

A Study on the Overview of Women Investor's in Mutual Fund Investments with Special Reference to Chennai

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Abstract

Investments are choices made by individuals to put in their specific amount of money in a specified investment avenue for a specified period of time in anticipation that they will get more at the end in the form of returns. The primary goal of investing is to buy an asset now and sell it at a higher price later. Working women is a significant power who contributes at large for the economic growth. This study is conducted to identify the level of awareness of working women towards various investment avenues of in Chennai city. For this purpose, a structured questionnaire was distributed among the working women and the data for the study were collected from 356 women working in different fields. Exploratory factor analysis and chi-square tests were used to analyse the data. It is found that there is significant relationship between financial discernment and the investment awareness. The study concludes stating that majority of working women choose to invest in traditional or conventional investment avenues.

KEYWORDS: Mutual fund, investors' awareness, investors' attentiveness, objectives, challenges, SEBI, Mutual Fund Industry.

1. INTRODUCTION

There are a lot of savings avenues accessible today in the financial market for an investor with an investable superfluous. The mutual fund industry in India established in 1963 with the formation of Unit Trust of India, at the line up of the Government of India and Reserve Bank of India. The history of mutual funds in India knows how to be broadly divided into four distinct phases, First Phase – 1964-87, Second Phase – 1987-1993 (Entry of Public Sector Funds) Third Phase – 1993-2003 (Entry of Private Sector Funds) and Fourth Phase – ever since February 2003. (Gopinath, 2023).

Mutual fund industry has been a lot of changes in past few years with multi-national companies coming into the country, bringing in their professional expertise in managing funds worldwide. Mutual fund is an investment company that collections cash from shareholders and invests in a multiplicity of securities, such as stocks, bonds and money market instruments (Padmaja.R, April 2023). A good number open-end Mutual fund stand all set to buy back (redeem) its shares at their current net asset value, which depends on the overall market value of the fund's investment portfolio at the occasion of redemption. Most open-end Mutual funds always offer new-fangled shares to investors. In addition, well-known as, an open-end investment company, to differentiate it from a closed-end investment company. Mutual funds put in

pooled cash of many investors to meet the fund's acknowledged investment objective. Mutual funds set ready to sell and redeem their shares at all time at the fund's current net asset value: total fund assets divided by shares outstanding.

2. OBJECTIVES OF THE STUDY

The Indian mutual fund conscientiousness is an extremely outsized industry consisting of number of investors. As the human behavior is spontaneous, this revise helps in finding out the necessary essentials on the area under argument of investors' outlook and opinion regarding mutual fund investment.

The main objectives of the study are:

- To discover the women investors familiarity and awareness regarding investing in mutual funds.
- To revise women investor's fulfillment regarding mutual funds.
- To present an idea of the types of schemes obtainable and to analysis an enlarge of mutual fund industry in India.

3. METHODOLOGY

a. Sample Details

To achieve the objective of studying the stock market data has been collected. The sample size for the study is limited to 60 respondents. A convenient sampling method was used to select to make the sample representative of the population.

b. Data Collection Methods

The Primary data for the purpose of study is collected through questionnaire method. The questionnaire consists of questions relates to demographic details, investor attitude about mutual fund, investor awareness programs.

c. Secondary Data:

The secondary data are collected from relevant books, journals, magazines and websites. These data are used to support and substantiate the research.

d. Statistical Tools:

To analyse the responses of the respondents appropriate statistical tools are used. The statistical tools used in this study are percentage, chi-square, ANOVA, t-test, Friedman test.

Limitations of the study

- The time constraint was one of the major problems.
- The study is limited to selected mutual fund schemes.
- The data is collected through questionnaire method. The data was analyzed based on the information collected by this method.

4. LITERATURE REVIEW

In the past, some studies relating to mutual fund have been conducted. Literature on mutual fund presentation valuation is massive. By a hair's breadth any research studies that have influenced the preparation of this paper significantly are discussed in this part.

Krishna (2021) considered The Strategic Issues related to the Marketing of Financial Services along with satisfied with the idea of today's financial services industry have need of innovative strategies

in adding together to course of action with the aim of allow them in the course of detain most prospect from end to end the lowest risks within sort on the way to make possible them toward endure along with assemble the dangerous competition from international company of domestic as well as foreign resource.

Rajavel(2022) approved out a study to analyse Recent Trends in Mutual Fund Industry and finished that the major benefits delivered to the small investors by mutual funds are professional management, diversification of investment, suitable administration, return potential, liquidity, transparency, flexibility, affordability, wide choice and proper regulation. They also analysed certain modern trends in the mutual fund trade such as, entry and exit of mutual fund companies, compulsory certification of mutual fund sales / marketing personnel, mutual fund schemes related to real estate, commodity, bullion and precious metal, etc., shift from income funds to money market funds, shift from banks to mutual funds and buying and selling of mutual fund online.

Venkatesan (2023) conducted a progress on Women Investors Perception towards Investment in wide-ranging moreover set up with the function of women investors usually hesitate within investing in mutual funds owing to their be undersupplied in of awareness on the subject of investment security, process of market investment, sell fluctuations, hazard connected among investment, survey of savings in totaling to redressed of complaint about their investment related difficulty.

Gowrishankar(2023) In an extra article as an effect of in the name of Mutual Fund Strategies Individual Investors Point of View said mutual fund is an attention-grabbing option in sustain of investment in the current circumstances. It is recognized in sequence with the intention of mutual fund is area under conversation to market risk merely. Mutual fund can be of diverse type's debt fund, equity fund and hybrid fund. Systematic investment Plan (SIP) as well as Systematic Transfer Plan (STP) are attractive offers in mutual fund scheme as all the method throughout these schemes investor can moreover interested in and exit beginning the market under different sell conditions. The explanation highlights that investment approach in mutual fund varies from individual to individual depending taking place their personal need.

Rajarajan(2023) carried out a revise to Analyzing Investors Attitude towards Mutual Fund as an Investment Option and concluded that the mutual funds are financial intermediaries troubled with mobilizing savings of those who have surplus and the canalization of these savings in those avenues where there is a demand for funds. These intermediaries employ their resources in such a manner as to provide combined benefits of low risk, steady return, high liquidity and capital appreciation through diversification and expert management. In recent times, the mutual fund industry has emerged as the most self-motivated segment in the Indian financial system. Reforms in the Indian economic system and the opening up of the economy have been the reasons for the tremendous growth in the Indian Capital Market. This study analyses the impact of different demographic variables on the attitude of investors towards mutual funds. Apart from this, it also focuses on the benefits delivered by mutual funds to investors. To this end, 60 respondents of Agra region, having different demographic profiles were surveyed. The study reveals that the majority of investors have still not formed any attitude towards mutual fund \investments. The main reason behind this has been observed to be the lack of attentiveness of investors about the concept and working of the mutual funds. Moreover, in India, mutual funds are back in fashion. It point out that there

is a lot of scope for the growth of mutual fund companies in India, provided there are funds to satisfy everybody's needs and sharp improvements in service standards and disclosure.

5. ANALYSIS AND INTERPRETATION

The questionnaire was divided into three segments. They are as follows

- I. Demographics
- II. Investor Perception towards Mutual Fund
- III. Investor Awareness Programs of Mutual Fund

The procedure of analysis is essential to interpret the result obtained, to draw up inference, and to give a meaningful conclusion for the study. Each question from the questionnaire which is in the source of primary data collected is converted in the form of table and various statistical tools such as percentage, chi-square, ANOVA, t-test, Friedman test are used to draw inferences.

TABLE 1 – AGE GROUP OF INVESTORS

| Sl. No. | Age | Frequency | Percentage |
|---------|--------------|-----------|------------|
| 1 | Below 30 | 14 | 23.33 |
| 2 | 31-40 | 17 | 28.33 |
| 3 | 41-50 | 18 | 30 |
| 4 | Above 50 | 11 | 18.33 |
| | Total | 60 | 100 |

Source: Primary Data

Table 1 point up that 30 percentages of the respondents belong to the age set of 41-50 years, 28.33 percentages of the respondents belong to the age group of 31-40 years, 23.33 percentages of the respondents belong to the age group of below 30 years, and 18.33 percentages of the respondents belong to the age group of above 50 years. This shows that more number of the respondents belong to the age group of 41-50 years.

TABLE 2 – EDUCATIONAL QUALIFICATION OF INVESTORS

| Sl. No. | Educational Qualification | Frequency | Percentage |
|---------|----------------------------|-----------|------------|
| 1 | Under graduation | 10 | 16.67 |
| 2 | Post graduation | 25 | 41.67 |
| 3 | Professional qualification | 17 | 28.33 |
| 4 | Others | 8 | 13.33 |
| | Total | 60 | 100 |

Source: Primary Data

Table 2 explain that 41.67 percentage of the respondents are post graduates, 28.33 percentage of the respondents are professionally qualified, 16.67 percentage of the respondents are under graduates, and 13.3 percentage of the respondents belong to the category of "Others". From the above it can be inferred that a good number of the respondents are post graduates.

6. HYPOTHESIS

Null Hypothesis: There is no significance different between percentages of investment with respect to perception of investors.

TABLE 3 – SIGNIFICANT DIFFERENT BETWEEN PERCENTAGE OF INVESTMENT WITH RESPECT TO PERCEPTION OF INVESTOR

| Source | Degrees of Freedom | Sum of Squares | Mean Squares | F Ratio | Table Value |
|----------------|--------------------|------------------|--------------|---------|-------------|
| Between Groups | 2 | 1070.4373 | 535.2187 | 15.1728 | 3.03 |
| Within Groups | 58 | 4127.1543 | 35.2748 | | |
| Total | 60 | 5197.5917 | | | |

Source: Primary Data

Since the calculated value of F is greater than the table value of F, reject the null hypothesis at 5% level of significance. Hence it concluded that there is significant different between percentage of investment with respect to perception of investors. The results from the above table 2 the more perception of investor towards mutual funds leads to more investment. That is when set of statements put a cross to the consumer towards their perception about mutual funds, the more perception on mutual funds, the more they invest on the mutual funds.

7. Conclusion

This study has made an attempt to understand the consumer responsiveness towards Mutual fund investor in relationship with various choices and standard. I look at that most of the people are educated employed with logical salary come forward to invest in mutual fund. More than a few people who don't have invested in mutual fund are due to lack of awareness, although they have money to invest. In addition distribution channel are important for investment in mutual fund, financial advisor are the most preferred channel for investment in mutual fund, they can modify investors mind from one investment preference to other, and only people invested directly are who know well about mutual fund and its operations and having time. Moreover this investment in equities by the investors leads to the capital flow into the corporate organizations which in turn around help in the development of the nation in the path of the economic progress. These changes consist of introduction of newer product, upgrading in mutual fund distribution by providing training to the financial advisers / brokers and using simple language with minimum procedures.

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