



# An Empirical Study On Investors Perception towards Mutual Funds, CFICL, Ballari

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**Abstract:** The perspective of investors in decision making towards Mutual funds is changing, many factors place a profound influence on investors while make an investment decision. The notable changes in the decision making patterns have initiated the many studies to find the factors like investors demographic factors, awareness towards mutual funds, venture decisions, and knowing of mutual funds and objectives of opting mutual funds, which promote the growth prospects of the mutual fund industry. This empirical study is conducted to analyze and interpret the impressions that how various factors have had an impact on the decision making of the investors with respect to CFICL, Ballari city.

**Index Terms** - Perception, gender, awareness, venture decision, and objectives.

## I. INTRODUCTION

A MF is a means of pooling sources by issuing shares to traders and capitalizing funds in safeties rendering to the purposes stated in the facility file. Funds in safeties are feast over a huge number of trades and sectors, and the risk is condensed therefore. Variation lessens risk since not all stocks can go the same way as the same stock at the same time. Mutual fund difficulties put buyers to help giving to the total of money capitalized. Investors in a mutual reduced are named unitholders. Profit or loss is shared among buyers in quantity to their investments. Mutual funds usually have several schemes with clear financial objectives, which may be launched from time to time. A MF must be noted with the Securities and Alternatives Board of India (SEBI), which controls the securities market, past than it can increase funds from the public. A MF acts as a hyperlink between the investor and the securities market, activating the reserves of investors and participating them in the refuges market to earn income.

Financial well-being is an important aspect of lifestyles aside from bodily and intellectual well-being. All people desire to be financially wholesome and secured. The monetary security of an character is depending on his/her earnings, financial savings, and investments. Around are additional than one investment options available inside the market for traders to put money into. all these investment switches have their own compensations and downsides. In a few avenues there is excessive chance with possibilities to get high return, a number of them are chance unfastened however giving much less go back too. these also fluctuate from each other on many different parameters like liquidity, marketability, professional management, and others. The buyers need to pick out right funding option based on their specific want, danger choice, go back expectation and different specific elements affecting their finance.

1. UTI Era (1964-1993 )
2. 2. Access of Public Sector Capitals ( 1987 – 1993 )
3. 3. Formation of Securities and Exchange Board of India (SEBI ) (1988)
4. Growth and Expansion (1993-2000 s)
5. Regulatory Reforms and Investor Protection

1. **Ali (2021)** studied the investing behaviour of woman investors, considering the factors such as demographic variables and financial literacy. The women investors are mostly influenced by the motivation to invest for attaining financial goals like buying a house, a car, meet children's educational or marriage expenses, retirement planning etc. The respondents were in favour of capitalizing in low-risk mutual funds schemes like income-fund, balanced funds, or gilt funds. This suggest that females savers are risk aversive.
2. **Mr.K.Sasikumar, Dr.K.Krishnamurthy (2020)** the study aims to bridge the gap in knowledge regarding the theoretical aspects of the Indian MF industry and retail investors'partialities near MF investments.
3. **Dr. Anita Raman, Mrs. N. Sakthi Selvarohin (2020)** the study aims to examine investorpreferences, satisfaction levels, and responsiveness near investing in civic and private segment mutual funds, shedding light on the dynamics MF marketplace in India.
4. **Dr. S. Sudha Christy Joy and Dr. V. Ganeshkumar (2020)** Overall, the investigate paper emphasizes the part of MFs in providing an accessible and secure investment pathfor trivial investors, who might non possess the necessary knowledge or resources to navigate the complexities of the typical market independently.
5. **Dr.V. Sridevi (2019)** The key impartial of the study is to comprehend in what way investors perform once it originates to investing in MFs. A sample of 150 separate investors has been designated for the study. The investigator uses statistical tools such aspercentage analysis, chi-square test, and Garrett ranking technique to examine the collected data. Overall, the study contributes to the existing knowledge on investor behaviour in the MF industry and highlights the growth potential of the Indian MF market.
6. **Dr. Meenakshi Bindal, Dr. Bhuwan Gupta, et al (2019)** Overall, the study contributesto the understanding of investor behavior and the efficiency of marketing strategies in promoting MFs in Alwar city. It highlights the importance of aligning financial productsand services with the interests and needs of investors to maximize their acceptance and contribution in the MF market.
7. **S Sampath Kumar (2019)** The paper aims to study mutual funds from the perspective of investor perception. It focuses on examining the various factors that influence investors' perception towards mutual funds. To gather data for the study, a survey was conducted using the convenience sampling method, which involves selecting participantsbased on their accessibility. The calm statistics was then analysed by means of numericaltools such as the chi-square test and correlation examination.  
**P.Tamilselvan and Dr.R.Mohanraj (2018)** The paper emphasizes the essential to understand and analyse investor perception and expectations. By gaining insights into investor attitudes, MFs can provide valuable information to support financial decision- making and address any dissatisfaction among investors. The impartial of the present research is to identify and understand investor attitudes towards mutual fund investment.By exploring investor perceptions and expectations, the study aims to shed light on factorsthat may contribute to investor dissatisfaction.

8. **K.Alamelu, Dr.G.Indhumathi(2017)** Overall, the research underscores the suitability of MFs for the shared man and highlights the importance of investors' perception in influencing their venture choices. The study contributes to understanding the factors that shape investors' perception of mutual funds, predominantly in the condition of Madurai district.
9. **Khan and Agarwal (2017)** originate that MFs have performed much better than traditional investment options in the extended tenure and thus help investor beat increase to some extent. Their study exposed that investors in tier two cities consider MF as riskier than other investment options and also lack sureness and hence are not opting for investing in MFs. They suggested necessary ground level work to tap the huge potential in tier II cities.
10. **Arathy B, Aswathy A Nair, et al (2015)** The conclusions of the study aim to provide valuable insights for MF firms in identifying areas that require improvement. Additionally, the results can help companies refine their marketing approaches and develop new and innovative products that align with the preferences and orientations of investors. By addressing the identified factors and barriers, MF companies can enhance investor confidence, expand their customer base, and promote increased contribution in the MF market.
11. **Bhavik U. Swadias.M.Patel (2014)** Overall, the study emphasizes the rank of MFs as an appropriate investment option for middle-income investors, highlighting the aids of diversification and specialized management. The research adds to the body of knowledge on the MF industry and its significance in providing available investment occasions to a wider range of persons.
12. **Dr. Rajesh Kumar, Iinitin Goel (2014)** by examining the relationship between investor perception and factors such as tax benefits, liquidity, and performance, the research tabloid provides visions into how these factors influence investors' decision-making processes. The conclusions of the study pay to the understanding of investors.
13. **Sharma; Parihar (2013)** Overall, the study provides a context for understanding the character of MFs as investment vehicles in Republic of India then emphasizes the essential for investors to consider the risks involved in their venture choices.
14. **Simran Saini, Bimalanju Anjum (2011)** By analysing these aspects, the study aims to provide insights into investors' perceptions and opinions, which can help mutual fund corporations and industry stakeholders in improving their offerings, addressing investor concerns, and shaping their strategies to meet the prospects of Indian savers in the MF market.
15. **Senthil and Syed Zefar (2005)** The article published by Senthil and Syed Zefar in 2005, titled "Mutual Fund Investors Perceptions and Realities," focused on exploring the perceptions and realities of MF investors in the contemporary scenario. The study aimed to amount the near of satisfaction among customers regarding the recital of MFs and their willingness to continue investing despite the prevailing market conditions. It's worth noting that the study was showed in 2005, and the investment landscape and investor preferences may have evolved since then. Market conditions, risk perceptions, and investor behaviour can change over time. Therefore, it would be prudent to consider more recent research and data to obtain an inclusive sympathetic of the current dynamics in the MF industry.

## 16. OBJECTIVES OF THE STUDY

- To study the concept of MF in India.
- To Analysis the perception of the investors towards the mutual funds.
- To Study the attitude of investors towards investment in MFs.
- To study the purposes of investment among Demographic groups of investors at cholamandalam.

### LIMITATION OF THE STUDY

- The field work remained showed in Ballari Region area in Cholamandalam.
  - size is Limited due to time and cost Constraints

**DESCRIPTIVE RESEARCH DESIGN :** The goal of using a descriptive research design is to draw consideration to a situation's variables or an individual's features. A descriptive research design is one that only describes a phenomenon, such as the demographics of a collection or the consumers of a product.

### SAMPLING TECHNIQUE

One of the most common forms of non-probability sampling techniques is the convenience sample. People who are simple to approach make up a convenience trial.

### SOURCE OF DATA

**Primary Data:** Survey, Personal Interview, Questionnaire etc.

**Secondary Data:** Secondary data has collected stayed from Websites, journals, Books and magazines.

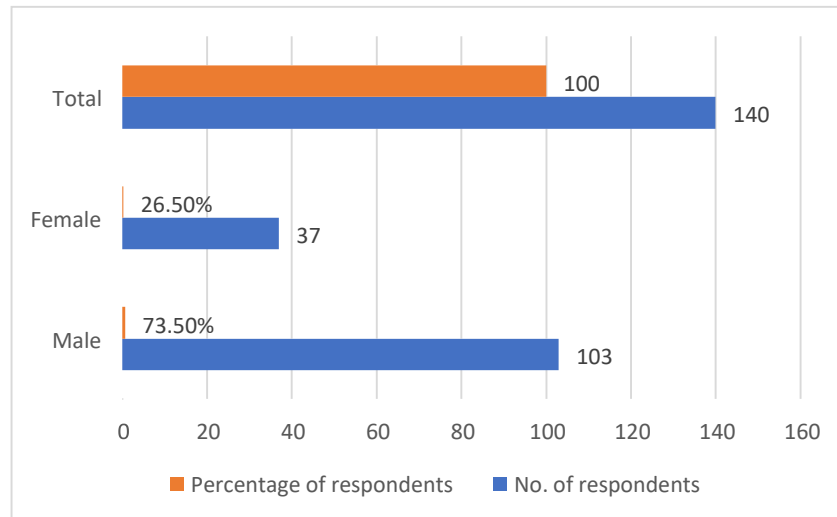
### SAMPLE SIZE

A sample size is a component of population which is cautiously selected to signify the population. The study was conducted with the sample size of 140 investors of the cholomandalam investment and finance company limited.

### DATA ANALYSES

#### Respondents based on Gender.

Particulars	No. of respondents	Percentage of respondents
Male	103	73.5%
Female	37	26.5%
<b>Total</b>	<b>140</b>	<b>100</b>

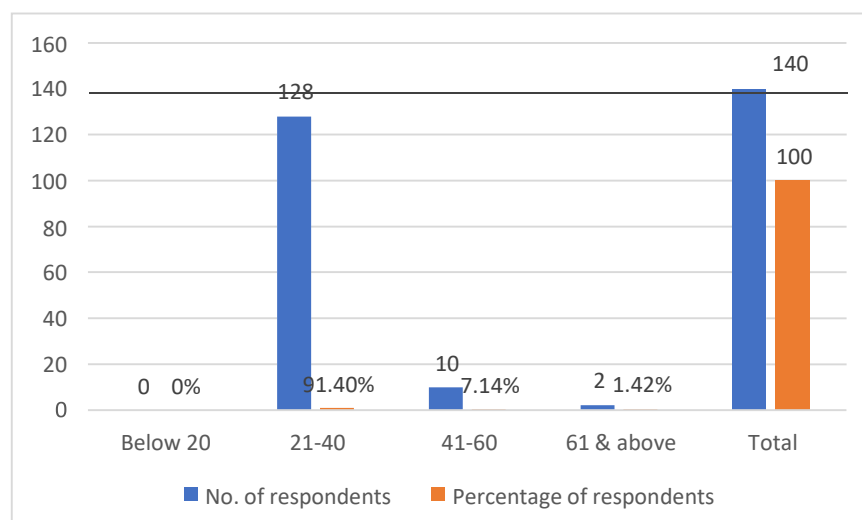


**Interpretation:** Based on the information provided, it appears that here is a table or data that indicates the total number of investors as 140. The table likewise expresses the breakdown of investors by gender, with 73.5% of the investors identified as men and 26.5% recognized as women.

This means that available of the total 140 investors, approximately 103 investors are men (73.5% of 140) and approximately 37 investors are women (26.5% of 140).

### Respondents based on Age.

Particulars	No. of respondents	Percentage of respondents
Below 20	0	0%
21-40	128	91.4%
41-60	10	7.14%
61 & above	2	1.42%
<b>Total</b>	<b>140</b>	<b>100</b>



**Chart no 4.3: Chart showing percentage of age groups.**

**Interpretation:** It can be deduced from the data in the table that there are no investors below the age of 20. Approximately 91.4% of investors, or those between the ages of 20 and 40, are in this age group. Approximately 7.14% of investors, or people in their 40s to 60s, are investors. Also, just about 1.42% of investors are elsewhere the age of 60.

### Respondents based on their awareness on mutual funds.

Particulars	No. of respondents	Percentage of respondents
High	66	47.14%
Moderate	50	35.71%
Low	24	17.14%
<b>Total</b>	<b>140</b>	<b>100</b>

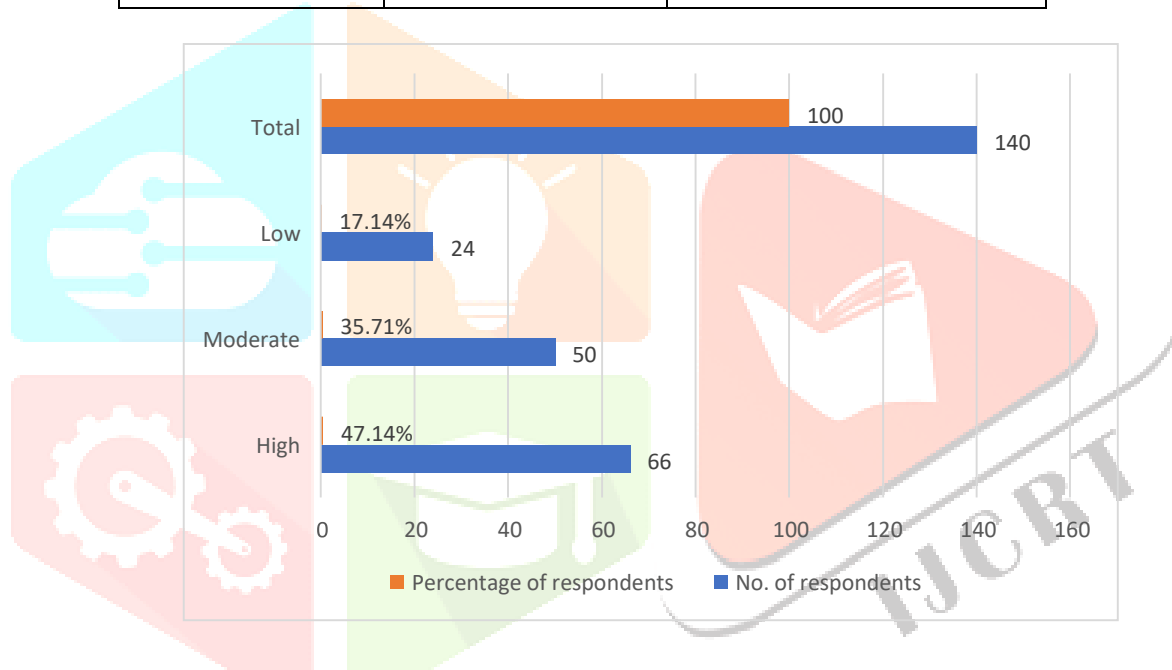


Chart no 4.8: Graph showing respondents Awareness levels on mutual funds.

**Interpretation:** According to the above data, 17.14% of investors have a low level of knowledge about mutual funds, compared to 35.71% who have a reasonable level of knowledge and 47.14% who have a high level of facts

### Respondents based venture decision

Particulars	No. of respondents	Percentage of respondents
Own choice	38	27.14%
Family guidance	24	17.14%
Financial specialist guidance	78	55.71%
<b>Total</b>	<b>140</b>	<b>100</b>

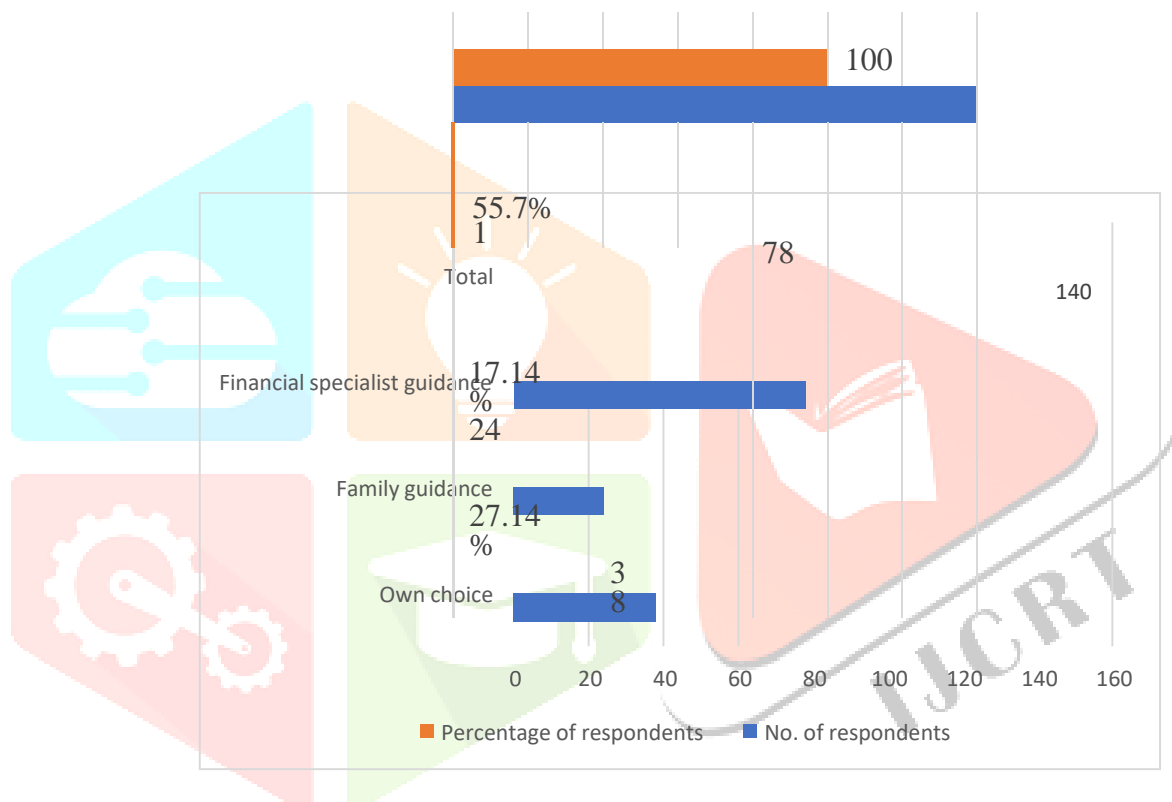


Chart no 4.9: Graph showing percentage of respondents got influenced of investment decisionbased on divided groups.

**Interpretation:** From the above table, it is clearly that 27.14% of investors made their own type of decisions, 17.14% of investors were swayed by family members, and 55.71% of investors chose to invest in MFs after accessing with financial experts.

**Table 4.12 Respondents based on how they know around the MFs**

Particulars	No. of respondents	Percentage of respondents
Friends and Relatives	38	27.14%
Agents and Brokers	62	44.28%
Media	40	28.57%
<b>Total</b>	<b>140</b>	<b>100</b>

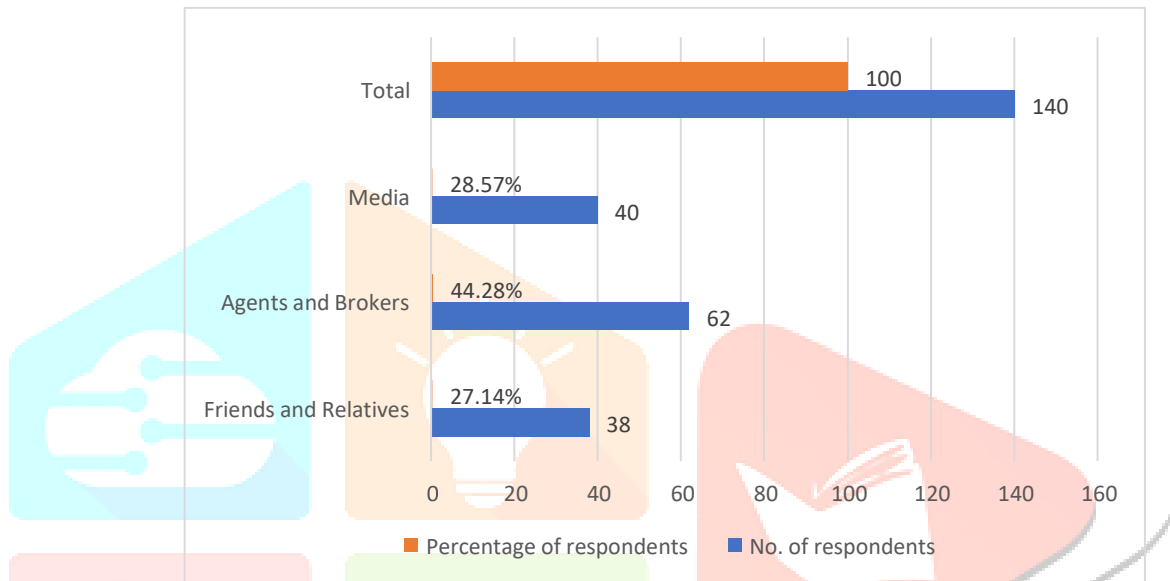


Chart no 4.12: Graph presentation proportion of how respondents came to know about the MFs according to divided groups.

**Interpretation:** From the above it is construed that 27.14% of the depositors found mutual funds from their friends and relatives, were 44.28% of the investors found through agents and brokers, were 28.57% of the investors found through media.

**Table :4.13 Respondents based on their objectives of investing.**

Particulars	No. of respondents	% of respondents
Savings for future	67	47.85%
Growth and income	48	34.28%
Tax benefits	25	17.85%
<b>Total</b>	<b>140</b>	<b>100</b>



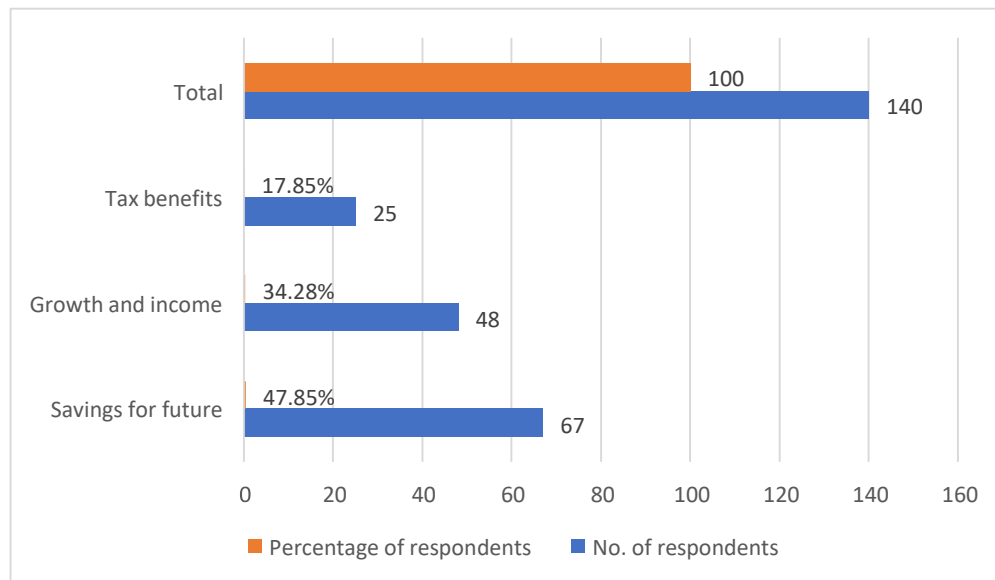


Chart no 4.16: Graph showing the respondents objectives of investing in mutual funds according to divided groups.

**Interpretation:** The information provided in the table suggests that 47.85% of the stakeholders have particular MF investments for saving and future purposes, while 34.28% have chosen them for growth and income. Additionally, 17.85% of the investors have specifically chosen MFs for their tax benefits.

### **FINDINGS**

1. The vast common of investors men, accounting for 73.5% of the entire investors
2. A majority of investors, 47.14%, have high awareness of mutual funds
3. Future savings is the primary goal for picking MFs for 47.85% of investors.
4. A majority of investors, 48.57%, believe their advisors possess high knowledge.
5. Agents have played a role in raising awareness of MFs for 44.28% of investors.

### **SUGGESTIONS**

As there's no complete regulation to adjust the MF in India, uniform coordinated policies by using a single enterprise would be shaped which could offer the refuge to the traders. because the traders are not willing to put currency into mutual fund except a minimal go back is assured, it is actual significant to create inside the opinions of the savers that mutual budget are market place instruments and associated with marketplace hazard for this motive MF couldnot provide assured income. The increase of MF tends to increase the shareholdings in right groups, give increase the worry of destabilizing among business institution, hence advent of nonvoting shares and decreasing the debt-equity ratio assist to dispose of these apprehensions. Infrastructure bottlenecks will must be removed and banking and postal system will must be taken area for boom of mutual budget.

### **CONCLUSION**

To increase investor confidence and confidence, events should be taken to discourse the consciousness that MFs are unsafe and that not every investor achieves high returns. Announcement and investor edification play crucial roles in helping investors understand where their money is invested and how funds work for them. Providing accurate and reliable data through various announcement networks can help investors make well-

versed conclusions and protect themselves from fraudulent acts. Additionally, keeping investors updated on new schemes and market trends can enhance their sympathetic and engagement with mutual funds.

Overall, mutual funds remain a unique financial instrument in the country, and efforts should continue to educate and empower investors to make wise investment choices.

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