A STUDY ON INVESTORS PERCEPTION TOWARDS MUTUAL FUND WITH REFERENCE TO DK DISTRICT, KARNATAKA

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Mutual fund represents a vehicle for collective investment. When we are participate in a mutual fund scheme Till 1986, the Unit Trust of India was the only mutual fund in India. Since then, public sector banks and insurance companies have been allowed to set up subsidiaries to undertake mutual fund business. In 1992, the mutual hand industry was opened to the private sector, and a number of private sector mutual funds have been set up. Investment risks such as trading volume, settlement risk, liquidity risk, default risk, and principal loss risk are present when purchasing mutual fund units. The goal of investing is to generate a steady, risk-free return. There are several investment options available in our nation, ranging from shares and debentures to insurance coverage. Mutual funds are a new kind of investing that has a lot of potential because they offer diverse investing options, regular returns, and low risk. It is, however, incredibly ignorant of the people who live in our nation. Many have been compelled to refrain from such forms of investing or even choose not to because of their lack of understanding of the subject. The purpose of this study is to examine the degree of knowledge that Indian investors have regarding mutual funds and to suggest more effective ways to increase that knowledge.

KEYWORDS: *Mutual fund, satisfaction, investment, investment schemes, investor awareness and factors influencing choice of investment*

INTRODUCTION

A mutual fund is a company that collects money from numerous people and uses it to buy securities like stocks, bonds, and short-term loans. Mutual Funds are purchased by investors. Every share a shareholder has entails a portion of the fund and the money it produces. Each share represents a shareholder's ownership interest in the fund and the income that it generates. Instead of taking the risk of investing money directly in stock and debt instruments, mutual funds are an expert organisation that assist investors in doing so indirectly. The majority of the time, investors lose money because they choose the wrong equities shares or bonds because they lack the knowledge or competence to invest money directly in the Indian equity market. As a result, Mutual Funds serve as an intermediary, offering active portfolio management skills and risk diversification through the distribution of assets from all investors over a range of equity shares and debt instruments. A knowledgeable and experienced Fund Manager oversees its management. By doing this, investors are able to achieve good returns at minimal risk as opposed to returns at high risk when investing directly in the capital market.

REVIEW OF LITERATURE

The study has revealed that researchers have identified a positive relationship between income and investment behaviour. High levels of wealth and income is perceived to encourage risk tolerance because wealthy investors can tolerate some loss than the less wealthy. Educational qualification is very important to

determine the investment behaviour of the individual. An investor who has higher percentage of savings tends to take high risk than those with lower percentage of savings. It is generally accepted fact that higher education provides enough knowledge for taking apt investment decisions, Dr. S. Cecily (2022). The mutual fund companies should spread awareness with respect to benefits, risks, and myths associated with the Mutual Funds. As findings suggest that majority of the respondents invest in Mutual Fund for shorter period of time, so mutual fund companies should arrange various awareness program to aware investors the benefits of longer investment tenure. They should also do publicity through internet, company websites, newspapers, magazines, TV, radio, etc. Study revealed that old age people invest in Mutual Fund for shorter period, Vikrant Vala (2022). The study reveals that investment in Mutual Funds is significantly affected by the attitude and risk perception of the investors, knowledge/ awareness about the investment schemes, various investment alternatives, information source, demographic variables like age, gender, marital status & socio-economic variables like education, occupation and income level has direct and significant relationship with investment behaviour of Mutual Funds investors. It is culminated that investment in Mutual Funds enables the investors to attain financial, social and psychological goals, Tarsem Lal (2020). One can say that Systematic investment plan represents a fully hassle-free investment. Small amount is allowed to be invested in systematic investment plan and it is the big opportunity for small and medium income group category's investor. 66% investors feel motivated to invest in Mutual Fund SIP because it gives to the investor a good number long term return and also allows cost averaging process, Dr.Rajinder S.Aurora (2020). 73% of respondents recommended investing in Mutual Funds to their peer group as they consider it as a profitable source of investment. Major factors considered by investors while investing in Mutual Funds are the characteristics of fund, its creditability, convenience of the process, various success rates. Further, the findings of the research were on the factors influencing investor's perception. It reveals that fund characteristics, creditability, convenience, success factors, and fund family are the factors which have a higher impact on perception of investors, Pooja Chaturvedi Sharma (2019). The study has tried to prove if there is an association between the profession of investors and selection of Mutual Funds. It was found that profession does not play a major role in selection of Mutual Fund and its parameters (returns, inflation, low risk factors, brand, credit rating, lock in period), but there is association between Mutual Fund investment period and profession. But in case of investment period, it has some role. There is no association between the knowledge level of Mutual Fund and profession, Dr. Pallabi Mishra & Dr. Biswajit Prasad Chhatoi (2018). The evident from the fact that equity funds were perceived as better by males as against 'balanced funds' preferred by females. Similarly, most males preferred the riskier equity schemes whereas a majority of females preferred the relatively safer balanced schemes. Most respondents, irrespective of gender, preferred to invest 10-25% of their total investment in Mutual Funds and considered a holding period of 1-3 years as ideal for Mutual Fund investments. Additionally, majority of males and females considered the internet as an appropriate source of information with regard to Mutual Fund schemes, Gaura Nautiyal (2017)

OBJECTIVES
1. To find out the awareness level of the investors of mutual fund
2. To study about the factors influencing investing decision regarding MutualFund
3. To study the parameters influencing investment decision in Mutual Fund

Sampling Method: Using convenience sampling, a researcher chooses a sample of a unit based on what is most convenient for them. The helpful sampling approach is used to create the sample because the population is already known. Each person in the population has an unknown chance of being chosen in a handy sample, and the odds are not equal. This study employs an efficient method of sampling.

Data Collection Tools: Both primary and secondary data are required.
Primary data is the first hand information collected directly from the respondents. The tool used here is structured questionnaire using Google forms. Primary data is collected through survey. Secondary data is obtained from internet and books

Number of Samples
In this study, the sample size is 50, the respondents are from various regions Mangalore District..

Tools Used for Analysis
The study on customer perception towards mutual fund are very important of because of its influence will result in to return and risk on investment. The data obtained from respondents has been analyzed by using statistical tools like mean, percentage chi-square test and ANOVA. A Conclusive interpretation are drawn based on analysis.

DATA ANALYSIS AND DISCUSSIONS

Table 1 Demographic Details of Respondents

S No.	Respondent Particulars		No.of respondent	Percemtage
01	Gender	Male	34	68
		Female	16	32
02	Age	Bellow 25	10	20
		26-35	15	30
		36-45	20	40
		46-55	03	06
		55 above	02	04
03	Income	Bellow 10000	06	12
		10001-15000	11	22
		15001-20.000	24	48
		20.001-25000	04	08
		Above 25000	05	10
04	Educational Qualification	Higher Secondary	07	14
		PUC	08	16
		Degree	16	32
		Post-graduation	12	24
		Professional Course	07	14
05	Occupation	Student	04	08
		Private Employee	18	36
		Govt. Employee	14	28
		Business	10	20
		Agriculture	04	08
06	Marital Status	Married	32	64
		Unmarried	18	36

The above table and chart show that out of 50 respondents, 68% of the respondents are male, 32% of therespondents belong to the age group of 35- 45, 48% of the respondents have annual income betweenRs.3, 00,000 to 5, 00,000, 32% of the respondents are the qualification of degree, 36% of the respondents are having business and 64% respondents are married.

Testing of Hypothesis- Chi squire test
1. H_0: There is no association between the age and their awareness towards mutual fund schemes.
2. H_0: There is no association between the income and their awareness towards mutual fund schemes.
3. H_0: There is no association between the occupation and their awareness towards mutual fund schemes.
4. H_0: There is no association between the educational qualification and their awareness towards mutual fund schemes
5. H_0: There is no association between the marital status and their awareness towards mutual fund schemes.

Based on	Calculated value	Table value @5%	Df	Accepted/ Rejected
Age	41.874	26.296	16	Rejected
Income	67.260	26.296	16	Rejected
Occupation	30.317	26.296	16	Rejected
Educational Qualification	33.490	26.296	16	Rejected
Marital status	31.783	26.296	16	Rejected

Since the calculated value age (41.874), Income (67.260), Occupation (30.317), Educational Qualification (33.490), marital status (31.783) are more than the table value (26.296). Therefore the null hypothesis rejected and alternative hypothesis is accepted. Therefore there is association between the age, Income, Occupation, Educational Qualification and marital status of the respondents and their perception towards mutual fund schemes.

Testing of Hypothesis

1. H_0: There is no significance between the age and their awareness towards mutual fund schemes

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	15.517	4	3.879	3.425	.016
Within Groups	50.963	45	1.133		
Total	66.480	49			

The value of F is 3.425, which reaches significance with a p-value of .016 (which is less than the .05 alpha level). This means there is a statistically significant difference between the means of the different age groups and awareness level. "H_0: There is no significance between the age and their awareness towards mutual fund schemes" was rejected at 0.05 level of significance and accepted alternative hypothesis. This indicates that there is a significance difference between the age and awareness with respect to mutual fund.

2. H_0: There is no significance between the income and their awareness towards mutual fund schemes
Income and Awareness

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	25.307	4	6.327	5.809	.001
Within Groups	49.013	45	1.089		
Total	74.320	49			

The value of F is 5.809, which reaches significance with a p-value of .001 (which is less than the .05 alpha level). This means there is a statistically significant difference between the means of the different in income and awareness level. "H_0: There is no significance between the income and their awareness towards mutual fund schemes" was rejected at 0.05 level of significance and accepted alternative hypothesis. This indicates that there is a significance difference between the income and awareness with respect to mutual fund.

3. H_0: There is no significance between the educational qualification and their awareness towards mutual fund schemes

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	36.244	4	9.061	5.210	.002
Within Groups	78.256	45	1.739		
Total	114.500	49			

The value of F is 5.210, which reaches significance with a p-value of .002 (which is less than the .05 alpha level). This means there is a statistically significant difference between the means of the educational qualification and awareness level. "H_0: There is no significance between the i educational qualification and their awareness towards mutual fund schemes" was rejected at 0.05 level of significance and accepted alternative hypothesis. This indicates that there is a significance difference between the educational qualification and awareness with respect to mutual fund.

4. H_0: There is no significance between the occupation and their awareness towards mutual fund schemes

ANOVA

Occupation

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	23.366	4	5.841	3.911	.008
Within Groups	67.214	45	1.494		
Total	90.580	49			

The value of F is 5.841, which reaches significance with a p-value of .008 (which is less than the .05 alpha level). This means there is a statistically significant difference between the means of the occupation and awareness level. "H_0: There is no significance between the occupation and their awareness towards mutual fund schemes" was rejected at 0.05 level of significance and accepted alternative hypothesis. This indicates that there is a significance difference between the occupation and awareness with respect to mutual fund.

5. H_0: There is no significance between the awareness and safety and return on mutual fund schemes

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	9.603	4	2.401	1.085	.376
Within Groups	99.617	45	2.214		
Total	109.220	49			

The value of F is 1.085, which reaches significance with a p-value of .376 (which is more than the .05 alpha level). This means there is a statistically no significant difference between the means of the safety and return and awareness level. "H_0: There is no significance between the i safety and return and their awareness towards mutual fund schemes" was accepted at 0.05 level of significance and rejected alternative hypothesis. This indicates that there is no significance difference between the safety and return and awareness with respect to mutual fund.

6. H_0: There is no significance between the awareness and tax benefit on mutual fund schemes

ANOVA

Tax benefits

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	7.996	4	1.999	1.184	.331
Within Groups	76.004	45	1.689		
Total	84.000	49			

The value of F is 1.999, which reaches significance with a p-value of .331 (which is more than the .05 alpha level). This means there is a statistically no significant difference between the means of the tax benefit and awareness level. "H_0: There is no significance between the tax benefit and their awareness towards mutual fund schemes" was accepted at 0.05 level of significance and rejected alternative hypothesis. This indicates that there is no significance difference between the tax benefit and awareness with respect to mutual fund.

7. H_0: There is no significance between the awareness and regular income on mutual fund schemes

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	23.019	4	5.755	7.420	.000
Within Groups	34.901	45	.776		
Total	57.920	49			

The value of F is 3.425, which reaches significance with a p-value of .000 (which is less than the .05 alpha level). This means there is a statistically significant difference between the means of the different regular income and awareness level. "H_0: There is no significance between the regular income and their awareness towards mutual fund schemes" was rejected at 0.05 level of significance and accepted alternative hypothesis. This indicates that there is a significance difference between the regular income and awareness with respect to mutual fund.

Rating the factors which allures the most to the investors:

Sl.no	Aspects	Very Important	Important	Moderately Important	Slightly Important	Unimportant	Mean Score	Rank
1	Return	28	17	03	01	01	14.67	1
2	Low risk factor	17	19	11	03	00	13.33	3
3	Inflation	11	17	16	06	00	12.2	5
4	Company	12	16	16	05	01	14.07	2
5	Lock-in-period	13	17	13	04	03	12.3	4

From the above table indicates that the investors are highly influenced factors are returns followed by company, low risk factors, lock in period and inflation. In any investment of mutual fund respondents are giving importance towards return. This types of scheme if accepted by moderate investors and speculative investors.

FINDINGS

- The study observed that 68% of the employees are the male.
- The study observed that 32% belong to the age group of 35-45.
- The study found that 50% of the respondents are employees.
- The study found that about 48% of the respondents have annual income of Rs. 3, 00,000 to Rs. 5, 00,000.
- The study found that 34% of the respondents are aware of Mutual Fund through relatives/ Friends.
- The study found that 56% of the respondents have agreed that return is one of the very important parameters while investing in Mutual Fund.
- The study found that 38% of the respondents have agreed that low risk factor as one of the important parameters while investing in Mutual Fund.
- The study found that 34% of the respondents have agreed that inflation is one of the important parameters while investing in Mutual Fund..

CONCLUSION

The Mutual Fund Industry Asset under Management has been increasing. This industry has the potential to grow further if Indians start saving a higher percentage towards Mutual Funds. Moreover, observers say that many Indians have started shifting a part of their savings from physical assets (gold, land) to financial instruments like equities, bonds, ETFs etc. The study shows that based on the higher age group and they have good educational qualification and occupation have good awareness on investment in mutual fund.

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