



Study on awareness level of investors about mutual fund

Supriya Singh ^{*1}, Ashish Kumar ^{*2},

^{*1}school of Business, galgotias University, Noida, Uttar Pradesh, India

ABSTRACT

The purpose of the study was to gauge investor knowledge of mutual funds. Data from a sample of investors was gathered through a survey method in the study. The results showed that investors had a moderate level of mutual fund awareness. A sizeable majority of investors were unaware of the dangers involved in investing in mutual funds or the various varieties that were offered. The survey also discovered that experienced mutual fund investors had a better level of knowledge than those who were new to the trade. The study suggested that in order to boost investor understanding of the advantages and hazards of investing in mutual funds, financial institutions and regulators should increase their efforts to educate and enlighten investors.

Keywords: MUTUAL FUND, INVESTOR, AWARENESS LEVEL

I. INTRODUCTION

Mutual funds aggregate investor funds to purchase securities such as stocks, bonds, and other assets. Each investor holds a share of the fund, which is comprised of all of its holdings of stocks, bonds, and other assets. This lowers risk and boosts earnings by enabling the typical investor to access professionally managed assets at a fair price. Financial intermediaries known as mutual funds combine the savings of small investors and invest them in a diverse portfolio of securities in order to lower risk and boost returns. Mutual funds' net asset value (NAV), which determines their price, benefits both the primary and secondary capital markets. Regulations set down by SEBI apply to private mutual funds. Mutual funds come in a variety of forms, such as growth, closed-ended, and open-ended funds.

II. METHODOLOGY

Research design

The marketing research project can be carried out using it as a framework or road map. This study used a descriptive research design, which is used to describe something. In this case, it is applied to describe relationship managers' characteristics in respect to the services expected from MUTUAL FUND Companies.

Type of research:**EXPLORATORY:**

The type of study that was conducted was exploratory in nature; its goals were to identify the approximate location of the company's problem as well as the best plan of action to address it. The information worked well for this purpose in providing the business with the appropriate advice.

DATA GATHERING

- Initial data
- Secondary information

Both primary and secondary sources of data were utilized in the study project.

Principal Data

Several clients were interacted with during the study process while the activities were being carried out, such as markets, cold phoning, canopies, etc. Random sampling is a component of the sample design.

Collection method: -

Primary data were collected in the field through observation and an interview schedule where the interviewer filed the questionnaires.

Data was gathered through personal interviews with respondents to a self-administered survey, and market research was conducted by carrying out a number of specifically planned activities.

The research tool is a questionnaire.

The following points were taken into consideration when creating the questionnaire:

- Ensuring that the respondents fully understood the question.
- Prompting cooperation from the respondents.
- Giving directions on what is desired.
- Determining the knowledge gaps.

Limitations:

The following restrictions applied to the study during its execution:

1. A brief window of time.
2. There were fewer respondents.
3. The respondents' bias.

ADDITIONAL DATA

Data collecting method: Secondary data was gathered from a variety of second-hand data sources, including the Internet, annual reports, magazines provided by Mahindra Finance, and secondary data provided by firm official

COLLECTION OF DATA - SURVEY METHOD

Respondents are questioned as part of the survey method of data collection. They are questioned on a wide range of topics related to their intents, attitudes, awareness, and motivations. The approach is straightforward because a formal questionnaire is created for structured data collecting.

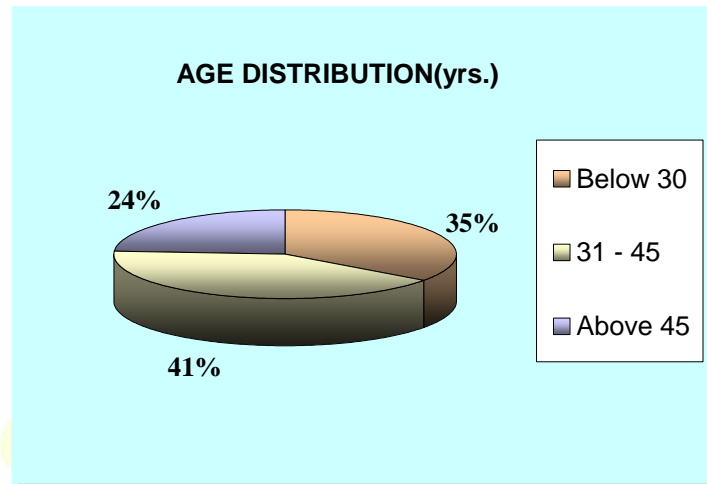
The questionnaire created for this project includes inquiries based on several factors that a relationship manager might take into account before recommending a mutual fund. Each inquiry is dependent on several factors, such as investment and sales decisions, corporate policies, service concerns, etc.

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III. MODELING AND ANALYSIS

DATA ANALYSIS

I. AGE DISTRIBUTION

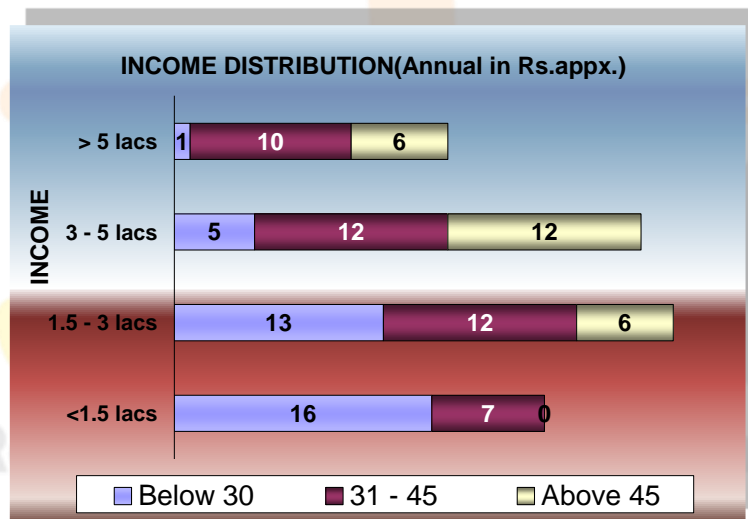


GRAPH 1: RESPONDENTS' AGE DISTRIBUTION:

35% of respondents are under 30 years old, with a minor fraction of them being unemployed.

Age group 31 to 45 years has the highest percentage of respondents (41%).

II. INCOME DISTRIBUTION



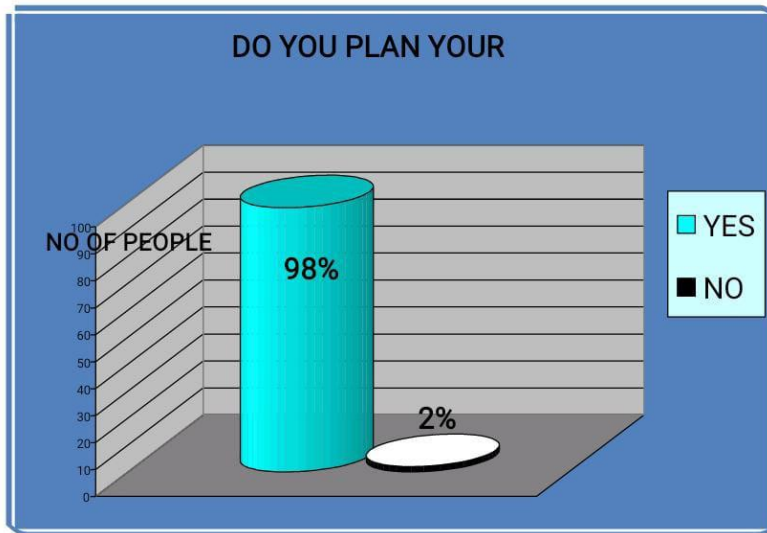
GRAPH 3: DISTRIBUTION OF INCOME

Highest, 16 respondents in the income range below 1.5 lacs, most of whom are under 30 years old.

Respondents in the age range of 31 to 45 years are spread throughout all income brackets.

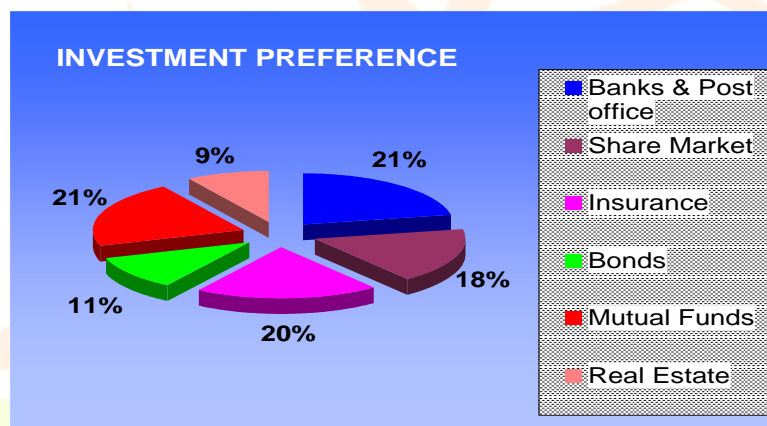
6 minimum replies who make at least \$5 lacs annually and are above 45 years old

III. DO YOU PLAN YOUR MUTUAL FUNDS INVESTMENT?



GRAPH 4: AWARENESS OF FINANCIAL PLANNING

IV. INVESTMENT PREFERENCE



GRAPH 5: PREFERENCE FOR INVESTMENT

- According to 21% of respondents, banks and post office programs are preferred as investing tools.
- Younger respondents (those under 30) choose mutual funds because they offer better returns than banking investing products.
- Insurance is the second most popular investment vehicle, behind various pension, savings, and protection programs.
- Government bonds and securities are more popular with older individuals than with younger people.
- The most profitable investment option is real estate. However, it is crucial to note that the majority of respondents are over

IV. CONCLUSION

In my project, I've learned a lot about how businesses succeed in the marketplace. It was a tremendous pleasure dealing with the Mahindra group as a company.

I received fantastic guidance from this group in terms of learning about the business world, dealing with clients, and interacting with them.

I was able to successfully complete my project with their guidance and support. My endeavor is coming to a close with the best knowledge and conclusions I could have discovered.

- Most people are unaware of mutual funds and associate them with the stock market.
- They anticipate a high return, similar to the stock market.

- Most people want to invest in order to live resourcefully.
- People with an understanding of the short- to medium-term time horizon.
- People invest in mutual funds based on returns, and they tend to favor
- To go along with some of AMC's brand names.
- People have the mentality that they should maximize short-term rewards while minimizing long-term returns.
- People favor SIP in general. As a result of its services, money is automatically taken out of your account.
- SIP is also simple to administer because it is a small sum that is not taxing on the investor's finance

ACKNOWLEDGEMENTS

Although the number of retail investors is growing more quickly, there is a dearth of knowledge among investors about the best investment strategies. To keep investors informed about the most recent investment prospects, appropriate awareness programs are required.

India is experiencing a period of extraordinary growth, with an average annual growth rate of 7-8%. Despite the expansion of all funds, investors are concerned about the dangers involved. Introduce well-diversified equity schemes to lessen the volatility of the funds.

The number of young investors who want to invest and have a lot of extra money has significantly increased; it is important to start reaching out to these types of potential clients right now.

Small towns and villages have a lot of untapped potential as commercial locations. Even cooperative societies can now invest up to 10% of their capital in mutual funds, providing access to a brand-new and crucial clientele. Investors may be given more flexible options, such as Systematic Investment Plans (SIPs) and switching options. Options for hedging are very popular today.

A benefit of mutual fund schemes is the professional management of mutual funds. AMCs should make use of this characteristic to draw small-scale investments.

V. REFERENCES

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