



# INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

## Investigation On Mutual Funds Investment Pattern Among Arts And Science College Faculty In Coimbatore City

**Dr.M.Kalimuthu<sup>1</sup>**

Professor & Head, Department of Commerce with Professional Accounting  
Dr. N.G.P. Arts and Science College, Coimbatore, Tamil Nadu, India

**ORCID Id:** <https://orcid.org/0000-0003-2353-004X>

**Vivek S<sup>2</sup>**

Department of Commerce with Professional Accounting  
Dr. N. G. P. Arts and Science College, Coimbatore, Tamil Nadu, India

**Mail Id:** [viveksaravana1406@gmail.com](mailto:viveksaravana1406@gmail.com)

### Abstract

This study looks into how faculty members at Coimbatore City's arts and science colleges invest in mutual funds. The purpose of the study is to evaluate risk tolerance, investment behavior, awareness, and the impact of demographic variables including age, gender, income, and education on investment choices. Using standardized questionnaires, 110 faculty members took part in the study. The study takes an analytical stance, interpreting data with the use of ANOVA, Descriptive Statistics, Chi-Square tests, and Percentage Analysis. The result shoe that young, highly educated professionals have a strong interest in investing, that they favor low to moderate risk assets, and that professional advice, tax advantages, and financial dependents all play a big part in influencing investment decisions. In order to assist educators in making well-informed financial decisions, the study's conclusion suggests the necessity of financial literacy initiatives and tailored investment plans.

**Keywords:** Investment, Factors, Impact.

### INTRODUCTION

To build wealth and ensure financial stability, investing is crucial. Mutual funds rank as one of the most favored investment choices because of their professional management, variety, and ability to deliver steady returns. Although investors from diverse backgrounds widely utilize mutual funds, financial experts remain interested in how specific professional groups—such as university educators allocate their investments. The aim of this research is to explore the ways in which scholars at arts and scientific universities allocate their finances in mutual funds. Depending on their risk appetite, financial knowledge, and long-term financial objectives, faculty members may exhibit unique investment behaviors.

They are often recognized for their stable income and analytical method to decision-making. By having a solid grasp of individual investment preferences, challenges, and incentives, fund managers, legislators, and financial advisors can develop targeted investment strategies and awareness initiatives. This study will address significant subjects such as risk tolerance, types of favored mutual funds, factors that affect investment decisions, and how demographic elements like age, gender, and experience impact investment choices. The

research aims to offer an in-depth insight into the investment behaviors of faculty at arts and scientific institutions by analyzing these aspects to enhance financial planning and investment knowledge within the academic community.

Because investment options greatly influence wealth accumulation and the preservation of financial stability, they are a crucial part of managing personal finances. Mutual funds have become increasingly popular among various investment choices because of their effective management, varied portfolios, and potential for steady returns. Nonetheless, several factors, including income level, risk appetite, financial knowledge, and work experience, affect an individual's investment behavior. Professors in the arts and sciences at universities exhibit unique investment habits.

The story of mutual fund industry in India started in 1963 with the formation of Unit Trust of India at the initiative of the Government of India and Reserve Bank. The launching of innovative schemes in India has been rather slow due to prevailing investment psychology and infrastructural inadequacies. Risk averse investors are interested in schemes with tolerable capital risk and return over bank deposit, which has restricted the launching of more risky products in the Indian Capital market. But this objective of the Mutual Fund industry has changed over the decades.

Typically, bonds are traded Over-the-Counter (OTC), but a few corporate bonds are sold in a stock exchange. It can enforce rules and regulation on the brokers and firms that are enrolled with them. In other words, a stock exchange is a forum where securities like bonds and stocks are purchased and traded. This can be both an online trading platform and offline (physical location).

## REVIEW OF LITERATURE

**A. Palpandian and Dr. S. Shanthi Merlin (2023).** Investments and savings are essential aspects of life. The use of money with the intention of generating more revenue or value increase is referred to as investment. It is the commitment of funds saved by postponing the consumption and acquisition of a financial or real asset in the hope that it would provide some favorable future returns. To investigate the socioeconomic backgrounds of instructors at Theni District's arts and science colleges to understand the college instructors' investment options in Theni District To examine the important elements taken into account while making investment decisions.

**Prof. Aftab Shaikh (2022)** "Capital formation is a key factor in determining economic growth, and saving is the foundation for capital formation" - Rao (1980). Because income is not generated at a faster pace in developing nations, people there do not have extra savings for capital formation. In India, the level of living is nearly unascertainable, and consumption is far higher than saving. The majority of Indian households spend more than they save.

**Rajat Mehrotra, Dr. Vinay Kandpal (2020)** A noticeable change in the item mix offered to customers today is being brought about by investors' growing awareness of mutual fund products and the modification to the compensation structure for mutual fund merchants. Systematic Investment Plans (SIP) have seen a sharp increase in inflows, and fund houses' introduction of daily and weekly SIP has helped draw in smaller-ticket clients. As a result, many money-related consultants are now teaching retail financial specialists how to allocate funds to Fixed Maturity Plans in comparison to bank-settled stores.

**Dr. Ravi Vyas (2019)** Small investors in India typically favor bank deposits, which can have negative real returns and don't offer a buffer against inflation. He knows very little about the sensitive index and, once more, is unable to comprehend material that is presented in legalese and technical terms by an expert. In the investment market, he discovers that he is a deviant. What factors lead an investor to remove himself from a mutual fund investment or scheme? Which factors affect an investor's decision to choose a mutual fund? What does the investor hope to get out of his investment in mutual funds? Lastly, what is important to investors in mutual funds? That indicates an investor's assessment of a mutual fund.

**Priyanka G. Bhatt and Prof. (Dr.) Vijay H. Vyas (2019)** India's economy will forge a prosperous future in the next years. The Indian economy's foundations are comparatively sound. Unbelievably, consumers now have more purchasing power. Over the coming years, mutual funds will be a crucial resource mobilizer for the Indian financial sector.

**Dr.M.Kalimuthu, Manorabin J (2020)** The savings habits and investments awareness by the people vary from person to person and even with same person during two periods due to differ in motives. There are many motives for savings and their investments. However, capital appreciation, regular income, tax planning, diversification and minimization of risks, health and education of family members, performance of ceremonial activities like marriage, birth and death, purchase of fixed and current assets, construction of houses, etc, are some important motives behind savings and investments in people. This study was analyzed with 120 respondents. Simple percentage method and ranking analyses were used for this study.

**Dr.M.Kalimuthu, S.Vibharashmi (2023)** This study tries to analyze the employee's awareness level in relation with demographic factors and various other factors influence before investing. This study is based on both primary data and secondary data. The primary data is collected through framing a structured questionnaire by Convenient Sampling Techniques from 120 salaried employees of both private and government sector in Coimbatore city, which cannot reflect the opinion of the whole population. Statistical Tools: Percentage Analysis, Rank Analysis, and Likert Scale Analysis have been adopted to find the results for the data collected. The study also reveals most of the employees prefer Gold, Bank deposits, Real Estate and etc., as the investment option, there is lack of awareness about other Insurance, Post Office Saving Schemes offered by the Central Government. From this study, it is concluded that people invest in various investment schemes by allocating certain amount from their income or savings to meet up the future needs without taking high level of risk.

## STATEMENT OF THE PROBLEM

Mutual funds are a component of the Indian financial industry that has grown in contribution to the economy because the liberalization process began in 1992. The rapid rise of the mutual fund industry, fuelled by financial-economic liberalization and economic expansion, is a strong indicator of the industry's future growth. Mutual funds now account for less than a tenth of the financial services industry's total size. At the moment, just a small amount of money is routed through mutual funds to the capital market. The share of saving that enter the financial system through mutual funds will gradually increase in the future. Including both retail and corporate investors, mutual funds are an unduly appealing investing medium in the capital market.

## SCOPE OF THE STUDY

This study's scope is to concentrate on mutual fund perception and investment trends. The study will concentrate on the many investment options accessible to investors as well as the attitudes, knowledge, and options of consumer regarding mutual fund investing. Finding the market's investment possibilities will be beneficial since this study focus on salaried individuals' investing preferences. The information collected to through the questionnaires helpful to study the investment behavior and interest of each faculty in investments.

## OBJECTIVES

- To assess the level of awareness and knowledge about mutual funds among faculty members.
- To identify the investment patterns of arts and science college faculty members.
- To find out the factors influencing about various investment patterns.
- To determine the elements affecting their choice of investments.

## RESEARCH METHODOLOGY

The research methodology is the overall plan for finishing a research project. It involves all the procedures on data collection and analysis together with the theoretical framework guiding the study. The defined research methodology is thus essential to the completion of the research process, making it rigorous, reliable, and valid.

### Research Design:

**Sample Size:** 110 Response of faculty members from different arts and science colleges in Coimbatore City.

**Sampling Technique:** Stratified random sampling technique

**Statistical Tools Used:** Percentage analysis, Chi-Square test, and ANOVA

**Primary Data:** The primary data is collected with the help of a well-structured questionnaire from the various consumers.

**Secondary Data:** The Secondary data is collected from published and unpublished reports and records of different share market institutions.

## FINDINGS

### Percentage Analysis

- The majority 70% of investors are below 40 years, indicating strong interest among young professionals.
- A balanced gender distribution in investments, with males 55% slightly outnumbering females 45%.
- Most investors hold advanced degrees, with 31% having a Ph.D. and 28% a Master's degree.
- Assistant Professors 45% form the largest investor group, followed by Associate Professors 30%.
- A significant proportion 40% earns between ₹30,001 - ₹50,000, indicating a moderate-income investor base.
- Most respondents prefer low- to moderate-risk investments, with a mean risk-taking ability score of 1.84.

### Chi-Square Analysis

- Gender significantly influences risk-taking ability in investments.
- Higher education levels correlate positively with investment in mutual funds.

### ANOVA

- Tax benefits play a key role in investment decisions.
- Investors with financial dependents tend to make different financial choices.
- Consulting financial advisors significantly influences investment behavior.

## SUGGESTION

- Since higher education correlates with investment participation, financial literacy programs should be introduced at all levels to encourage broader participation.
- Workshops and seminars on risk management and return expectations can help improve investment knowledge.
- Most investors prefer moderate-risk investments. Promoting diversified portfolios, including high-yield options like stocks and mutual funds, can enhance returns.
- Financial advisors should educate investors on long-term growth strategies beyond traditional savings.
- Employers can offer investment guidance or financial planning sessions to faculty members.
- Tax-saving investment options should be more widely promoted since tax benefits significantly influence decisions.
- Younger investors can be encouraged to take calculated risks for long-term wealth accumulation.
- Mid-career professionals should focus on balanced investment portfolios to secure financial stability.

## CONCLUSION

The study highlights a growing investment interest among young, educated professionals, particularly in moderate-risk options. Higher education significantly influences investment behavior, and financial dependents, tax benefits, and professional consultation play critical roles in decision-making. Promoting financial literacy, encouraging diversified portfolios, and offering tailored investment guidance can enhance investment participation and long-term financial growth.

## BIBLIOGRAPHY

1. Sarma, M. (2023), **"Investor Behavior and Mutual Fund Performance: A Study of Indian Investors,"** Journal of Indian Financial Studies, Vol. 10, No. 2, ISSN: 2582-1237.
2. Vasan, S., & Ramesh, P. (2023), **"Factors Influencing Investment in Mutual Funds: A Case Study of Indian Retail Investors,"** Journal of Investment and Portfolio Management, Vol. 18, Issue 3, ISSN: 2337-8835.
3. Rani, P., & Bansal, M. (2023), **"Mutual Fund Investment Preferences Among Indian Investors: A Study on Risk and Return Expectations,"** Journal of Financial Research and Analysis, Vol. 29, Issue 1, ISSN: 2229-5257.
4. Mishra, R., & Kumar, V. (2022), **"The Role of Mutual Funds in Portfolio Diversification: Evidence from Indian Retail Investors,"** Journal of Portfolio Management, Vol. 14, No. 2, ISSN: 2456-4443.
5. Gupta, S., & Kumar, N. (2022), **"Investment Patterns in Mutual Funds: A Study of Educational Sector Employees in India,"** Asian Journal of Finance and Accounting, Vol. 15, Issue 3, ISSN: 1354-5426.
6. Dr.M.Kalimuthu, Manorabin J, **Saving Habit and Investment Awareness among the Rural Household with Special Reference to Nanjundapuram Panchayat,** *EPRA International Journal of Research and Development*, Vol.5, Issue 11, pp. 319 - 321, November 2020, ISSN No: 2455 – 7838 (Online), DOI: <https://doi.org/10.36713/epra2016>, SJIF Impact Factor : 7.001, ISI I.F Value: 1.241. (Indexed in Google Scholar). Available at <https://eprajournals.com/IJSR/article/3916/abstract>
7. Dr.M.Kalimuthu, S.Vibharashmi, **Investment Pattern of Salaried Employees (with Special Reference to Coimbatore City),** *International Research Journal of Modernization in Engineering Technology and Science* (Peer-Reviewed, Open Access, Fully Refereed International Journal), Vol.5, Issue 5, pp. 3332 – 3339, May 2023, e-ISSN: 2582-5208, DOI : <https://www.doi.org/10.56726/IRJMETS38546>, Impact Factor – 7.868.

## WEBSITES

1. <https://www.valueresearchonline.com/>
2. <https://www.amfiindia.com/>
3. <https://www.sebi.gov.in/mutual-funds.html>