

A Study on Perception of Investor's Towards Investment In Mutual Funds of Pune City

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Abstract: *Mutual fund industry provides a platform for investors to invest their money and participate in the capital market. According to the study conducted it can be seen that many of the people know about the mutual fund but because of high risk many of the people do not want to make an investment in mutual fund. They prefer a safe investment like bank deposit etc. as most of people are in average income group and some of them want to make an investment in mutual fund to grow their income to cope up with their daily financial need.*

Index Terms - Mutual fund, Investment, Portfolio

I. INTRODUCTION

In this era of financial development we all want to maximize our wealth to meet our day-to-day financial activities. For this we have to plan our portfolio for the proper management of our fund. But people don't have time to manage their own portfolio either acts as an active investor or else we can say an active market trader. As people don't have time to manage their portfolio they want some one to do their work on their behalf. And they want to invest small amount of money on which they can get good returns. All these benefit can be achieved when investor's invest their money in mutual fund scheme.

Mutual funds are a pool of money where number of investors come together and invest their money into one roof so as to save or make money from the money. Mutual fund is a place where you can make your money to work for you. People who want to make an investment or generate some extra wealth. For them the investment vehicle has been made which is called as **Mutual Fund**. In this the money is collected from various investors for the purpose of investing the money into securities such as stock, bonds, and money market instruments and other assets. The professionals who allocate the fund's investment and attempt to gain capital gain for the investors. Funds are operated according to the investment objectives of the investors.

II. Objectives Of The Study

:To know the investors view towards mutual fund

- To know the awareness of Mutual Fund in Pune people
- To know the preference of people for investment

III. Limitation of the study

- The study is based upon the result on survey conducted 20 people only.
- The implications of the study are subjected to the limitations of sample size.

IV. Research Methodology

The study was mainly based on the primary source of data. The study is descriptive in nature based on survey method. The study is all about to find out the attitude of investor's towards mutual fund in Pune city.

The primary source of data has been collected from the investors with the help of questionnaire. The secondary data is been collected from the books and journals. By adopting convenience sampling, 20 respondents were selected for this study. The required data was collected from the questionnaire.

V. Literature Review

Prof. Gauri Prabhu and Dr. N.M. Vechalekar state that an investor needs a common platform to participate in the Indian capital market with the professional and fund management irrespective of the amount they want to invest. As the Indian Mutual fund industry is increasing rapidly mutual fund investors want to invest their money in average risk with some good amount of returns.

Prof. Nishu Gupta¹ and Asst. Prof. Arpita Sharma² state that mutual fund are becoming very famous kind of investment and many of the investors know about it but due to lack of time they do not make investment in mutual fund. For this the professional are there for working on their behalf. Investors want good returns' in minimum investment.

PRITAM P. KOTHARI¹ & SHIVGANGA C. MINDARGI² State mutual fund industry has become an important segment of financial market in India. The mutual fund industry has helped many of the people to make an investment in Equity and Debt instrument. During the past few years a large amount of money has been invested in Mutual Fund.

Data analysis and Interpretation

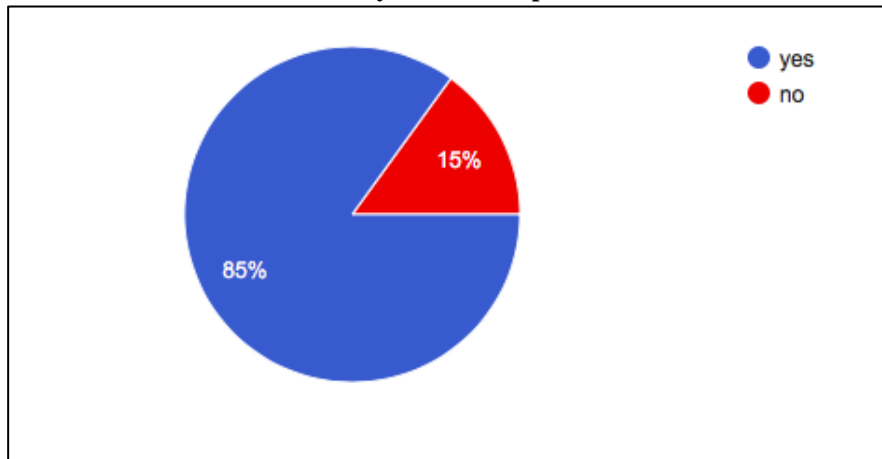


Fig.1. Showing People Interested in Investment in Mutual Fund

According to the above data we can see that 85% of people are interested in investing in Mutual Fund. But only 15% of people are not showing any interest in investing in Mutual Fund.

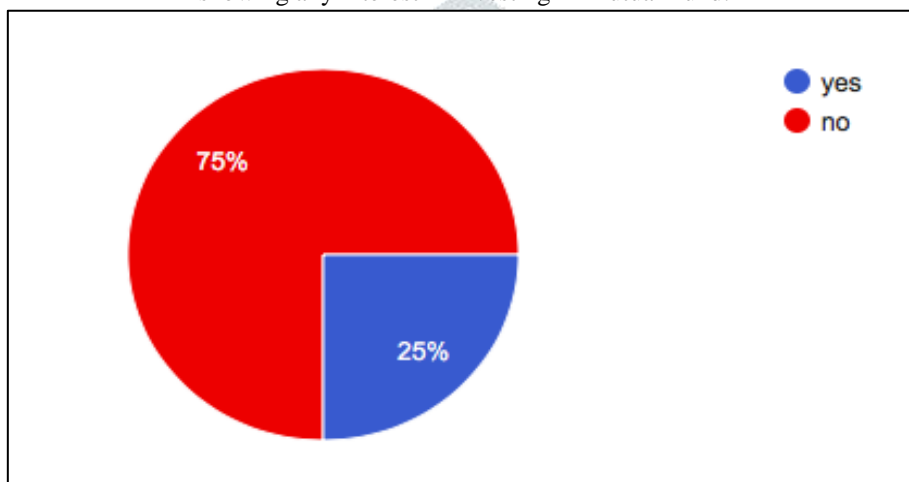


Fig.2. People Invested in Mutual Fund

According to the above data we can see that 75% of people have not invested their money in Mutual Fund. Only 25% of people have done Invested in Mutual Fund.

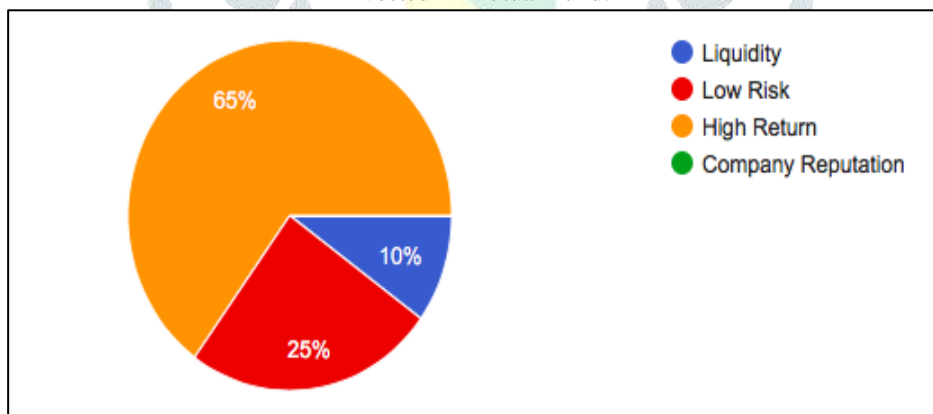


Fig.3. People preferences while investing their money

According to the above table we can see that most of the 65% of people prefer high return while investing their money. 25% people prefer low risk and 10% of prefer liquidity while they invest their money in the Mutual Fund.

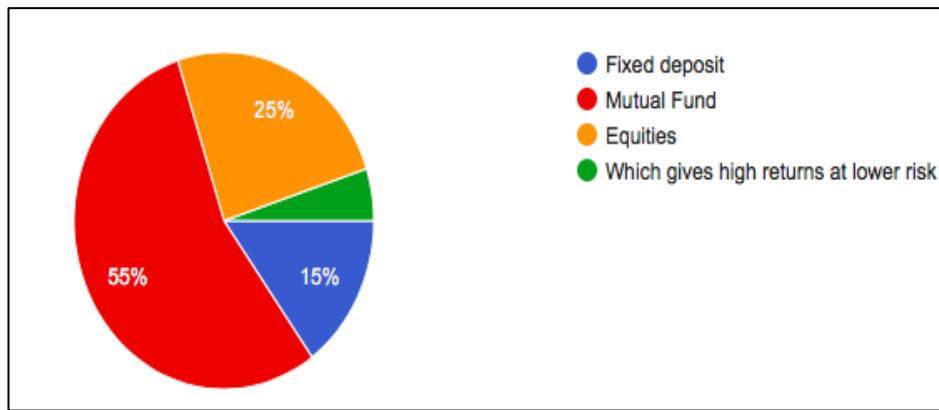


Fig.4. Preferable Investment by Investors

According to the above data we can see that 55% of people prefer Mutual Fund. 25% of people invest their money in Equity and 15% of people invest their money in Fixed Deposit and only 5% of people prefer the investment, which give high return at lower risk.

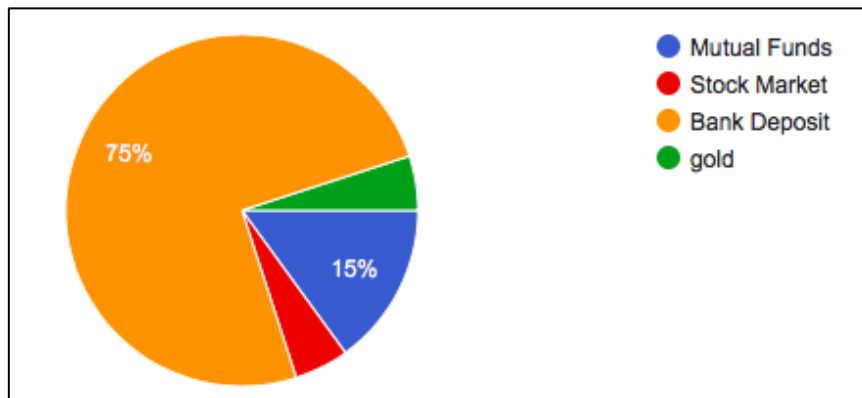


Fig.5. Safest investment option preferred by investors

According to the above table we can see that 75% of people think that Bank Deposit is the safest investment option. 15% of people think Mutual Fund are the safest invested option only 5% people think that gold and stock are the safest investment option.

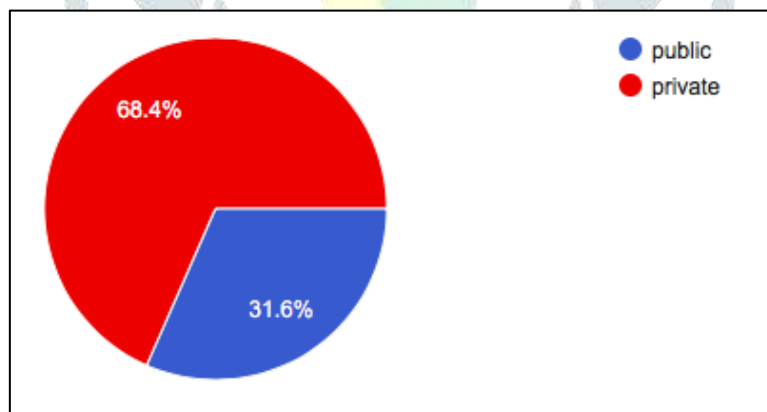


Fig.6. Sector preferred by Investors for investment

From the above table we can see that most of the people i.e. 68.4% of people prefer private sector for investment and only 31.6% people prefer public sector for investment.

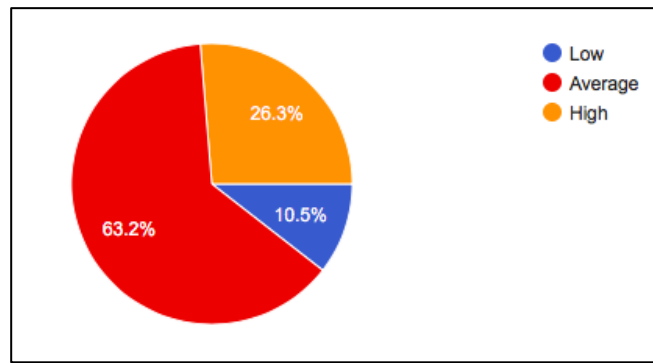


Fig.7. Risk associated with investment

From the above data we can see that 63.2% people think that there is a huge risk in investing in Mutual fund only 26.3% and 10.5 % people think that there is average and low risk in investing in Mutual fund.

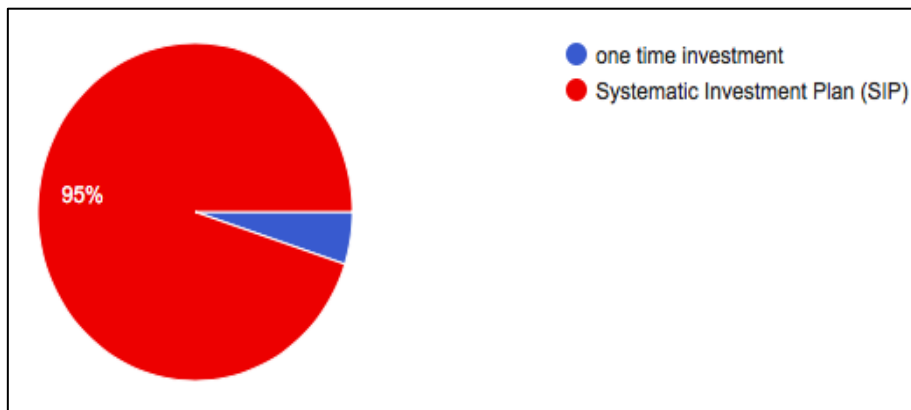


Fig.8. Type of Investment Plan Preferred by Customer

The above table shows that 95% of people plan for the Systematic Investment Plan and only 5% people think that one time investment is the best option for them.

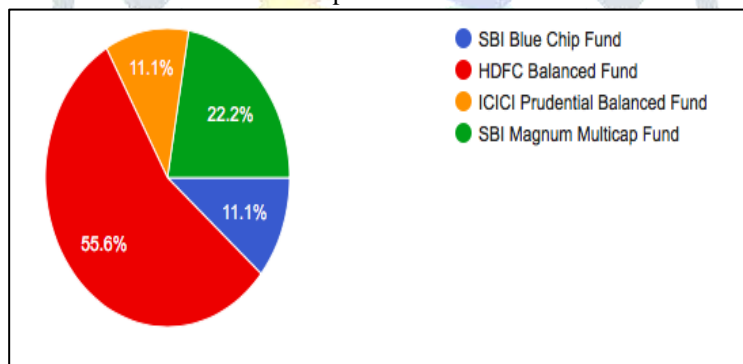


Fig.9. Liking of customer's in different kind of fund

According to the above table we can see that most of the people are showing interest in HDFC balanced Fund instead of other fund.

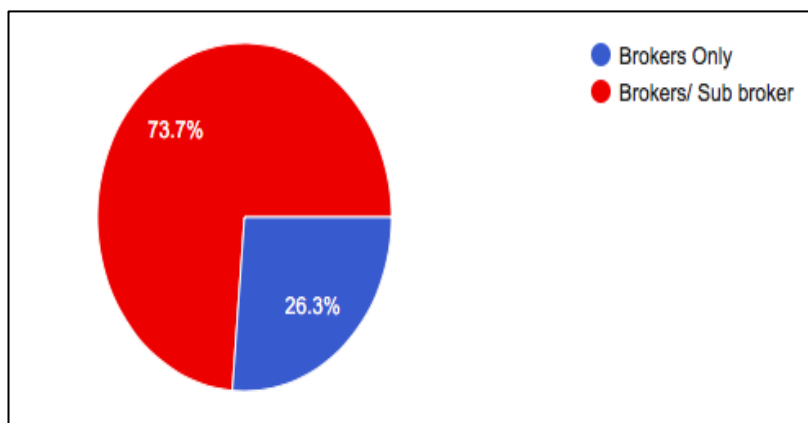


Fig.10. Showing Buying of Funds

Many of the investor buys their fund from the brokers only.

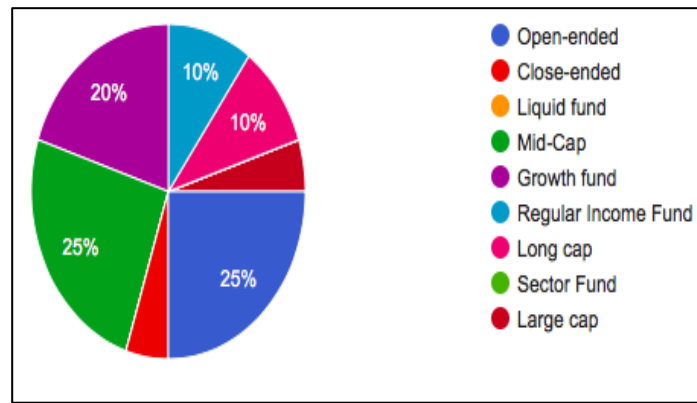


Fig.11. Showing pattern of investment

From the above data we can observe that the customer mostly prefers Sector fund and Open-ended fund. Secondly Growth fund is most preferred by the customer.

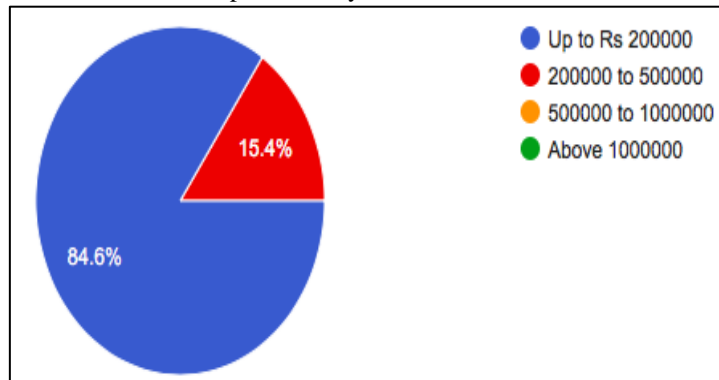


Fig.12. Income Pattern of Customer

Form the above table we can observe that 84% of the people have their income upto 200000r and only 15.4% people are having more than 200000rs Income.

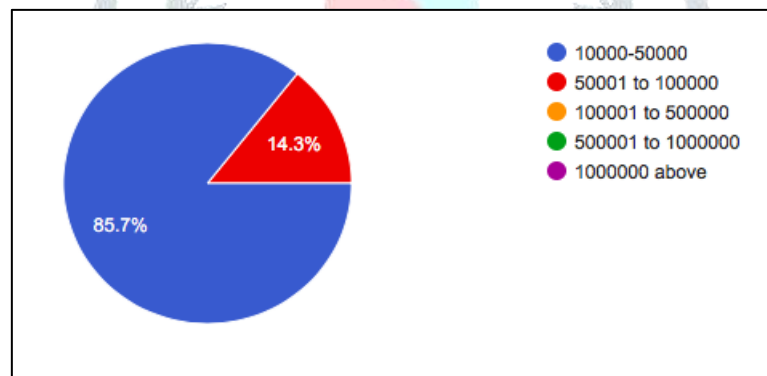


Fig.13. Investment amount of customer

From the above table we can see that most of the people have low investment amount in the mutual fund and very few people have invested more than 50000rs in mutual fund.

VI. Findings of Study

1. Many of the average earning people are also interested in investing in the mutual fund to generate some extra amount of wealth.
2. 75% of people want to invest their money in mutual fund for the higher returns.
3. Many of people want to earn high rate of interest by investing their money in the mutual fund
4. But in some cases some people don't think that the mutual fund is secure for investing.
5. So as many of people have perception that bank deposit is the safest investment, which they can do.
6. 75% of people want to make their investment in Private Sector instead of investing of investing their money in Public Sector.
7. Many of the people have the perception that mutual fund have average risk as compared to different investment.
8. 95% people want to make a SIP for investment instead of one time investment.
9. Many of the customer prefer HDFC balanced fund instead of investing any other kind of fund.
10. People want to buy Mutual fund from brokers only.

11. People want to invest in the growth fund and open-ended fund for generating the more amount of wealth by investing their money in Mutual fund.
12. 84% of people are having their income upto 200000rs and 85% people want to invest 10000-50000rs in mutual fund.

VII. Conclusion

According to the Study Conducted this shows that the most of the people are aware of the Mutual Fund Schemes and they also want to make investment in Mutual fund but most of the people are having an average income group. And so they want to make a short amount investment. So that they can generate a good amount of wealth to meet their day-to-day financial requirements. Many of people don't have time to look for their SIP. To meet the various demands of the Investors Mutual Fund companies should make various policies for the customer's.

VIII. References

PRITAM P. KOTHARI¹ & SHIVGANGA C. MINDARGI², A STUDY OF INVESTORS ATTITUDE TOWARDS MUTUAL FUND WITH SPECIAL REFERENCE TO INVERSOTRS IN SOLAPUR CITY. 2-35-1363969869-1..A study of investors.full.pdf

