes custody of securities and other assets of mutual fund. Its responsibilities include receipt and delivery of securities, collecting income distributing dividends, safekeeping of the units and segregating assets and settlements between schemes. Their charges range between 0.15-0.2 percent of the net value of the holding. Custodians can service more than one fund.

1.2.2 MARKETING STRATEGIES ADOPTED BY THE MUTUAL FUNDS

The present marketing strategies of mutual funds can be divided into three main headings:

- Direct marketing
- Selling through intermediaries.

➤ Joint Calls

Direct Marketing:

This constitutes 20 percent of the total sales of mutual funds. Some of the important tools used in this type of selling are:

Personal Selling:

In this case the customer support officer or Relationship Manager of the fund at a particular branch takes appointment from the potential prospect. Once the appointment is fixed, the branch officer also called Business Development Associate (BDA) in some funds then meets the prospect and gives him all details about the various schemes being offered by his fund. The conversion rate in this mode of selling is in between 30% - 40%.

Telemarketing:

In this case the emphasis is to inform the people about the fund. The names and phone numbers of the people are picked at random from telephone directory. Some fund houses have their database of investors and they cross sell their other products. Sometimes people belonging to a particular profession are also contacted through phone and are then informed about the fund. Generally the conversion rate in this form of marketing is 15% - 20%.

Direct mail:

This one of the most common method followed by all mutual funds. Addresses of people are picked at random from telephone directory, business directory, professional directory etc. The customer support officer (cso) then mails the literature of the schemes offered by the fund. The follow up starts after 3 to 4 days of mailing the literature. The cso calls on the people to whom the literature was mailed. Answers their queries and is generally successful in taking appointments with those people. It is then the job of bda to try his best to convert that prospect into a customer.

Advertisements in newspaperRs and magazines:

The funds regularly advertise in business newspaperRs and magazines besides in leading national dailies. the purpose to keep investors aware about the schemes offered by the fund and their performance in recent past. Advertisement in tv/fm channel: the funds are aggressively giving their advertisements in tv and fm channels to promote their funds.

Hoardings and BanneRs:

In this case the hoardings and banneRs of the fund are put at important locations of the city where the movement of the people is very high. The hoarding and banner generally contain information either about one particular scheme or brief information about all schemes of fund.

Selling through intermediaries:

Intermediaries contribute towards 80% of the total sales of mutual funds. These are the people/ distributoRs who are in direct touch with the investors. They perform an important role in attracting new customers. Most of these intermediaries are also involved in selling shares and other investment instruments. They do a commendable job in convincing investors to invest in mutual funds. A lot depends on the after-sale services offered by the intermediary to the customer. Customers prefer to work with those intermediaries who give them right information about the fund and keep them abreast with the latest changes taking place in the market especially if they have any bearing on the fund in which they have invested.

Regular Meetings with distributoRs:

Most of the funds conduct monthly/bi-monthly meetings with their distributoRs. The objective is to hear their complaints regarding service aspects from funds side and other queries related to the market situation. Sometimes, special training programmeRs are also conducted for the new agents/ distributoRs. Training involves giving details about the products of the fund, their present performance in the market, what the competitoRs are doing and what they can do to increase the sales of the fund

Joint Calls:

This is generally done when the prospect seems to be a highnetworth investor. The BDA and the agent (who is located close to the residence or area of operation) together visit the prospect and brief him about the fund. The conversion rate is very high in this situation, generally, around 60%. Both the fund and the agent provide even after sale services in this particular case.

The most important trend in the mutual fund industry is the aggressive explosion of the foreign owned mutual funds companies and the decline of the companies floated by nationalized banks and small private sector players. Many nationalized banks got into the mutual funds business in the early nineties and got off to a good start due to the stock market boom prevailing then.

These banks did not really understand the mutual funds business and they viewed it as another kind of banking activity. Few hired specialized staff and generally chose to transfer staff from parent organizations. The performance of most of the schemes floated by these organizations was not good. Some schemes had offered guaranteed returns and their parent organizations had to bail out these AMC by paying large amount of money as the difference between the guaranteed and actual returns. The service levels were also very bad.

Most of these AMC have not been able to retain staff, float new schemes etc. And it is doubtful whether, barring a few exceptions, they have serious plans of continuing the activity in a major way. The experience of some of the AMC floated by the private sector Indian companies was also very similar. They quickly realized that the AMC business is a business, which makes money in the long term and requires deep-pocketed support in the intermediate years. Some have sold out to foreign owned companies; some have merged with others and there is a general restructuring going on. The foreign owned companies have deep pockets and have come here with the expectations of a long haul. They can be credited with the introduction of many new practices such as new product innovation, sharp improvement in the service standards and disclosure, usage of technology, broker education and support etc. In

fact, they have forced the industry to upgrade itself and its service level of organization.

1.3 CHALLENGES FACING MUTUAL FUND

People find mutual fund investment so much interesting because they think they can gain high rate of return by diversifying their investment and risk. But, in reality this scope of high rate of returns is just one side of the coin. On the other side, there is the harsh reality of highly Fluctuating Rate of Returns. Though there are other disadvantages also, this concern of fluctuating returns is most possibly the greatest challenge faced by the mutual fund.

1.3.1 The Issue of Fluctuating Returns

In spite of being a diversified investment solution, mutual funds investment in no way guarantees any return. If the market prices of major shares and bonds fall, then the value of mutual fund shares are sure to go down, no matter how diversified the mutual fund portfolio be. It can be said that mutual fund investment is somewhat lower risky than Direct Investment in stocks. But, every time a person invests in mutual fund, he unavoidably carries the risk of losing money.

Diversification or Over Diversification

In order to diversify the investment, many times the mutual fund companies get involved in over diversification. The risk of holding a single financial security is removed by diversification. But, in case of over diversification, investors diversify so much that many times they end up with investing in funds that are highly related and thus the benefit of risk diversification is ruled out.

Taxes

Every year, most of the mutual funds sell substantial amount of their holdings. If they earn profit by this sell, then the investors receive the profit income. For most of the mutual funds, the investors are bound to pay taxes on these incomes, even if they reinvest the income.

Costs

Most of the mutual funds charge shareholder fees and fund operating fees from the investors. In the year, in which mutual fund fails to make profit and the investors get no return, these fees only blow up the losses.

1.4 HISTORY OF MUTUAL FUND IN INDIA

First Phase-1964-87

Unit Trust of India (UTI) was established on 1963 by an Act of Parliament. It was set up by the Reserve Bank of India and functioned under the Regulatory and administrative control of the Reserve Bank of India. In 1978 UTI was de-linked from the RBI and the Industrial Development Bank of India (IDBI) took over the regulatory and administrative control in place of RBI. The first scheme launched by UTI was Unit Scheme 1964. At the end of 1988 UTI had Rs.6, 700 crores of assets under management.

Second Phase-1987-1993 (Entry of Public Sector Funds)

Entry of non-uti mutual funds. Sbi mutual fund was the first followed by can bank mutual fund (dec 87), punjab national bank mutual fund (aug 89), Indian bank mutual fund (nov 89), bank of India (jun 90), bank of baroda mutual fund (oct 92). Lic in 1989 and gic in 1990. The end of 1993 marked Rs.47, 004 as assets under management.

Third Phase-1993-2003 (Entry of Private Sector Funds)

With the entry of private sector funds in 1993, a new era started in the Indian mutual fund industry, giving the Indian investors a wider choice of fund families. Also, 1993 was the year in which the first mutual fund regulations came into being, under which all mutual funds, except uti were to be registered and governed. The erstwhile kothari pioneer (now merged with franklin templeton) was the first private sector mutual fund registered in july 1993.

The 1993 SEBI (mutual fund) regulations were substituted by a more comprehensive and revised mutual fund regulations in 1996. The industry

now functions under the SEBI (mutual fund) regulations 1996. The number of mutual fund houses went on increasing, with many foreign mutual funds setting up funds in India and also the industry has witnessed several mergeRs and acquisitions. As at the end of January 2003, there were 33 mutual funds with total assets of Rs. 1, 21,805 crores. The unit trust of India with Rs.44, 541 crores of assets under management was way ahead of other mutual funds.

Fourth Phase -since February 2003

In February 2003, following the repeal of the unit trust of India act 1963 UTI was bifurcated into two separate entities. One is the specified undertaking of the unit trust of India with assets under management of Rs.29, 835 crores as at the end of January 2003, representing broadly, the assets of the 64 scheme, assured return and certain other schemes. The specified undertaking of unit trust of India, functioning under an administrator and under the rules framed by government of India and does not come under the purview of the mutual fund regulations.

The second is the UTI Mutual Fund Ltd, sponsored by SBI, PNB, BOB and LIC. It is registered with SEBI and functions under the mutual fund regulations. With the bifurcation of the UTI while UTI which had in March 2000 more than Rs.76, 000 crores of assets under management and with the setting up of a UTI Mutual Fund, conforming to the SEBI mutual fund regulations, and with recent mergeRs taking place among different private sector funds, the mutual fund industry has entered its current phase of consolidation and growth. As at the end of September 2004, there were 29 funds, which manage assets of Rs.153108 crores under 421 schemes.

1.5 Advantages of Mutual Funds:-

Professional Management: the primary advantage of funds (at least theoretically) is the professional management of money. Investors purchase funds because they do not have the time or the expertise to manage their own portfolio. A mutual fund is a relatively inexpensive way for a small investor to get a full-time manager to make and monitor investments.

Diversification: by owning shares in a mutual fund instead of owning individual stocks or bonds, risk is spread out. The idea behind diversification is to invest in a large number of assets so that a loss in any particular investment is minimized by gains in others. In other words, the more stocks and bonds an individual owns, the less any one of them can hurt.

Economies of scale: because a mutual fund buys and sells large amounts of securities at a time, its transaction costs are lower than as an individual would pay.

Liquidity: just like an individual stock, a mutual fund allows in converting shares into cash at any time.

Simplicity: buying a mutual fund is easy. When an investor invests in the mutual fund then they need to take form, fill it according to required instructions given and give the demand draft or cheque of amount whatever they want to invest.

Reduced risk: as mutual funds invest in large number of companies and are managed professionally, the risk factor of the investor is reduced. A small investor, on the other hand, may not be in position to minimize the risk.

Tax Advantage: there are certain schemes of mutual fund which provide tax advantage under income tax act. Thus, tax liability of investor also reduced when he invests in mutual fund schemes.

Low operating cost: mutual fund has large number of investible funds at their disposal and thus can avail the large scale of economies. This reduces their operating cost by way of brokerage, fees, commission etc. Thus, an investor can also get the benefits of large scale of economies and low operating cost.

1.5.1 DISADVANTAGES OF MUTUAL FUNDS:-

Professional management -many investors debate over whether or not the so-called professionals are any better than an individual or others at picking stocks. Management is by no means infallible, and, even if the fund loses money, the manager still takes his/her cut.

Costs: the mutual fund industry is masterful at burying costs under layers of jargon. These costs are so complicated that in this tutorial we have devoted an entire section to the subject.

Dilution: because funds have small holdings in so many different companies, high returns from a few investments. Often don't make much difference on the overall return. Dilution is also the result of a successful fund getting too big. When money pours into funds that have had strong success, the manager often has trouble finding a good investment for all the new money.

1.5.2 ADVANTAGES OF INVESTING INTO A MUTUAL FUND: -

Flexibility: mutual fund investments also offer a lot of flexibility with features such as systematic investment plans, systematic withdrawal plans & dividend reinvestment.

Affordability: they are available in units so this makes it very affordable. Because of the large corpus, even a small investor can benefit from its investment strategy.

Liquidity: in open-ended schemes, there is an option of withdrawing or redeeming money.

Diversification: risk is lowered with mutual funds as they invest across different industries & stocks.

Professional management: expert fund managers of the mutual fund analyze all options based on experience & research.

Potential of return: the fund managers who take care of mutual fund have access to information and statistics from leading economists and analysts around the world. Because of this, they are in a better position than individual investors to identify opportunities for investments to flourish.

Low costs: the benefits of scale in brokerage, custodial and other fees translate into lower costs for investors. Regulated for investor protection - the mutual funds sector is regulated to safeguard the investor's interests

1.6 NEED OF THE STUDY

- The main purpose of this study is to analyses the investors perception towards mutual fund
- Further, the study also understand problem faced by the investor and motivating factor to reinvest in mutual fund

1.7 SCOPE OF STUDY

- To get a better understanding of how investors feel about mutual funds
- Define and analyze the investor's shaping and motivating factors
- The analysis measure of the investor's experience
- Define and examine the investor's shaping and motivating factors

1.8 OBJECTIVES OF THE STUDY

- To study the investor perception towards mutual fund.
- To understand the factor influencing the investor while making decision.
- To examine the level of satisfaction of the investor.
- To identify the problem faced by mutual fund investor.

1.9 LIMITATION OF THE STUDY

- The analysis of the present study has been carried out based on the information given by the investor.
- The research was limited to Vellore district and due to time constrict only 106 numbers of respondents were considered.
- The result fully depends on information given by the investor which may be based.

CHAPTER-2

2.1 REVIWE OF LITERATURE

Dr. Nishi Sharma (2012) The concept of mutual fund emerged in Netherlands in 18th century and introduced in India by unit trust of India in 1960s. As the mutual fund industry provides an option of diversified investment structure with varying degree of risk, it was supposed to be the most lucrative market for Indian investors. It was believed that it will surely tap the savings of common man. But in practice it failed to become a primary choice for investment to Indian investor. During almost six decades (1965-2011) the value of assets under management of mutual fund industry experienced great swings. As against the developed countries where almost every second investor is a mutual unit holder, the product could not get much popularity in India. In this reference, the present paper attempts to investigate the reasons responsible for lesser recognition of mutual fund as a prime investment option. It examines the investor's perception with reference to distinct features provided by mutual fund companies to attract them for investing in specific funds/schemes. The study uses principal component analysis as a tool for factor reduction. The paper explored three factors named as fund/scheme related attributes, monetary benefits and sponsor's related attributes (having respectively six, four and four variables) which may be offered to investors for securing their patronage. The results are expected to provide fruitful insight to mutual fund companies for tailoring their offers suitable to cater the needs and expectations of Indian investors.

Simran Saini; Dr.Bimalanju Anjum (2011) Indian mutual fund has gained a lot of popularity from the past few years. Earlier only UTI enjoyed the monopoly in this industry but with the passage of time many new players entered the market, due to which the UTI monopoly breaks down and the industry faces a severe competition. As the time passes this industry has become a buzz word in the Indian financial system. So, it is very important to know the investors' perception about this industry. The present study analyses the mutual fund investments in relation to investor's behavior. Investors' opinion and perception has been studied relating to various issues

like type of mutual fund scheme, main objective behind investing in mutual fund scheme, role of financial advisors and brokers, investors' opinion relating to factors that attract them to invest in mutual funds, sources of information, deficiencies in the services provided by the mutual fund managers, challenges before the Indian mutual fund industry etc.

Arathy B, Aswathy A Nair, Anju Sai P ,Pravitha N R (2015) Mutual funds provide a platform for a common investor to participate in the Indian capital market with professional fund management irrespective of the amount invested. The Indian mutual fund industry is growing rapidly and this is reflected in the increase in assets under management of various fund houses. Mutual fund investment is less risky than directly investing in stocks and is therefore a safer option for risk adverse investors. This project aims at finding out the factors affecting investment decision on mutual funds and its preference over retail investors. This project also aims at finding about the factors that prevent the people to invest in mutual funds. The findings will help mutual fund companies to identify the areas required for improvement and can also improve their marketing strategies. It will help the mf companies to create new and innovative product according to the orientation of investors

Vipin Kumar, Preeti Bansal, India (2014) The mutual fund sectors are one of the fastest growing sectors in Indian economy and have awesome potential for sustained future growth. Mutual funds make saving and investing simple, accessible, and affordable. The advantages of mutual funds include professional management, diversification, variety, liquidity, affordability, convenience, and ease of recordkeeping as well as strict government regulation and full disclosure. Financial markets are becoming more extensive with wide-ranging financial products trying innovations in designing mutual funds portfolio but these changes need unification in correspondence with investor's expectations. Thus, it has become imperative to study mutual funds from a different angle, which is to focus on investor's perception and expectations. This research paper focused attention on number of factors that highlights investors' perception about mutual funds. It was found that mutual funds were not that much known to investors, still investor rely upon bank and post office deposits, most of the investor used to invest in mutual fund for not

more than 3 years and they used to quit from the fund which were not giving desired results. Equity option and sip mode of investment were on top priority in investors' list. It was also found that maximum number of investors did not analyze risk in their investment and they were depending upon their broker and agent for this work.

Inderjit Kaur, K.P. Kaushik (2016) Mutual funds in India have not been as favorable investment alternatives as in developed countries, as assets under management of mutual funds to gross domestic product in India have been 7-8 per cent compared to 37 per cent globally. Further, investor base of mutual funds has been narrow, as retail investors constitute 98 per cent of folios but contributed only 58 per cent of investments in September 2014. To broaden the investor base for mutual funds in India, it remains imperative to understand the determinants of investment behavior of investors towards mutual funds. This study aims to achieve this objective. The research provided that investment behavior could be explained with awareness, perception and socioeconomic characteristics of individual investors. Better awareness related to various aspects of mutual funds will have a positive effect on investment in mutual funds. Contrary to belief, risk perception for mutual funds had no effect on the investment decision. Further, socioeconomic characteristics such as age, gender, occupation, income and education of investors had an impact on the awareness about mutual funds.

Sharma; Parihar (2013) the mutual fund industry is a fast-growing sector of the Indian financial markets. They have become major vehicle for mobilization of savings, especially from the small and household savers for investment in the capital market. Mutual funds entered the Indian capital market in 1964 with a view to provide the retail investors the benefit of diversification of risk, assured returns, and professional management. Every type of investment, including mutual funds, involves risk. Risk refers to the possibility that investors will lose money (both principal and any earnings) or fail to make money on an investment.

G.Velmurugan, V. Selvam, N. Abdul Nazar (2015) The economic liberalization and globalization have brought a fervent environment for the

common and small investors who are willing to participate in the various investment avenues available in India. There are large number of small investors, who have the ability to save and make an investment in share market, gold, real estate, insurance and post office. In recent years, numerous researches have been conducted on investors' perception towards various investments from various perspectives. From a survey on investment literatures of equity, insurance, and mutual fund perspective, there are some studies based on the investment on various avenues made by researchers. However, the investors' perception towards various investment avenues in Vellore city, Tamil Nadu and India is yet to be explored.

Dr.V.Sridevi (2019) a mutual fund is an investment medium that pools funds from various investors and invests the funds in stocks, bonds, short-term money-market instruments, other securities or assets or some combination of these investments. The primary goal behind investment in mutual fund is to earn goods return with comparatively low risk. The main objective of the study is to examine the investor's behavior towards mutual fund investment. A sample of 150 individual investors has been selected for this purpose. Statistical tools like percentage analysis, chi-square test and garret ranking technique were used to analysis the collected data. It can be concluded that the Indian mutual fund industry is growing at a good pace

Martin Mysa (2020) a mutual fund is an investment instrument that brings funds from different buyers and facilitates in investing the funds in bonds, short-term money-market instruments, stocks and other securities or assets are few combinations of investments. The primary goal behind investment in mutual fund is to earn goods return with comparatively low risk. The main objective of this research is to identify buyers' preference towards mutual fund in secundrabad metropolitan city. By using in structured questionnaire, description statistical tools like chi-square test have been used for analyzing the data. The findings from this research are that the most of the buyers are doubtful to invest the new age investment like mutual funds.

Mr.K.Sasikumar, Dr.K.Krishnamurthy (2020) This research aims to study retail investors' preferences towards mutual funds. India is one of the fastest

growing economies in the world with rising incomes, but also savings and investments. The main sector of emerging financial markets is investment in mutual funds. The mutual fund sector plays a key role in the development of financial markets, business sector and growth of financial intermediaries. The regulatory measures to develop mutual fund industry and to protect the interests of mf investors are also important. This study required to examine theoretical aspects of Indian mutual fund industry and retail investor's preferences towards investment.

Dr. Anita Raman, MRs. N. Sakthi Selvarohin (2020) An efficient financial sector mobilizes savings and allocates it to those investments which yield the highest rate of return. Savings are the difference between income and consumption of an individual. An increase in the volume of real domestic savings means that resources that would have been used for consumption are released for investment. India has high level of saving rate because of high level of saving motives of individuals. Every individual seems to understand the basic principle of investment. Investment means the purchase made by an individual of a financial or real asset that produces a return proportion to the risk assumed over some future investment period and for achieving this investor decides on how and where to deploy his/her saving. Saving motive is thus, a desire to reserve certain mixture of income for future. The main objective of investor is to invest in different speculation avenues that deliver expected returns and help to chance the risk in future. The investor has some motive for making an investment. The salaried employee category of investor however gives more importance to create more stand-in savings to meet the risk in future. The present study aims to determine and identify investor's preference relating to making an investment in public and private sector mutual funds. It further analyses the investor's satisfaction level of an investment in public and private sector mutual funds. Hence, the study establishes the responsiveness of the investors towards investing in mutual funds

L. Meena (2016) Mutual funds are the pooling of resources from larger small investors and then making it a big corpus to invest in stock market by professionals. In spite of umpteen efforts by regulators (SEBI, AMFI) and by

investment advisory firms, mutual funds have reached merely 5% of Indian population. Since there exist enormous untapped market, this paper brings forth how rural investors perceive the various marketing strategies devised and implemented by investment advisory firms. This paper determines the rural investors in Madurai city towards the three broader marketing strategies by mutual funds viz. Direct selling, selling through intermediaries and joint calls. It was recommended that a new team of trained sales personnel need to be deployed to the rural areas and the code of conduct for them are to be tightened to prevent those misguiding illiterate rural investors for commission motive.

Dr. Meenakshi Bindal, Dr. Bhuwan Gupta, Sweety Dubey (2019) This examination on investor's acknowledgment towards and late improvement and headway of mutual fund premiums in Alwar city goes under the board an area of organization publicizing. In the wide thought of organization publicizing, it exclusively centers on the exhibiting of cash related organizations specifically basic resources. Well-ordered Indian budgetary market is getting the chance to be engaged and the supply of various fiscal instruments ought to be in parity to the premium perspectives of the monetary authorities. The prime drive of any hypothesis is to get most extraordinary returned with a base danger and normal resources allow to the budgetary masters.

Bhavik U. Swadia, M. Patel (2014) Dynamic liberalization of monetary policies, there has been a quick development of capital business sector, currency market and money related service industry including banking, renting and funding. Steady with this development of the financial related sector, the mutual fund industry has likewise come to involve a critical spot. To address these needs of the populace new financial investment schemes like mutual fund and organizations like asset Management Company are gone for expanding the scope of venture streets. Investing in mutual fund is the most suitable venture for the middle-income investor as it offers a chance to put resources into a differentiated, professionally overseen bucket of securities at a low cost of investment.

K.Alamelu, Dr.G.Indhumathi(2017) Mutual funds are most suitable investment for a common man as it offers an opportunity to invest in a diversified, professionally managed basket of securities at a relatively low cost. The diversification of schemes provides variety of options to suit the individual objectives according to their age, financial position, risk tolerance and return expectations. In the past few years, we had seen a dramatic growth of the Indian mutual fund industry with many private players bringing global expertise to the industry. Investment in mutual funds is affected by the perception of the investors. The objectives of the study are to identify the investor's perception on mutual funds and to analyze the factors affecting investors' perception towards mutual funds by using 200 convenience samples in madurai district, tamil nadu. The study found in madurai district is that mostly the lower net worth individuals has positive approach towards investing in mutual funds.

Dr. V.k. Punithavathi (2018) The mutual fund is a collective savings scheme. Mutual funds played an important role in mobilizing the savings of small investors and channelized the same for productive ventures in the Indian economy. This study has analyzed the perception of the investor towards the mutual fund, the reason for preferring mutual fund investment.

Chaitras.B, Suman Chakra Borty (2020) Behavioral finance combines psychology with financial theory to comprehend the associations between markets, emotions, personality and reason. Nowadays the financial services sector has turn out to be extremely diversified offering the investor with a widespread variety of investment opportunities. Investors have dissimilar outlook when they decide about investing in a specific avenue. With proper investment strategies and financial planning investor can increase personal wealth which will contribute to higher economic growth. Economic growth is among the most vital factors affecting the quality of life that people lead in a country. Three variables that measure the growth of an economy are income, saving and investment. In this paper miscellaneous literature prevailing worldwide has been investigated to diagnose the investor's behavior.

Dr. Rajesh Kumar, linitin Goel (2014) It has become important to study mutual funds from a different angle, which is to emphasis on investor's

perception. This research paper attempts to focus attention on the influence of various factors influencing investors' perception towards mutual funds. A survey was conducted and data was collected by applying convenience method of sampling. Statistical tools like "chi-square test" and "correlation" were applied to analyze the data. The results of chi-square test revealed an association amongst the demographic variables like gender and monthly income with factors like tax benefit and liquidity influencing the investment in mutual funds. The correlation test also revealed that there is a significant relationship amongst the various factors which influence the investor's perception towards performance of mutual fund.

S Sampath Kumar (2019) Mutual funds are most appropriate investment for an investor as it offers a chance to invest in a diversified, professionally managed basket of securities at a reasonably low cost. It has become important to study mutual funds from a different angle, which is to emphasise investor's perception. This research paper attempts to focus attention on the influence of various factors influencing investors' perception towards mutual funds. A survey was conducted and data was collected by applying convenience method of sampling. Statistical tools like "chi-square test" and "correlation" were applied to analyze the data. The results of chi-square test revealed an association amongst the demographic variables like gender and monthly income with factors like tax benefit and liquidity influencing the investment in mutual funds. The correlation test also revealed that there is a significant relationship amongst the various factors which influence the investor's perception towards performance of mutual fund.

P.Tamilselvan and Dr.R.Mohanraj (2018) Financial markets are continually becoming more efficient by providing more potential solutions to the investors. Although mutual funds industry is vastly growing in the economy, they do face difficulties in differentiating their products to sudden changes in the economy. Thus, it becomes crucial to understand and analyze investor's perception and expectations, and disclose certain extremely valuable information to support financial decision making of mutual funds. Financial markets are becoming more exhaustive with financial products seeking new innovations and to some extent innovations are also visible in designing mutual funds portfolio but

these changes need alignment in accordance with investor's expectations. Thus, it has become crucial to study mutual funds from a different angle, i.e., to focus on investor's attitude towards mutual fund investment that account for their dissatisfaction. Present research proposes to identify the investor attitude towards mutual fund investment.

M.Samira (2018) In this paper an attempt was made understand the investor preference towards mutual funds. The study has been conducted on the basis of primary data and secondary data. Majority of respondents feel that mutual fund they invested on the recommendations and advise of the financial advisors and banks. Data was collected using questionnaire, the most common tool to evaluate the customers" awareness. The sample unit of the study is people living in the city of Salem.

Dr. S. Sudha Christy Joy and Dr. V. Ganeshkumar (2020) Mutual funds play an important role in mobilizing savings of millions of investors across the country. In mutual funds, savings of small investors are mobilized, invested and returns are distributed in the same proportion to the unit holders. Now-a- days bank rates have become very low so, keeping large amount of money in bank does not give higher returns. People can invest in stock market. But a common investor is not well informed about the complexities involved in stock market movements. Here mutual funds play an important role in helping common public to get higher returns. A small investor is not safe in share market. In mutual industry there is no such risk. Mutual funds help to reduce the risk of investing in stocks by spreading or diversifying investments. Small investors enjoy the benefit of diversification

R. Ganapathi (2015) The mutual fund industry in India has registered significant growth since the liberalization of Indian economy in 1991 and has emerged as a significant financial intermediary. The growing importance of Indian mutual funds may be noted in terms of the increased mobilization of funds and the increasing number of schemes and investors in the industry. Therefore, the investors have to consider the prevailing rate of risk-free returns and to compare the fund returns with it. Based on this the selection of schemes and the choice of investment avenues can be decided. Due to the

fund manager's poor risk bearing capacity, timing skill, stock selection ability, and imperfect diversification the schemes had suffered with low return. Hence to increase the fund return the concerned fund managers have to improve all these skills.

Dr. M. Raja, Jagadeeswaran B (2020) Mutual fund is a trust that pools the small savings of a number of small and medium investors. The fund collected through the various schemes is invested in different types of securities under the supervision of expert fund manager. Small and medium investors are participating in the capital market without assuming a very high degree of risk. The findings of the study proved that the mutual fund companies should disclose the important information's like return performance of the scheme, risk of the scheme, number of assets in the funds and reputation brand name of the fund on their prospectors.

Raja Rehan, Saba Naz, Imran Umer, Omais Ahmed (2018) In today's volatile financial world mutual funds provide professionally managed, safe and less risky option for investment to the investors, that's why throughout the world mutual funds are an attractive and most invested option of investment. But in Pakistan mutual funds are a relatively new market, less research and less known option by the investors. Therefore, the main purpose of this research project is to analyze different demographic factors that impact an investor's awareness level towards mutual funds and to analyze different factors that shape the investor's perception and their inclination of investment in mutual funds.

Dr.E. Selvarathinam (2019) The objectives of the study are to identify the investor's attitude on mutual funds and to analyze the factors affecting investor's attitude towards mutual fund. The study aims at finding out the attitude of the small investors towards investment in mutual funds in selected study area, by adopting random sampling for 100 respondents, simple statistical tools are used for analyzing the data whatsoever collected in this study. The present investigation outlined that the investors have positive approach towards investing in mutual funds. The investors opt mutual fund for safety and investors collect the information from expert advisors then only

invest the money. Mainly investors select the income, growth and equity fund for their investment in mutual fund.

M. Karthikeyan, S. Karthik & S. Muthupandi (2018) The mutual fund has developed as an instrument for guaranteeing one's money related to prosperity. The widespread information and awareness about mutual fund is rising, an ever-increasing number of individuals are appreciating the advantages of putting resources into mutual funds. This exploration presents the customer perception on mutual funds, the type of scheme they inclined, the plans they are picking, the explanations for such choices and furthermore, this examination managed mutual funds, which individuals lean toward alongside apart from mutual funds. As like as postal saving schemes, rd (recurring deposits), bonds and shares. The findings from this study are that the vast majority of the general population is reluctant in going for new age investments like mutual funds and want to turn away investment risks by putting resources into less risky choices recurring deposits and alike.

Mansi Yadav (2018) The mutual fund industry witnessed a boom and found its place on the shelf of the retail financial products in the year 2017. Surge of mutual fund inflows during the previous year was majorly attributable to the massive campaign launched by the association of mutual funds in India. This paper intends to study the investor perception with regards to mutual funds with special reference to the city of Kanpur. The study will be based on primary data which will be conducted through a survey in order to assess the level of awareness of customers with regard to mutual funds, the reasons behind investing in the same and their pattern of investments and the impact of campaign on the investments of the investors.

Gaura Nautiyal (2017) India is one of the few countries in the world which, according to the world bank, has a household savings rate that is greater than 30%. Despite this, investment options such as mutual funds and equity instruments have a very low penetration rate, especially among rural households. Although a rapid increase in mutual fund investments has been witnessed over the last few years, with an increase of 38.47% from March 2016 to March 2017 having been declared by AMFI, much can be done in this

area. Mutual funds can be a good way of initiating new investors to financial investment securities and the capital market. The objective of this study is to determine whether an association exists between gender and the various attributes of perception towards mutual fund investments. Findings of this study can help companies design better product offerings in order to improve the penetration rate of mutual fund investments.

Mr.s.balamurugan, dr.k. Soundararajan (2020) the mutual fund sectors are one of the fastest growing sectors in Indian economy and have awesome potential for sustained future growth. Mutual funds make saving and investing simple, accessible and affordable. The advantages of mutual funds include professional management, diversification, variety, liquidity, affordability, convenience and ease of recordkeeping, as well as strict government regulation and full disclosure. Financial markets are becoming more extensive with wide-ranging financial products trying innovations in designing mutual funds portfolio but these changes need unification in correspondence with investor's expectations. Thus, it has become imperative to study mutual funds from a different angle, which is to focus on investor's perception and expectations.

Rakesh Kumar C. Patel, Dr. Rekha Samar, Dr. Mahendra Meisuriya (2020) In India, there are various investment avenues available for investors to invest and earn profitable return. Among the others financial products, investment in mutual fund ensures the minimum risks and maximum return to the investors. The need and scope of the mutual fund operation has increased as the emphasis is being made on increase in domestic savings and improvement in diversification of investments. Thus it became important to study the mutual fund industry and the performance of the mutual funds. This study aims to evaluate the performance of a few selected mutual fund schemes of India on the basis of their daily net asset value for the period of five years from 2015-2019.

Nilesh, Dipshdhandha (2015) Mutual funds offer benefit of diversification of risk to investors. Individual investors may not have the time and professional competence for analyzing risk and return across sectors and companies. Diversification involves the mixing of investments within a portfolio to manage

risk. Investing and liquidating investment process is quite easy in case of mutual funds. Funds collected through different schemes by fund managers are invested in equity and debt market for the corporate sector which leads to pooling of investment and capital formation in the country. Mutual funds are considered as an investment option benefiting the investors and the economy as a whole. The present article has been written to describe the growth of mutual funds in India in terms of number of schemes and the net assets under management of mutual fund managers.

Komal B. Sharma (2020) Mutual funds playing a key role in the development of India's debt market and have emerged as a key source of funding. Mutual funds considered as one of the best investment options as compared to other alternatives, as low cost is the common feature of the mutual fund. Mutual fund schemes also provide diversified portfolio management and reducing risk and maximizing returns. Mutual fund scheme is the most ideal investment for the common man as it provides a professionally managed stock market and low risk with maximum returns. The basic need and objectives of this study are to evaluate the performance of selected debt mutual fund schemes in India and to examine the risk and return component among these mutual funds. The present study is based on secondary data of five debt mutual funds launched by the different private sector companies between the period of January 2017 to December 2019.

Amitsundaram (2020) The outbreak of the covid-19 pandemic caused widespread panic among people around the world. Many countries enforced a fierce lockdown to curb the spread of the virus. But the lockdown had other plans for businesses as many of them were forced to shut shop leading to highly volatile market conditions and bearish economic conditions in most countries. But was this, the perception of the investors as well? This paper aims to find out the sentiment of investors on mutual funds in the Indian market with assets under management, a predominant performance gradient for mutual funds, as a proxy to analyze the impact of news articles related to the mutual fund industry amid the covid-19 outbreak. The paper also goes on to establish a significant mathematical relationship between sentiment scores

and aum and to using regression to generate a forecasting model that could be used to forecast future aum given a sentiment score.

Dr. Anupamkarmakar (2020) A mutual fund is just the connecting bridge or a financial intermediary that allows a group of investors to pool their money together with a predetermined investment objective. The mutual fund is managed by a fund manager who is responsible for investing the gathered money into specific securities (stocks or bonds). Mutual funds mobilize funds by selling their own shares also known as units. When an investor owns a unit in mutual funds, he owns a proportional share of the securities portfolio held by a mutual fund. Mutual fund industry now becomes more attractive to the institutional investors due to professional management, well regulated, flexibility, low cost, tax benefits, wider selection of funds, increasing risk appetite, diversification etc. But the recent pandemic due to covid-19 has created disruptions across the economy and businesses which makes the institutional investors to look for alternative of mutual fund investments. This paper is an attempt to study monthly log returns of selected mutual fund schemes with nifty 50 in order to show the trend in returns during pre and post covid-19 period and to assess the impact of the pandemic and lockdown on the mutual fund industry.

Nidhi Walia, Dr. MRs. Ravi Kiran (2009) Financial markets are constantly becoming more efficient by providing more promising solutions to the investors. Being a part of financial markets although mutual funds industry is responding very fast by understanding the dynamics of investor's perception towards rewards, still they are continuously following this race in their endeavor to differentiate their products responding to sudden changes in the economy. Thus, it is high time to understand and analyze investor's perception and expectations, and unveil some extremely valuable information to support financial decision making of mutual funds.

Dr. S. Sudha Christy Joy, Dr. V. Ganeshkuma (2020) Mutual funds play an important role in mobilizing savings of millions of investors across the country. In mutual funds, savings of small investors are mobilized, invested and returns are distributed in the same proportion to the unit holders. Now-a-days

bank rates have become very low so, keeping large amount of money in bank does not give higher returns. People can invest in stock market. But a common investor is not well informed about the complexities involved in stock market movements. Here mutual funds play an important role in helping common public to get higher returns. A small investor is not safe in share market. In mutual industry there is no such risk. Mutual funds help to reduce the risk of investing in stocks by spreading or diversifying investments. Small investors enjoy the benefit of diversification.

Nepal Rajan Bilas Bajracharya (2017) Mutual fund is an investment tool which assembles the savings of millions of small investors into huge capital formation. The primary goal behind investment in mutual fund is to earn goods return with comparatively low risk. The main purpose of doing this research is to find out a relationship between selected demographic and socioeconomic characteristics and investors' attitude towards mutual. Another purpose of this research was to rank different sources investors use to make investment decision on the basis on their preference. By using liker scale (0 to 1) and three levels (positive, neutral, negative) in structured questionnaire, researchers have measured the level of attitude towards mutual fund and levels of preference of sources are to investment decision. It is found that, the investors attitude is not independent towards mutual fund on the basis of demographic and socio-economic variable (age, gender, monthly income, investment level, educational qualification). Also, among selected sources, investors provide their highest preference to brokers/agents to make investment. The study has suggested some important policy measures such as regulatory change, creating investors awareness, encouraging the private companies to raise fund through mutual fund.

Ganga Bhavani & Khyati Shetty (2017) The primary purpose of this study is to investigate how investment choice gets affected by the demographics and perceptions of the investor. Investor's behavior is influenced by many factors at the time of investment decision making. Demographic profile and perceptions play an important role to select a particular choice of investment. However, the results of this research show that the most investors have little knowledge on the investment avenues for their investments. Mann whitney 'u'

test, kruskal- wallis has been conducted to test the hypotheses with the help of SPSS. Logistic regression results of this study prove that investors' age, gender, education and occupation significantly influence the selection of investment avenues. Wealth management professionals emphasizes that customer behavior and psychology play a vital role in successfully building and sustaining a wealth management relationship. Behavioral finance is new emerging science which focuses on understanding the psychology effects on investment decision.

Deepa Anandan Joseph, Jey Anand Selvaraj (2020) The present paper measures the preference of the investors for investment in mutual fund. Mutual funds have a mutual investment forum to engage in qualified asset management in the Indian stock market independent of the amount invested. The Indian mutual fund market expands fast and this is evidenced by the growth in investments under the control of different investment firms. Trading in mutual funds is less costly than investing in bonds, and thus better for risk- averse buyers. A mutual fund is an investment mechanism that collects and invests funds from different investors into commodities, share, short -term monetary instrument, other instruments, and reserves. The primary objective of mutual fund is to earn a relatively low risk return of goods. This work is primarily aimed to define investor interest for the mutual fund in chennai.

Elena Kusuma Devi R. A. Rahadi (2020) Mutual funds is an alternative investment designed as a means to raise funds from people who have capital and have the desire to invest, but only have limited time and knowledge. In addition, mutual funds are also expected to increase the role of local investors to invest in the capital market. To encourage an increase in the number of investors, the first online mutual fund investment platform was launched in indonesia in 2016. Over time, similar platforms began to appear. The theory of technology adoption is implemented in this study to analyze how technology adoption of online mutual fund investment with millennials as the main object of research. Based on various literacy's, there are several factors that influence a person to adopt online mutual fund investment, namely performance expectancy, effort expectancy, social influence, facilitating

conditions, hedonic motivation, price value, habits, content design quality, user interface and perceived trust.

S.Srilakshmi, Dr. B.Sekar (2016) Mutual funds are still and would continue to be the unique financial tool in the country. One has to appreciate the fact that every aspect of life has its periods of high and lows. This has been the case with the stock markets. Why not apply the same logic to mutual funds? Mutual funds have not failed in any country where they worked with regulatory framework. Their future is bright. The poor performance of many mutual funds schemes may be mostly attributed to the quality of personnel involved and their manner of fund management.

Mr.K.Sasikumar, Dr.K.Krishnamurthy(2020) This research aims to study retail investors' preferences towards mutual funds. India is one of the fastest growing economies in the world with rising incomes, but also savings and investments. The main sector of emerging financial markets is investment in mutual funds. The mutual fund sector plays a key role in the development of financial markets, business sector and growth of financial intermediaries. The regulatory measures to develop mutual fund industry and to protect the interests of mf investors are also important. This study required to examine theoretical aspects of Indian mutual fund industry and retail investor's preferences towards investment.

Dr.S.Naresh, Dr.K.Alamelu (2020) Investing is an important aspect of an individual's life. Although majority of India's population is the youth, there is a lack of awareness regarding Investment Avenue and its importance. Moreover, in march 2020, India was hit by the covid19 pandemic. Impact across the globe and every sector was affected due to the same. The basic aim of this research is to analyze the impact of covid19 on the investment preferences of retail investors and also on the investment industry in India. The returns up to july 31st, 2020 are taken for the study. Some of the financially aware investors have also grabbed this opportunity of the dip in the market and invested during the pandemic. The stock market has shown 70% recovery till the end of july 2020 from the dip in march 2020. to conclude, covid19 has a drastic effect not only on the investment industry in India but also on

all the other aspects of human life. The Indian markets have shown good recovery in short span of time and will hopefully go back to normal soon.

Komal B. Sharma (2020) mutual funds playing a key role in the development of India's debt market and have emerged as a key source of funding. Mutual funds considered as one of the best investment options as compared to other alternatives, as low cost is the common feature of the mutual fund. Mutual fund schemes also provide diversified portfolio management and reducing risk and maximizing returns. Mutual fund scheme is the most ideal investment for the common man as it provides a professionally managed stock market and low risk with maximum returns. The basic need and objectives of this study are to evaluate the performance of selected debt mutual fund schemes in India and to examine the risk and return component among these mutual funds.

Dr. Umesh Maiya (2014) A mutual fund is a trust that pools the savings of a number of investors who share a common financial goal. The mutual fund industry in India started in 1963 with the formation of unit trust of India, at the initiative of the government of India and reserve bank of India. A mutual fund is the most suitable investment for the common man as it offers an opportunity to invest in a diversified, professionally managed basket of securities at a relatively low cost. The primary objective of this paper is to study the risk perception of mutual fund investors of Udupi district.

K. Karthikeyan, S. Bharath, K. Ranjith Kumar (2012) Financial markets are constantly becoming more efficient by providing more promising solutions to the investors. Thus, it is high time to understand and analyze investor's perception and expectations and unveil some extremely valuable information to support financial decision making of mutual funds (mf). The main objective of this study was to find out the response of customers towards provision of mutual fund products by banks. This will help in devising further strategies for the tier-II cities in India to cross sell mutual fund products through the branch network of banks. This article examines the investors' perception towards mutual fund products through banks.

Dr. Rupeet Kaur (2014) This study aims to examine the performance of open-ended debt mutual funds in India. To evaluate the performance a sample of 23 schemes have been selected on the basis of weekly returns compared to benchmark returns. For this purpose, statistical tools average, standard deviation, beta, co-efficient of determination, the return analysis reveals that most of the schemes could not perform better as compared to the benchmark. Whereas the variability in return of market is more than the variability in return of schemes.

Dr. N. Renuka (2017) 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. Mutual fund is one of the most effective instruments for the small & medium investors for investment and offers opportunity to them to participate in capital market with low level of risk. The performance of mutual fund schemes is dependent on the right strategy adopted by the fund managers in designing the portfolio.

Dr.B.Nimalathasan;Mr.R.Kumar Gandhi (2012) This article focused on the financial performance analysis of mutual fund schemes (equity diversified schemes and equity mid-cap schemes) of selected banks (state bank of India, canara bank- public bank, ICICI bank, HDFC bank-private bank).the results of the research work concern among the open ended tax saving schemes, Canara robo equity diversified is the preferred and ranked top most, at the same time among the open ended-midcap schemes, HDFC capital builder is the preferred and ranked top through various tools. these research findings useful to the investors in terms of understanding the financial performance of the mutual fund schemes. Also this research finding is useful to the mutual fund company in terms of behavioral aspects of mutual fund.

CHAPTER-3

RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

A research design is considered as the framework or plan for a study that guides as well as helps the data collection and analysis of data.

3.1.1 Descriptive Research Design

Descriptive research is a study designed to depict the participants in an accurate way. More simply put, descriptive research is all about describing people who take part in the study.

3.2 SAMPLING TECHNIQUES

3.2.1 Data collection

The data was collected using questionnaire from professionals/ common man like those who want to invest in mutual funds and other investment options.

3.2.2 Convenience sampling method

A convenience sample is one of the main types of non-probability sampling methods. A convenience sample is made up of people who are easy to reach.

3.3 SOURCES OF DATA

3.3.1 Primary Data sources:

Primary data are those which are fresh and are collected for the first time, and thus happen to be original in character. The primary data was collected through direct personal interviews (open ended and close ended questionnaires)

3.3.2 Secondary Data sources:

Secondary data refers to data that was collected by someone other than the user. Common sources of secondary data are journals and websites, data that was originally collected for other research purposes.

3.4 STRUCTURE OF QUESTIONNAIRE:

Direct personal interviews and open-ended and closed-ended questionnaires were used to collect the primary data.

3.5 SAMPLE SIZE:

A total of 106 people were chosen. Investors, neighborhoods, and workplaces were used to create the study. The respondents were chosen using simple random sampling.

3.6 ANALYTICAL TOOLS:

The analytical tools used are SPSS for testing the hypothesis, Chi Square test in SPSS tool.

CHAPTER-4

DATA ANALYSIS AND INTERPRETATION

4.1 PERCENTAGE ANALYSIS

Table: 4 .1.1Age group of the Respondents

Age Group	No. of Respondents	Percentage
Less than 20	14	13.2%
20-30	57	58.3%
30-40	35	33%
50 and above	0	0
Total	106	100

Source: Primary data

Age group:
106 responses

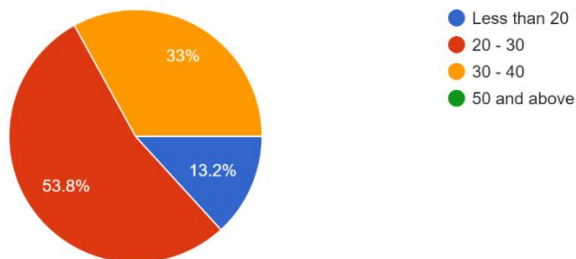


Chart: 4.1.1 Age group of the Respondent

Interpretation

From the above table it is interpreted that the 33% respondents are fall in the age category of 30-40 years, 53.8% in 20-30 years and 13.2% in less than 20.

Inference

Majority (53.8%) of the respondents are 20-30 years age group.

Table: 4.1.2 Gender of the Respondents

Gender	No. of Respondents	Percentage
Male	74	69.8%
Female	32	30.2%
Total	106	100

Source: Primary data.

Gender:
106 responses

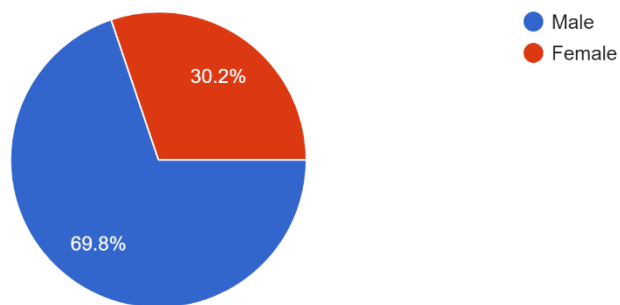


Chart: 4.1.2 Gender of the Respondent

Interpretation

From the above table it is interpreted that the 69.8% respondents are male and 30.2% respondents are female.

Inference

Majority (69.8%) of the respondents are male.

Table: 4.1.3 Occupation of the Respondents

Occupation	No. of Respondents	Percentage
Government employee	7	6.6%
Private employee	26	24.5%
Business	14	13.2%
Student	52	49.1%
Other (retired, agriculture etc.)	7	6.6%
Total	106	100

Source: Primary data.

Occupation
106 responses

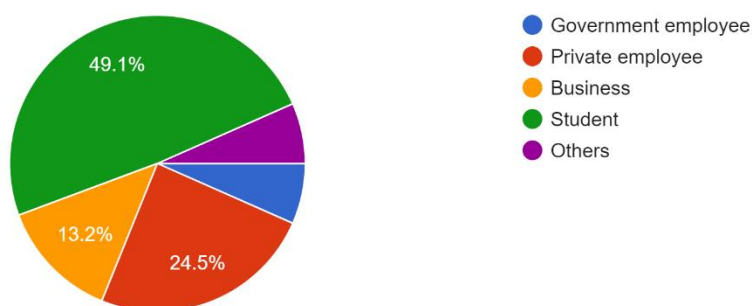


Chart: 4.1.3 Occupation of the Respondent

Interpretation

From the above table it is interpreted that the 13.2% respondents are says business, 24.5% in private employee, 6.6% in government employee and 6.6% in other (retried, agriculture etc.),49.1% are Students.

Inference

Majority (49.1%) of the respondents are says Students.

Table: 4.1.4 Monthly income of the Respondents

Monthly Income	No. of Respondents	Percentage
Less than Rs.30000	60	56.6%
Rs.30000-Rs.50000	29	27.4%
More than Rs.50000	17	16%
Total	106	100

Source: Primary data.

Monthly income:

106 responses

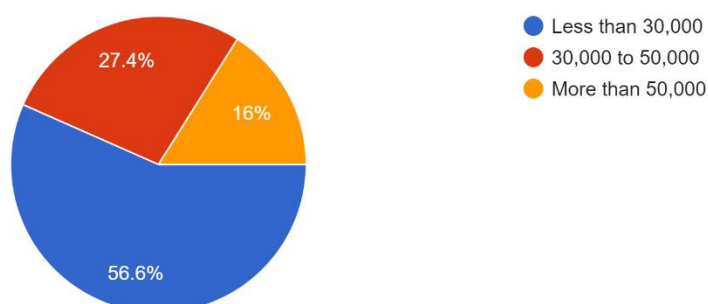


Chart: 4.1.4 Monthly income of the Respondent

Interpretation

From the above table it is interpreted that the 56.6% of the respondents are falls in monthly income category of less than Rs.30000, 27.4% in Rs.30000-Rs.50000 and 16% in more than Rs.50000.

Inference

Majority (56.6%) of the respondents are falls in monthly income category of less than Rs.30000.

Table: 4.1.5 Annual savings of the Respondents

Annual Savings	No. of Respondents	Percentage
Less than Rs.50000	64	60.4%
Rs.50000-Rs.100000	23	21.7%
More than Rs.1 lakh	19	17.9%
Total	106	100

Source: Primary data.

Annual Savings
106 responses

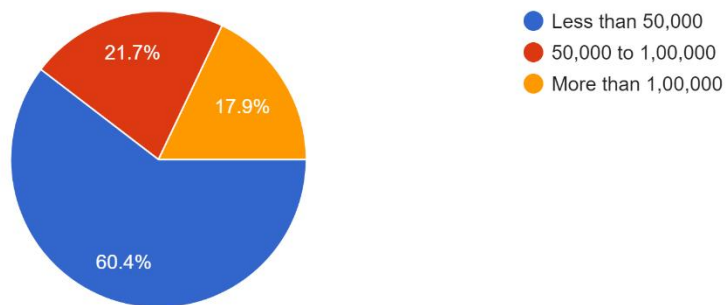


Chart: 4.1.5 Annual savings of the Respondent

Interpretation

From the above table it is interpreted that the 60.4% of the respondents are saying annual saving less than Rs.50000, 21.7% in Rs.50000-Rs.100000 and 17.9% in more than Rs.1 lakh.

Inference

Majority (60.4%) of the respondents are saying annual saving is less than Rs.50000.

Table: 4.1.6 Source of awareness of the Respondents

Source of Awareness	No. of Respondents	Percentage
News paper& magazine	14	13.2%
Internet	51	48.1%
Television	16	15.1%
Relatives and friend	19	17.9%
Agent	6	5.7%
Total	106	100

Source: Primary data.

Source of awareness about mutual fund
106 responses

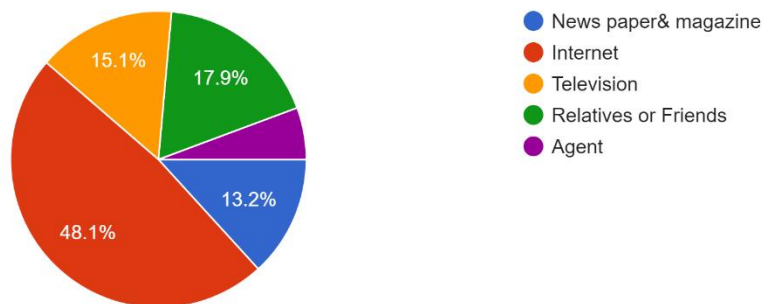


Chart: 4.1.6 Source of awareness of Mutual Funds

Interpretation

From the above table it is interpreted that the 48.1% of the respondents are aware of the mutual fund investment through internet, 17.9% in relatives and friends, 13.2% in newspaper& magazine and 15.1% in television, 5.7 in Agent

Inference

Majority (48.1%) of the respondents are aware of the mutual fund investments through internet.

Table: 4.1.7 Method of purchase Mutual Fund unit

Purchase	No. of Respondents	Percentage
Direct purchase	67	63.2%
Through brokers	39	36.8%
Total	106	100

Source: Primary data.

Method of purchasing mutual fund investment
106 responses

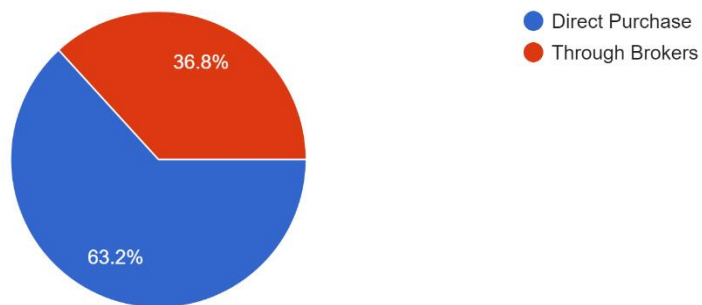


Chart: 4.1.7 Method of purchase Mutual Fund unit

Interpretation

From the above table it is interpreted that the 63.2% of the respondents are purchase the mutual fund units directly and 36.8% in through brokers.

Inference

Majority (63.2%) respondents are purchase the mutual fund units directly.

Table: 4.1.8 Aware of risk involved in Mutual Fund investment

Aware of Risk	No. of Respondents	Percentage
Yes	72	67.9%
No	34	32.1%
Total	106	100

Source: Primary data.

Aware of risk involved in mutual fund investment
106 responses

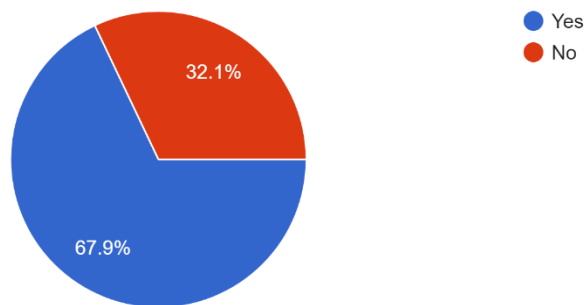


Chart: 4.1.8 Aware of risk involved in Mutual Fund investment

Interpretation

From the above table it is interpreted that the 67.9% of the respondents are aware of the risk involved in the mutual fund investment, and remaining 32.1% of the respondents are not aware of the risk involved in mutual fund.

Inference

Majority (67.9%) of the respondents are aware of the risk involved in the mutual fund investment.

Table: 4.1.9 Problems faced by investors in Mutual Fund

Problem Faced	No. of Respondents	Percentage
Low income	34	32.1%
Unable to aware market	35	33%
Delay in selling unit	13	12.3%
Fees and commission	18	17%
Poor service of broker	6	5.7%
Total	106	100

Source: Primary data.

Problem faced by investors in mutual fund
106 responses

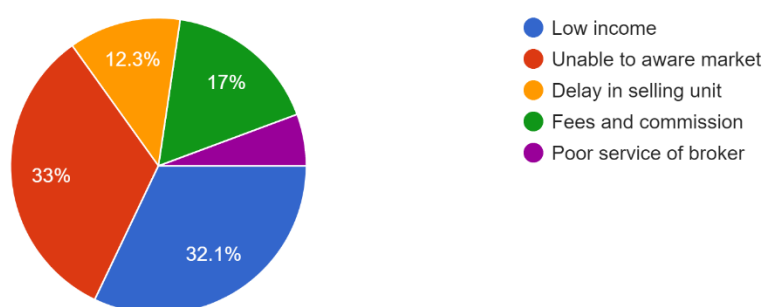


Chart: 4.1.9 Problems faced by investors in Mutual Fund

Interpretation

From the above table it is interpreted that the 12.3% of the respondent's problem is delay in selling unit, 17% in fees and commission, 33% in unable to aware of market. 32.1% in low income, 5.7% in poor service of broker.

Inference

Majority (32.1%) of the respondent's problem is low income.

Table: 4.1.10 Mode of investment

Mode of Investment	No. of Respondents	Percentage
One time investment	53	50%
Systemic investment plan	53	50%
Total	106	100

Source: Primary data.

When you invest in mutual fund which mode of investment will you prefer?

106 responses

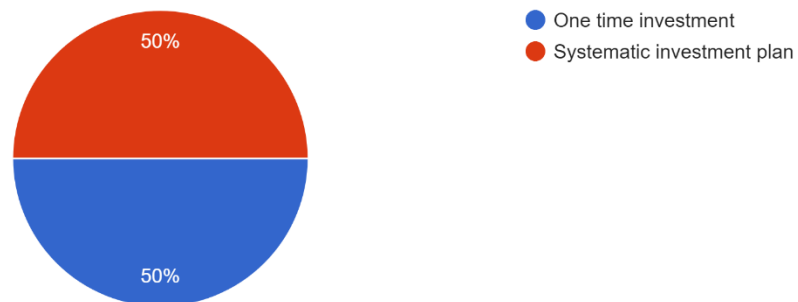


Chart: 4.1.10 Mode of investment

Interpretation

From the above table it is interpreted that the 50% of the respondents are invest in mutual fund systematically, and 50% in one-time investors.

Inference

Majority (50%) of the respondents are choosing both.

Table: 4.1.11 Investment experience in Mutual Fund

Experience	No. of Respondents	Percentage
Less than 2 years	79	74.5%
2 years to 5 years	17	16%
More than 5 years	10	9.4%
Total	106	100

Source: Primary data.

Investment experience in mutual fund?
106 responses

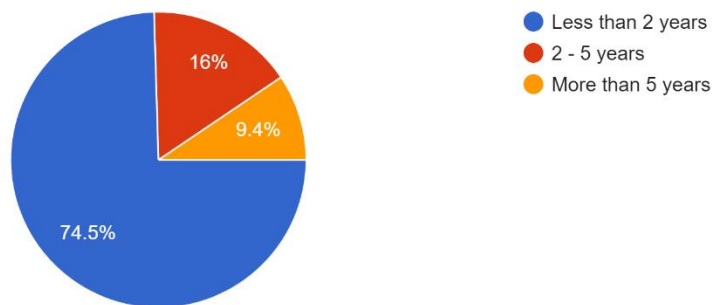


Chart: 4.1.11 Investment experience in Mutual Fun

Interpretation

From the above table it is interpreted that the 74.5% respondents are less than 2 years' experience, 16% in 2 to 5 years' experience, 9.4% are more than 5 years' experience.

Inference

Majority (74.5%) of the respondents are less than 2 years' experience.

Table: 4.1.12 Duration of time preferred by Respondents

Duration of Time	No. of Respondents	Percentage
Up to 1 year to 2 years	59	55.7%
1 year to 3 years	22	20.8%
3 years to 5 years	14	13.2%
More than 5 years	11	10.4%
Total	106	100

Source: Primary data.

Duration of time preferred by respondent?

106 responses

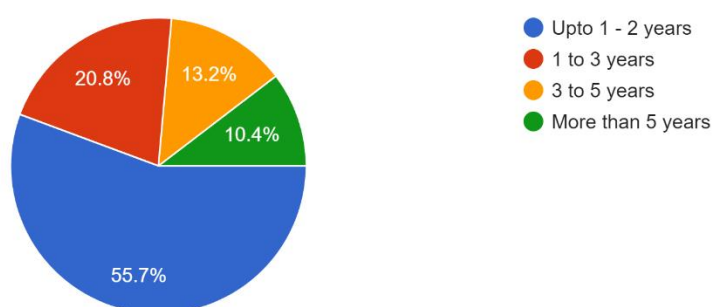


Chart: 4.1.12 Duration of time preferred by Respondent

Interpretation

From the above table it is interpreted that the 55.7% of the respondents are duration of investment is up to 1 year to 2 years, 20.8% in 1 year to 3 years, 13.2% in 3years to 5 years and 10.4% are more than 5 years.

Inference

Majority (55.7%) of the respondents are duration of investment is up to 1 year to 2 years.

Table: 4.1.13 The respondents think good options to invest in Mutual Fund

Good Option to Invest	No. of Respondents	Percentage
Strongly agree	15	14.2%
Agree	43	40.6%
Neutral	38	35.8%
Disagree	06	5.6%
Strongly disagree	04	3.8
Total	106	100

Source: Primary data.

Do you think good option to invest in mutual fund?

106 responses

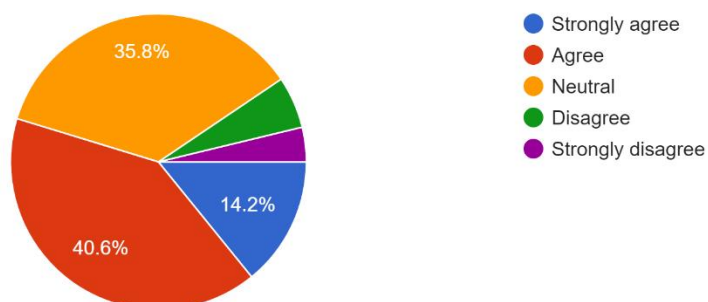


Chart: 4.1.13 The respondents think good options to invest in Mutual Fund

Interpretation

From the above table it is interpreted that the 35.8% of the respondents are says neutral good option to invest mutual fund is, 40.6% in agree, 14.2% in strongly agree and 5.6% in disagree.

Inference

Majority (40.6%) of the respondents are Agree to invest mutual fund.

Table: 4.1.14The respondents prefer to reinvest in Mutual Fund

Prefer to Reinvest	No. of Respondents	Percentage
Yes	37	34.9%
No	17	16%
Maybe	52	49.1%
Total	106	100

Source: Primary data.

Do you have plans to reinvest in mutual fund?
106 responses

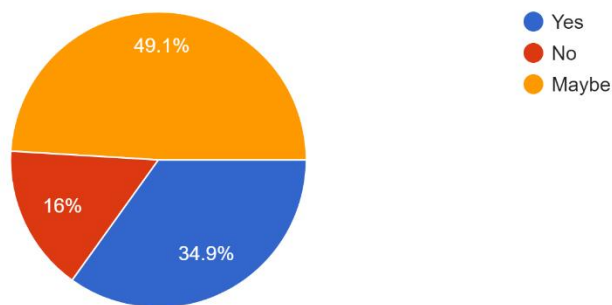


Chart: 4.1.14 The respondents prefer to reinvest in Mutual Fun

Interpretation

From the above table it is interpreted that the 34.9% of the respondents are prefer reinvest in mutual funds, and 16% of the respondents are not prefer invest in mutual fund,49.1% are maybe reinvest in mutual funds.

Inference

Majority (49.1%) of the respondents are maybe reinvesting in mutual funds.

Table: 4.1.15 Prefer friend and relatives to invest in Mutual Fund

Prefer anyone to Invest	No. of Respondents	Percentage
Yes	81	76.4%
No	25	23.6%
Total	106	100

Source: Primary data.

Do you prefer friends and relatives to invest in mutual fund?
106 responses

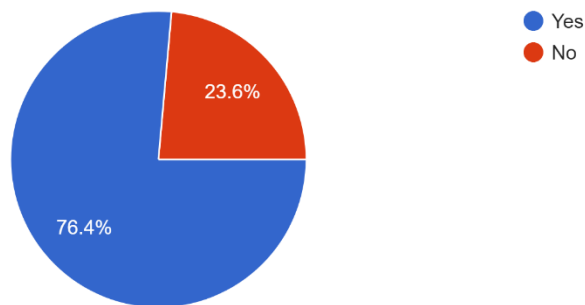


Chart: 4.1.15 Prefer friend and relatives to invest in Mutual Fun

Interpretation

From the above table it is interpreted that the 76.4% of the respondents are prefer friend and relatives to invest in mutual fund, and remaining 23.6% of the respondents are not prefer friend and relatives to invest in mutual fund.

Inference

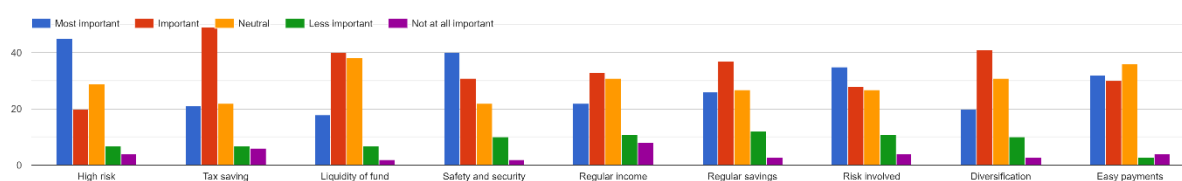
Majority (76.4%) of the respondents are preferred friend and relatives to invest in mutual fund.

Table: 4.1.16 Factors influencing investment in Mutual Fund

Influence Factor	Most Important	Important	Neutral	Less Important	Not at all Important	Total
High risk	45	20	29	7	5	106
Tax saving	21	49	22	7	7	106
Liquidity of fund	19	40	38	7	3	106
Safety and security	40	31	22	11	2	106
Regular income	22	33	31	12	8	106
Regular saving	26	37	27	13	3	106
Risk involved	35	28	27	12	4	106
Diversification	20	41	31	10	4	106
Easy payment	32	30	36	5	3	106

Source: Primary data.

Investor opinion about the factors influencing investment in mutual fund



4.2 CHI-SQUARE

Table 4.2.1: Table showing the association between the problems faced by investor in mutual fund and good opinion to invest in mutual fund

Null hypothesis (H_0) - There is no association between the problems faced by investor in mutual fund and good opinion to invest in mutual fund

Alternative hypothesis (H_1) - There is association between the problems faced by investor in mutual fund and good opinion to invest in mutual fund.

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Problem faced by investors * Good option	106	100.0%	0	0.0%	106	100.0%

Problem faced by investors * Good option to invest Crosstabulation

			Good Option to invest				Total
			Agree	Disagree	Neutral	Strongly	
Problem faced by investors	Delay in selling unit	Count Expected Count	3 5.3	1 .7	6 4.7	3 2.3	13 13.0
	Fees and commission	Count Expected Count	8 7.3	1 1.0	7 6.5	2 3.2	18 18.0
	Low income	Count Expected Count	16 13.8	2 1.9	11 12.2	5 6.1	34 34.0
	Poor service	Count Expected Count	4 2.4	0 .3	1 2.2	1 1.1	6 6.0
	Unable to aware of market	Count Expected Count	12 14.2	2 2.0	13 12.5	8 6.3	35 35.0
	Total	Count Expected Count	43 43.0	6 6.0	38 38.0	19 19.0	106 106.0

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	5.701 ^a	12	.930
Likelihood Ratio	6.204	12	.905
N of Valid Cases	106		

a. 11 cells (55.0%) have expected count less than 5. The minimum expected count is .34.

Source: Primary data.

Since p value is higher than 0.05, we accept null hypothesis and reject the alternative. There is no significance difference between the problem faced by investor in mutual fund and good opinion to invest in mutual fund

4.3 Questionnaire

1. Name: _____

2. Age group:

- a) Less than 20
- b) 20-30
- c) 30-40
- d) 50 and above

3. Gender:

- a) Male
- b) Female

4. Occupation:

- a) Government employee
- b) Private employee
- c) Business
- d) Student
- e) Other (retired, agriculture etc.)

5. Monthly income:

- a) Less than Rs. 30000
- b) Rs.30000-Rs.50000
- c) More than Rs.50000

6. Annual savings

- a) Less than Rs.50000
- b) Rs.50000- Rs.100000
- c) More than Rs.1 lakh

7. Source of awareness about mutual fund
 - a) Newspaper& magazine
 - b) Internet
 - c) Television
 - d) Relatives and friend
 - e) Agent
8. Method of purchasing mutual fund investment
 - a) Direct purchase
 - b) Through brokers
9. Aware of risk involved in mutual fund investment
 - a) Yes
 - b) No
10. Problem faced by investors in mutual fund
 - a) Low income
 - b) Unable to aware market
 - c) Delay in selling unit
 - d) Fees and commission
11. When you invest in mutual fund which mode of investment will you prefer?
 - a) One time investment
 - b) Systemic investment plan
12. Investment experience in mutual fund?
 - a) Less than 2 years
 - b) 2 years to 5 years
 - c) More than 5 years
13. Duration of time preferred by respondent?
 - a) Up to 1 year to 2 years

- b) 1 year to 3 years
- c) 3 years to 5 years
- d) More than 5 years

14. Do you have plans to reinvest in mutual fund?

- a) Yes
- b) No

15. Do you think good option to invest in mutual fund?

- a) Strongly agree
- b) Agree
- c) Neural
- d) Disagree
- e) Strongly disagree

16. Do you prefer friends and relatives to invest in mutual fund?

- a) Yes
- b) No

17. Investor opinion about the factors influencing investment in mutual fund

Influence factor	Most important	Important	Neutral	Less important	Not at all important
High risk					
Tax saving					
Liquidity of fund					
Safety and security					
Regular income					
Regular saving					
Risk involved					
Diversification					
Easy payment					

CHAPTER-5

FINDING, SUGGESTION AND CONCLUSION

5.1 Findings:

- 53.8% of the respondents are fall in the age category 20 to 30 years.
- 69.8% of the respondents are male.
- 49.1% of the respondents say Students.
- 56.6% of the respondents are falls in monthly income category of less than Rs.30000.
- 60.4% of the respondents are says annual saving is less than 50000.
- 48.1% of the respondents are aware of the mutual fund investment through internet.
- 63.2% of the respondents are purchase the mutual fund unit directly.
- 67.9% of the respondents are aware of the risk involved in the mutual fund investment.
- 33% of the respondent's problem is unable to aware market.
- 50% of the respondents are investing in mutual fund systematically and one time investment.
- 74.5% of the respondents are less than 2 years' experience.
- 55.7% of the respondents are duration of investment is up to 1 year to 2 years.
- 49.1% of the respondents are maybe reinvest in mutual funds.
- 40.6% of the respondents are says good option to invest mutual fund.
- 76.4% of the respondents are preferred friend and relatives to invest in mutual fund.

Findings of Chi-Square:

- There is no significance difference between the problem faced by investor in mutual fund and good opinion to invest in mutual fund.

5.2 Suggestion

- The investor should keep an eye on the performance of scheme and other good schemes which are available in the market.
- Efforts should be made to encourage or enhance online dealing of mutual funds. This will save time and cost. They can effortlessly sell or purchase any number of funds whenever they want.
- The mutual fund industry must also help people in mobilizing their savings in such a way that they can get maximum benefits out of them.
- Once they invested in mutual fund, they need returns and if is not giving proper returns to then again it is affecting the interest of the investors to invest in mutual fund.
- They should provide more information about their investment product and services mean they should also concentrate on promotion of their schemes.
- Some investors suggested that the fund values of the mutual fund investment should be informed to the investors through SMS on fortnightly basis. This will help the investors in keeping themselves up to date with the latest information of different funds.

5.3 Conclusion

The minds of the investing public look for investments are safe and that it will earn good returns. This study conducted was regarding the factors influencing the investor's perception towards mutual fund investment. It is highlighted that investors of middle-income level agrees that regular income and liquidity of the investment plays a vital role. It can be perceived that high risk leads to high returns in the investment. The flexibility in the investment would lead to good performance of the funds. There's a scope where investors belonging to different age groups seek for many other factors that can attract them to invest in the mutual fund industry than just the ones considered for the study. Measures should be taken to increase the confidence and morale of the investors. This can be done through proper communication and by educating investors to invest in mutual funds. Sensible and right information should be given to them by various communication modes so that they get to know about the latest trends in the market. Mutual funds are still and would carry on to be the unique financial instrument in the country.

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