INVESTORS PERCEPTION TOWARDS MUTUAL FUND WITH SPECIAL REFERENCE TO HYDERABAD KARNATAKA REGION

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ABSTRACT:
Dynamic: Mutual Funds give a stage to a typical speculator to partake in the Indian capital market with expert store the board independent of the sum contributed. The Indian shared reserve industry is developing quickly and this is reflected in the expansion in Assets under administration of different store houses. Common store venture is less unsafe than legitimately putting resources into stocks and is in this manner a more secure choice for hazard antagonistic financial specialists. Anyway it has been seen that a large portion of the financial specialists don’t know about the advantages of interest in shared assets. This is reflected from the examination led in this exploration paper. This paper makes an endeavor to recognize different elements influencing impression of financial specialists in regards to interest in Mutual assets. The discoveries will help shared reserve organizations to recognize the zones required for development so as to make more noteworthy mindfulness among financial specialists with respect to interest in common assets.

KEYWORDS: Mutual assets, financial specialists, Indian capital market.

INTRODUCTION
A Mutual Fund is a trust that pools the savings of a number of investors who share a common financial goal. The money, thus collected, is then invested in capital market instruments such as shares, debentures and other securities. The income earned through these investments and the capital appreciation realized is shared by its unit holders in proportion to the number of units owned by them. Thus a Mutual Fund is the most suitable investment for the common man as it offers an opportunity to invest in a diversified, professionally managed basket of securities at a relatively low cost. There is considerable amount of research being done regarding investment in mutual funds.

LITERATURE REVIEW
Ippolito (1992) states that an investor is ready to invest in those funds or schemes which have resulted in good rewards and most investors’ are attracted by those funds or schemes that are performing better over the worst. Goetzman (1997) opined that investor’s psychology affects mutual fund selection for investment and to withdraw from the fund. Kulshreshta (1994) in his study suggested some guidelines to the investors’ that can help them to select needed mutual fund schemes. Shanmugham (2000) conducted a survey of individual investors with the objective to find out what information source investor depends on. The results explained that they are economical, sociological and psychological factors which control investment decisions. Madhusudhan Jambodekar (1996) conducted his study to size-up the direction of mutual funds in investors and to identify factors that influence mutual fund investment decision. The study tells that open-ended scheme is most favored among
other things and that income schemes and open-ended schemes are preferred over closed-ended and growth schemes. News papers are used as information source, safety of principal amount and investor services are priority points for investing in mutual funds.

Sujit Sikidar and Amrit Pal Singh (1996) conducted a survey to peep in to the behavioral aspects of the investors of the North-Eastern region in direction of equity and mutual fund investment. The survey showed that because of tax benefits mutual funds are preferred by the salaried and self-employed individuals. UTI and SBI schemes were most preferred in that region of the country over any other fund and the other funds had been proved archaic during the time of survey.

Syama Sunder (1998) conducted a survey with an objective to get an in-depth view into the operations of private sector mutual fund with special reference to Kothari Pioneer. The survey tells that knowledge about mutual fund concept was unsatisfactory during that time in small cities like Visakapatanam. It also suggested that agents can help to catalyse mutual fund culture, open-ended options are much popular than any other schemes, asset management company's brand is chief consideration to invest in mutual fund.

Anjan Chakarabarti and Harsh Rungta (2000) emphasised the importance of brand in ascertaining competence of asset management companies. Shankar (1996) suggested that for penetrating mutual fund culture deep in to society asset management companies have to work and steer the consumer product distribution model. Raja Rajan (1997) underlined segmentation of investors and mutual fund products to increase popularity of mutual funds.

**OBJECTIVES OF STUDY**
1. To study the investment pattern of Hyderabad Karnataka Region Investors.
2. To find out the awareness level of investors regarding mutual funds.
3. To find the type of scheme of mutual fund preferred by investor.
4. To find out the importance of factors like liquidity, higher return, company reputation and other factors that influence investment decision of mutual fund holder.

**RESEARCH METHODOLOGY**

Investor’s main objective is to earn higher returns keeping in mind the risk and liquidity factor. With this objective in mind, an investor is looking out for various investment avenues. Mutual funds offer comparatively better returns and have less risk as compared to direct investment in stock market. In this research paper, an attempt has been made to evaluate the perception of investors regarding mutual fund investment.

A survey was conducted in Hyderabad Karnataka region during the period September 2015 to January 2016. A sample of 100 individual mutual fund investors were surveyed through a pre-tested questionnaire. The investors were selected on the basis of those who have made prior investment in mutual funds and have some knowledge about the basic terminologies involved with mutual funds. An attempt has been made to find out the perception of investors regarding mutual fund investment and to identify the factors considered to be important by the investors before investing in any mutual fund.

**DATA ANALYSIS**

The data collected through the questionnaire is analyzed considering each factor and the analysis is presented below.
(a) Age profile of investors

From the above graph, we see that most of the investors belong to the age group of 19 to 35 years followed by those belonging to the age group of 36 to 50 years.

(b) Occupation Profile of Investor

Most of the investors belong to the private sector followed by businessmen and others.

(c) Investment Avenue preferred by the investor

Majority of the investors prefer investing in mutual funds (30%) followed by fixed deposit, gold/silver and insurance. Only 5% prefer direct investment in stock market.

(d) Monthly Income profile of Investor

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The monthly income profile of the investor reflects that 50% of the investor belongs to the income level of Rs 70,000/- and above followed by 33.3% of the investors belong to the income group of Rs 30,001 to Rs 40,000.

(e) Awareness of Benefits of investment in mutual funds

80% of the population is aware of the benefits of investment in mutual funds. 20% have some knowledge of investment in mutual funds.

(f) Factors considered while investing in Mutual funds

Liquidity

Higher Return

Low Risk
Company Reputation

Investors are giving more importance to higher return, less risk and reputation of the company before investing in any mutual fund.

(g) Frequency of investment decision

Around 28% of the population makes investment decision once in a year

h) Type of Mutual Fund scheme invested

(i) Which factor of mutual fund allure you most?

CONCLUSION

The study conducted shows that most of the investors are aware of various schemes of mutual funds. The Mutual Fund investors mainly belong to the age group from 19 years to 55 years and fall in the income group of Rs 30,000 to Rs 70,000 and above. Diversification of portfolio and tax benefit is the main factors of mutual fund that allure the investors.
REFERENCES


