

**“A STUDY ON INVESTORS PERCEPTION OF  
MUTUAL FUNDS WITH REFERENCE TO  
ERNAKULAM DISTRICT”**

Dissertation submitted to

**MAHATMA GANDHI UNIVERSITY, KOTTAYAM**

In partial fulfilment of the requirement for the degree of

**BACHELOR OF COMMERCE**

Submitted by

**R. ARAVIND (200021065936)**

**ARUN SEKHAR (200021065857)**

**NIKHITHA BIJU (200021065889)**

Under the supervision of

**Ms. ATHIRA MURALI**

**Assistant Professor, B.Com COMPUTER APPLICATIONS**



**DEPARTMENT OF COMMERCE (COMPUTER APPLICATIONS)**

**BHARATA MATA COLLEGE, THRIKKAKARA, KOCHI**

(Affiliated to Mahatma Gandhi University)

Accredited by NAAC with “A+” Grade)

**2020-2023**



# **BHARATA MATA COLLEGE**

## **DEPARTMENT OF COMMERCE**

(Affiliated To Mahatma Gandhi University-Kottayam Accredited  
with A+ Grade by NAAC)

THRIKKAKARA P.O, COCHIN-682021

TEL-0484-6007730, 0484-2425121

### **BONAFIDE CERTIFICATE**

This is to certify that this dissertation entitled, “**A STUDY ON INVESTORS PERCEPTION OF MUTUAL FUNDS WITH REFERENCE TO ERNAKULAM DISTRICT**” has been prepared by **R Aravind, Arun Sekhar and Nikhitha Biju** under my supervision and guidance in partial fulfilment of the requirement for the Degree of Bachelor of Commerce of Mahatma Gandhi University. This is also to certify that this report has not been submitted to any other institute or university for the award of any degree.

Signature of the HOD

Signature of Guide

**Dr.Somasekharan T. M**

**Ms. Athira Murali**

HOD and Assistant Professor

Assistant Professor

B.Com Computer Applications

B.Com Computer Applications

Place:Thrikkakara

Name & signature of external examiner

Date:

## **DECLARATION**

We, **Aravind R, Arun Sekhar and Nikhitha Biju**, B.Com Final year students, Department of commerce (Computer Applications), Bharata Mata College Thrikkakara, hereby declare that the Dissertation submitted for the award of Bachelor's Degree is our original work. We further declare that the said work has not previously been submitted to any other University or Academic Body.

**R. ARAVIND**  
(200021065936)

**ARUN SEKHAR**  
(200021065857)

**NIKHITHA BIJU**  
(200021065889)

PLACE: THRIKKAKARA

DATE:

## **ACKNOWLEDGEMENT**

In preparation of this Dissertation “**A STUDY ON INVESTORS PERCEPTION OF MUTUAL FUNDS WITH REFERENCE TO ERNAKULAM DISTRICT**”. We received valuable guidance and encouragement from many quarters: we take this opportunity to thank them all. Firstly, we thank the God Almighty for showering his bountiful blessings without which we would not have completed this Dissertation successfully.

We express our deep sense of gratitude to HOD Assistant Professor, **Dr.Somasekharan T.M**, Head of the Department of Commerce (Computer Applications). In the task of preparing Dissertation report we have been assisted by respected teachers of Bharata Mata College, Thrikkakara.

We would like to express our gratitude to our Academic Guide, Assistant Professor, **Ms.ATHIRA MURALI**, Faculty of Commerce (Computer Applications), for her meticulous guidance and constant encouragement throughout our Dissertation.

We are extremely indebted to our parents and friends for their encouragement given in our task of preparing the Dissertation report.

We again extend our whole sincere gratitude to all those who has directly and indirectly helped us during the course of our work.

**ARAVIND R.**

**ARUN SEKHAR**

**NIKHITHA BIJU**

## CONTENTS

SL.NO	TITLE	PAGE.NO
1.	INTRODUCTION	
2.	REVIEW OF LITERATURE	
3.	THEORETICAL FRAMEWORK	
4.	DATA ANALYSIS & INTERPRETATION	
5.	FINDINGS, SUGGESTIONS & CONCLUSION	
6.	BIBLIOGRAPHY	
7.	APPENDIX	

## **LIST OF TABLES**

<b>TABLE.NO</b>	<b>LIST OF TABLES</b>	<b><u>PAGE.NO</u></b>
4.1	GENDER-WISE CLASSIFICATION	
4.2	PROPORTION OF AGE	
4.3	OCCUPATIONAL STATUS	
4.4	HAVE YOU EVER INVESTED IN MUTUALFUNDS	
4.5	WHICH INVESTMENT WHICH IS MOREPROFITABLE	
4.6	WHERE DO YOU FIND YOURSELF AS A MUTUAL FUND INVESTOR	
4.7	IN WHICH KIND OF MUTUAL FUNDDO/WOULD YOU INVEST IN ?	
4.8	IN WHICH KIND OF MUTUAL FUNDDO/WOULD YOU INVEST IN ?	
4.9	HOW DID YOU COME TO KNOW ABOUTMUTUAL FUNDS ?	
4.10	WHICH FACTOR OF MUTUAL FUNDS DO YOU THINK IS THE MOST ATTRACTIVE?	

4.11	WHAT DO/WOULD YOU LOOK BEFORE INVESTING IN A PARTICULAR MUTUAL FUND ?	
4.12	WHICH MUTUAL FUNDS HAVE YOU USED OR PLAN TO USE ?	
4.13	IN WHICH ALL MUTUAL FUND AMCs HAVE YOU INVESTED IN OR WOULD LIKE TO INVEST IN	
4.14	FROM WHERE DO/WOULD YOU PURCHASE MUTUAL FUNDS	
4.15	WHEN YOU INVEST IN MUTUAL FUNDS WHICH MODE OF INVESTMENT DO/ WOULD YOU PREFER	
4.16	WHICH SECTOR DO/WOULD YOU INVEST IN MUTUAL FUNDS	
4.17	ANTICIPATED RISK ASSOCIATED WITH MUTUAL FUNDS	
4.18	PRIMARY OF YOUR INVESTMENT	
4.19	HOW FREQUENTLY DO YOU MONITOR THE PERFORMANCE OF YOUR INVESTMENTS	

4.20	HOW LONG HAVE YOU INVESTED IN MUTUAL FUNDS	
4.21	IN YOUR OPINION, IS MUTUAL FUND A GOOD FORM OF INVESTMENT FOR PEOPLE WHO HAVE KNOWLEDGE ABOUT THE SHARE MARKET?	
4.22	EXPECTED PERCENTAGE OF RETURN	
4.23	HOW WOULD YOU PREFER TO RECEIVE YOUR RETURNS	
4.24	EXPECTED PERCENTAGE OF RETURN	
4.25	WHAT DO YOU CONSIDER AS THE MOST IMPORTANT PARAMETER WHILE INVESTING IN MUTUAL FUNDS	
4.26	HOW DO YOU INTEND TO USE THE INCOME EARNED FROM INVESTMENT	
4.27	PERCENTAGE OF SAVINGS TOWARDS INVESTMENT	
4.28	ARE YOU SATISFIED OR DO YOU EXPECT TO BE SATISFIED WITH THE SCHEMES THAT YOU HAVE INVESTED IN ? IF YES, STATE REASON	
4.28	INVESTORS OVERALL PERCEPTION OF MUTUAL FUNDS AS AN INVESTMENT OPTION	



## **LIST OF FIGURES**

<b>TABLE.NO</b>	<b>LIST OF TABLES</b>	<b><u>PAGE.NO</u></b>
4.1	GENDER-WISE CLASSIFICATION	
4.2	PROPORTION OF AGE	
4.3	OCCUPATIONAL STATUS	
4.4	HAVE YOU EVER INVESTED IN MUTUALFUNDS	
4.5	WHICH INVESTMENT WHICH IS MOREPROFITABLE	
4.6	WHERE DO YOU FIND YOURSELF AS A MUTUAL FUND INVESTOR	
4.7	IN WHICH KIND OF MUTUAL FUNDDO/WOULD YOU INVEST IN ?	
4.8	IN WHICH KIND OF MUTUAL FUNDDO/WOULD YOU INVEST IN ?	
4.9	HOW DID YOU COME TO KNOW ABOUTMUTUAL FUNDS ?	
4.10	WHICH FACTOR OF MUTUAL FUNDS DOYOU THINK IS THE MOST ATTRACTIVE?	

4.11	WHAT DO/WOULD YOU LOOK BEFORE INVESTING IN A PARTICULAR MUTUAL FUND ?	
4.12	WHICH MUTUAL FUNDS HAVE YOU USED OR PLAN TO USE ?	
4.13	IN WHICH ALL MUTUAL FUND AMCS HAVE YOU INVESTED IN OR WOULD LIKE TO INVEST IN	
4.14	FROM WHERE DO/WOULD YOU PURCHASE MUTUAL FUNDS	
4.15	WHEN YOU INVEST IN MUTUAL FUNDS WHICH MODE OF INVESTMENT DO/ WOULD YOU PREFER	
4.16	WHICH SECTOR DO/WOULD YOU INVEST IN MUTUAL FUNDS	
4.17	ANTICIPATED RISK ASSOCIATED WITH MUTUAL FUNDS	
4.18	PRIMARY OF YOUR INVESTMENT	
4.19	HOW FREQUENTLY DO YOU MONITOR THE PERFORMANCE OF YOUR INVESTMENTS	
4.20	HOW LONG HAVE YOU INVESTED IN MUTUAL FUNDS	

4.21	IN YOUR OPINION, IS MUTUAL FUND A GOOD FORM OF INVESTMENT FOR PEOPLE WHO HAVE KNOWLEDGE ABOUT THE SHARE MARKET?	
4.22	EXPECTED PERCENTAGE OF RETURN	
4.23	HOW WOULD YOU PREFER TO RECEIVE YOUR RETURNS	
4.24	EXPECTED PERCENTAGE OF RETURN	
4.25	WHAT DO YOU CONSIDER AS THE MOST IMPORTANT PARAMETER WHILE INVESTING IN MUTUAL FUNDS	
4.26	HOW DO YOU INTEND TO USE THE INCOME EARNED FROM INVESTMENT	
4.27	PERCENTAGE OF SAVINGS TOWARDS INVESTMENT	
4.28	ARE YOU SATISFIED OR DO YOU EXPECT TO BE SATISFIED WITH THE SCHEMES THAT YOU HAVE INVESTED IN ? IF YES, STATE REASON	
4.29	INVESTORS OVERALL PERCEPTION OF MUTUAL FUNDS AS AN INVESTMENT OPTION	

**CHAPTER-1**

**INTRODUCTION**

## 1.1 INTRODUCTION

There are various investment options in which people can invest to fetch good return on their idle cash surplus, ensuring safety of the amount invested. Right investment is the balance of three things, liquidity, safety and return. Mutual fund is considered as one of the most popular and useful financial instruments. By issuing investors units in securities and investing funds in accordance with the objectives disclosed in the offer document, a mutual fund is a means of pooling resources. It is a corporation, trust, or partnership that uses professional expertise to manage the money it has collected. The investors contribute their money to mutual funds. Mutual funds pool this money from different investors and reinvest the collected money in different investment avenues. Mutual fund will earn income out of these different investment avenues. This income earned can be in the form of interest, dividend or it can be in the form of gain, which is the difference between cost price and selling price. Out of the income earned, Mutual funds take out some portion for their own purpose known as management expenses. The balance will be distributed to the investors. In order to reduce risk exposure, mutual funds often invest in a broad variety of assets in many industries. Basically the task which is difficult to accomplish with one person's income can be easily achieved with the help of a group of people.

If a person wants to invest in mutual funds that prospective investor has to approach an AMC (Asset Management Company). Asset Management Company consists of a group of experts who know how to manage the money pool from different investors. These experts' carry out the specific task of purchasing and selling shares and debentures at the appropriate time in the market. Beyond the investments in star companies we have a lot of options such as large companies, medium companies, and small companies and also there are different sub-categories like public sector, oil sector, cement sector, textile sector, agriculture sector etc. This is all very confusing and very risky for common people to take decisions on investing. An expert called fund manager is employed to manage each scheme. The fund manager is responsible for to manage the scheme and decides where and how to invest the money collected from the investors so as to get the best return. The investors will get something called as 'units' by investing in mutual funds. His returns will depend on NAV (Net Asset value) of the selected scheme. Net Asset value is the price of one mutual fund unit.

The regulation of mutual funds is strict. Mutual funds are made more transparent by SEBI, allowing investors to make better decisions. SEBI requires common asset to unveil their portfolio somewhere around six month to month which assists the financial backers with checking regardless of whether the asset is effective money management with its targets. The investor prefers regular returns, long-term growth, income tax advantages, and principal safety. The investors' preferences, changes in the stock/capital market, returns on various instruments, and shifting investor profiles all played a role in the design of the mutual fund schemes. The plans are outlined and conceptualized by the top administration of the shared assets and showcased by their branches and through the specialists. The level of investor confidence determines a mutual fund's success. UTI has set up a nationwide marketing network of franchise offices, chief representatives, collection centers, and branches. When compared to other mutual fund companies, UTI has a distinct advantage thanks to its marketing network. Before making an investment, the majority of new investors lack an understanding of the concept, operation, and benefits of mutual funds.

## 1.2 SIGNIFICANCE OF STUDY

Mutual fund is currently being considered as a main device in the Indian monetary market. An investment in a mutual fund assists the investor in determining their goal, considering the risk-to-return ratio, making better plans, comprehending the various options, and so on. The review expects to find out about financial backers' familiarity with common assets, variables to consider while money management, and the most famous resource the board organizations and asset plans. In the Indian economy, mutual funds are very important in bringing small investors' savings together and directing them toward profitable endeavors. All over the planet, normal resources have gotten themselves as the technique for adventure for the retail monetary benefactor. The ongoing dynamic and violent capital market climate, as well as the monetary situation of progression and globalization prompting more serious rivalry, give the point more noteworthy importance than at any other time. Mutual funds are the current alternative investment platform. Its purpose is to decipher the financial backers' decisions about investing in common assets, the factors that influence the purchase of shared reserves, and the degree of satisfaction among financial backers regarding share stores.

### **1.3 STATEMENT OF THE PROBLEM**

Mutual fund is now being considered as a leading tool in the Indian financial market. An investment in a mutual fund helps the investor determine their objective, take into account the risk-return ratio, plan more effectively, comprehend the various options, and so on. The study aims to learn about investors' awareness of mutual funds, factors to consider when investing, and the most popular asset management companies and fund schemes. Small- and mid-cap equity funds, as well as funds invested in high-yield debt securities with less-than-desirable credit ratings, are examples of high-risk mutual funds. Everybody doesn't have an obvious thought regarding shared reserves, their working and their job in the economy and that is the motivation behind why Indian financial backers doesn't depict great mentality towards common asset. There is a false belief that mutual funds do not offer investors a sufficient return. However, mutual funds provide investors with a comprehensive platform for prudently safeguarding their funds in comparison to other types of securities. Indeed, even after demonetization, the common asset industry saw a huge development rate prompting increase interest for different shared reserves plans. The majority of the research's focus is on investors' awareness, perception, and preference for mutual funds.

### **1.4 OBJECTIVES OF THE STUDY**

1. To find out the awareness about mutual fund in Ernakulum
2. To know the preference of investors towards mutual fund
3. To identify the factors influencing investment in mutual funds
4. To explore determinants affecting perception of investors to invest in mutual funds
5. To get insight knowledge about mutual funds.
- 6.

### **1.5 SCOPE OF THE STUDY**

The purpose of the study is to determine the preferences, priorities, and awareness of investors regarding various mutual fund schemes. The financial backer favors security of the chief sum, ordinary returns, long haul development, personal tax cuts and so forth.

By investing in these funds, investors were able to diversify their investment in commonstocks, preferred stocks, bonds, and other financial securities. The mutual fund schemes have been designed based on the preferences of investors, changes in stock/capital markets, returns on various instruments, and changing investor profiles. The variety of mutual funds available to investors today is so extensive that it can sometimes take a longtime to choose one. Over the course of time, a number of Investment Management Companies have emerged that provide a variety of mutual fund types, each with its own distinct characteristics and beneficial features.

## **1.6 RESEARCH METHODOLOGY**

For this study a survey conducted by collecting information from various sources. For the purpose of collecting information both primary and secondary data was used. The study is manly aims to now the “A STUDY OF INVESTORS PERCEPTION RERGARDING MUTUAL FUND WITH REFERENCE TO ERNAKULAM

DISTRICT”. The study undertaken is of exploratory in nature. The present chapter dealswith the database and research methodology. This chapter explains the research design, universe of the study, selection of sample, data collection techniques and tools used in data analysis.

### **1.6.1 TOOLS FOR DATA COLLECTION**

Both primary and secondary data are required. Primary data is the first hand information collected directly from the respondents. The tool used here is structured questionnaire using Google forms. Primary data is collected through survey. Secondary data is obtained from internet and books.

### **1.6.2 SAMPLING DESIGNS**

Data has been presented with the help of bar graph, pie charts, line graphs etc.

#### **1. SAMPLE SIZE**

The sample size taken for the study is 50 and it represents the number of respondent’s.

#### **2. SAMPLING TECHNIQUES**

Survey sampling technique is used for this study. This method is done by using Google forms

#### **3. STATISTICAL TOOLS**

To properly analyze the data, percentage analysis, graphs, and information filtering were used



to create a chart for drawing inferences.

### 1) Percentage Analysis

Percentage analysis is used to look at the data from the questionnaire. The percentages of the results are shown.

### 2) Graphs

The sample results are presented using graphic representations. The percentage analysis data serve as the basis for the creation of the graphs. Bar and pie charts are examples of graphs.

## 1.7 LIMITATION OF THE STUDY

1. There may be a few restrictions when using questionnaires as the primary technique of information gathering.
2. Bias of the respondents may affect the study.

## 1.8 CHAPTERISATION

- Chapter – 1 Introduction includes significance, statement of the problem, objectives, scope, research methodology and limitations of the study etc.
- Chapter – 2 Review of Literature includes the study of the prevalent materials which are related to topic of research.
- Chapter – 3 Theoretical Framework includes history, features, modes, advantages and disadvantages of internet banking, factors influencing the usage, security and attacks.
- Chapter – 4 Data Analysis & Interpretation includes tables, figures and interpretations of each questions answered by the respondents.
- Chapter – 5 Findings, Suggestions & Conclusion includes the reports made on valuing each graphs.

**CHAPTER -2**  
**REVIEW OF LITERATURE**

## **REVIEW OF LITERATURE**

- Santhi N.S. and Gurunathan K. (2013) in the article “The growth of Mutual Funds and Regulatory Challenges” from Indian Journal of Applied Research have stated that Regulators are keenly observing any possible implications of mutual fund products on financial stability and market volatility due to the mutual fund industry's rapid growth over the past several years. The rise of mutual funds has been assisted by innovative products and service practices. Regulators will need to strike a balance between properly controlling risks and not enacting too much regulation.
  
- Sharma N. and Ravikumar R (2013) in an article “Analysis of the Risk and Return relationship of Equity based Mutual Fund in India” from International Journal of Advancements in Research & Technology have stated that study used the Capital Asset Pricing Model (CAPM) to analyze the performance of equity-based mutual fund schemes. Mutual funds for the public and private sectors have performed well over time. However, a comparison of the performance over the last 15 years reveals that private sector mutual funds have outperformed public sector mutual funds. The performance of private sector mutual fund schemes was superior to that of public sector mutual fund schemes, and the private sector was also determined to be less hazardous.
  
- Vasantha S. et al (2013) in an article “Evaluating the Performance of some selected opened equity diversified Mutual fund in Indian mutual fund Industry” from International Journal of Innovative Research in Science, Engineering and Technology have noted that the investor's risk tolerance is a key factor in mutual fund selection. Investors should base their decision to invest in mutual funds on their investment goals and an examination of the fund based on a variety of factors, including market risk, variations in return, deviations in return, etc.
  
- Nalini J., (2015)<sup>40</sup> in her thesis entitled “Impact of Mutual Fund schemes in the deposit mobilization of Commercial banks in Kerala” aimed at examining the elements that impacted investors to choose mutual fund plans, as well as their perspective in comparison to other

investing plans. The major data mining method used in the study was multistage random sampling. It demonstrates that there is little effect of mutual funds on bank deposits. Additionally, due to their high returns (in the form of capital growth and high dividend/interest), mutual funds are seen to be a superior investment choice to bank savings.

- Dr. N. K. Sathya Pal Sharma, Ravikumar .R (2013) in an article "Analysis of the Risk and Return relationship of Equity based Mutual Fund in India" have said that their study used the Capital Asset Pricing Model (CAPM) to analyse the performance of equity-based mutual fund schemes. Mutual funds for the public and private sectors have performed well over time. However, a comparison of the performance over the last 15 years reveals that private sector mutual funds have outperformed public sector mutual funds. In addition to offering higher performance than public sector mutual funds, private sector mutual fund schemes also turned out to be less hazardous.
- Ratheesh K. Nair (2014) in the article "Indian Mutual Fund Market - A tool to stabilize Indian Economy" has stated that a Mutual fund is a strong weapon to stabilize the Indian economy, according to. Mutual fund products are essential for encouraging investor savings and directing those monies towards the nation's infrastructure development. By fostering the mutual fund industry in the nation, the banks and financial institutions are also playing a significant role.
- Sehdev R and Ranian P (2014) in the article "A study on Investor's perception towards mutual fund investment" have said that debt and balanced money are what most people favour. Following that, investors hunt for sector and equity diversified funds. The reasons why investors favour mutual funds include benefits and transparency, returns, redemption period, liquidity, and institutional investor activity. More than any other media outlet, the internet is used to find out information about mutual funds.
- Dr. Nishi Sharma (2012), Faculty of University institute of Applied Management Science (Punjab University). The research paper discusses the Indian mutual fund business, which is seen to be the most lucrative market for Indian investors and offers a means to diversify the

investment portfolio with a given level of risk. The purpose of the research was to examine how investors perceive various features offered by mutual fund providers to entice them to invest in particular funds or schemes

- Jani D and Jain R (2013) in an article “Role of Mutual Funds in Indian Financial System as a Key Resource Mobilizer” from Abhinav Journal (International Monthly Referred Journal of Research in Management & Technology) have reiterated that the Indian economy would be successful in the coming year since the country's fundamentals are still quite robust. Due to the economy's expansion, mutual funds would be a crucial resource mobilizer for the Indian financial sector. The Indian mutual fund business will experience increased expansion in the not too distant future.
- Nair R K (2014) in the article “Indian Mutual Fund Market – A tool to stabilize Indian Economy” from International Journal of Scientific and Research Publications has emphasized once more how effective a mutual fund is at stabilizing the Indian economy. Mutual fund products are essential for encouraging investor savings and directing those monies towards the nation's infrastructure development. By fostering the mutual fund industry in the nation, the banks and financial institutions are also playing a significant role..

**CHAPTER -3**  
**THEORETICAL FRAMEWORK**

## **THEORETICAL FRAMEWORK**

### **3.1 INRODUCTION**

The funds of several participants are pooled in a mutual fund to purchase a diverse portfolio of stocks, bonds, or other assets. They are regulated by qualified store supervisors who make interests in a scope of resources with an end goal to increment returns for the financial backers. When someone invests in a mutual fund, they buy shares. The price of these shares is determined by the fund's net asset value (NAV), which is calculated by dividing the total value of the fund's assets by the number of existing shares. One of the main benefits of investing in mutual funds is diversification. By investing in a wide range of securities, mutual funds can help spread risk and lessen the impact of a single investment's performance on the portfolio as a whole. Additionally, investors in mutual funds have access to experienced and expert management, which may be particularly beneficial to those who lack the time or skills to manage their own assets.

There are many different kinds of mutual funds, each with its own set of investing strategies and objectives. Some funds may place a higher priority on income generation or growth, while others may concentrate on investing in particular sectors or geographical regions. While picking a shared asset, financial backers ought to painstakingly look at their money management goals and hazard resilience. Fees and expenses, such as management and sales costs, are frequently borne by mutual fund investors. These expenses can change broadly among reserves and can essentially affect a financial backer's profits. Before making an investment, it is essential to carefully read the prospectus of the fund and comprehend its fees. In general, mutual funds can be a useful investment choice for people who want to access professional management and diversify their portfolio. However, before investing in any fund, it is essential for investors to conduct their due diligence and carefully consider the fees, risks, and investment objectives

### **.3.2 Definition**

The governing agency for the Indian securities market, the Securities and Exchange Board of India (SEBI), defines mutual funds as "a vehicle for collective investment by individuals, in equity shares, bonds and other securities, aiming to achieve a specific investment objective." The SEBI further stipulates that mutual funds are created in the

form of trusts and are managed by qualified fund managers who place the money that has been pooled into a diverse portfolio of assets in accordance with the investment goal of the fund. To safeguard the protection of investor interests, the SEBI also establishes several rules and standards for mutual funds.

### **3.3 Features of Mutual Funds**

1. **Diversity:** By investing in a variety of assets, including stocks, bonds, and other securities, mutual funds give investors the diversity they need to lower risk.
2. **Professional Management:** Professional fund managers who have the knowledge and competence to choose investments on behalf of clients run mutual funds.
3. **Liquidity:** Mutual fund units can be readily purchased and sold at the current Net Asset Value (NAV) on any business day.
4. **Transparency:** Mutual funds must make their portfolio holdings, fees, and expenditures public in order to give investors insight and transparency into their investments.
5. **Low Minimum commitment:** Most mutual funds only demand a small initial commitment, making them available to a wide spectrum of investors. **Expense Ratio:** Mutual funds charge an expense ratio, which covers the cost of managing the fund, including salaries, marketing, and other operational expenses.
6. **Tax efficiency:** Since mutual funds may distribute capital gains and dividends to investors in a tax-efficient way, they are tax-efficient investment vehicles.
7. **Risk:** Mutual funds have some risk since the value of the investments they hold might change depending on the state of the market. The kind of mutual fund and the securities it owns will determine the risk level.

### **3.4 Organization of a Mutual Fund (Structure)**

A specialized legal structure that oversees the activities of and duties to investors in mutual funds. The following are the major elements of mutual fund structure:

1. **Sponsor:** The sponsor is the organization that establishes the mutual fund and contributes the startup money. The trustees, custodians, and asset management firms must all be chosen by the sponsor.
2. **Trustees:** The trustees are in charge of defending the interests of mutual fund investors. They keep an eye on the asset management firm's operations and make sure it follows the rules outlined in the trust deed. **Asset Management Company (AMC):** The AMC is



responsible for managing the investments of the mutual fund. It is appointed by the trustees and is responsible for the day-to-day operations of the fund, including selecting the portfolio of investments, making investment decisions, and managing the portfolio.

3. **Custodian:** The custodian is in charge of keeping and protecting the mutual fund's assets. It makes sure the assets are protected and secure and can't be used or transferred in an unauthorized way.
4. **Unit holders:** Investors who have bought units in a mutual fund are referred to as unit holders. They own a proportionate amount of the fund's assets, and the fund's Net Asset Value (NAV) reflects their investment. The above components work together to manage the mutual fund and ensure that it operates in the best interests of its investors. The organization of mutual funds may vary slightly depending on the country and the regulatory environment in which they operate.

### **3.5 Importance of Mutual Funds**

Mutual funds play an essential role in the financial markets, and here are some of the reasons why they are important:

1. **Diversification:** Mutual funds offer diversification to investors by investing in a wide range of assets such as stocks, bonds, and other securities. This diversification reduces the risk of investing in a single security and provides exposure to a variety of asset classes.
2. **Professional Management:** Mutual funds are managed by professional fund managers who have the expertise and experience to make investment decisions on behalf of investors. This management ensures that the fund is invested in the best interests of investors, and the fund's performance is closely monitored.
3. **Accessibility:** Mutual funds are accessible to a wide range of investors, as they have a low minimum investment requirement. This accessibility allows investors to participate in the financial markets with small amounts of capital, making investing more inclusive.
4. **Liquidity:** Mutual funds provide investors with liquidity by allowing them to buy and sell units at the current Net Asset Value (NAV). This liquidity provides investors with the flexibility to manage their investment portfolio and respond to changing market conditions.

5. **Transparency:** Mutual funds are required to disclose their portfolio holdings, fees, and expenses, providing investors with transparency and visibility into their investments. This transparency allows investors to make informed investment decisions and evaluate the performance of the fund.
6. **Tax Efficiency:** Mutual funds are tax-efficient investment vehicles, as they can distribute capital gains and dividends to investors in a tax-efficient manner. This tax efficiency helps investors maximize their returns by minimizing their tax liability.

In summary, mutual funds provide investors with access to professional management, diversification, liquidity, transparency, and tax efficiency, making them an important investment vehicle in the financial markets.

### **3.6 Benefits of Mutual Funds**

1. **Diversification:** Mutual funds invest in a diversified portfolio of securities, reducing the risk associated with investing in a single security or asset class. This diversification can help to spread risk and potentially provide more stable returns over the long term.
2. **Professional Management:** Mutual funds are managed by professional fund managers who have the expertise and experience to make informed investment decisions on behalf of investors. This expertise can help to identify investment opportunities and potentially achieve better returns.
3. **Access to a variety of investment strategies:** Mutual funds offer investors access to a range of investment strategies and asset classes, including stocks, bonds, and other securities. This access to different investment strategies can help to tailor an investment portfolio to meet specific investment goals and risk tolerance levels.
4. **Liquidity:** Mutual funds provide investors with liquidity, as units can be easily bought and sold on any business day at the current Net Asset Value (NAV). This liquidity allows investors to access their funds quickly and easily, providing flexibility in managing their investment portfolio.
5. **Affordability:** Mutual funds are an affordable investment option, as they have a low minimum investment requirement. This affordability allows investors to participate in the financial markets with smaller amounts of capital.

6. **Transparency:** Mutual funds are required to disclose their portfolio holdings, fees, and expenses, providing investors with transparency and visibility into their investments. This transparency can help investors make informed investment decisions.
7. **Tax efficiency:** Mutual funds are tax-efficient investment vehicles, as they can distribute capital gains and dividends to investors in a tax-efficient manner. This tax efficiency can help investors maximize their returns by minimizing their tax liability.
8. **Convenience:** Mutual funds offer investors a convenient way to invest, as they do not require the investor to monitor and manage individual securities themselves. This convenience can save time and effort for investors who may not have the time or expertise to manage their own investment portfolio.

In summary, mutual funds offer a range of advantages to investors, including diversification, professional management, and access to different investment strategies, liquidity, affordability, transparency, tax efficiency, and convenience.

### **3.7 Limitations of Mutual Funds**

1. **Fees and Expenses:** Mutual funds typically charge fees and expenses, including management fees, administrative expenses, and other charges, which can impact the overall returns of the fund.
2. **Absence of Control:** The underlying securities held by mutual funds are not directly under the control of the fund's investors. Investments that do not align with an investor's specific investment objectives or risk tolerance may result from this lack of control.
3. **Market Risk:** Market risk means that the value of an investment in a mutual fund could decrease as a result of changes in market conditions, economic factors, or other external events over which the fund's managers have no control.
4. **Managerial Risk:** The fund manager's performance is directly correlated with a mutual fund's performance. On the off chance that the asset supervisor fails to meet expectations, it can adversely affect the exhibition of the asset.
5. **Taxes:** Even though mutual funds are tax-efficient, investors may still be taxed on the fund's dividends and capital gains, which can affect overall returns.

6. **Limited Customization:** Mutual funds are designed to be diversified investments, which can limit an investor's ability to customize their portfolio to specific investment objectives or risk tolerance.

In summary, while mutual funds offer many advantages to investors, they also have some limitations, including fees and expenses, lack of control, market and manager risk, taxes, and limited customization. It's essential to carefully consider these limitations before investing in mutual funds and to ensure that they align with your specific investment objectives and risk tolerance.

### **3.8 Types of Mutual Funds**

To suit the needs and preferences of different types of investors, variety of mutual funds schemes have been floated. Mutual funds can be classified under five broad categories.

- A. According to ownership
- B. According to the scheme of operation
- C. According to portfolio
- D. According to location
- E. others

#### **A. According to Ownership**

In India, mutual funds can be divided into public sector mutual funds and private sector mutual funds based on ownership.

##### **1. Public Sector Mutual Funds**

Mutual funds sponsored by the government or public sector entities like banks or financial institutions are known as "public sector mutual funds." Professional fund managers oversee these mutual funds, which invest in a wide range of asset classes like stocks, money market instruments, fixed-income securities, and alternative investments.

In many cases, public sector mutual funds may be designed to promote specific government policies or objectives, such as promoting investment in infrastructure or supporting the growth of small and medium-sized enterprises. Public sector mutual funds may also be subject to government regulations, which can help to provide a degree of stability and security for investors.

Some examples of public sector mutual funds include:

1. **Mutual Fund of SBI:** SBI Mutual Fund is one of India's largest mutual fund companies and is sponsored by the State Bank of India. It offers equity, fixed income, hybrid, and other mutual fund products.
2. **Mutual Fund UTI:** Several public sector organizations, including the State Bank of India, Life Insurance Corporation of India, Bank of Baroda, and Punjab National Bank, sponsor the UTI Mutual Fund. Equity, debt, hybrid, and other types of mutual funds are among the options provided by the business.
3. **LIC Common Asset:** Life Insurance Corporation of India sponsors LIC Mutual Fund, a leading Indian mutual fund provider with a variety of equity, debt, hybrid, and other funds.

Diversification, potential tax advantages, and access to professional management are just a few of the advantages that investors can receive from investing in public sector mutual funds. However, prior to investing, investors should carefully consider the fees, risks, and previous performance of each fund.

## 2. Private Sector Mutual Funds

Private sector mutual funds are mutual funds that are sponsored by private sector entities such as asset management companies or banks. These mutual funds are managed by professional fund managers and invest in a variety of asset classes such as equities, fixed income securities, money market instruments, and alternative investments.

Unlike public sector mutual funds that are sponsored by the government or public sector entities, private sector mutual funds are typically run as profit-making ventures. Private sector mutual funds may be subject to market forces and competition, which can result in a wider range of investment options and potentially higher returns for investors.

Some examples of private sector mutual funds include:

1. **HDFC Mutual Fund:** A variety of equity, fixed income, hybrid, and other mutual fund products are available from HDFC Mutual Fund, one of India's largest private sector mutual fund companies.
2. **ICICI Prudential Mutual Fund:** ICICI Prudential Common Asset is another driving shared reserve organization in India that offers a scope of common asset items, including value, obligation, half and half, and different assets.

3. Birla Sun Life Mutual Fund: Aditya Birla Group and Sun Life Financial have formed Birla Sun Life Mutual Fund, which provides a variety of asset class-specific mutual fund products.

Diversification, higher returns, and access to professional management are just a few of the perks private sector mutual funds can provide investors. However, prior to investing, investors should carefully consider the fees, risks, and previous performance of each fund.

## **B. According to scheme of operation**

In light of the plan of activity, shared assets can be characterized into three classes, unassuming assets, close-finished assets and span reserves. Due to the fact that all mutual fund schemes fall into one of the three categories, this classification is the most significant.

### **1. Open-ended schemes**

Reserves that can sell and buy units anytime of time are named unconditional assets or plans. They sell units without stating a time limit for redemption. The maturity of these schemes is not predetermined, and investors can always join the fund. The asset recovers or repurchases the units at occasionally declared rates, known as NAV (Net Resource Worth).

Open-ended schemes have the important characteristics listed below.

- a. Units can be purchased or sold at any time throughout the year
- b. it has better liquidity
- c. the number of units in an open-ended fund fluctuates daily
- d. the unit's NAV is published frequently, at least once per week.

### **2. Close-ended Schemes**

A mutual fund scheme with a specified maturity period is known as a close-ended scheme. Dhansree of LIC Common asset, Canshare of Can Bank Shared Asset and Swarna Jyoti of Indian Bank Shared Asset are a portion of the instances of close-finished shared reserves.

### 3. Interval Schemes

An interval scheme operates as a closed-ended scheme for a predetermined period of time.

### **C. As indicated by portfolio**

#### 1. Income funds

The goal of income funds is to provide unit holders with regular income on a regular basis.

#### 3. Growth funds

Growth funds provide investors with capital appreciation. They do not provide consistent income.

#### 4. Balanced Funds (Conservative funds)

Balanced funds guarantee both capital appreciation and a regular dividend return.

#### 5. Stock/Equity Fund

These funds mostly put money into company shares. The ventures might shift from bluechip organizations to recently settled organizations to recently settled organizations.

#### 6. Bond Funds

Bond funds are funds that invest in medium- to long-term bonds and debentures issued by private businesses, governments, financial institutions, and other organizations.

#### 7. Specialty reserves

Specialty reserves have expressed standards for speculations and their portfolio includes just those organizations that meet their rules.

#### 8. Leverage Funds

Leverage funds invest not only the money raised from unit holders but also the money borrowed from financial institutions by the fund managers.

#### 9. Currency Market Shared Assets (MMMMF)

These are essentially unassuming common supports which put solely in currency market instruments.

#### 10. Index Funds

The term "index funds" refers to investments made in the securities of businesses whose securities are included in the index.

#### 11. Gilt Funds

Gilt funds only invest in securities with a gilt edge, which refers to securities issued by the federal and state governments.

#### 12. Dual Funds

Dual funds are a unique type of closed-end fund that offers two different investment opportunities.

#### 13. Fund of Funds

Fund of Funds are mutual fund schemes that invest in the units of other mutual funds.

#### 14. Real Estate Mutual Funds (REMF)

Schemes of real estate mutual funds invest solely in real estate.

#### 15. Commodity Funds

Commodity funds are funds that invest in various commodities (such as metals, crude oil, food grains, etc.), commodity companies, or commodity future contracts.

#### 16. Gold Exchange Traded Funds (GTFs)

These are special mutual funds that have gold as their underlying asset. These GTFs were introduced by mutual funds.

### **D. Based on location**

Mutual funds can be classified as domestic funds or off-shore funds based on where they mobilize funds.

#### 1. Domestic mutual funds

These are those that collect contributions from residents of the nation in which investments are made.



## 2. Seaward Common assets

Seaward common assets or worldwide assets are acquainted with draw in unfamiliar capital. They obtain funding from international investors.

### E. Other Assets

Notwithstanding the plans referenced above, following are a portion of different plans drifted by common asset directors.

#### 1. Load Funds

Load store is an asset where common asset chiefs charge an expense at the hour of procurement and offer of units. The broker's commission on unit purchases and sales is represented by load. There are two types of loads: entry loads and exit loads.

#### 2. Funds with No Load

A fund with no load is one that does not charge a fee when units are bought or sold.

Net Asset Value (NAV) The Net Asset Value of a scheme is the intrinsic value of a unit within the scheme.

## **3.9 MUTUAL FUNDS IN INDIA**

The unit trust of India launched India's first mutual fund in 1964. A special parliamentary act established UTI. US-64 was the first unit scheme offered. After that, UTI came up with a few schemes that were good for all kinds of investors. The essential objective behind the setting up of the UTI was to activate the little reserve funds and to channelize them to useful areas. UTI held a monopoly on mutual funds for 23 years before SBI established its second mutual fund in 1987. In order to make it possible for commercial banks to launch mutual funds in India, the banking regulations Act was amended in 1987 by the Indian government. Additionally, the GIC and the LIC have entered the market. In 1989, the LIC Mutual Fund and the GIC Mutual Fund were established. In 1992, the Indian government granted private corporations permission to enter the mutual fund industry because it saw the success and expansion of mutual funds in the Indian capital market. Offshore mutual funds and international funds are also available to attract capital from abroad.

### **3.10 GUIDELINES ON MUTUAL FUNDS**

The Securities and Exchange Board of India (Mutual funds) Regulations, 1996 govern mutual funds in India. A four-tiered management system for mutual funds has been provided by SEBI.

- a. The sponsor
- b. The trustees
- c. The custodian
- d. The Asset Management Company (AMC)

This four tier system ensures that the sponsors will not be able to use the corpus of the funds for their own benefits. The following are the important SEBI regulations governing mutual funds in India.

1. According to the provisions of the Indian registration act of 1908, a mutual fund must be registered as a trust.
2. In general, the sponsor's reputation for fairness and integrity in all of his business dealings should be solid.
3. The fund will be managed by an asset management company (AMC) chosen by the sponsor or, if authorized, the trustee. The base total assets of the AMC will be Rs. Ten crore.
4. The AMC will not go about as a legal administrator of some other common asset.
5. The AMC is not allowed to engage in any other business endeavors.
6. The trustees will receive a quarterly report from the AMC.
7. No loans may be advanced by the mutual fund for any purpose.
8. The AMC will not launch any scheme.

### **3.11 FACTORS AFFECTING MUTUAL FUNDS PERFORMANCE**

There are various options for investing money in the modern world. These include mutual funds, equities, bonds, and FDs. Mutual funds are a well-liked investing option since they offer exposure to a variety of assets for small investment amounts. There are

several financial ratios that may be used to assess a mutual fund's performance. They don't, however, disclose the variables that affect the success of the investment. The numerous elements influencing the performance of mutual funds are thoroughly explained in this article. Performance of the Securities in the Fund Portfolio.

1. A mutual fund may invest in stocks and bonds, among other securities, depending on its asset allocation and investment objective. The fund's performance is influenced by the performance of the specific assets it invests in. A fund's investments may aim to allocate 35% of their resources to debt securities and 65% to equity-related instruments and equities. As a consequence of this, a decline in the market might have an effect on the fund's portfolio, which primarily consists of stock investments. Fund managers may diversify their holdings across sectors, market capitalizations, locations, and other factors based on economic prospects. The effect of a market slump might be low on the off chance that the asset portfolio is very much differentiated and supported. Subsequently, the presentation of the protections in its portfolio will altogether affect the exhibition of the assets.
2. The Asset The executives Gathering The progress of the asset can be impressively affected by the asset supervisor and the asset the board bunch. Fund management and their professional staff distribute investors' funds among assets that support the fund's investment objective. In addition, in order to actively manage the fund portfolio, they regularly evaluate and analyze it. Consequently, the selection of securities and the timing of investments made by fund management have a significant impact on the fund's performance. Consequently, fund managers with solid track records and industry expertise typically manage investors' funds more effectively. Picking supports show to educated reserve supervisors is along these lines prompted.
3. Economic Changes One of the most important considerations when investing in mutual funds is how well the fund invests in a particular industry or sector. This is due to the fact that the government's policy changes can have a significant impact on various parts of the economy in different ways. For instance, the healthcare sector was less affected than other industries by the covid19 pandemic. When compared to other industries, the stock prices have performed well and remained relatively stable. Essentially, one area can perform well during a period and at some point might observe some solidness. A positive trend will help a mutual fund generate good returns if it has a high exposure to one sector.

Simultaneously, in the event that a strategy change harms an area or industry, the asset execution will have an adverse consequence.

4. **Expense Ratio** Investments in mutual funds are handled by a fund manager and his team of professionals. The fund house charges a fee for management since professionals handle your money. The expenditure ratio is the name of this charge. The expense ratio of a mutual fund takes into account all expenses related to operating and maintaining a mutual fund, including management fees and distribution charges. The maximum total cost ratio that mutual fund companies may charge is 2.25%, according to SEBI regulations. Your net profit may decrease if your spending ratio rises. Finding funds with a low expenditure ratio is therefore desirable.
5. **Fund Cash Flows** A mutual fund combines the funds of several investors. These investors have comparable financial objectives and degrees of risk tolerance. The fund makes investments in a variety of bonds and equities. The fund management has more money to invest if more participants choose to participate in the mutual fund scheme. As a consequence, the fund manager may diversify the fund well by investing across a variety of securities with sizable assets. On the other hand, investors may withdraw their funds from a fund if they believe it isn't doing properly. In order to satisfy the redemption demands, the fund management will have to liquidate certain holdings. This may negatively affect the fund's cash flow and performance.
6. **Assets under management or AUM:** The mutual fund's performance is influenced by its size. The performance of the fund may be impacted by too much or too little funding. To explain, the fund management will find it challenging to sustain the fund if it grows too large. When investing in a mutual fund, there are several important considerations to take into account. The size of the fund manager who oversees it might be the cause. Both these securities in the portfolio and the nation's economic situation are crucial. As a result, before making an investment, all considerations must be taken into account.

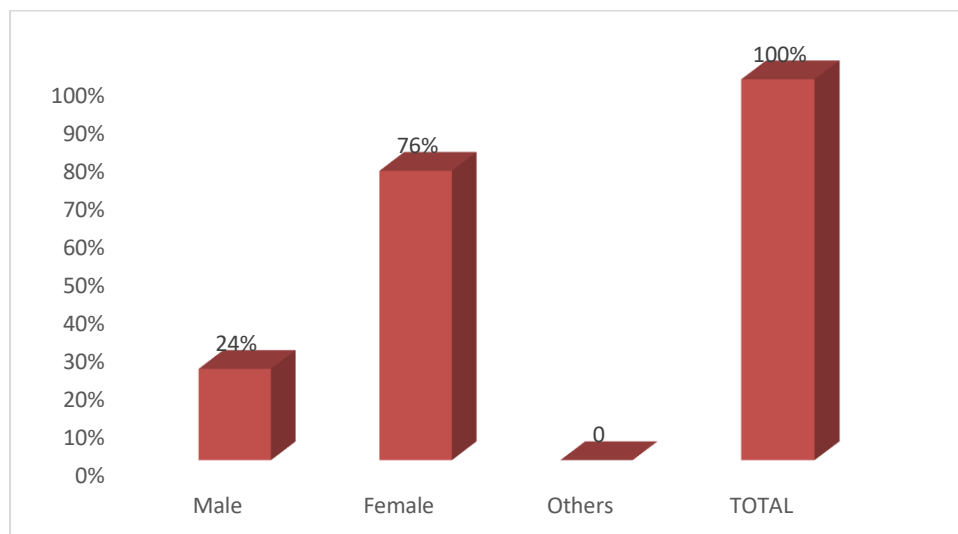
**CHAPTER 4**  
**DATA ANALYSIS & INTERPRETATION**

**TABLE 4.1**  
**GENDER OF RESPONDENTS**

<b>Gender</b>	<b>Number of respondents</b>	<b>Percentage</b>
Male	38	76%
Female	12	24%
Others	0	0
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.1**  
**Gender of Respondents**



**INTERPRETATION**

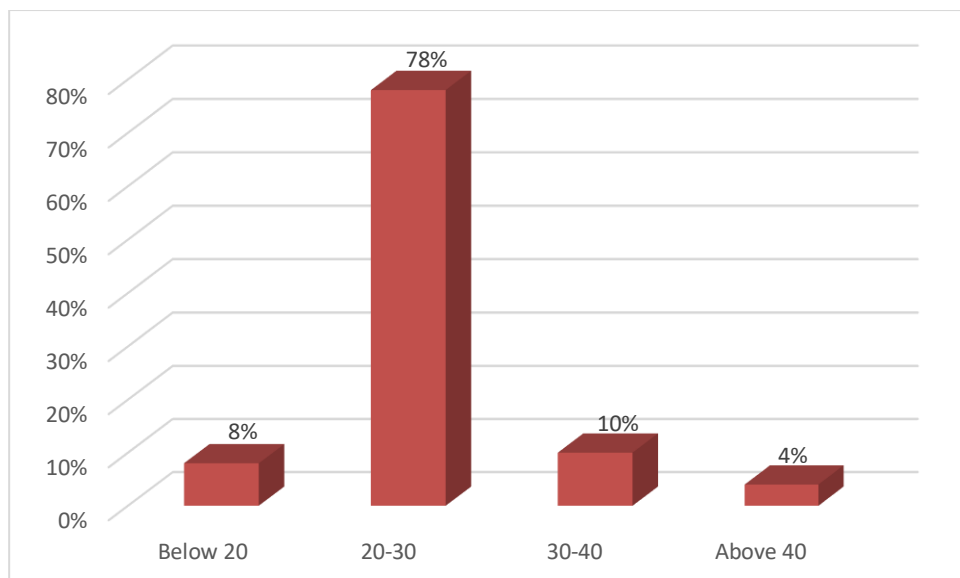
Table 4.1 shows the gender of the respondents. According to the above table, 76% of the respondents are males, and the rest that is 24% of the respondents are females.

**TABLE 4.2**  
**AGE OF RESPONDENTS**

<b>Age</b>	<b>Frequency</b>	<b>Percentage</b>
Below 20	6	8%
20-30	33	78%
30-40	7	10%
Above 40	4	4%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

**FIGURE 4.2**  
**Age of Respondents**



**INTERPRETATION**

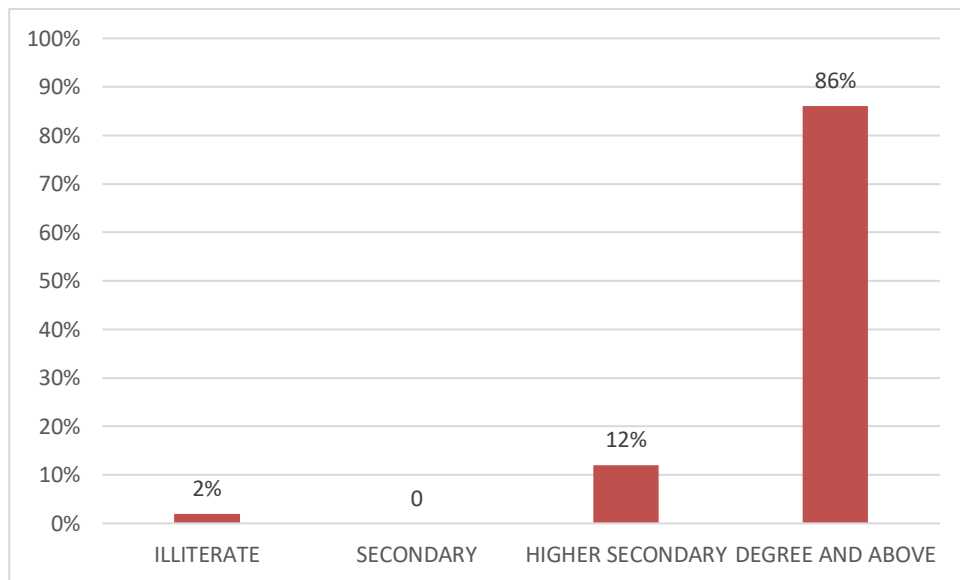
Table 4.2 shows the age group of respondents. In that 8% of the respondents belong to the age group below 20, 78% of the respondents belong to the age group 20 - 30, 10% of the respondents belong to the age group 30 - 40 and the remaining 10% of the respondents belong to the age group above 40.

**TABLE 4.3**  
**EDUCATIONAL QUALIFICATION OF RESPONDENTS**

<b>Educational Qualification</b>	<b>Frequency</b>	<b>Percentage</b>
ILLITERATE	2	2%
SECONDARY	0	0
HIGHER SECONDARY	8	12%
DEGREE AND ABOVE	40	86%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

**FIGURE 4.3**  
**Educational Qualification of Respondents**



**INTERPRETATION**

Table 4.3 shows the educational qualification of the respondents. Based on that 2% of the respondents are illiterate, none of the respondents have secondary education, 12% of the respondents have higher secondary education and the remaining 86% of the respondents have



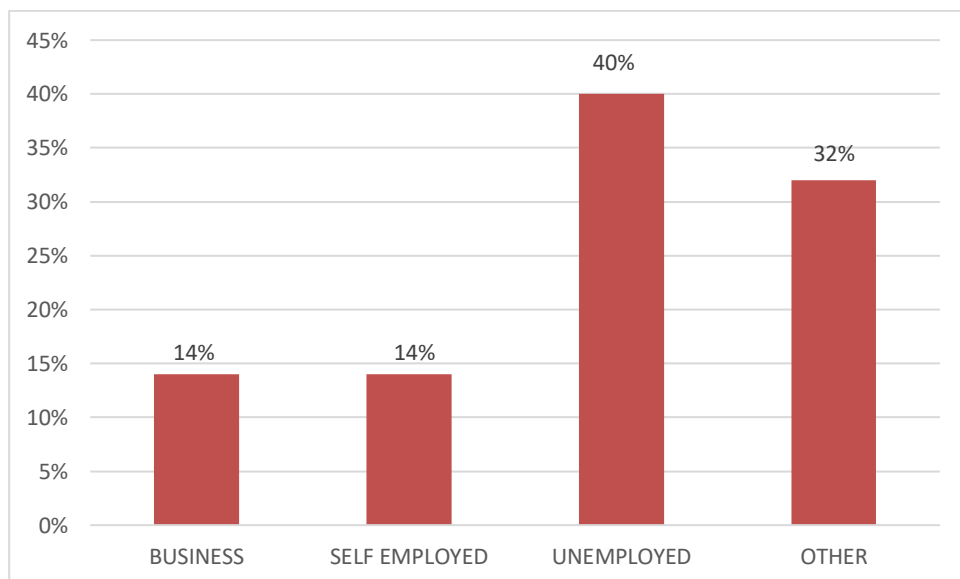
degree or above education.

**TABLE 4.4**  
**OCCUPATIONAL STATUS OF RESPONDENTS**

<b>Occupation</b>	<b>Frequency</b>	<b>Percentage</b>
BUSINESS	6	14%
SELF EMPLOYED	6	14%
UNEMPLOYED	20	40%
OTHER	18	32%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

**FIGURE 4.4**  
**Occupational Status of Respondents**



### **INTERPRETATION**

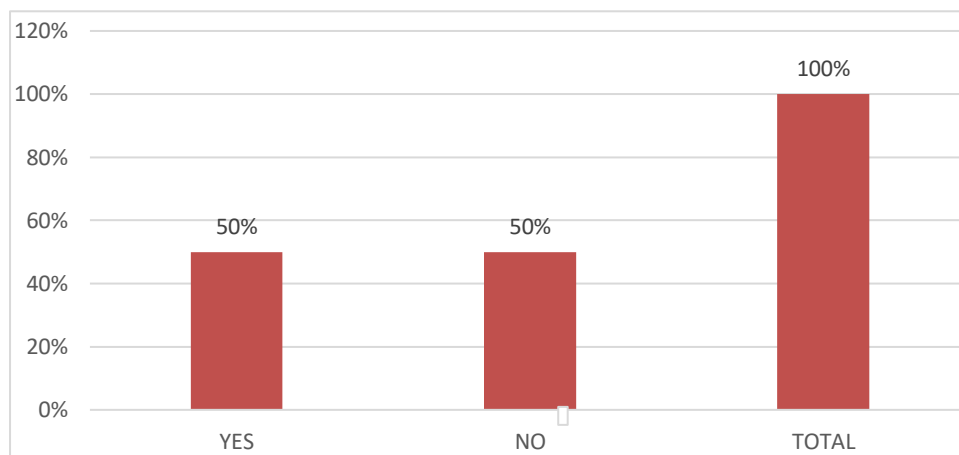
Table 4.4 shows the occupational status of the respondents. Based on that 14% of the respondents are in business oriented occupations, 14% are self-employed, 40% are unemployed and the remaining 79% belongs to other category.

**TABLE 4.5**  
**MUTUAL FUND INVESTMENT**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
YES	25	50%
NO	25	50%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.5**  
**Mutual Fund Investment**



**INTERPRETATION**

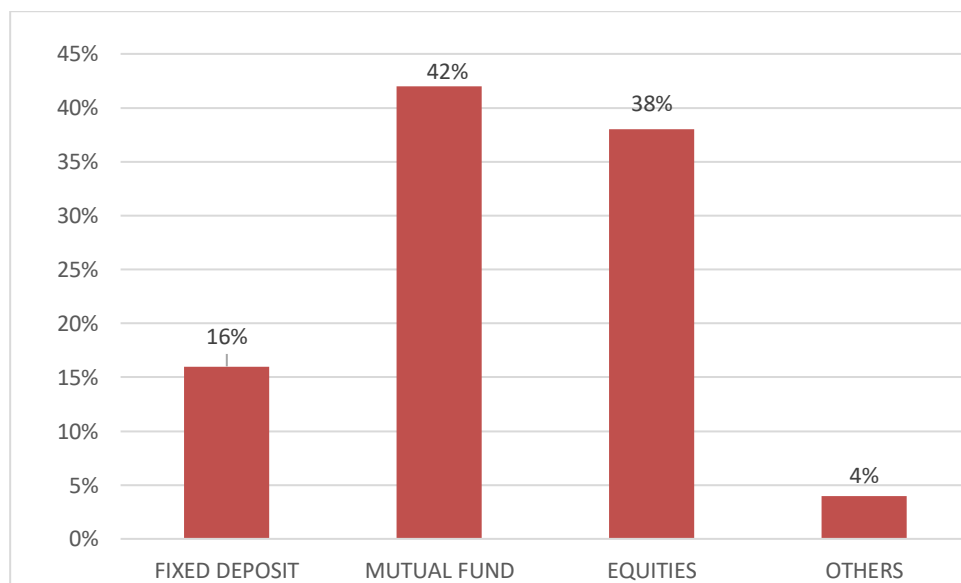
Table 4.5 shows that only 50% of the respondents have invested in mutual funds and the 50% have never invested in mutual funds.

**TABLE 4.6**  
**PROFITABLE INVESTMENT OPTION**

<b>Investment Option</b>	<b>No.of Respondents</b>	<b>Percentage</b>
Fixed deposit	9	16%
Mutual fund	20	42%
Equities	17	38%
Others	4	4%
<b>Total</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

**Figure 4.6**  
**Profitable Investment Option**



**INTERPRETATION**

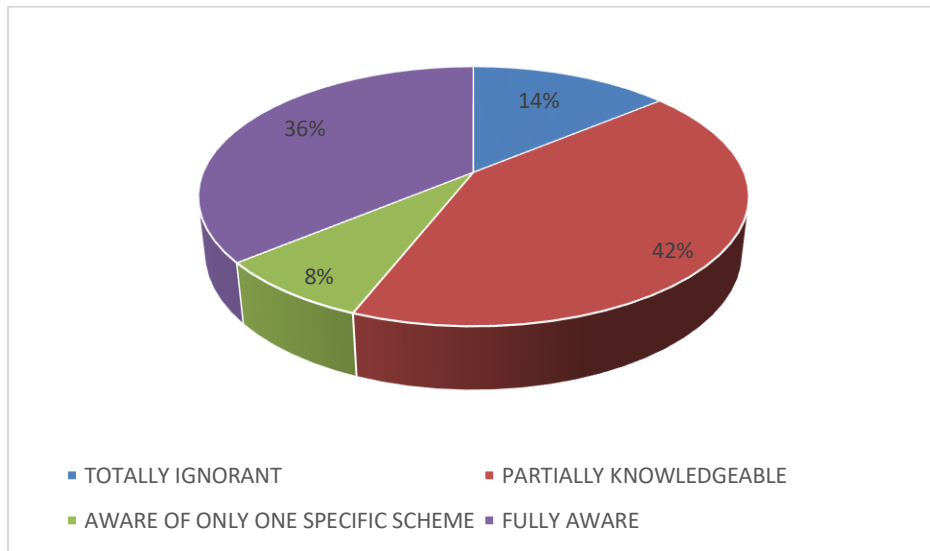
Table 4.6 shows that 16% of the respondents think fixed deposit will be the investment option that will be the most profitable, 42% think its mutual funds, 38% think its equities and the remaining 4% belong to the other category.

**TABLE 4.7**  
**MUTUAL FUND AWARENESS LEVEL**

opinion	Frequency	Percentage
TOTALLY IGNORANT	5	14%
PARTIALLY KNOWLEDGEABLE	22	42%
AWARE OF ONLY ONE SPECIFIC SCHEME	3	8%
FULLY AWARE	20	36%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

**FIGURE 4.7**  
**Mutual Fund Awareness Level**



**INTERPRETATION**

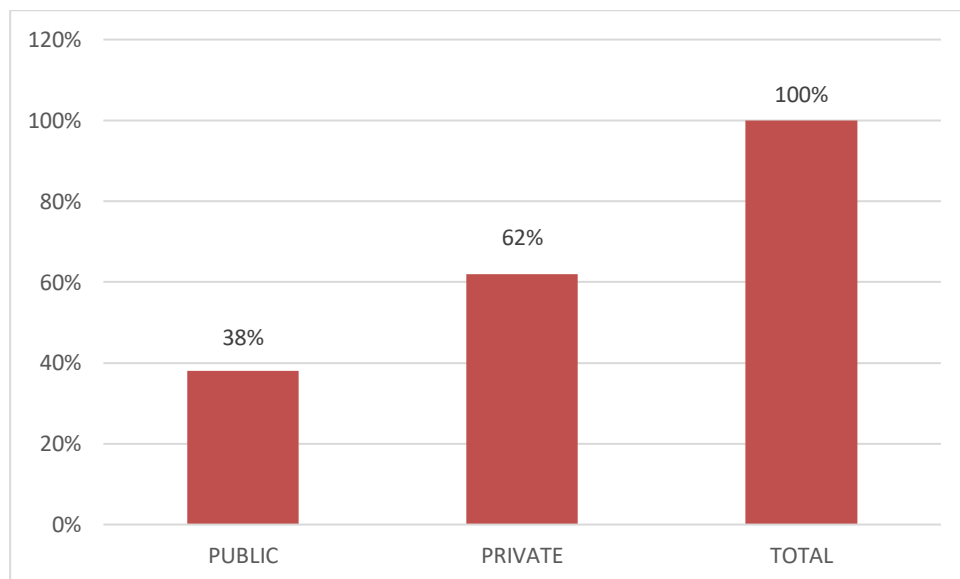
Table 4.7 shows that 14% of the respondents are totally ignorant regarding mutual funds, 42% are partially knowledgeable, 8% are only aware of one specific scheme and the remaining 36% are fully aware.

**TABLE 4.8**  
**IN WHICH KIND OF MUTUAL FUND DO/WOULD YOU INVEST IN ?**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
PUBLIC	20	38%
PRIVATE	30	62%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

**FIGURE 4.8**  
**In which Kind of Mutual Fund Do/Would You Invest In?**



**INTERPRETATION**

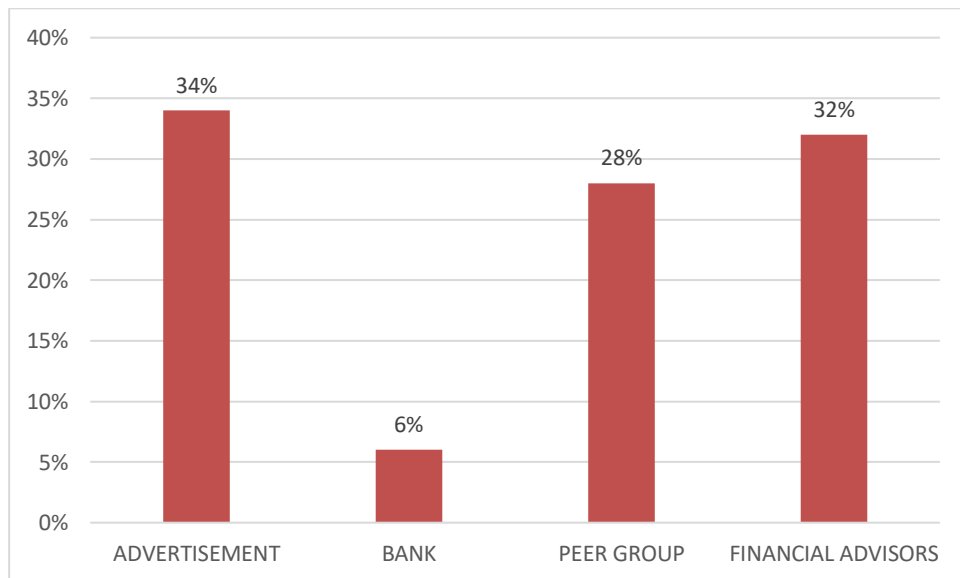
Table 4.8 shows 38% of the respondents do/would like to invest in public and the remaining 62% in private. This is because private businesses are not held accountable to public shareholders and are subject to less regulation. They don't need to uncover income reports or submit fiscal summaries for examining, which makes it difficult for untouchables to track down solid, precise data about them. Commonly, public mutual funds operate at lower risk levels..

**TABLE 4.9**  
**SOURCE OF AWARENESS**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
ADVERTISEMENT	19	34%
BANK	2	6%
PEER GROUP	12	28%
FINANCIAL ADVISORS	17	32%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.9**  
**Source of Awareness**



**INTERPRETATION**

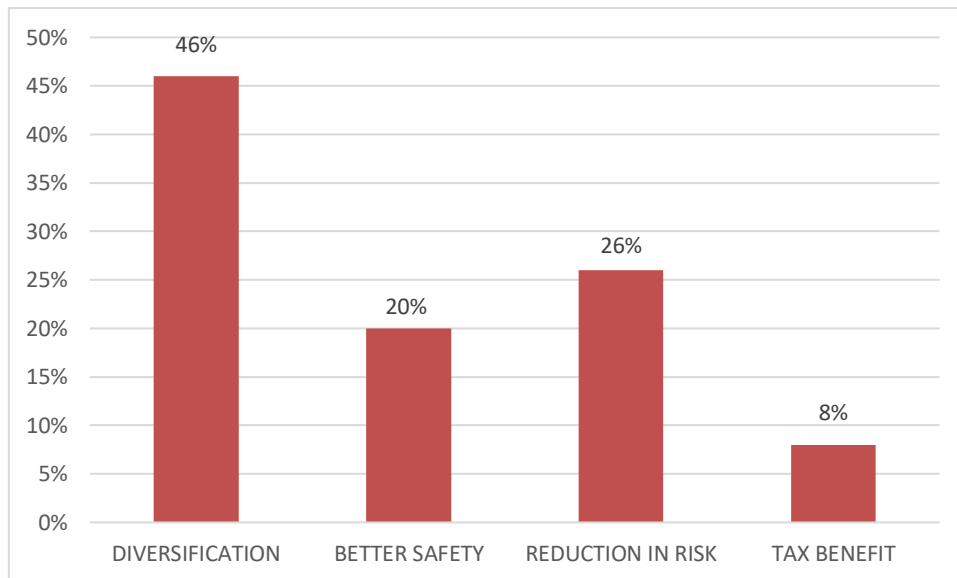
Table 4.9 shows that 34% of the respondents came know about mutual funds through advertisements, 6% through bank, 28% through peer group and the remaining 32% through their financial advisors.

**TABLE – 4.10**  
**ATTRACTIVE FACTOR IN MUTUAL FUND INVESTMENT**

<b>opinion</b>	<b>Frequency</b>	<b>Percentage</b>
DIVERSIFICATION	20	46%
BETTER SAFETY	10	20%
REDUCTION IN RISK	15	26%
TAX BENEFIT	5	8%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

**FIGURE 4.10**  
**Attractive Factor in Mutual Fund Investment**



**INTERPRETATION**

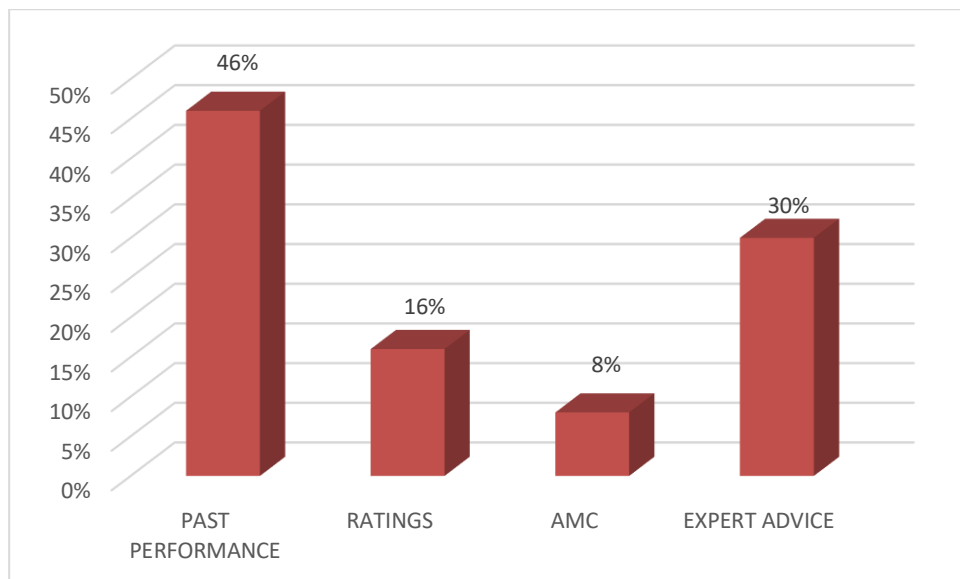
Table 4.10 shows that the 46% of the respondents prefer diversification, 20% prefer better safety, 26% prefer reduction in risk and 8% prefer tax benefit. All investments carry some risk, but mutual funds are typically considered a safer investment than purchasing individual stocks. Since they hold many company stocks within one investment, they offer more diversification than owning one or two individual stocks.

**TABLE 4.11**  
**FACTORS INFLUENCING MUTUAL FUND INVESTMENT**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
PAST PERFORMANCE	22	46%
RATINGS	9	16%
AMC	4	8%
EXPERT ADVICE	15	30%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

**FIGURE 4.11**  
**FACTORS INFLUENCING MUTUAL FUND INVESTMENT**



**INTERPRETATION**

Table 4.11 shows that 46% look for the past performances, 30% prefer expert advice, 16% looks for rating and 8% prefer AMC before investing in mutual funds one can ascertain whether the managers of a fund have achieved their objectives successfully by comparing the fund's performance to its process. Master exhortation can have a huge effect among progress and disappointment in your venture process. One can get advice from an investment advisor about when, where, and how to invest.

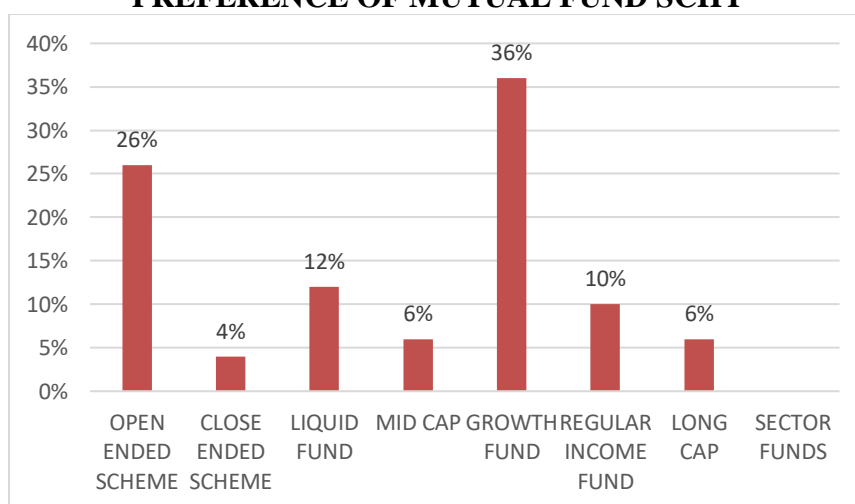


**TABLE 4.12**  
**PREFERENCE OF MUTUAL FUND SCHEME**

<b>opinion</b>	<b>Number of respondents</b>	<b>Percentage</b>
OPEN ENDED SCHEME	12	26%
CLOSE ENDED SCHEME	2	4%
LIQUID FUND	6	12%
MID CAP	3	6%
GROWTH FUND	22	36%
REGULAR INCOME FUND	3	10%
LONG CAP	2	6%
SECTOR FUNDS	-	-
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.12**  
**PREFERENCE OF MUTUAL FUND SCHY**



**INTERPRETATION**

Table 4.12 shows that majority prefer growth fund. High-growth businesses that reinvest their profits in R&D, acquisitions, and expansion are eligible for growth funds. The majority of growth funds have an above-average risk but a higher potential for capital appreciation. With the expectation that they will be sold at even higher prices as the businesses continue to expand,

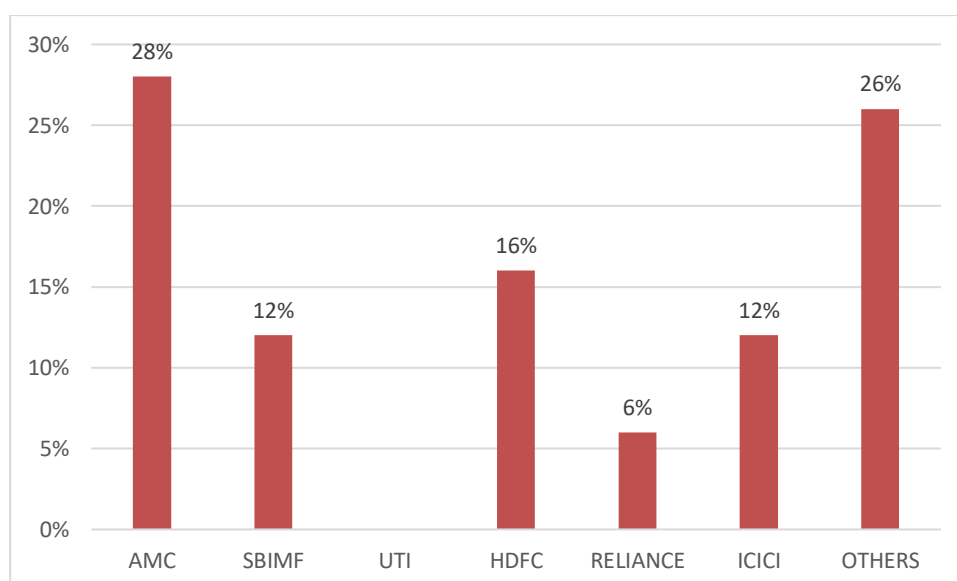
investors are willing to pay high price-to-earnings multiples.

**TABLE 4.13**  
**PREFERENCE ON MUTUAL FUND PLATFORM**

<b>Opinion</b>	<b>Number of respondents</b>	<b>Percentage</b>
AMC	16	28%
SBIMF	6	12%
UTI	0	0
HDFC	7	16%
RELIANCE	2	6%
ICICI	6	12%
OTHERS	13	26%
<b>TOTAL</b>	<b>50</b>	<b>100</b>

Source: Primary Data

**FIGURE 4.13**  
**PREFERENCE ON MUTUAL FUND PLATFORM**



**INTERPRETATION**

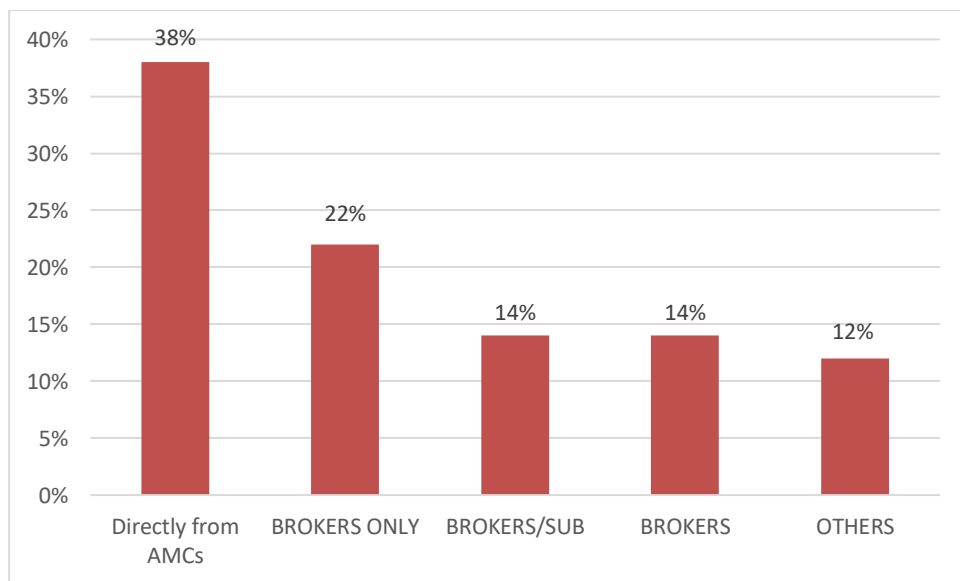
Table 4.13 that 28% prefer AMC, 12% of respondents prefer SBIMF, none prefer UTI, 16% prefer HDFC, 6% prefer reliance, 12% prefer ICICI and the remaining 26% prefer other category.

**TABLE 4.14**  
**ACCESS TO MUTUAL FUND INVESTMENT**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
Directly from AMCs	20	38%
BROKERS ONLY	12	22%
BROKERS/SUB	8	14%
BROKERS	8	14%
OTHERS	4	12%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.14**  
**ACCESS TO MUTUAL FUND INVESTMENT**



**INTERPRETATION**

Table 4.14 shows that 38% of the respondents purchase or would prefer to purchase mutual funds directly from AMCs, 22% would prefer brokers, 14% prefers brokers or sub-brokers and the remaining would purchase mutual funds some other way.

**TABLE 4.15**

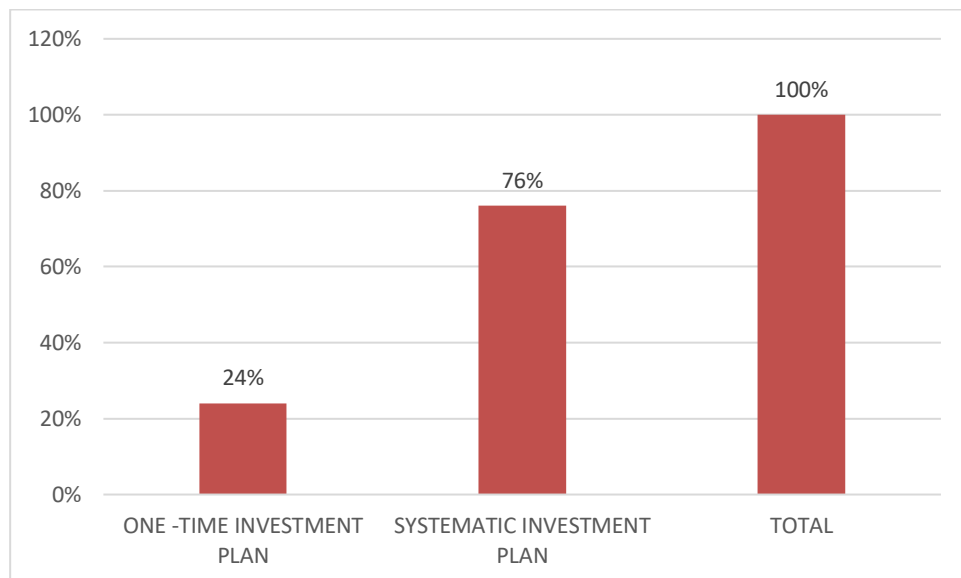
**PREFERENCE ON MUTUAL FUND INVESTMENT PLAN**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
ONE -TIME INVESTMENT PLAN	15	24%
SYSTEMATIC INVESTMENT PLAN	35	76%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.15**

**PREFERENCE ON MUTUAL FUND INVESTMENT PLAN**



**INTERPRETATION**

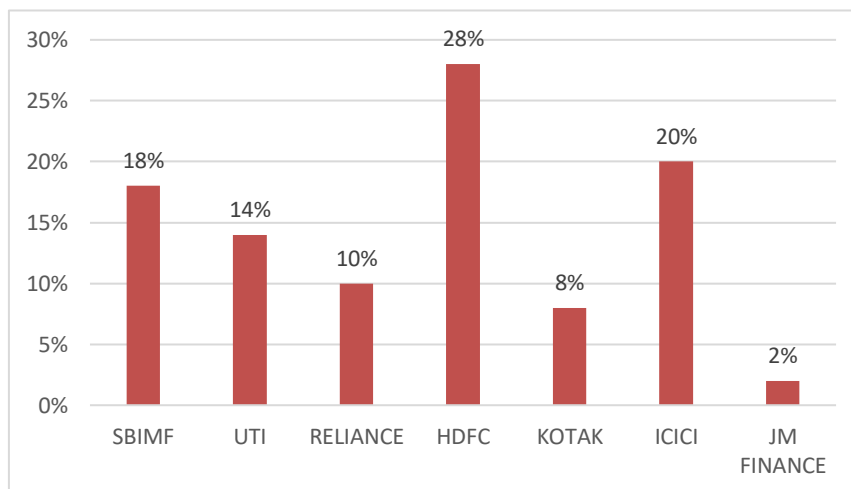
Table 4.15 shows that the majority 76% prefers systematic investment, rest 24% prefer one time investment. Long-term investments made through SIPs can be an easy way to build wealth. Because compounding comes into play, this is the case. The profits you could acquire on your ventures develop huge over the long run. Also, the more you contribute, the higher benefits you could gather.

**TABLE – 4.16**  
**PREFERENCE ON AMC**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
SBIMF	8	18%
UTI	6	14%
RELIANCE	4	10%
HDFC	17	28%
KOTAK	3	8%
ICICI	11	20%
JM FINANCE	1	2%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.16**  
**PREFERENCE ON AMC**



**INTERPRETATION**

Table 4.16 that majority of investors prefer HDFC, followed by SBIMF, ICICI and so on. Investing in HDFC can give a Capital appreciation for low-risk investments as well high-risk investments depending on the fund. The mutual fund schemes by HDFC are one of the countries trusted and reliable fund schemes.

**TABLE 4.17**

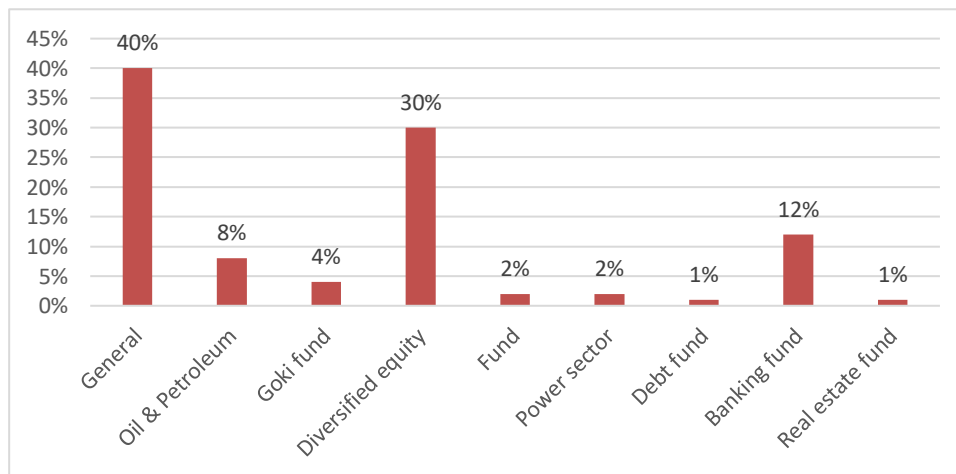
**PREFERENCE ON MUTUAL FUND INVESTMENT SECTOR**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
General	20	40%
Oil & Petroleum	4	8%
Goki fund	2	4%
Diversified equity	15	30%
Fund	1	2%
Power sector	1	2%
Debt fund	1	1%
Banking fund	5	12%
Real estate fund	1	1%
<b>Total</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.17**

**PREFERENCE ON MUTUAL FUND INVESTMENT SECTOR**



**INTERPRETATION**

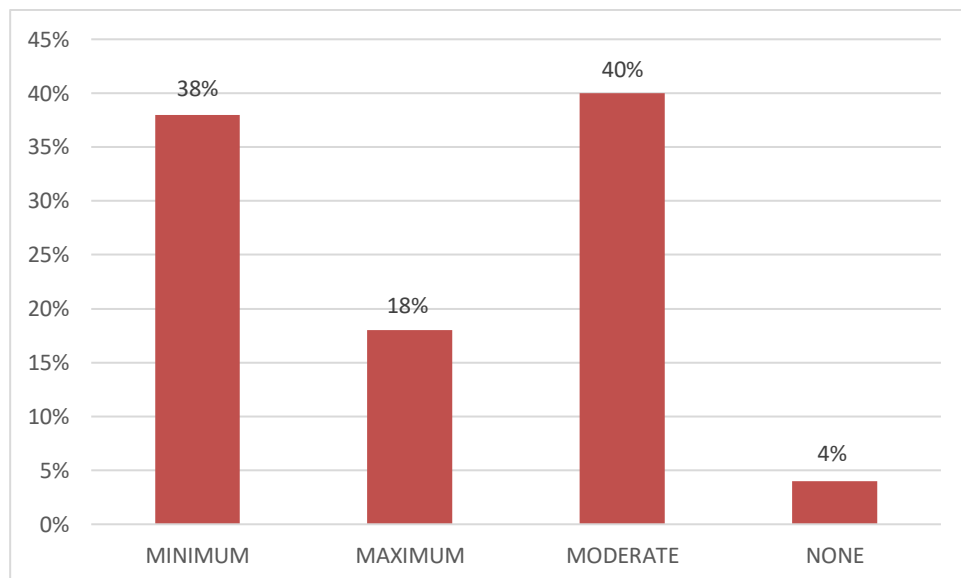
Table 4.17 shows that majority prefer investment in general sector followed by diversified equity, banking fund, oil & petroleum, power sector and so on.

**TABLE 4.18**  
**ANTICIPATED RISK LEVEL**

<b>Risk Level</b>	<b>Frequency</b>	<b>Percentage</b>
MINIMUM	15	38%
MAXIMUM	14	18%
MODERATE	20	40%
NONE	1	4%
<b>Total</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

**FIGURE 4.18**  
**ANTICIPATED RISK LEVEL**



**INTERPRETATION**

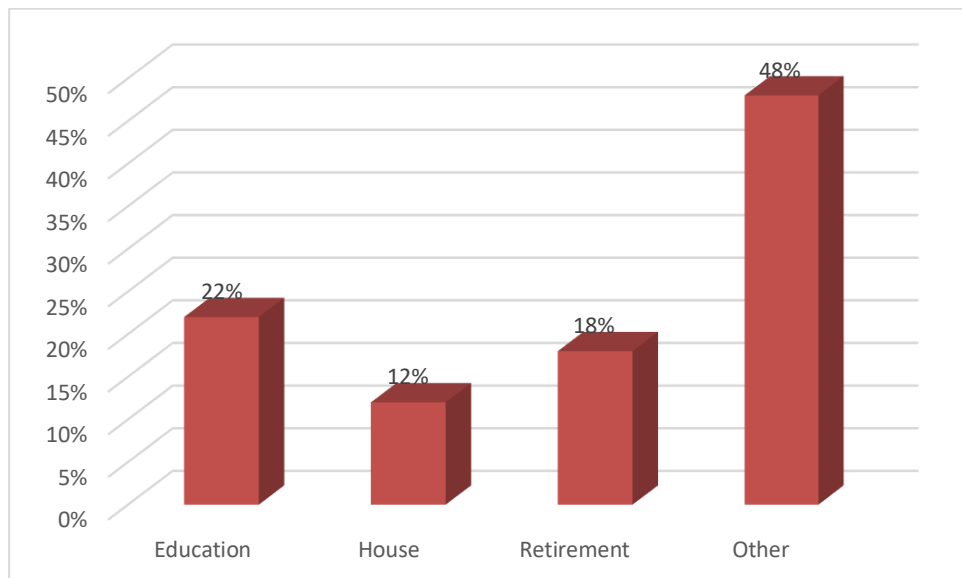
Table 4.18 shows that majority i.e. 40% prefer moderate risk. This may be because higher the risk is, higher is the return. Also, the goal of a mutual fund is to reduce investment risk, so mutual funds can often be less risky than other types of investments due to its diversification.

**TABLE 4.19**  
**PRIMARY GOAL OF MUTUAL FUND INVESTMENT**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
Education	14	22%
House	4	12%
Retirement	7	18%
Other	25	48%
<b>Total</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.19**  
**PRIMARY GOAL OF MUTUAL FUND INVESTMENT**



**INTERPRETATION**

Table 4.19 shows that 48% of the respondent's primary goal for investing is for other things, 22% goal is on education, 18% goal is retirement and the remaining 12% belong to house.

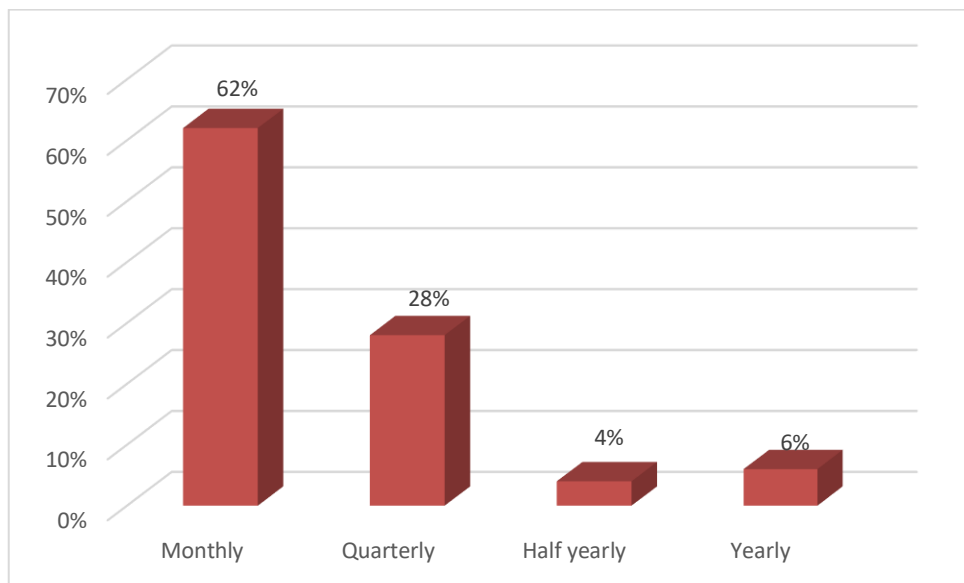


**TABLE 4.20**  
**FREQUENCY OF PERFORMANCE MONITORING**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
Monthly	29	62%
Quarterly	14	28%
Half yearly	3	4%
Yearly	4	6%
<b>Total</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

**FIGURE 4.20**  
**FREQUENCY OF PERFORMANCE MONITORING**



**INTERPRETATION**

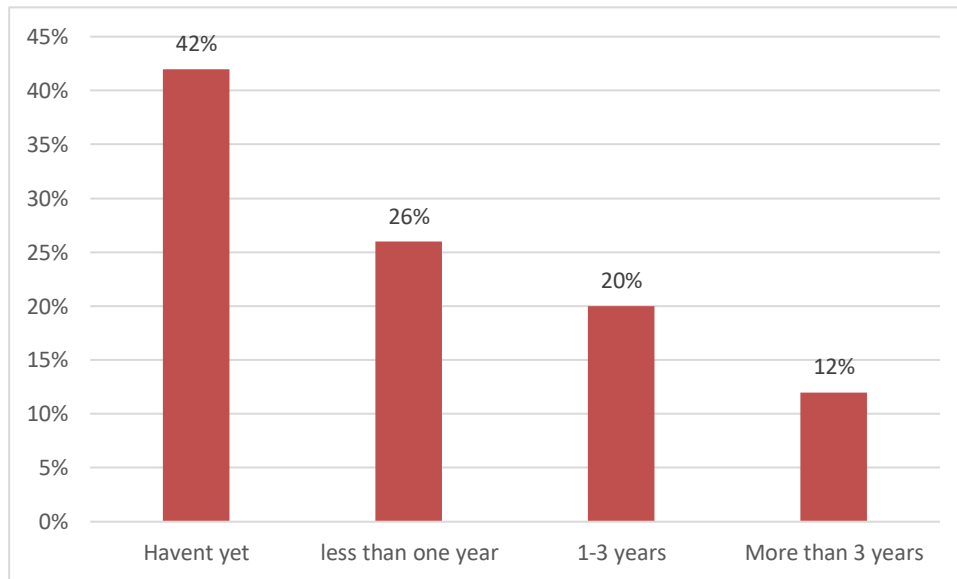
Table 4.20 shows that majority of the respondents monitor the performance of their investment quarterly or monthly. Monitoring investments too frequently can make investors more susceptible to rash decision-making and ultimately risk losing money.

**TABLE 4.21**  
**PERIOD OF EXPERIENCE**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
Havent yet	25	42%
less than one year	13	26%
1-3 years	7	20%
More than 3 years	5	12%
<b>Total</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.21**  
**PERIOD OF EXPERIENCE**



**INTERPRETATION**

Table 4.21 shows that majority of the respondents haven't yet invested in mutual funds. This is due to their lack of awareness about mutual funds and the scepticism that arise from it.

**TABLE 4.22**

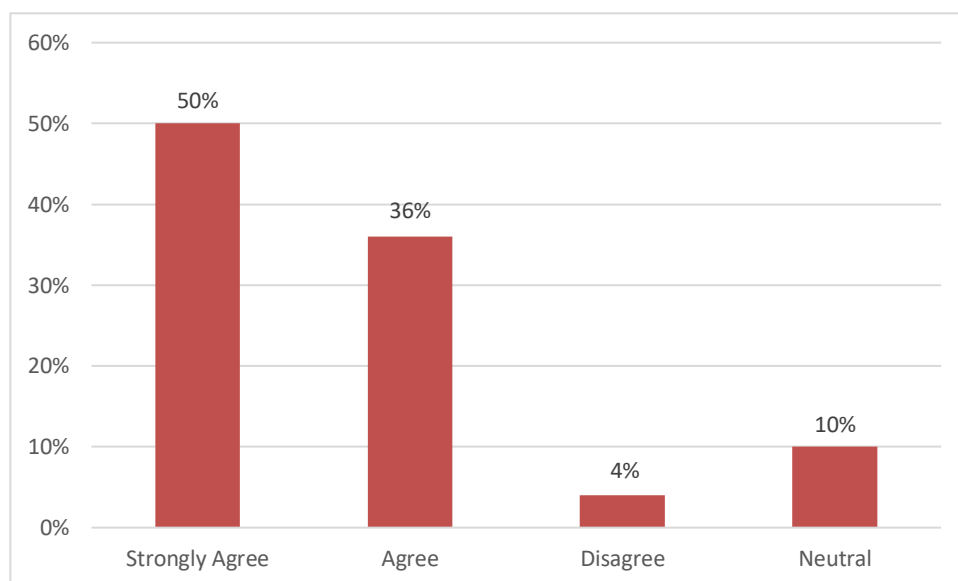
**SHARE MARKET AWARENESS AND MUTUAL FUND INVESTMENT**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
Strongly Agree	25	50%
Agree	18	36%
Disagree	2	4%
Neutral	5	10%
<b>Total</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.22**

**SHARE MARKET AWARENESS AND MUTUAL FUND INVESTMENT**



**INTERPRETATION**

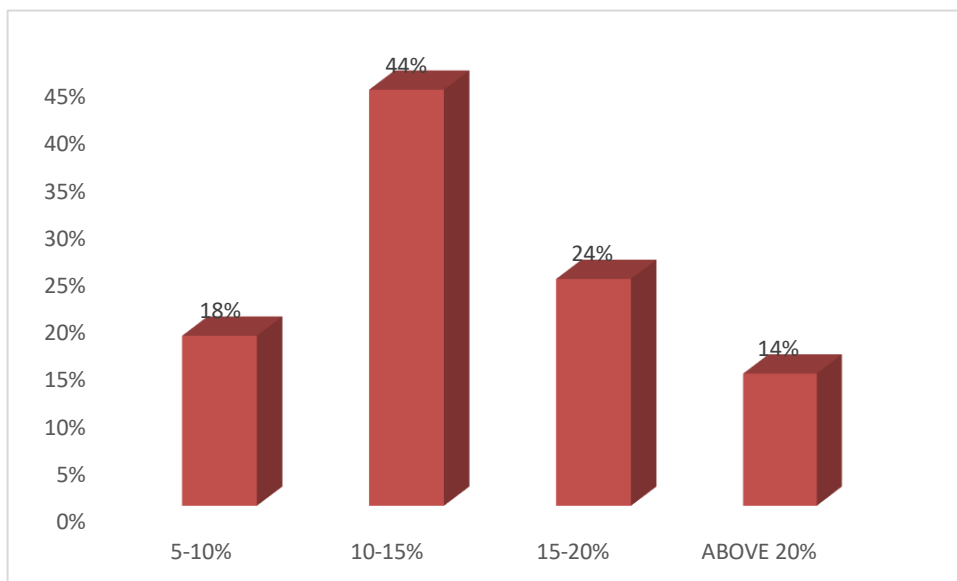
Table 4.22 shows that majority the respondents agree on the matter. The institutionalisation offered by mutual funds is good for a new investor, while direct investment in shares will be a better form of investment for those who know the market and can handle it themselves.

**TABLE 4.23**  
**Expected rate of return**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
5-10%	7	18%
10-15%	28	44%
15-20%	12	24%
ABOVE 20%	3	14%
<b>Total</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.23**  
**Expected rate of return**



**INTERPRETATION**

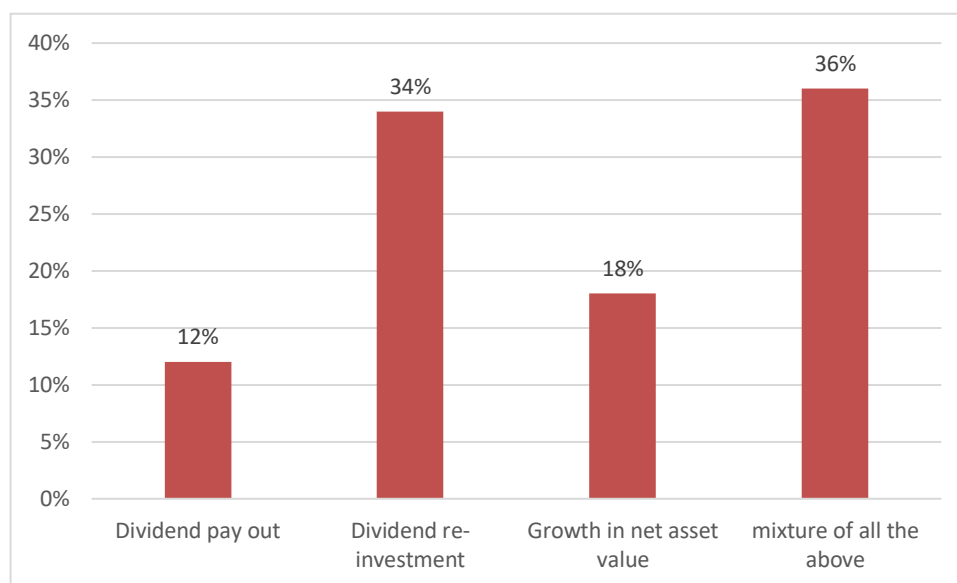
Table 4.23 shows that 18% of the respondents expect a return in range 5-10%, 44% expect a return in the range of 10-15%, 24% expect a return of 15-20% and the remaining 14% of the respondents expect a return above 20%.

**TABLE 4.24**  
**TYPE OF RETURN**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
Dividend pay out	7	12%
Dividend re-investment	11	34%
Growth in net asset value	9	18%
mixture of all the above	23	36%
<b>Total</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**Figure 4.24**  
**Type of Return**



**INTERPRETATION**

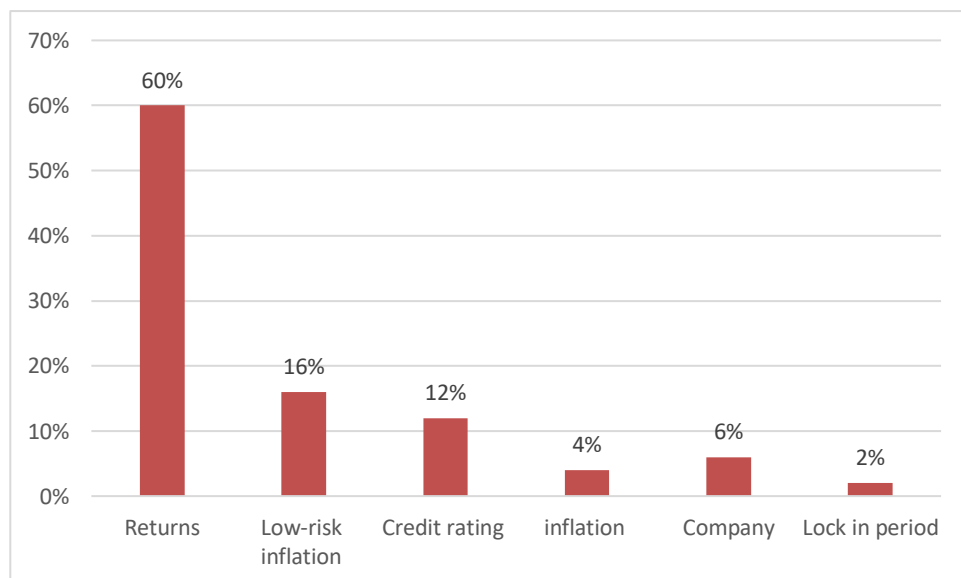
Table 4.24 shows that 36% of the people prefer mixture of all the above is people prefer to reinvest dividend, dividend payout and growth in asset value . Rest is followed by 34% prefer to dividend reinvestment followed by growth in net asset value and dividend pay out.

**TABLE 4.25**  
**WHAT DO YOU CONSIDER AS THE MOST IMPORTANT PARAMETER**  
**WHILE INVESTING IN MUTUAL FUNDS**

Opinion	Frequency	Percentage
Returns	30	60%
Low-risk inflation	9	16%
Credit rating	5	12%
inflation	2	4%
Company	3	6%
Lock in period	1	2%
<b>TOTAL</b>	<b>50</b>	<b>100%</b>

Source: Primary Data

**FIGURE 4.25**  
**WHAT DO YOU CONSIDER AS THE MOST IMPORTANT PARAMETER**  
**WHILE INVESTING IN MUTUAL FUNDS**



**INTERPRETATION**

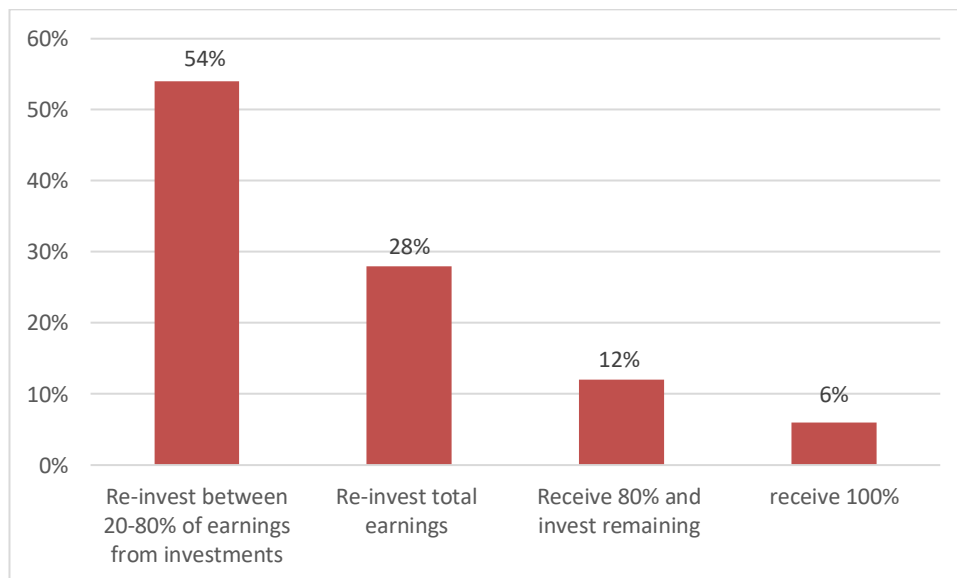
Table 4.25 shows that majority i.e. 60% of the respondents consider returns as the most important parameter while investing in mutual funds. It is important because the higher the turnover ratio, the higher the buying/selling of security.

**TABLE 4.26**  
**USAGE OF MUTUAL FUND RETURN**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
Re-invest between 20-80% of earnings from investments	28	54%
Re-invest total earnings	12.00	28%
Receive 80% and invest remaining	7	12%
receive 100%	3	6%
<b>Total</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.26**  
**USAGE OF MUTUAL FUND RETURN**



**INTERPRETATION**

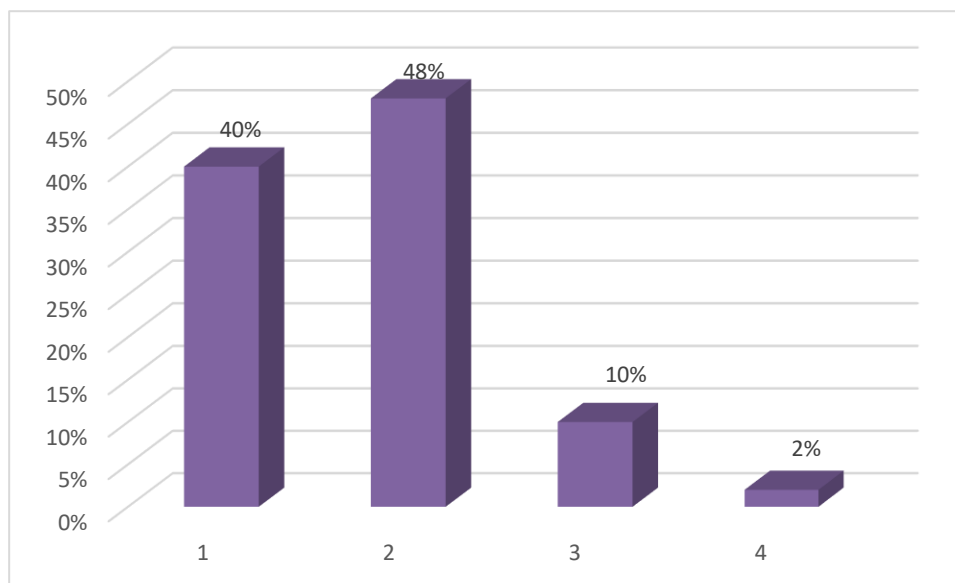
Table 4.26 shows that majority of the respondents prefer to reinvest some portion of their income from investment as reinvesting is more likely to increase the value of your investment than simply taking the cash.

**TABLE 4.27**  
**PERCENTAGE OF SAVINGS TOWARDS INVESTMENT**

<b>Opinion</b>	<b>Frequency</b>	<b>Percentage</b>
10-25%	20	40%
30-50%	23	48%
55-80%	5	10%
100%	2	2%
<b>Total</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**Figure 4.27**  
**Percentage of Savings Towards Investment**



**INTERPRETATION**

Table 4.27 shows that majority of the respondents prefer to reinvest some portion of their income from investment as reinvesting is more likely to increase the value of your investment than simply taking the cash.

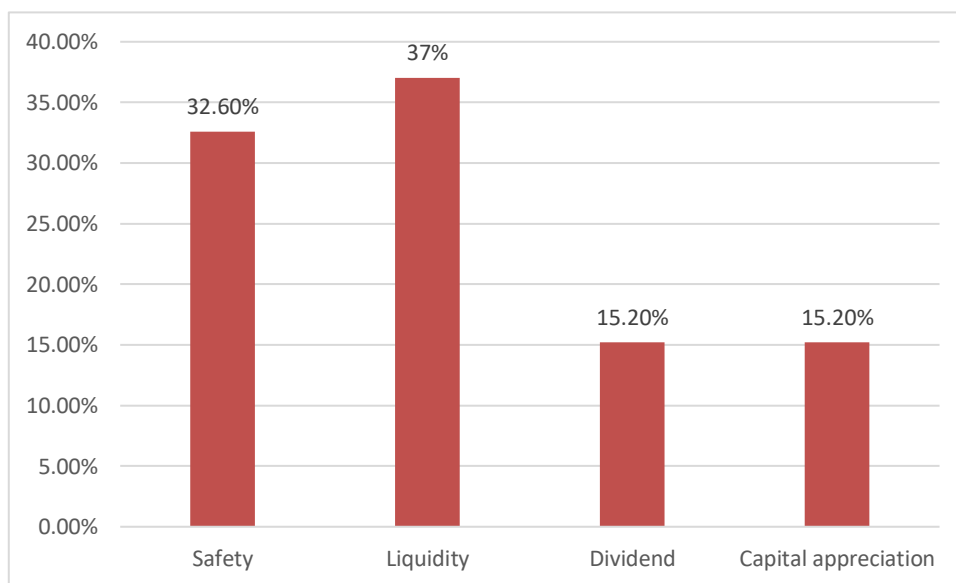


**TABLE 4.28**  
**INFLUENCING FACTORS OF CURRENT MUTUAL**  
**FUND INVESTMENT SCHEME**

<b>Opinion</b>	<b>Number of respondents</b>	<b>Percentage</b>
Safety	18	32.6%
Liquidity	12	37%
Dividend	10	15.2%
Capital appreciation	10	15.2%
<b>Total</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**Figure 4.28**  
**Influencing Factors of Current Mutual**  
**Fund Investment Scheme**



**INTERPRETATION**

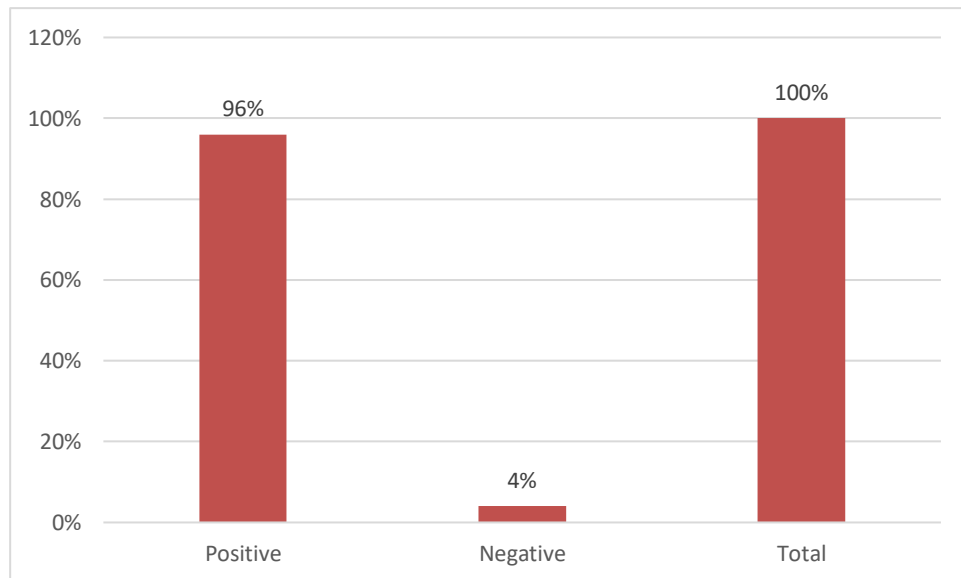
Table 4.28 shows that 37.6% of the respondents are satisfied with their investments scheme because of the liquidity it provides. As mutual fund is liquid form of investment people will have the access to money very easily.

**TABLE 4.29**  
**PERCEPTION OF INVEESTORS ON MUTUAL FUNDS**

<b>Opinion</b>	<b>Number of respondents</b>	<b>Percentage</b>
Positive	48	96%
Negative	2	4%
<b>Total</b>	<b>50</b>	<b>100%</b>

**Source: Primary Data**

**FIGURE 4.29**  
**PERCEPTION OF INVEESTORS ON MUTUAL FUNDS**



**INTERPRETATION**

Table 4.29 shows respondents overall perception of mutual funds. It's shown that 96% of the respondents have a positive perception towards mutual funds and only 6.6% of the respondents have a negative perception toward mutual funds as an investment option.

**CHAPTER 5**

**FINDINGS, SUGGESTIONS AND CONCLUSION**

## **FINDINGS**

- Table 4.1 shows the gender of the respondents. According to the above table, 76% of the respondents are males, and the rest that is 24% of the respondents are females.
- Table 4.2 shows the age group of respondents. In that 8% of the respondents belong to the age group below 20, 78% of the respondents belong to the age group 20 - 30, 10% of the respondents belong to the age group 30 - 40 and the remaining 10% of the respondents belong to the age group above 40.
- Table 4.3 shows the educational qualification of the respondents. Based on that 2% of the respondents are illiterate, none of the respondents have secondary education, 12% of the respondents have higher secondary education and the remaining 86% of the respondents have degree or above education.
- Table 4.4 shows the occupational status of the respondents. Based on that 14% of the respondents are in business oriented occupations, 14% are self-employed, 40% are Unemployed and the remaining 79% belongs to other category.
- Table 4.5 shows that only 50% of the respondents have invested in mutual funds and the 50% have never invested in mutual funds.
- Table 4.6 shows that 16% of the respondents think fixed deposit will be the investment option that will be the most profitable, 42% think its mutual funds, 38% think its equities and the remaining 4% belong to the other category.
- Table 4.7 shows that 14% of the respondents are totally ignorant regarding mutual funds, 42% are partially knowledgeable, 8% are only aware of one specific scheme and the remaining 36% are fully aware.
- Table 4.8 shows 38% of the respondents do/would like to invest in public and the remaining 62% in private. This is because private businesses are not held accountable to public shareholders and are subject to less regulation. They don't need to uncover income reports or submit fiscal summaries for examining, which makes it difficult for untouchables to track down solid, precise data about them. In the hope of steady upward growth, public mutual funds typically operate with lower risk levels whenever possible.

Confidential shared assets might work the same way, yet some can likewise Male more serious dangers with expectations of more prominent monetary award from now on.

- Table 4.9 shows that 34% of the respondents came know about mutual funds through advertisements, 6% through bank, 28% through peer group and the remaining 32% through their financial advisors.
- Table 4.10 shows that the 46% of the respondents prefer diversification, 20% prefer better safety, 26% prefer reduction in risk and 8% prefer tax benefit. All speculations convey some gamble, yet shared reserves are regularly viewed as a more secure venture than buying individual stocks. They provide more diversification than owning one or two individual stocks because they hold many company stocks in a single investment.
- Table 4.11 shows that 46% look for the past performances, 30% prefer expert advice, 16% looks for rating and 8% prefer AMC before investing in mutual funds. One can ascertain whether the managers of a fund have achieved their objectives successfully by comparing the fund's performance to its process. Master exhortation can have a huge effect among progress and disappointment in your venture process. One can get advice from an investment advisor about when, where, and how to invest.
- Table 4.12 shows that majority prefer growth fund. Development reserves are intended for high growth organizations that reinvest their pay in research, improvement, acquisitions and extension. Most development reserves give a higher potential to capital appreciation, however at better than expected risk. Financial backers will address significant expense to-profit products with the assumption for selling them at much greater costs as the organizations keep on developing.
- Table 4.13 that 28% prefer AMC, 12% of respondents prefer SBIMF, none prefer UTI, 16% prefer HDFC, 6% prefer reliance, 12% prefer ICICI and the remaining 26% prefer other category
- Table 4.14 shows that 38% of the respondents purchase or would prefer to purchase mutual funds directly from AMCs, 22% would prefer brokers, 14% prefers brokers or sub-brokers and the remaining would purchase mutual funds some other way
- Table 4.15 shows that the majority 76% prefers systematic investment, rest

24% prefer onetime investment Long-term investments made through SIPs can be an easy way to build wealth. Because compounding comes into play, this is the case. The profits you could acquire on your ventures develop huge over the long run. Also, the more you contribute, the higher benefits you could gather.

- Table 4.16 that majority of investors prefer HDFC, followed by SBIMF, ICICI and so on. Investing in HDFC can give a Capital appreciation for low-risk investments as well high-risk investments depending on the fund. The mutual fund schemes by HDFC are one of the countries trusted and reliable fund schemes
- Table 4.17 shows that majority prefer investment in general sector followed by diversified equity, banking fund, oil & petroleum, power sector and so on.
- Table 4.18 shows that majority i.e. 40% prefer moderate risk. This may be because higher the risk is, higher is the return. Also, the goal of a mutual fund is to reduce investment risk, so mutual funds can often be less risky than other types of investments due to its diversification.
- Table 4.19 shows that 48% of the respondent's primary goal for investing is for other things, 22% goal is on education, 18% goal is retirement and the remaining 12% belong to house.
- Table 4.20 shows that majority of the respondents monitor the performance of their investment quarterly or monthly. Monitoring investments too frequently can make investors more susceptible to rash decision-making and ultimately risk losing money.
- Table 4.21 shows that majority of the respondents haven't yet invested in mutual funds. This is due to their lack of awareness about mutual funds and the skepticism that arise from it.
- Table 4.22 shows that majority the respondents agree on the matter. The institutionalization offered by mutual funds is good for a new investor, while direct investment in shares will be a better form of investment for those who know the market and can handle it themselves.
- Table 4.23 shows that 18% of the respondents expect a return in range 5-10%, 44% expect a return in the range of 10-15%, 24% expect a return of 15-20% and the remaining 14% of the respondents expect a return above 20%.

- Table 4.24 shows that 36% of the people prefer mixture of all of the above i.e. people prefer to re-invest dividend, dividend pay-out and growth in net asset value. Rest is followed by 34% prefer to dividend reinvestment followed by growth in net asset value and dividend pay out
- Table 4.25 shows that majority i.e. 60% of the respondents consider returns as the most important parameter while investing in mutual funds. It is important because the higher the turnover ratio, the higher the buying/selling of security.
- Table 4.26 shows that majority of the respondents prefer to reinvest some portion of their income from investment as reinvesting is more likely to increase the value of your investment than simply taking the cash.
- Table 4.27 shows that the majority i.e. 48% of the respondent's percentage of savings towards investment is 30-50%. While you don't need much these days to start investing, the key is that you regularly contribute beyond your initial deposit so that you have more money to grow over time.
- Table 4.28 shows that 37.6% of the respondents are satisfied with their investment scheme because of the liquidity it provides. As mutual fund is liquid form of investment people will have the access to money very easily.
- Table 4.29 shows respondents overall perception of mutual funds. It's shown that 96% of the respondents have a positive perception towards mutual funds and only 6.6% of the respondents have a negative perception toward mutual funds as an investment option.

## **SUGGESTIONS**

- The pattern is evolving now, individuals are getting more mindful and the information in regards to the shared asset speculation is likewise expanding among individuals step by step. Any mutual fund scheme's success depends on how well the funds are invested and managed.
- Mutual fund companies should make the prospectors' return performance, the scheme's risk, the number of assets in the funds, and the fund's reputation and brand name public.
- The Asset Management Company is responsible for the majority of scheme fund management.



## **CONCLUSION**

The current concentrate on financial backer's insight towards shared reserve plans covers just Ernakulam locale. According to the findings of this study, the majority of investors in mutual fund schemes want to know important information about mutual fund companies and their services. As a result, mutual fund companies try to change investors' perceptions of investing in mutual fund schemes. A study with special reference to the Ernakulam district was conducted to provide investors with all of these clear details. Any mutual fund scheme's success depends on how well the mobilized fund is managed and used. Since asset management firms play a crucial role in fund management, sponsors of mutual funds should choose reputable asset management firms to attract more investors. Mutual fund companies should offer more services to investors in order to draw in more investors to their schemes.

## **BIBLIOGRAPHY**

## BIBLIOGRAPHY

Here are some suggested books on mutual funds:

1. The Little Book of Common Sense Investing by John C. Bogle
2. The Intelligent Investor by Benjamin Graham
3. A Random Walk Down Wall Street by Burton Malkiel
4. The Four Pillars of Investing by William J. Bernstein
5. Winning the Loser's Game by Charles D. Ellis
6. The Bogleheads' Guide to Investing by Taylor Larimore, Mel Lindauer, and Michael LeBoeuf
7. The Only Investment Guide You'll Ever Need by Andrew Tobias
8. The Psychology of Investing by John R. Nofsinger
9. Investment Valuation by Aswath Damodaran
10. Mutual Funds for Dummies by Eric Tyson

These books cover a range of topics related to mutual funds, including investing principles, portfolio management, valuation techniques, and psychology. Additionally, there are numerous academic papers and research reports on mutual funds that could be of interest to those seeking a deeper understanding of the topic.

## WEBSITE

- <https://onlinelibrary.wiley.com>
- <https://www.investopedia.com>
- <https://www.omniconvert.com>

**ANNEXURE**

## QUESTIONNAIRE

Dear Madam/Sir,

We, the student of Bharata Mata College, Thrikkakara is engaged in during a dissertation on

"A STUDY ON INVESTORS PERCEPTION OF MUTUAL FUNDS WITH **REFERENCE TO ERNAKULAM DISTRICT**". We request your kind response in this regard by filling up this questionnaire. We assure you that the data collected will be kept confidential and only for academic purpose.

NAME:

GENDER

- Male
- Female
- AGE
- Below 20
- 20-30
- 30-40
- Above 40

EDUCATIONAL QUALIFICATION

- ILLITERATE
- SECONDARY
- HIGHER SECONDARY
- DEGREE AND ABOVE

OCCUPATIONAL STATUS

- BUSINESS
- SELF EMPLOYED
- UNEMPLOYED
- OTHER

HAVE YOU EVER INVESTED IN MUTUAL FUNDS

- YES
- NO

INVESTMENT WHICH IS MORE PROFITABLE

- FIXED DEPOSIT
- MUTUAL FUND
- EQUITIES

WHERE DO YOU FIND YOURSELF AS A MUTUAL FUND INVESTOR

- TOTALLY IGNORANT
- PARTIALLY KNOWLEDGEABLE
- AWARE OF ONLY ONE SPECIFIC SCHEME
- FULLY AWARE

IN WHICH KIND OF MUTUAL FUND DO/WOULD YOU INVEST IN ?

- PUBLIC
- PRIVATE

HOW DID YOU COME TO KNOW ABOUT MUTUAL FUNDS ?

- ADVERTISEMENT
- BANK
- PEER GROUP
- FINANCIAL ADVISORS

WHICH FACTOR OF MUTUAL FUNDS DO YOU THINK IS THE MOST ATTRACTIVE?

- DIVERSIFICATION
- BETTER SAFETY
- REDUCTION IN RISK
- TAX BENEFIT

WHAT DO/WOULD YOU LOOK BEFORE INVESTING IN A PARTICULAR MUTUAL FUND ?

- PAST PERFORMANCE
- RATINGS
- AMC
- EXPERT ADVICE

WHICH MUTUAL FUNDS HAVE YOU USED OR PLAN TO USE ?

- OPEN ENDED SCHEME
- CLOSE ENDED SCHEME
- LIQUID FUND
- MID CAP
- GROWTH FUND
- REGULAR INCOME FUND
- LONG CAP
- SECTOR FUNDS

IN WHICH ALL MUTUAL FUND AMCs HAVE YOU INVESTED IN OR WOULD LIKE TO INVEST IN

- AMC
- SBIMF
- UTI
- HDFC
- RELIANCE
- ICICI
- OTHERS

FROM WHERE DO/WOULD YOU PURCHASE MUTUAL FUNDS

- Directly from AMCs
- BROKERS ONLY
- BROKERS/SUB
- BROKERS
- OTHERS

WHEN YOU INVEST IN MUTUAL FUNDS WHICH MODE OF INVESTMENT DO/WOULD YOU PREFER

- ONE -TIME INVESTMENT PLAN
- SYSTEMATIC

INVESTMENT PLAN

WHICH AMC DO YOU

PREFER THE MOST

- SBIMF
- UTI
- RELIANCE
- HDFC
- KOTAK
- ICICI
- JM FINANCE

WHICH SECTOR DO/WOULD YOU INVEST IN MUTUAL FUNDS

- General
- Oil & Petroleum
- Goki fund
- Diversified equity
- Fund
- Power sector
- Debt fund
- Banking fund
- Real estate fund

ANTICIPATED RISK ASSOCIATED WITH MUTUAL FUNDS

- MINIMUM
- MAXIMUM
- MODERATE
- NONE



### PRIMARY OF YOUR INVESTMENT

- Education
- House
- Retirement
- Other

### HOW FREQUENTLY DO YOU MONITOR THE PERFORMANCE OF YOUR INVESTMENTS

- Monthly
- Quarterly
- Half yearly
- Yearly

### HOW LONG HAVE YOU INVESTED IN MUTUAL FUNDS

- Haven't yet
- less than one year
- 1-3 years
- More than 3 years

### IN YOUR OPINION, IS MUTUAL FUND A GOOD FORM OF INVESTMENT FOR PEOPLE WHO HAVE KNOWLEDGE ABOUT THE SHARE MARKET?

- Strongly Agree
- Agree
- Disagree
- Neutral

### Expected percentage of return

- 5-10%
- 10-15%
- 15-20%
- ABOVE 20%

### HOW WOULD YOU PREFER TO RECEIVE YOUR RETURNS

- Dividend pay out
- Dividend re-investment
- Growth in net asset value
- mixture of all the above

### WHAT DO YOU CONSIDER AS THE MOST IMPORTANT PARAMETER WHILE INVESTING IN MUTUAL FUNDS

- Returns
- Low-risk inflation
- Credit rating
- Inflation
- Company
- Lock in period

### HOW DO YOU INTEND TO USE THE INCOME EARNED FROM INVESTMENT

- Re-invest between 20-80% of earnings from investments
- Re-invest total earnings
- Receive 80% and invest remaining
- receive 100%

### PERCENTAGE OF SAVINGS TOWARDS INVESTMENT

- 10-25%
- 30-50%
- 55-80%
- 100%

### ARE YOU SATISFIED OR DO YOU EXPECT TO BE SATISFIED WITH THE SCHEMES THAT YOU HAVE INVESTED IN? IF YES, STATE REASON

- Safety
- Liquidity
- Dividend
- Capital appreciation

INVESTORS OVERALL PERCEPTION OF MUTUAL FUNDS AS AN  
INVESTMENT OPTION

- Positive
- Negative