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FACTORS AFFECTING INVESTMENTS IN MUTUAL FUNDS WITH SPECIAL REFERENCE TO EQUITY LINKED SAVINGS SCHEMES

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ABSTRACT

Mutual funds act as a medium for retail investors to take a position their savings within the professional funds management system, no matter how much the sum invested. It enables masses to enter the Indian Financial Market with far more ease. Indian Mutual Funds industry is growing rapidly which is reflected with the expansion in assets under management under various AMC's every year. Investment in mutual funds is a smaller amount risky when put next to investment in equity markets. Less risk combined with moderate returns and professional management act as a magnet for the danger averse investors to take a position their savings within the financial markets. This project aims at looking for the factors affecting Purchase Intentions of an investor in making investment decision on mutual funds and also the impact of behavioral factors on an investor. This project also aims at finding about the factors that prevent the people to take a position in mutual funds. The findings will help investment trust companies to spot the areas required for improvement and might also improve their marketing strategies. it'll help the MF companies to make new and innovative product in line with the orientation of investors. Investor perception cites a big impact on the investment higher cognitive process. it's important

to know few basic factors like level of awareness and impact of date of inception

of the fund which play a significant role in guiding the investment decision making process of a retail investor.

Keywords: Mutual Fund Performance, Investment, Risk-returns, Behavior Factors, Technical Factors, Fundamental Factors, Investor Sentiments, Confidence.

I. INTRODUCTION:

A Mutual Fund is an investment vehicle formed when an asset management company (AMC) or fund house pools investments from several individuals and institutional investors with common investment objectives.

These funds are managed by a fund manager, who is a finance professional. The fund manager purchases securities such as stocks and bonds that are in line with the investment mandate. We can start investments in Mutual Funds with an amount as low as Rs.500.

Mutual funds industry has emerged as an important part of financial markets and has delivered lots of

value to the money invested by investors. It has grown in a very fast in last couple of years. But no industry can flourish without a proper regulatory mechanism in the place. SEBI is playing an important role in surveilling the mutual fund business. From time to time it has tried to identify the loopholes that are exist in the system and protecting the interests of investor who is the backbone of this unprecedented growth. Now the biggest challenge for the mutual fund industry is to increase the investor awareness and to spread further to the semi-urban and rural areas. These initiatives would help towards making the Indian mutual fund industry more vibrant and competitive. Since, the need of study has been increased in order to know the preference, awareness and the investors' perception and to know the factors like risk, returns, past performance of the mutual funds and taxes. This study is an eye-opener, not just for marketers of mutual funds but also for policy and decision-makers in the government.

Mutual fund Companies issue units (securities) to the investors in line with the amount of money invested by the investors. The profit/loss distribution between the unit holders takes place with proportion to their investment corpus.

The mutual funds set up is of a “trust” which consists of

- **Trustees:** The trustees of a mutual fund hold its property for the benefit of the unit holders.
- **Sponsor:** The trust is established by a sponsor who is like the promoter of a company.
- **Asset management company(AMC):** The asset management company is responsible for making investment into securities.
- **Custodian:** The custodian is responsible for holding the securities of various schemes of the fund in its supreme custody.

Mutual funds are offered to the public based on Maturity period

1. Open Ended Scheme
2. Closed Ended Scheme

Investments in Mutual funds can be made based on plan type

1. Growth
2. Dividend Payout
3. Dividend Re-Investment

Investment Plans available for Investors

1. Direct Plan
2. Regular Plan

Based on Fund type

1. Equity
2. Debt
3. Hybrid
4. Solution Oriented Schemes (Retirement Fund and Children's Fund)
5. Other Schemes (Index funds/ETF's and Fund of Funds (Overseas & Domestic))

Based on Systematic Methods

1. Systemic Investment Plan (SIP)
2. Systemic Withdrawal Plan (SWP)
3. Systemic Transfer Plan (STP)

Based on category

1. Diversified
2. ELSS
3. Income
4. Sector
5. Commodity
6. Short Term
7. Long Term
8. Balanced
9. Monthly Income Plan
10. Others

Mutual Funds in India

Mutual Funds was first started in India by Unit Trust of India in 1963 as a Joint Venture of the Reserve Bank of India and Government of India. The objective of the UTI was to guide small and uninformed investors who wanted to buy shares and other financial products in larger firms. 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 history of mutual funds in India can be broadly divided into four phases

First Phase - 1964-1987

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

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

Fourth Phase - since February 2003

ELSS SCHEME:

ELSS Scheme is also known as 'Equity Linked Savings Scheme'. Diverting our funds into ELSS mutual funds instead of depositing in Fixed Deposits helps us to get double benefits of tax deductions and wealth accumulation over a time period. ELSS mutual funds will be locked-in for a period of three years, it is the shortest time period when compared with all other tax-saving investments and have the potential to offer the highest returns when compared with 'Fixed Deposits', 'Public Provident Fund (PPF)', 'National Pension System (NPS)'. Any person who wants to get tax deductions of up to Rs.1.5 lakh under the Section 80C provisions and are ready to take some risk should consider investing in ELSS. Generally, these schemes invest our money in Equity Market. So, the risk is very high.

It is recommended to invest in ELSS Scheme for a period of “5 years or more”

A person can purchase units of ELSS Fund with a minimum amount in SIP or Lumpsum. Furthermore, the investors will have an opportunity to get dividend and growth by choosing the given options available with ELSS to match every investors' needs.

We have to remember that ELSS Scheme has a lock-in period of 3 years. It Means that, we will not be able to redeem our units before three years. After redemption of units, we will have access to long-term capital gains (LTCG) up to Rs 1 lakh, which are tax-free and LTCG above Rs 1 lakh will be taxed at a rate of 10% without giving the benefit of indexation.

Dividend will be taxed by the mutual fund and will deduct TDS at 7.5% for Indian investors and 20% (plus applicable surcharge and cess) for NRI investors before payout or re-investment. But the investors can claim tax-credit of TDS deducted at the time of filing their yearly returns.

Best ELSS Funds that have performed very well in 2020

FUND NAME	Returns(%)
Axis Long Term Equity	18.64
Aditya Birla Sun Life Tax Relief 96	19.65
Kotak Tax Saver	16.36

II. LITERATURE REVIEW:

The Effect of Demographic Factors like Gender, Investor Perception and Age on Investment Decisions were examined by **Thomas (2018)** on “Equity Linked Savings Scheme” with Special Reference to Kottayam District. She has concluded that Males are more open to investing in ELSS than females. Youngsters invest more in ELSS than elders. The study has also come up with a conclusion regarding the reason for the above which are as follows. Majority of the females were found to be risk averse while the males were risk lovers. Youngsters were more aware of the benefits of ELSS than elders. Perceptions towards open-end fund schemes (with relation to awareness and adoption of private and family considerations) that Investors between 31 to 40 years old have high knowledge, awareness and adoption of various fund schemes. it's also concluded that there's an association(relation) between respondents' residential status and awareness of balanced fund and debt fund schemes was stated by **Rao (2011)** in his study on ‘Analysis of investors’. A research was conducted by **Singal (2018)** to know the factors that are affecting the investments in Mutual Funds. The main intent of this survey is to find out the factors that previous or earlier researches had found to be significant in the mutual funds' performance. These factors were later used for the designing of the questionnaire that were used for data collection from the investors. The outcome of the survey suggests that the investors' perception and fundamental factors plays a significant role in the process of making investment decision. The “perception and satisfaction of the investors” examined by **Sharma (2015)** by evaluating the components which influence the investor while making the investment decisions and it focuses more on the customer satisfaction and after sales services such as regular reporting on fund's performance. Support to the investor for switching between schemes and it was analyzed that these factors played an important role while investing.

Desigan(2006) conducted a study on women investors' perception towards investing and found that women investors' generally are indecisive to invest in mf schemes because of several reasons like lack of awareness and education about the investment protection and their various other benefits from investing and market movements. Even in the past times, when females were mainly

dependent on their partners' income, women used to keep some money aside to meet emergency needs and also for their future expenses. Then a research journal on the performance of some ELSS Schemes which tested the performance of Forty Nine selected tax Section 80C ELSS MF schemes published by **J. Lilly (2014)** in which he applied Jensen's alpha, Sortino ratio, Treynor ratio, Sharpe ratio and found that LIC NOMURA MF GROWTH and other dividend paying schemes has high returns and they are risk borne when we compare them with other MF schemes. A research was conducted by **Jha (2009)** to study on 'awareness & acceptability' of different mf schemes and concluded that investors generally give more preference to mutual funds due to the returns, liquidity and safety and most of the investors were lack the knowledge about the SIP. The invertors' will also consider various other factors like type of fund, lockin period and others opinion before making purchase decision in mutual fund. **Anjum and Saini (2011)** has studied about the awareness of investors and their perception towards mutual funds in India and to find out the growth and major defects in the performance of mutual funds in India. The researchers had taken the samples from 200 investors with the help of stratified random sampling. They have analyzed the data by Chi-Square test. They have found from the study which revealed that the investors invested in the MFs for the benefits of tax carried on by high returns and principal safety. Age has a significant relationship with the factors that can get back the confidence of the investors. They concluded that investors choose a certain scheme to invest their money based on the past performance and returns stability and dividends. A study was conducted to analyse the performance of MFS and help the investors with a suitable ELSS Scheme to the investors by which were based on 10 different ELSS Funds of different companies by **Pathak (2018)**. The analysis was done using Microsoft Excel along with some measures such as standard deviation, Sharpe ratio, beta and the result was that the mutual funds were emerged as a significant avenue for investing to avail tax benefits. **Kumar and Goel (2014)**, examined the "factors which affect the perception" on the basis of the nature, sector and category and weights were given to calculate the weighted average score and it was analyzed that growth has been considered as the most important objectives. While investing in mutual funds followed by regular income and

liquidity and speculation is the least considered factor by the investors.

Mehta and shah (2012), worked to know the "preference and needs of the of the investors regarding the investment in mutual funds" based on various factors such as the avenues preferred by the investors, liquidity, high return, risk, company reputation, the annual income of the respondents and portion of mutual funds in the total investment qualification and knowledge of the respondent about the mutual fund along with the preferred mode to receive the returns and frequency from mutual fund scheme. They used the model of chi square test and Cramer's 'V' to establish the relationship between the preference and needs of the investors while investing in mutual funds. It was analyzed that diversification is needed so that the portfolio will not depend upon the performance of single fund. **Kiran and Rao (2004)** in their study identified investor group segments using the demographic and psychographic characteristics gender, age, opinion of individual investors using two techniques. They are- Multinomial Logistic Regression (MLR) and Factor Analysis. The analysis shows that the risk-bearing capacity of an individual investor is strongly dependent on the demographic and psychological variables of the investor. A research was conducted to know the relationship between investment avenues and gender and age groups and education and income level of an investor for which they have collected the data from 210 respondents by **Geetha and Ramesh (2011)**. They have performed various techniques on the collected data, and they have concluded that the people who have given the responses for the questionnaire are less aware about the different investment choices and they don't know much about securities market, and debentures. All the people of different age brackets have shown their preference to investing in PPF, bank deposits, Insurance. Income standards of an individual investor as an important factor which affected their portfolio.

III. SCOPE OF STUDY:

The study intends to explore the various factors that affect Purchase Intentions of an Investor to invest in Equity Linked Savings Scheme(ELSS) Mutual Funds and also find the intensity of each factor. This research will also explore the most important factors to be taken while investing in equity based Mutual Funds.

IV. OBJECTIVES:

- To examine the awareness of Investors about the ELSS Mutual Fund Scheme.
- To find out investor perception towards Purchasing Units in ELSS Scheme of Mutual Funds.

V. RESEARCH METHODOLOGY:

This research was done based on Primary data. Primary data was collected through pre-structured Questionnaire from the students, employees and investors who has invested in ELSS mutual fund Schemes once in their life. The data for literature review was collected from various articles and research papers which are published officially through 'Research Publication Journals'.

VI. SURVEY LOCATION & TARGET POPULATION:

The survey was conducted in the state of 'Punjab' and the responses were taken from residents of Punjab State. Citizens of both genders i.e., females and males who had invested atleast one time in their life in the ELSS mutual funds were taken as a target respondents for our survey.

VII. SAMPLING TECHNIQUE & SAMPLING DISTRIBUTION:

The samples were collected based on 'Simple Random Sampling'. The responses were collected from various parts of the state and every location in the state was given equal preference while

H1	Confidence has a positive and significant impact on Purchase intention
H2	Fundamental Analysis has a positive and significant impact on Purchase Intention
H3	Investor Sentiment has a positive and significant impact on Purchase Intension
H4	Technical Analysis has a positive and significant impact on Purchase Intension
H5	Reaction of the Customer has a positive and significant impact on Purchase Intension

collecting the samples. A sample of 252 responses were collected with the help of pre-structured questionnaire.

VIII. QUESTIONNAIRE DESIGN:

The Questions were pooled based on the most important factors related to the study like

- 'Past Performance',
- 'Returns', 'Risk',
- 'Fundamental Factors',
- 'Technical Factors',
- 'Reaction to Market movements',
- 'Confidence of an Investor before Purchasing ELSS Mutual Fund Units',
- 'Investor Sentiments towards the Market',
- 'Experience of the fund manager',
- 'Awareness while investing in various ELSS schemes''.

IX. ANALYTICAL TOOL:

We are selecting PLS-SEM (Partial Least Square: Structural Equation Modelling) as our analytical tool for the purpose of this research. PLS-SEM is a technique of 2nd generation multivariate method which is used to test the hypothesis of existing theories or to develop theories. This technique basically focuses on the model's ability to predict.

X. SOFTWARE:

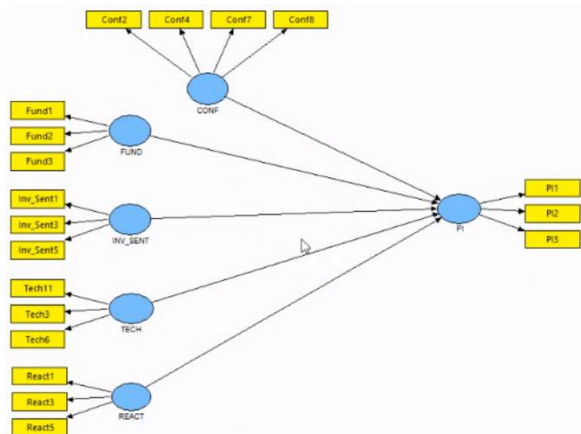
For the purpose of this research, we used Smart PLS 2.0 as our software.

XI. HYPOTHESIS(Alternate)

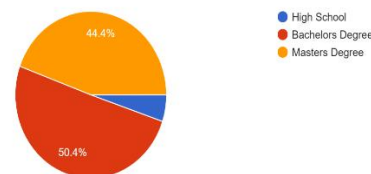
TABLE1:

XII. CONCEPTUAL FRAMEWORK:

In the framework, the work was done based on the association network memory model. This model helps to use in the study of relationship between the Factors chosen by us and purchase intention.

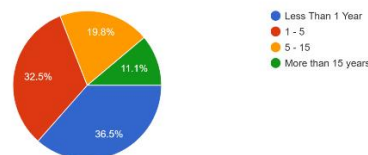


Educational Qualification
252 responses



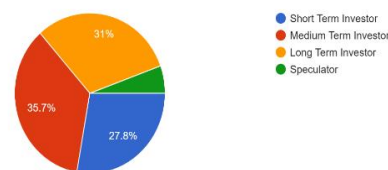
Out of 252 respondents, 44.4%(112) were graduated with Bachelor’s Degree and 44.4%(112) were done with Master’s Degree while 5.2%(13) respondents were passed out from High School.

Investment Experience
252 responses



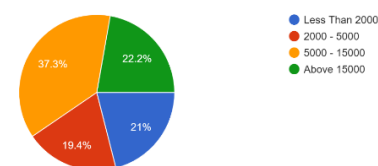
As we can see, out of 252 responses, 36.5% investors have less than 1 year experience. 32.5% investors have experience between 1 – 5 years in purchasing Mutual Fund Units and 19.8% has experience between 5 – 15 years and 11.1% has Investment Experience of more than 15 years.

Type of Investor
252 responses



As we can see in the above picture, most of the respondents are medium term investors with 35.7% and long term investors are about 31%. 27.8% of investors belong to the category of short term investor. Only 5.6% of respondents are Speculators.

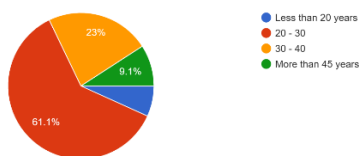
Investment Amount in INR
252 responses



Out of 252 respondents, 94 participants have investments in the range between Rs.5000 – Rs.15000 and 56 participants have investments of

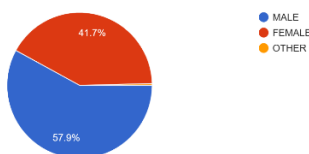
XIII. DESCRIPTIVE ANALYSIS:

AGE
252 responses



Out of 252 Respondents, 61.1% which accounts for 154 participants are from the age group of 20 – 30. 23% Respondents which accounts for 58 participants are from the age bracket of 30 – 40 years. 9.1% are aged more than 45 years. Only 6.7% which accounts to 17 participants are aged below 20 years.

GENDER
252 responses



From the overall responses of 252, 146(57.9%) were Male Respondents and 105(41.7%) were Female Respondents and only 1(0.4%) Respondent was in the category of others.

above Rs.15000. 53 participants invested less than Rs.2000 and 49 respondents have invested between Rs.2000 – 5000.

XIV. RESULTS:

1. MEASUREMENT MODEL:

Confirmatory Factor Analysis (CFA):

In statistics, confirmatory correlational analysis (CFA) could be a special type of correlational analysis, most typically employed in social research. It's accustomed test whether measures of a construct are per a researcher's understanding of the character of that construct (or factor). As such, the target of CFA is to check whether the information fits a hypothesized measurement model. This hypothesized model is predicated on theory and/or previous analytic research. This model was first developed in 1969 by Joreskog and it was also built upon and replaced older methods of analyzing construct validities like the MTMM Matrix which was explained in 1959 by Campbell & Fiske.

In this study, CFA is carried out by using smart PLS to test the measurement model.

It works on:

1. Validity
 - a) Convergent Validity
 - b) Discriminant Validity
2. Reliability
 - a) Composite Reliability

Convergent Validity: It is the extent to which an instrument measures the construct that it is intended to measure. Inter-correlation of the components of the instruments is generally measured by Factor analysis, which subsequently helps in condensing the number of dimensions in the instrument by clubbing the related items under the same dimension. It is measured in the form of AVE for which the value should be > 0.5 to be considered adequate.

To investigate the construct validity, is the main target of this study, which is largely concerned with the choice of the instrument and its capability to catch the latent variable.

Composite Reliability: It is used to check the internal consistency, that shall be more than the standard of 0.7 to be considered sufficient is also referred to coefficient, which is obtained by clubbing all of the true score variances and

covariance in the composite of indicator vectors linked to constructs, and by dividing this sum by the total variance in the composite.

TABLE 2: RESULTS OF CONVERGENT VALIDITY, RELIABILITY & LOADINGS

Constructs	Outer Loadings	Composite Reliability	Convergent Validity (AVE)
Confidence • Conf2 • Conf4 • Conf7 Conf8	0.6944 0.7524 0.7157 0.734	0.8153	0.5248
Fundamental Analysis • Fund 1 • Fund 2 Fund 3	0.8644 0.6453 0.6617	0.7387	0.5342
Investor Sentiments • Inv_Sent1 • Inv_Sent3 • Inv_Sent5	0.6733 0.6988 0.7921	0.766	0.523
Purchase Intension • PI1 • PI2 PI3	0.6688 0.7068 0.7929	0.7343	0.5267
Reaction • React1 • React3 React5	0.6883 0.6737 0.792	0.7625	0.5183
Technical Analysis • Tech11 • Tech3 Tech6	0.7528 0.7535 0.6401	0.7599	0.5147

In table 2, it clear that the Convergent Validity (AVE) value for all the Latent Variables is more than 0.5 and Composite Reliability's value is more than 0.7 & Loadings for all the Constructs is more than 0.6. Hence, the criterion of Convergent Validity (AVE), Composite reliability and Loadings is satisfied.

Therefore, Measurement Model demonstrates satisfactory level of Convergent Validity, Composite Reliability and Loadings.

TABLE 3: RESULTS OF DISCRIMINANT VALIDITY

	CONF	FUND	INV SENT	PI	REACT	TECH
CONF	0.7244					
FUND	0.3595	0.7309				
INV SENT	0.5347	0.4571	0.7232			
PI	0.5862	0.5343	0.5397	0.7257		
REACT	0.4418	0.3797	0.4520	0.5311	0.7199	
TECH	0.5495	0.5084	0.5355	0.6203	0.4941	0.7174

Discriminant Validity indicates to the degree by which factors are distinct (faraway) and unlinked. The principal is that vectors shall have strong relation to their own factor rather than to another factor. There are 2 basic methods for determining discriminant validity during EFA.

Discriminant validity is the degree by which latent vector 'A' differentiates from other latent variables (e.g., B, C, D). Discriminant validity means that a latent vector is able to account for more variance in the observed vectors linked with it than

- Measurement error or alike external, unmarked influences, or
- Another constructs within the conceptual framework. If the case is different, then the validity of the individual indicators and of the construct is not reliable.

CONF variables 0.7244, FUND variables 0.7309, INV_SENT variables 0.7232, PI variables 0.7257, REACT variables 0.7199, TECH variables 0.7174.

From the above table, we can conclude that Latent Variables in the vertical column are strongly related to their own factors in the horizontal row than other factors and it shows least relation between factors other than itself and they are absolutely unlinked other factors.

Hereby, We proved that it's a Discriminant Validity.

2. STRUCTURAL MODEL AND HYPOTHESES TESTING:

Structural Equation Modelling may be a multivariate statistical analysis method that's applied to analyse relationships. This method is that the clubbing of Factor Analysis(FA) and Multiple-Regression Analysis(MRA), and it's applied to test the structural relationship between measured variables and latent constructs. The multiple and interrelated dependence in a single analysis are estimated by this method, due to which this method is preferred more by the scholars. In this analysis, 2 types of vectors are applied, endogenous vector and exogenous vector. Endogenous vectors are identical to dependent vectors and are similar to the independent vectors. Firstly- We should not forget that it is uncooperative to wish a structural model to fit perfectly for multiple of reasons. The structural model having linear relations is only an approximation. To be linear is very much unlikely in this universe. Indeed, the true connection between vectors is probably nonlinear. Secondly- We should not forget that the model is not mandatorily to be correct, simply because a model fits the data well. We can't demonstrate that a model is true to assert this is the misconception of affirming the consequent. In the same way, we can say that "If one certain causal model is true, it will fit the data." However, the model fitting the data does not mandatorily establish that the model is correct. There is a possibility of another model that fits the data perfectly well.

TABLE 4: STRUCTURAL MODEL ANALYSIS

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics (O/STERR)	Hypothesis (Alternative)
CONF -> PI	0.247	0.2578	0.066	0.066	3.7443	Accepted and Significant
FUND -> PI	0.211	0.2191	0.0637	0.0637	3.3119	Accepted and Significant

INV_S ENT -> PI	0.10 59	0.09 87	0.057 5	0.057 5	1.841*	Accepted and Significant
REACT -> PI	0.17 94	0.19 35	0.068 1	0.068 1	2.6333	Accepted and Significant
TECH - > PI	0.23 2	0.21 43	0.061 7	0.061 7	3.7602	Accepted and Significant

Significance 90%

From the above table, we can conclude that the T-Statistics is greater than 1.96 for H1, H2, H4, H5 which shows that all the hypothesis(alternative) are significant and accepted at 95% level of significance. But, for H3 the alternative hypothesis is accepted after taking the significance value as 90%.

Hence, all the Latent Variables have significant relationship with Purchase Intentions of an Investor.

TABLE 5: PREDICTIVE ANALYSIS:

Total	R2	Analysis	SSO	SSE	Q2=1-SSE/SO	Predictive Relevance
PI	0.5539	Moderate	756	571.7216	0.2438	Medium

Value of Q square = $1 - \text{SSE/SSO}$ signifies the predictive value of the model. If the value of the value Q square is less than 0.02 than the model has null predictive value, if the value of Q square is between 0.02 – 0.15 than the model has weak predictive value, if value of Q square is between 0.15 – 0.35 than the model has medium predictive value and if the value of Q square is more than 0.35 than the model has high predictive value.

Here consumption enhancement model has medium predictive value and the retention equity model has high predictive value.

Higher the value of R2, higher will be impact of independent variables on the dependent variable.

Here, the value of R2(square) is 0.5539 which shows a moderate relationship between investors Purchase Intentions and other variables which means that a 55.39% change in PI will be affected by the other variables. It means that the other variables have 55.39% chances to determine the Purchase Intentions. Here, the Predictive

Relevance is Medium because the size of the survey is limited to 252 respondents only. The Predictive Relevance can be high if we take more responses from the investors.

XV. CONCLUSION:

From the study conducted, we found out that all the independent variables taken for only the five independent variables have positive and significant impact on Purchase Intentions of an investor. So, it is clear that from the research that most of the investors look into these five variables namely 'Confidence', 'Fundamental Analysis', 'Investor Sentiments', 'Reaction' and 'Technical Analysis' before making an investment decision to invest in ELSS Schemes and it is found that most of the investors are very well aware about the ELSS Mutual Fund Schemes offered by various Mutual Funds.

XVI. LIMITATIONS:

Although, in this study we have successfully identified the main factors and variables that helped in evaluating the Purchase Intentions, there are several limitations that obstructed our study and can be considered in future research.

Firstly, Although the responses count of 252 was reasonable, but there would have been a far more better results if we had collected more responses. The Review of Literature was limited to the research of only 30 published articles. Secondly, most of the respondents were students, as a result most of the investors experience was below 1 year and it affected their investment capacity. The result might have been different if we would have had collected more responses from professional investors.

XVII. MANAGERIAL IMPLICATIONS:

Most of the investors who had taken part in the survey, strongly depends on the fundamental factors of the portfolio and they consider in which company shares the fund house will invest their money. They depend on economic data (GDP, Interest Rate, Inflation) and they depend highly on industrial data (type of industry -competition level-technology level) and looks at financial data (Income statement, balance sheet, cash flow statement) before investing in ELSS Schemes.

Many investors responded that they have the need expertise and skills to invest in mutual funds, and they have the ability to analyze the new information in the market and they keep the best performing ELSS mutual funds in their portfolio and they were also able to invest with the help of their own analysis before making investment decision of Purchasing the ELSS mutual funds.

They were also very well aware about the ELSS Fund Schemes which don't suit their investment styles because most of the investors were able to control their emotions and Purchase Units only based on their analysis and the overall movement of the markets.

The investors were not affected by the new information in the market as they double check their Purchase decisions when their data sources are unreliable and will wait for the market discounts the information.

We picked variables from the literature review and did a supportive research for those variables. All of our hypotheses namely H1, H2, H3, H4, and H5 are found positive and significant. All the 5 variables have positive and significant impact on Purchase Intension and PI in turn has positive and medium impact on the five variables. As our study was limited with the responses from only 252 investors, the results might have been different if the number of respondents is high.

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