A STUDY ON INVESTMENT PATTERN AND PREFERENCE OF RETAIL INVESTORS WITH SPECIAL REFERENCE TO MUTUAL FUNDS, FOR KARVY CONSULTANTS LIMITED, CHENNAI.

A PROJECT REPORT
submitted by

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In partial fulfillment of the requirements
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of

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Bringing industry finance and people together

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TO WHOM EVER IT MAY CONCERN

This is to certify that **Mr. VIJAYANANDH** a student of KCT Business School, Kumaraguru College of Technology, Coimbatore, has done a project in the title "**A STUDY ON INVESTMENT PATTERN AND PREFERENCE OF RETAIL INVESTORS WITH SPECIAL REFERENCE TO MUTUAL FUNDS**" at KARVY LIMITED, Chennai-600020 from 01.02.2009 to 15.04.2009

For Karvy limited

HR-manager

Bonafide Certificate

KCT BUSINESS SCHOOL
DEPARTMENT OF MANAGEMENT STUDIES
KUMARAGURU COLLEGE OF TECHNOLOGY
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BONAFIDE CERTIFICATE

Certified that this project titled " **A STUDY ON INVESTMENT PATTERN AND PREFERENCE OF RETAIL INVESTORS WITH SPECIAL REFERENCE TO MUTUAL FUNDS** " is the bonafide work of **Mr. R.VIJAY ANAND** who carried out this project under my supervision. Certified further, that to the best of my knowledge the work reported herein does not from part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

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Evaluated and viva-voce conducted on ....05/05/09..............

Examiner I 5.5.09

Examiner II 5/5/09

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ABSTRACT

The main objectives of the study were to identify the preference of investors towards various investment avenues, public awareness & preference of mutual funds, and find out the purpose and objectives of the investment. Also the risk profile was accessed.

Information pertaining to the factors affecting choice of mutual funds, the most preferred mutual fund schemes, purpose of investment etc...were collected using the structured questionnaire. The research design adopted was descriptive type.

The sampling technique adopted was simple random sampling. A total of 240 samples were interviewed and appropriate data were collected. All the data collected were compiled and analyzed, using descriptive statistics as well as inferential statistics. Simple percentage analysis was used for descriptive analysis. Cross tabulations and chi-square were used for the inferential statistics.

On analyzing the data it was found the mutual fund enjoys a good popularity and most of them preferred equity type of the mutual fund . Most of them consider better dividends and capital appreciation as the main criteria for the investment. In general, most of them opt for moderate risk portfolio when considering the factors involved in the choice of investment. Safety and tax benefits were the main objectives. It was also found from the study that majority of them are satisfied with various services provided by agents.

Introduction

CHAPTER 1

INTRODUCTION

1.1 INDUSTRY PROFILE

The main components of capital market are securities market and financial intermediaries. A formal capital market was present in our country from early 1900's.But remained very inactive at that time. The inactiveness of capital market has continued even after independence. The growth of capital market has acquired momentum only from mid eighties. Till then debt instruments were more popular and the investors have not shown much interest in direct investment. Besides the Government's policy towards promotion of capital market was also not much encouraging. Concentration was given to the growth of agricultural sector. The plan for industry-centered growth had been mainly encouraged only for eighties. During mid eighties the foreign collaboration policy of the Government has inspired the industries towards the channel of growth and development. It has been further strengthened by the liberation and privatization measures instituted by the Government as a part of new economic policy. This coupled with the excellent performance of the private sector has made the capital market more active.

The radical changes in the policies of the Government and the development of industrial sector have attracted many investors into the capital market. Investor satisfaction, motivation and the promotion of investment cult among the investors are given more emphasis. SEBI guidelines of investor protection, foreign equity participation and the permission of global issues etc. have given further contributed towards the growth of our capital market. The growth of Indian economy, at present is virtually depends upon the growth of the capital market.

Capital Market in India

The Indian capital market has made substantial progress during the post-independence period. However, the amount of capital raised in the form of equity and preference shares and debentures by the corporate sector has not been large over a number of years. There has been a raising trend since 1975 but the increase was not all that large. The Indian capital market has grown so sharply in the 80's that the decade itself has been christened as a decade of the capital market. More particularly, during the later part of the eighties, the primary and the secondary markets have grown by leaps and bounds. It is evident from the fact that against an annual average amount of just Rs.90 crores raised from the new issues market in the 70's about Rs.27, 344 crores are being raised during 1992-93. The total capital issues of both the private and public sectors during the years ended 31st March 1991, 1992 and 1993 were Rs.9,683 crores Rs.13,450 crores and Rs.Rs.27,344 crores respectively. The number of public issues has also increased year by year and the total number of public issues of securities for the years ending as on 31st March 1991, 1992 and 1993 aggregate to 335,572 and 1,036 respectively. All these issues were subscribed to by the individual and institutional investors, non-resident Indians, foreign institutional investors and mutual funds, and the public participation was overwhelming and the issues were always over subscribed a number of times.

Capital Market Growth in India

In tune with the growth in the new issues market during the eighties, the secondary market also expanded fast during this period. The number of stock exchanges has increased from 8 in 1980 to total of 21 in 1993. The membership of the stock exchanges has also increased substantially to around 3,000in 1993 from about 1,200 a decade ago. The listed companies of all stock exchanges stood to above 6,500 in 1993, which were only 2,733 in 1980. The market capitalisation has also shown a substantial increase in the eighties. The volume of daily turnover of trade has also increased more than ten-fold over the decade to Rs.250 crores in 1992. On Bombay stock Exchange, the number of dealings per hour put through was as high as 40,000. The paid-up share capital of listed companies in 1980 was Rs.3, 143 crores, while in 1990; the figure was more than Rs.12, 000 crores. The market value of the capital of these limited companies stood at around Rs.3 lack crores in 1992.Besides, the number of joint stock companies at work has increased significantly to 2, 75, 664 with the paid-up capital of Rs.90, 962.2 crores as on 31st March 1993, which was only 56, 493 with the paid-up capital of Rs.14, 607 crores up to 31st March 1980.

Investor population has increased from 2 millions in 1980's and reached beyond 10,000 and the number of stock exchanges are 21.In addition to these stock exchanges the NSEIL and OTCEI have been set-up for solving the problem arising in out of the structural weaknesses of our market and provide more transparency in deals and a nationwide network of trade.

1.2 COMPANY PROFILE

In 1982, a group of Hyderabad based practicing Chartered Accountants started KARVY CONSULTANTS LIMITED with a capital of
Rs.1, 50,000 offering auditing and taxation services initially. Later, if forayed in to the registrar and share transfer activities and subsequently into financial services. All along, Karvy's strong work ethic and professional background leveraged with information technology enabled it to deliver the quality to the individual.

A decade of commitment, professional integrity and vision helped Karvy achieve a leadership position in its field when it handled the largest number of issues ever handled in the history of the Indian stock market in a year. Thereafter Karvy made inroads in to a host of capital market services,-corporate and retail which proved to be a sound business strategy.

Today, Karvy has access to millions of Indian share holders, besides companies, banks, financial institutions and regulatory agencies. Over the past one and half decades, Karvy has evolved as a veritable link between industry, finance and people. In January 1998, Karvy became the first depository participant in Andhra Pradesh. An ISO 9002 company, Karvy's commitment to quality and retail reach has made it an integrated financial service company. A SEBI Category 1 Registrar, So far, Karvy has handled over 675 ISSUES as registrars to public issues, processed over 52 million applications and is servicing over 16 million investors from various locations spread over 205 clients.

Range Of Services:

The range of services offered by Karvy group of companies are issue servicing, corporate shareholder services, mutual fund investor servicing, asset financing, merchant banking & underwriting services, loan syndication and project financing products, Karvy depository services and investor services.Karvy also taken dealership of the OCTIE.

Achievements:

- Largest mobilize of funds as per PRIME DATABASE
- First ISO-9002 Certified Registrar in India
- A category – 1 – Merchant banker, Registrar to public Issue
- Ranked as " The most admired registrar" by MARG
- Handled the largest ever public issue- IDBI
- Handled over 500 Public issue as registrars
- Handling the reliance account which accounts nearly 10 million account holders.

KARVY GROUP OF COMPANIES

Karvy Consultants Limited:

- Transfer agency service for corporate and mutual funds
- Registrar for IPO/Book building
- Depository participant services
- Registered with both NSDL/CDSL
- IT enabled services-MT/Call center/data classification
- Karvy .com a comprehensive financial advisory site

Karvy Investor Services Limited:

- Merchant banking and corporate financing
- Distribution of fixed income and other financial products

Karvy Securities Limited:

- Distribution of equity and other financial products

Karvy Stock Broking Limited:

- Secondary market trading
- Member – National Stock Exchange(NSE)
- Trading through BSE

MILESTONES

- 1979- Like – minded team of financial services professionals
- 1982- Technology to change service delivery process
- 1985- Entry as registrars
- 1990- Entry in to retail stock broking
- 1992- Set up investor service centers
- 1993- Financial product distribution
- 1994- Entry in to mutual fund services
- 1995- Corporate finance and investment banking
- 1996- Investment by jar dine Fleming
- 1997- Electronic study
- 1999- Global IT services (Medical Transcription, etc ;)
- 2000-E-Biz: Web initiatives
- 2002- Call centers.

KARVY NETWORK

- Branches
- 65 ISC'S
- 14 Karvy investor points
- 5500 Sub-Broker/agent Network

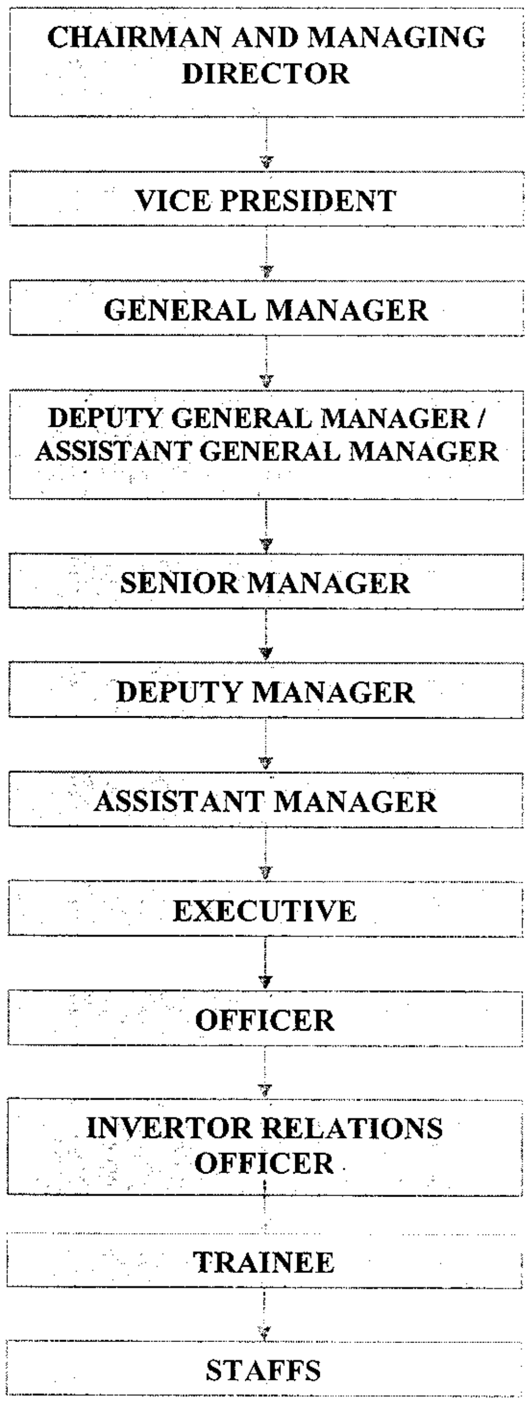
MISSION STATEMENT

Our mission is to be a leading, preferred service provider to our customer, and we aim to achieve this leadership position by building an innovative, enterprising and technology driven organization which will set the highest standards of service and business ethics.

QUALITY POLICY

To achieve and retain leadership, Karvy shall aim for complete customer satisfaction, by combining its human and technological resources, to provide superior quality financial services. In the process, Karvy will strive to exceed customer's expectations.

ORGANIZATIONAL STRUCTURE



CHAPTER 2

2.1 OBJECTIVES OF THE STUDY

1. To find out :

   - The preference of investor towards various investment avenues.
   - The approximate percentage of Investing and approximate percentage of savings in mutual funds.
   - The objective of investment and preference of advice while investing.
   - The public awareness on mutual funds.
   - The preference towards the mutual fund sector.
   - The mostly preferred mutual fund schemes.
   - The factors considered while making a mutual fund investment.
   - To find out the satisfaction level of services provided by mutual funds agents.

2. To probe the influence of demographic factors such as Income, Age, Gender, Education, Occupation on Investment Avenues.

2.2 SCOPE OF THE STUDY

The project work titled" A Study on Investment Pattern and Preference of Retail Investors in **Chennai City** with Special Reference to Mutual Funds for **Karvy Consultants limited**" ,Chennai.

The scope of the study is to analyze and interpret the investment pattern and preference of various Investment avenues, and finding the relationship between the personal profile and financial profile (e.g.: Any Association between the Annual income and The Purpose of Investment).

Analyze and interpret the factors affecting the choice of Mutual Fund, and investor preference towards the various Mutual Fund schemes and preference of Mutual Fund Sector.

The Scope of the study involves collecting the data from the investors regarding the:

1. Current Investment Avenue
2. Risk Profile of investors
3. Objective of Investment
4. Purpose of Investment
5. Objective of Investment and
6. Preference of Advice of Investors.

2.3 LIMITATIONS OF THE STUDY

Every project has its own limitations and some of those encountered during this study are listed below:

- Time limit restricted detailed survey work and Opinion collection.
- This study was conducted in Chennai City based on this result it is very difficult to generalize the result for the whole Individual's Investment pattern and Preference
- Some respondents were reluctant to give their actual Annual Income and Approximate percentage of Income Invest in various Investment Avenues.
- Cost factor was also serious limiting constraint.

2.4 RESEARCH METHODOLOGY

2.4.1 RESEARCH DESIGN:

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. Descriptive research includes surveys and fact-findings and enquiries of different kinds. The Major purpose of descriptive research is the description of the state of affairs, as it exists at present. The main characteristic of this type of research is that the researcher has no control over the variables. He can only report what has happened and what is happening.

2.4.2 SAMPLING DESIGN:

2.4.2.1 Sampling Size:

The sample size for this analysis is 240, which includes software professionals, BPO Executives, Retired People, Government people and Businessmen in Chennai.

2.4.2.2 Sampling Technique:

The sampling of the respondents is done by the simple random sampling. The investors where sampled by giving equal chance of getting selected. The investors who attended the orientation programs where sampled from the finite number of population.

2.4.2.3 DATA COLLECTION:

- PRIMARY DATA COLLECTION:
    - Primary Data are collected by using questionnaire
- SECONDARY DATA COLLECTION :
    - Company Journals and Reports
    - Magazines and Website

2.4.2.4 TOOLS USED:

- Simple Percentage Analysis
- Chi-Square Test
- Ranking Method

2.5 REVIEW OF LITERATURE

[1]The article presents suggestions on retirement planning. Buying shares of *mutual funds* in the U.S. when prices are low positions an employee for big gains when the market rebounds. The savers' credit can also be used for contributions to an individual retirement accounts (IRA), either a traditional IRA that offers up-front tax breaks or a Roth IRA that provides tax-free withdrawals in retirement. Other tips include checking retirement saving and selling a company stock

[2]This paper focuses on return-based style analysis of equity *mutual funds in India* using quadratic optimization of an asset class factor model proposed by William Sharpe. The study finds the 'Style Benchmarks' of each of its sample of equity *funds* as optimum exposure to 11 passive asset class indexes. The study also analyzes the relative

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[1] Franklin, Mary Beth" 6 simple ways to retire rich." Kiplinger's Personal Finance; Fall2008 Retirement Planning, p8-14.

[2]Deb, Soumya Guha" Performance of Indian Equity Mutual Funds vis-é-vis Their Style Benchmarks" ICFAI Journal of Applied Finance; Jan2008, Vol. 14 Issue 1, p49-81, 33p.

performance of the *funds* with respect to their style benchmarks. The results of the study show that the *funds* have not been able to beat their style benchmarks on the average.

[3]Reports that the Association of *Mutual Funds* of *India* is working on creating a uniform valuation policy for debt instruments. Study of several models of valuation policy; Pricing of bonds.

[4]Says that while Morgan Stanley *in* January became the first to launch a *mutual fund* within *India*, Fidelity and Alliance Capital (American) and Credit Lyonnais (French) now plan to sell *mutual funds* to Indians. *India* benefitting from emerging-market mania sweeping investors around the world; Economic reforms; Industrial production; Bombay Sensitive Index; how foreign investors can buy Indian *funds*.

[5]The article offers financial investment advice on the worthiness of high-yield, tax-free municipal bonds despite the risk usually involved with high-yield bonds. The author gives the example of Ohio's Buckeye Tobacco Settlement Bonds that yield a tax-free 6.6% return compared to 10.2% U.S. government bills that will be taxed. The article lists several poorly and well-performing municipal bonds, and details how investors can minimize risk by buying into *mutual funds*.

[6]The article features the OPIS Capital Premium Equity *Fund* in Australia. It invests in companies in the smaller to middle-capitalization range. The *fund* is fairly concentrated holding between 20 and 50 companies. It does not invest more than eleven percent of total holdings in any one position. Details about the performance of the *fund* are cited.

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[3] "*India fund* group to standardise bond valuation" Global Compliance Reporter; 03/23/98, Vol. 3 Issue 6, p6, 2p

[4] "Over Sensitive.Find More Like This" Economist; 2/5/94, Vol. 330 Issue 7849, p80-81, 2p

[5] Light, Larry "High-Yield Munis Still Worth Risk" Wall Street Journal - Eastern Edition; 7/5/2008, Vol. 252 Issue 4, pB1-B1, 0p

[6] " PROSPERITY AMONG THE SMALL TO MID-CAP STOCKS" AFR Smart Investor; Jul2008, Vol. 3 Issue 7, p16-16, 0p

[7]The article offers stock market investment advice for investors in the U.S. Investors can ask a *mutual fund* manager to look for businesses whose profits they could share for the next few decades. Investors must think of their investments as businesses selling products and services in the real world. They should consider the stocks of Pfizer as demand for health-care a basic escalates and drug research is getting more efficient.

[8]The author reports that Countrywide Financial Corp. has been asked by mutual fund owners to hire a third party to look into its "Friends of Angelo" loan program. A description of the loan program is given. According to the article, the loan program has been accused of violating laws regarding public corruption and securities.

[9]The article reports on the increase in money-fund assets in the U.S. in the last week of June 2008 based on the Money Fund Report published by iMoneyNet Inc. Investors have contributed $8.06 billion to money-market funds during the week ending June 24. Money-fund assets surged to $3.442 trillion. Institutional investors added $15.73 billion while retail investors withdrew $7.67 billion.

[10]The article lists the ten largest stock funds which includes the Fidelity Contrafund, the Vanguard 500 Index, and the American Funds EuroPacific Growth fund. Also listed are the top-performing mutual funds within various fund categories.

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[7] Glassman, James K." Keep the Best Company" Kiplinger's Personal Finance; Jul2008, Vol. 62 Issue 7, p22-24,

[8] Aspan, Maria" Fund Leaders Seek Countrywide Probe." American Banker; 6/23/2008, Vol. 173 Issue 120, pp16-16

[9] Whitmore, Regina" Money-Fund Assets Increased in Week" Wall Street Journal - Eastern Edition; 6/26/2008, Vol. 251 Issue 149, pC11.

[10] Mutual Funds. Money; July2008, Vol. 37 Issue 7, p122-122, 1p, 3 charts

Analysis, Results and Discussions

CHAPTER 3

3.1 ANALYSIS AND INTERPRETATION

Table 3.1.1

Table showing General Profile of Investors: Marital Status, Age and Gender

	Gender							
	Male				Female			
	Marital status				Marital status			
	Single		Married		Single		Married	
Age	No of resp	%	No of resp	%	No of resp	%	No of resp	%
< 30	48	20	11	4	6	3	31	13
31-40	7	3	34	14	2	1	29	12
41-50	8	3	27	12	0	0	7	3
> 50	3	1	21	9	0	0	6	2
Total	**77**	**27**	**82**	**39**	**8**	**4**	**73**	**30**

Source : Primary Data

Interpretation:

Majority of the male respondents are less than 30 ages are unmarried, and next majority 31-40, 41-50 and above 50 age category are married. Majority of the female respondents is under the category of less than 30 ages, 31-40, 41-50 and above 50 age category are married.

Table 3.1.2
Table Showing General Profile of Investors: Annual Income, Gender and Employment

Annual Income(in Rs)								
Gender			< 1lakh	1 - 2 lakhs	2 - 4 lakhs	4 - 8 lakhs	> 8 lakhs	Total
Male	**Employment Details**	**Salaried**	24	54	40	2	0	92
		Professional	6	14	6	2	0	14
		Business	5	13	4	2	0	43
		Retired	6	6	2	0	1	11
	Total		**41**	**86**	**52**	**6**	**1**	**184**
Female	**Employment Details**	**Salaried**	6	21	6	0	0	33
		Professional	1	9	0	1	0	11
		Business	2	5	0	1	1	12
		Retired	0	0	0	0	0	0
	Total		**9**	**36**	**6**	**2**	**1**	**56**
	Grand Total		**50**	**122**	**58**	**8**	**2**	***240***

Source : Primary Data

Interpretation: Majority of male respondents are salaried people and majority of the male respondents are under the category of 1-2 lakhs. Majority of female respondents are salaried people and majority of the female respondents are under the category of 1-2 lakhs.

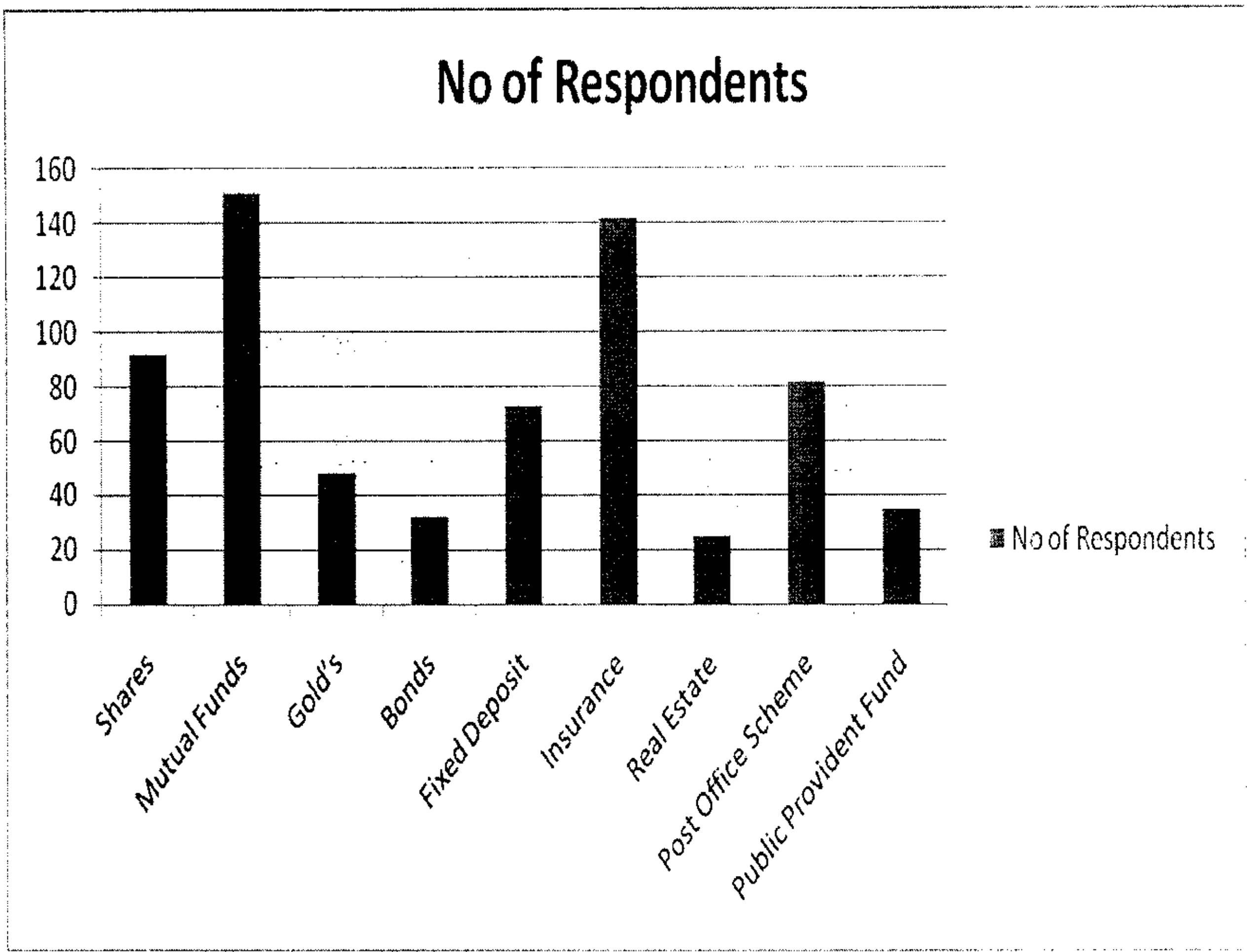
Table 3.1.3

Table Showing the DETAILS REGARDING THE VARIOUS INVESTMENT AVENUES

S.No.	Current Investment Avenues	No of Respondents	Percentage
1	Shares	92	38
2	Mutual Funds	**151**	**62**
3	Gold's	48	20
4	Bonds	32	13
5	Fixed Deposit	73	30
6	Insurance	142	59
7	Real Estate	25	10
8	Post Office Scheme	82	34
9	Public Provident Fund	35	14

Source : Primary Data

FIG. 3.1.1



Inference:

Out of 240 respondents more than half of them are Multi-Investors; mostly preferable Investment Avenues are **Mutual Funds** and next is **Insurance:** Majority of the respondents having more than 2 policies.

3.1.4 FINDING THE ASSOCIATION BETWEEN THE ANNUAL INCOME AND PURPOSE OF INVESTMENT

Annual income(in Rs)	Purpose				
	child education	wealth creation	marriage	building	other future plans
<100000	12	26	3	0	9
1-2 lakhs	12	64	16	10	20
2-4 lakhs	10	12	18	10	8
4-8 lakhs	0	2	0	2	4
>8 lakhs	0	0	0	2	0
Total	34	104	37	24	41

Source : Primary Data

1. Hypothesis

Null Hypothesis (H_0) : There is no association between the annual income and purpose of investment.

Alternate Hypothesis (H_1) : There is an association between the annual income and purpose of investment.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0.05
4. Degrees of Freedom : 16
5. Calculated Value χ^2 : 64.17
6. Critical Value : 26.62 at 5% Level of Significance with 12 Degrees of Freedom

Interpretation:

Since the calculated value is greater than tabulated value, the Null Hypothesis is rejected. Therefore, there is an association between the annual income and purpose of investment.

3.1.5 FINDING THE ASSOCIATION BETWEEN THE GENDER AND PURPOSE OF INVESTMENT

Gender	Purpose Of Investment				Total
	Education & Marriage	Wealth Creation	Building	Future Plans	
Male	34	64	31	31	**159**
Female	40	6	10	10	**81**
Total	**74**	**70**	**41**	**41**	***240***

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the gender and purpose of investment.

Alternate Hypothesis (H_1): There is an association between the gender and purpose of investment.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0.05
4. Degrees of Freedom : 4
5. Calculated Value χ^2 : 8.23
6. Critical Value : 9.48 at 5% Level of Significance with 4 Degrees of Freedom.

Interpretation:

Since the calculated value is less than tabulated value, the Null Hypothesis is accepted. Therefore, there is a no association between the gender and purpose of investment.

3.1.6 FINDING THE ASSOCIATION BETWEEN THE FREQUENCY OF INVESTMENT AND PURPOSE OF INVESTMENT

Frequency of Investment	Purpose of Investment				Total
	Education & Marriage	Wealth Creation	Building	Future Plans	
Less than 1 year	20	20	16	18	74
1-2 years	28	28	8	9	73
2-4 years	13	32	0	8	53
More than 4 year	10	24	0	6	40
Total	**71**	**104**	**24**	**41**	***240***

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the frequency of investment and purpose of investment.

Alternate Hypothesis (H_1): There is an association between the frequency of investment and purpose of investment.

2. Statistical Test : Chi-Square as a Test of Independence

3. Level of Significance : 0.05

4. Degrees of Freedom : 12

5. Calculated Valueχ^2 : 50.22

6. Critical Value : 21.02 at 5% Level of Significance with 12 Degrees of Freedom.

Interpretation:

Since the calculated value is greater than tabulated value, the Null Hypothesis is rejected. Therefore, there is an association between the frequency of investment and purpose of investment.

3.1.7 FINDING THE ASSOCIATION BETWEEN THE AGE AND FREQUENCY OF INVESTMENT

Age	Frequencies				Total
	<1 year	1-2 Years	2-3 Years	>3 Years	
<30	29	39	14	16	**98**
30 to 40	33	26	26	18	**103**
<40	10	6	10	2	**28**
4	2	2	3	4	**11**
Total	**74**	**73**	**53**	**40**	**240**

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the age and frequency of investment.

Alternate Hypothesis (H_1): There is an association between the age and frequency of investment.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0.05
4. Degrees of Freedom : 9
5. Calculated Valueχ^2 : 15.9
6. Critical Value : 16.91 at 5% Level of Significance with 9 Degrees of Freedom.
7. Interpretation:

Since the calculated value is less than tabulated Value, the Null Hypothesis is accepted. Therefore, there is no association between the age and frequency of investment.

3.1.8 FINDING THE ASSOCIATION BETWEEN THE ANNUAL INCOME AND FREQUENCY OF INVESTMENT

Annual income(in Rs)	Frequency				Total
	<1 year	1-2 year	2-3 year	>3 year	
<100000	4	5	23	18	**50**
1-2	26	52	26	18	**122**
2-4	36	14	4	4	**58**
4-8	6	2	0	0	**8**
>8	2	0	0	0	**2**
Total	74	73	53	40	240

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the annual income and frequency of investment.

Alternate Hypothesis (H_1) : There is an association between the annual income and frequency of investment.

2. Statistical Test : Chi-Square Test of Independence

3. Level of Significance : 0.05

4. Degrees of Freedom : 12

5. Calculated Valueχ^2 : 90.97

6. Critical Value : 21.07 at 5% Level of Significance with 12 Degrees of Freedom

Interpretation:

Since the calculated value is greater than tabulated value, the Null Hypothesis is rejected. Therefore, there is an association between the annual income and frequency of Investment.

3.1.9 FINDING THE ASSOCIATION BETWEEN THE EDUCATIONAL QUALIFICATION AND FREQUENCY OF INVESTMENT

Employment Details	Frequency				Total
	<1 year	1-2 years	2-3 years	>3 years	
Salaried	41	43	34	24	142
Professional	8	10	2	8	28
Buisness	23	18	10	4	55
Retired	2	2	7	4	15
Total	74	73	53	40	240

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the educational qualification and frequency of investment.

Alternate Hypothesis (H_1): There is association between the educational qualification and frequency of investment.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0.05
4. Degrees of Freedom : 9
5. Calculated Valueχ^2 : 11.23
6. Critical Value : 16.91 at 5% Level of Significance with 9 Degrees of Freedom.

Interpretation:

Since the calculated value is less than tabulated value, the Null Hypothesis is accepted. Therefore, there is a no association between the educational qualification and frequency of investment.

3.1.10 FINDING THE ASSOCIATION BETWEEN THE FREQUENCY OF INVESTMENT AND RISK PROFILE OF INVESTORS

Frequency	Frequency Of Investment		
	Regular return	Moderate return	High return
<1 year	39	29	6
1-2 years	29	32	12
2-3 years	16	27	10
>3 years	26	10	4
Total	110	98	32

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the frequency of investment and risk profile of investors.

Alternate Hypothesis (H_1): There is an association between the frequency of investment and risk profile of investors.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0.05
4. Degrees of Freedom : 6
5. Calculated Value χ^2 : 14.6
6. Critical Value : 12.59 at 5% Level of Significance with 6 Degrees of Freedom.

Interpretation:

Since the calculated value is greater than tabulated value, the Null Hypothesis is rejected. Therefore, there is an association between the frequency of investment and risk profile of investors.

3.1.11 FINDING THE ASSOCIATION BETWEEN THE FREQUENCIES OF INVESTMENT AND INVESTORS OF MUTUAL FUND

Frequency	Investors of MF		Total
	Invested in MF	Not invested in MF	
<1 year	40	34	74
1-2 years	35	38	73
2-3 years	33	20	53
>3 years	28	12	40
Total	136	104	240

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the frequency of investment and investors of mutual fund.

Alternate Hypothesis (H_1): There is association between the frequency of investment and investors of mutual fund.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0.05
4. Degrees of Freedom : 3
5. Calculated Valueχ^2 : 6.08
6. Critical Value : 7.81 at 5% Level of Significance with 3 Degrees of Freedom.

Interpretation:

Since the calculated value is lesser than tabulated value, the Null Hypothesis is accepted. Therefore, there is no association between the frequency of investment and investors of mutual fund.

3.1.12 FINDING THE ASSOCIATION BETWEEN THE GENDER AND RISK PROFILE OF INVESTORS

Gender	Risk profile of investors		
	Regular return	Moderate return	High return
Male	68	70	22
Female	42	28	10
Total	110	98	32

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the gender and risk profile of investors.

Alternate Hypothesis (H_1): There is an association between the gender and risk profile of investors.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0.05
4. Degrees of Freedom : 2
5. Calculated Value χ^2 : 2.24
6. Critical Value : 5.99 at 5% Level of Significance with 2 Degrees of Freedom.

Interpretation:

Since the calculated value is less than tabulated value, the Null Hypothesis is accepted. Therefore, there is No association between the gender and risk profile of investors.

3.1.13 FINDING THE ASSOCIATION BETWEEN THE AGE AND RISK PROFILE OF INVESTORS

Age	Risk profile of investors		
	Regular return	Moderate return	High return
<30	48	42	8
30 to 40	48	39	16
40 to 50	8	14	6
>50	6	3	2
Total	110	98	32

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the age and risk profile of investors.

Alternate Hypothesis (H_1): There is an association between the age and risk profile of investors.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0 .05
4. Degrees of Freedom : 6
5. Calculated Valueχ^2 : 7.52
6. Critical Value : 12.5 at 5% Level of Significance with 6 Degrees of Freedom.

Interpretation :

Since the calculated value is less than tabulated value, the Null Hypothesis is accepted. Therefore, there is No association between the age and risk profile of investors.

3.1.14 FINDING THE ASSOCIATION BETWEEN THE EDUCATIONAL QUALIFICATION AND RISK PROFILE OF INVESTORS

Education Qualification	Risk profile of investors		
	Regular return	Moderate return	High return
UG	72	67	22
PG	16	16	6
Professional	10	4	2
Other	12	11	2
Total	110	98	32

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the educational qualification and risk profile of investors.

Alternate Hypothesis (H_1): There is an association between the educational qualification and risk profile of investors.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0.05
4. Degrees of Freedom : 9
5. Calculated Valueχ^2 : 2.94
6. Critical Value : 16.9 at 5% Level of Significance with 9 Degrees of Freedom.

Interpretation:

Since the calculated value is less than tabulated value, the Null Hypothesis is accepted. Therefore, there is no association between the educational qualification and risk profile of investors.

3.1.15 FINDING THE ASSOCIATION BETWEEN THE Age AND RISK PROFILE OF INVESTORS

Age	Risk profile of investors		
	Regular return	Moderate return	High return
<30	48	42	8
30 to 40	48	39	16
40 to 50	8	14	6
>50	6	3	2
Total	110	98	32

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the annual income and risk profile of investors.

Alternate Hypothesis (H_1): There is an association between the annual income and risk profile of investors.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0.05
4. Degrees of Freedom : 6
5. Calculated Valueχ^2 : 7.59
6. Critical Value : 12.6 at 5% Level of Significance with 6 Degrees of Freedom.

Interpretation:

Since the calculated value is lesser than tabulated Value, the Null Hypothesis is accepted. Therefore, there is no association between the age and risk profile of investors.

3.1.16 FINDING THE ASSOCIATION BETWEEN THE RISK PROFILE AND PREFERENCE OF MUTUAL FUND SECTOR

Preference of MF	Risk profile of investors		
	Regular return	Moderate return	High return
Public sector	31	29	10
Private sector	14	18	8
Both	10	16	0
Total	55	63	18

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the risk profile and preference of mutual fund sector.

Alternate Hypothesis (H_1): There is an association between the risk profile and preference of mutual fund sector.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0.05
4. Degree of Freedom : 4
5. Calculated Value χ^2 : 26.59
6. Critical Value : 9.48 at 5% Level of Significance with 4 Degrees of Freedom.

Interpretation:

Since the calculated value is greater than tabulated value, the Null Hypothesis is rejected. Therefore, there is an association between the risk profile and preference of mutual fund sector.

3.1.17 FINDING THE ASSOCIATION BETWEEN THE RISK PROFILE AND PREFERENCE OF MUTUAL FUND SCHEMES

Preference of MF	MF schemes		
	Debt	Equity	Balance
Public sector	10	40	20
Private sector	6	20	14
Both	4	14	8
Total	20	74	42

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the risk profile and preference of mutual fund scheme.

Alternate Hypothesis (H_1): There is an association between the risk profile and preference of mutual fund scheme.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0.05
4. Degrees of Freedom : 4
5. Calculated Valueχ^2 : 16.01
6. Critical Value : 9.48 at 5% Level of Significance with 4 Degrees of Freedom.

Interpretation:

Since the calculated value is greater than tabulated value, the Null Hypothesis is accepted. Therefore, there is association between the risk profile and preference of mutual fund scheme.

3.1.18 FINDING THE ASSOCIATION BETWEEN THE ANNUAL INCOME AND APPROXIMATE PERCENTAGE OF INVESTING

Annual income(in Rs)	Percentage of investment in MF				
	Less than 5%	5-10 %	10-20 %	20-30%	More than 30%
<100000 lakhs	20	6	0	2	0
1-2 lakhs	48	16	4	0	2
2-4 lakhs	24	10	0	0	0
4-8 lakhs	0	2	0	0	0
>8 lakhs	2	0	0	0	0
Total	94	34	4	2	2

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the annual income and approximate percentage of investing.

Alternate Hypothesis (H_1): There is an association between the annual income and approximate percentage of investing.

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0 .05
4. Degrees of Freedom : 16
5. Calculated Valueχ^2 : 20.59
6. Critical Value : 26.29 at 5% Level of Significance with 16 Degrees of Freedom.

Interpretation:

Since the calculated value is lesser than tabulated value, the Null Hypothesis is accepted. Therefore, there is no association between the annual income and approximate percentage of investing.

3.1.19 FINDING THE ASSOCIATION BETWEEN THE APPROXIMATE PERCENTAGE OF INVESTING AND FREQUENCY OF INVESTMENT

	Percentage of investment in MF				
Frequency	Less than 5%	5-10 %	10-20 %	20-30%	More than 30%
<1 year	26	12	2	0	0
1-2 years	23	8	2	0	2
2-3 years	23	8	0	2	0
>3 years	22	6	0	0	0
Total	94	34	4	2	2

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the approximate percentage of investment and frequency of investment.

Alternate Hypothesis (H_1): There is an association between the approximate percentage of investment and frequency of investment.

2. Statistical Test : Chi-Square Test of Independence

3. Level of Significance : 0.05

4. Degrees of Freedom : 12

5. Calculated Value χ^2 : 16.46

6. Critical Value : 21.02 at 5% Level of Significance with 12 Degrees of Freedom.

Interpretation:

Since the calculated value is less than tabulated value, the Null Hypothesis is accepted. Therefore, there is No association between the approximate percentage of investment and frequency of investment.

3.1.20 FINDING THE ASSOCIATION BETWEEN THE ANNUAL INCOME AND APPROXIMATE PERCENTAGE OF SAVINGS IN MUTUAL FUND

Annual income(in Rs)	Percentage of investment in MF				
	Less than 5%	5-10 %	10-20 %	20-30%	More than 30%
<100000	20	6	0	2	0
1-2 lakhs	48	16	4	0	2
2-4 lakhs	24	10	0	0	0
4-8 lakhs	0	2	0	0	0
>8 lakhs	2	0	0	0	0
Total	94	34	4	2	2

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the annual income and approximate percentage of savings in mutual fund.

Alternate Hypothesis (H_1) : There is an association between the annual income and approximate percentage of savings in mutual fund.

2. Statistical Test : Chi-Square Test of Independence.
3. Level of Significance : 0 .05
4. Degrees of Freedom : 12
5. Calculated Value χ^2 : 25.61
6. Critical Value : 21.026 at 5% Level of Significance with 12 Degrees of Freedom.

Interpretation:

Since the calculated value is greater than tabulated Value, the Null Hypothesis is rejected. Therefore, there is an association between the annual income and approximate percentage of savings in mutual fund.

3.1.21 FINDING THE ASSOCIATION BETWEEN THE APPROXIMATE PERCENTAGE OF INVESTMENT AND APPROXIMATE PERCENTAGE OF SAVINGS IN MUTUAL FUND

	Percentage of investment in MF				
Percentage savings	Less than 5%	5-10 %	10-20 %	20-30%	More than 30%
Less than 5%	30	18	2	0	2
5-10 %	50	8	0	2	0
10-20 %	14	6	2	0	0
More than 20%	0	2	0	0	0
Total	94	34	4	2	2

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the approximate percentage of investment and approximate percentage of savings in mutual fund.

Alternate Hypothesis (H_1) : There is an association between the approximate percentages of investment and approximate percentage of savings in mutual fund.

2. Statistical Test : Chi-Square as a Test of Independence
3. Level of Significance : 0 .05
4. Degrees of Freedom : 12
5. Calculated Valueχ^2 : 24.9
6. Critical Value : 21.02 at 5% Level of Significance with 12 Degrees of Freedom.

Interpretation:

Since the calculated value is greater than tabulated value, the Null Hypothesis is rejected. Therefore, there is an association between the approximate percentage of income and approximate percentage of savings in mutual fund.

3.1.22 FINDING THE ASSOCIATION BETWEEN THE AGE AND OBJECTIVE OF INVESTMENT

Age	Objective				
	Capital appreciation	Regular income	Safety	Liqidity	Tax benifits
<30 years	39	49	10	0	0
30 to 40 years	37	58	0	6	2
40 to 50 years	10	12	0	4	2
> 50 years	2	5	2	0	2
Total	88	124	12	10	6

Source : Primary Data

1. Hypothesis:

Null Hypothesis (H_0) : There is no association between the age and objective of investment

Alternate Hypothesis (H_1): There is an association between the age and objective of investment

2. Statistical Test : Chi-Square Test of Independence
3. Level of Significance : 0 .05
4. Degrees of Freedom : 12
5. Calculated Valueχ^2 : 45.89
6. Critical Value : 21.02 at 5% Level of Significance with 12 Degrees of Freedom.

Interpretation:

Since the calculated value is greater than tabulated value, the Null Hypothesis is rejected. Therefore, there is an association between the age and objective of investment.

3.1.23 FACTORS AFFECTING IN CHOICE OF MUTUAL FUNDS

S.No.	Factors	Total Score	Rank
1	Capital Appreciation	980	2
2	**Better Annual Dividends**	**1040**	**1**
3	High Return Compared To Other Investments	857	3
4	Previous year Performance	674	5
5	Better Portfolio Management	795	4
6	Popularity	489	7
7	Schemes Most Suitable For Your Needs	550	6
8	Advertisement	429	8
9	Friends- Suggestion	306	9

Source : Primary Data

Note : The rank given by the respondents

Rank 1	Rank 2	Rank 3	Rank 4	Rank 5	Rank 6	Rank 7	Rank 8	Rank 9
26	33	28	27	18	17	16	8	3
34	21	26	31	17	18	4	5	3
26	21	29	19	14	5	18	13	11
21	16	12	16	26	23	12	11	19
13	18	23	27	17	19	16	11	12
3	8	16	26	18	17	26	33	18
5	4	18	3	31	26	21	34	17
8	5	11	23	14	19	29	31	26
2	9	4	11	8	29	31	33	29

Interpretation:

From the above we found that Investors Preference about Factors affecting in Choice of Mutual funds, Among the 9 factors Maximum Number of Investors preference is Better Annual Dividends.

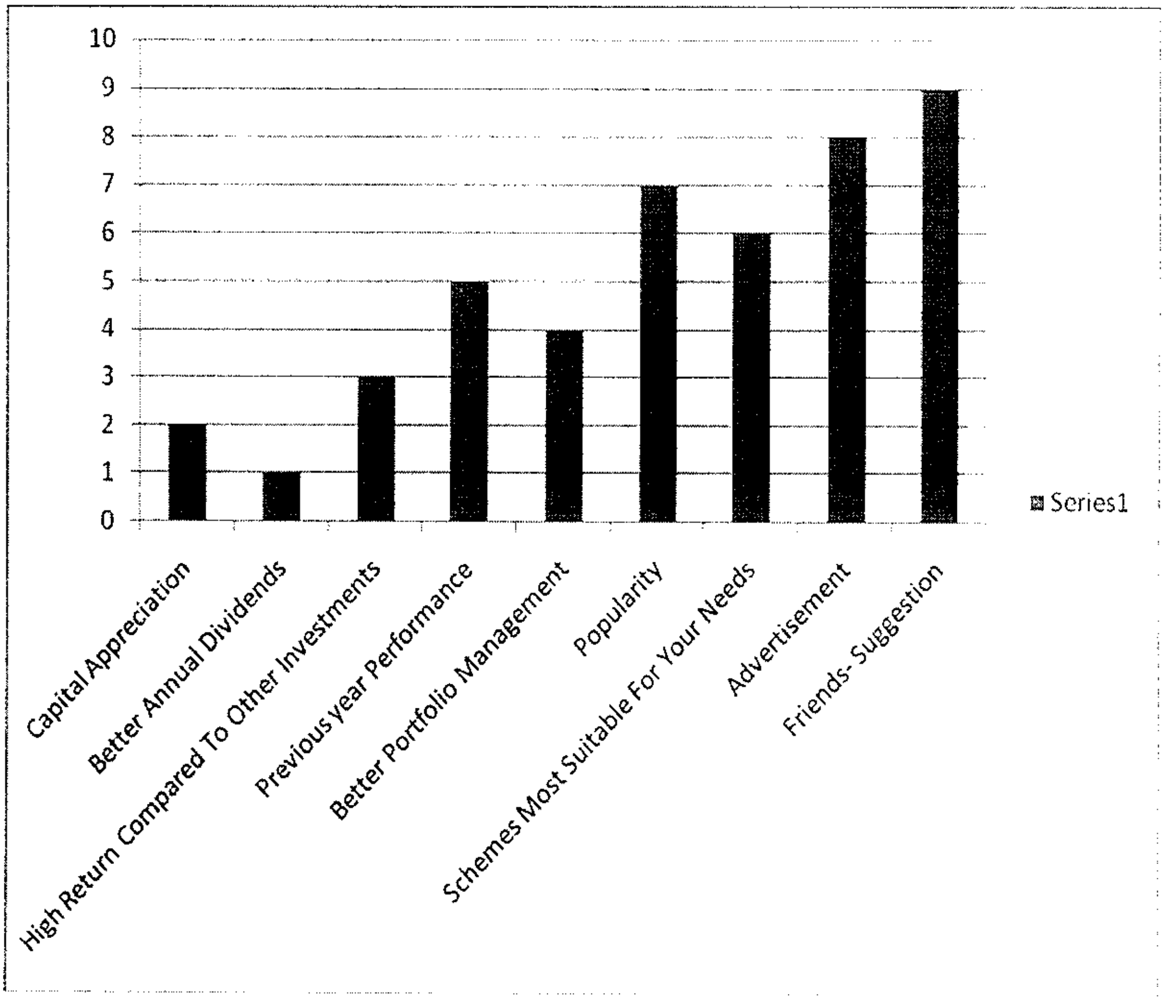


FIG. 3.1.2

3.1.24 SATISFACTION LEVELS OF SERVICES PROVIDED BY MUTUAL FUNDS AGENT

Standard Table:

Factor	Sample Size	Scale Value	Total
Excellent	**136**	**3**	***408***
Satisfactory	**136**	**2**	***272***
Poor	**136**	**1**	***136***

Note:

If it is above 320 it is considered to be Excellent
If it is above 250 it is considered to be Satisfied
If it is less than 250 it is considered to be Poor.

1. Services: Guidance and Advice

Factor	Guidance & Advice		Total
	No of Respondents	Scale Value	
Excellent	66	3	**198**
Satisfactory	59	2	**118**
Poor	11	1	**11**
		Calculated value	***327***

Inference:

The figure in above table shows that the calculated value 327, from the above Standard tables it is inferred that the Guidance and Advice are Excellent.

2. Services: Notification of New Schemes

Factor	Notification of New Schemes		Total
	No of Respondents	Scale Value	
Excellent	76	3	**228**
Satisfactory	55	2	**110**
Poor	5	1	**5**
		Calculated value	***343***

Inference:

The figure in above table shows that the calculated value 343, from the above Standard tables it is inferred that the Notification of New Schemes is Excellent.

3. Services: Supplying and Collecting Forms

Factor	Supplying And Collecting Forms		Total
	No of Respondents	Scale Value	
Excellent	70	3	**210**
Satisfactory	59	2	**118**
Poor	7	1	**7**
		Calculated value	***335***

Inference:

The figure in above table shows that the calculated value 335, from the above tables it is inferred that the Supplying and collecting forms are Excellent

4. Services: Integrity

Factor	Integrity		Total
	No of Respondents	Scale Value	
Excellent	88	3	**264**
Satisfactory	46	2	**92**
Poor	2	1	**2**
		Calculated value	***358***

Inference:

The figure in above table shows that the calculated value falls near 358.So from the above table it is inferred that the Integrity is Excellent.

5. Services: Solving Problem or Complaint with Mutual Funds

Factor	Solving Problem		Total
	No of Respondents	Scale Value	
Excellent	15	3	**45**
Satisfactory	89	2	**178**
Poor	32	1	**32**
		Calculated value	**255**

Inference:

The figure in above table shows that the calculated value falls near 297 from the above table it is inferred that the Solving Problem or Complaint with Mutual Funds is satisfactory.

Agent Services Provided by Mutual Funds in Respect of:

Services Provided By Mutual Funds	Excellent	Satisfactory	Poor
Guidance And Advice	66	56	11
Notification of New Schemes	76	55	5
Supplying And Collecting Forms	70	59	7
Integrity	88	46	2
Solving Problem or Complaint With Mutual Fund	15	89	32
Total	315	305	57

Source : Primary Data

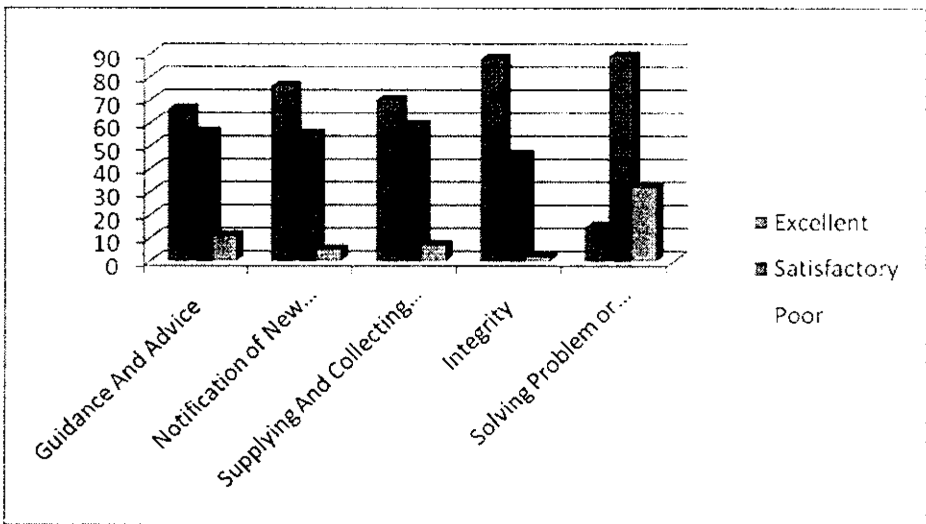


Fig 3.1.3

3.2 Findings

Statistical evidence (Chi-Square test) has revealed the following findings

Analysis based on personal profile and financial profile:

- Gender, age and education have a significant relationship with the objective of the investment.
- There is significant relationship between the annual income and frequency of Investment.
- The frequency of investment in mutual fund has a significant relationship with risk profile & investors in mutual funds.
- The risk profile of the respondents has a significant association with preference for mutual fund sector and mutual fund schemes.
- There is a significant association between age and preference for mutual fund scheme.
- There is a significant relationship between annual income and purpose of investment, risk profile and approximate percentage of investing.

Analysis based on current investment avenues and Personal & financial profile:
There is a significant association between the following:

- Investment in shares and education, annual income, objectives of investment ,purpose of investment, frequency of investment, preference for advice and approximate percentage of investing.
- Investment in mutual fund and age, education, annual income , objectives of investment ,purpose of investment, frequency of investment, preference for advice and approximate percentage of investing.
- Investment in gold and frequency of investment, preference of advice.
- Investment in bond and annual income, purpose of investment.
- Investment in fixed deposit and age, employment, objective of investment and preference for advice.
- Investment in insurance and age, education, employment, objective of investment and preference of advice.
- Investment in post office schemes and age & education.

GENERAL FINDINGS:

- The main reason why people invest were wealth creation (52%) and education and marriage (30%).
- Most of the respondents claimed that they invested on a less than 2 years basis (76%), 46% of the respondents invest 5-10% of their income and 34% of the respondents invest less than 5% of their income.
- The main objectives claimed by the respondents for investing are regular income (51%) and capital appreciation (36%).
- Most of the respondents (42%) preferred taking a moderate risk. 45% preferred to get advice from family members and friends, 26% from auditors & consultants.
- Around 74% were aware of mutual funds and 80% among them have invested in mutual funds.
- 69% of them those who invested in mutual funds invest less than 5% of their savings.
- 31% prefer private mutual funds, 51% public mutual funds and 18% prefer both public & private sector mutual funds.
- 54% of those who have invested in mutual funds have opted for equity scheme.

- When asked to rank the factors in the choice of mutual funds the rank obtained were as follows:

  Better annual dividends -1, Capital Appreciation -2,

  High return compared to other investment -3

  Better portfolio management -4, Previous year performance -5.

- More than 90% of the respondents were satisfied with the all kinds of service provided by mutual fund agent (Karvy consultancy).

Average Investor Profile:

Age: 30 to 40 years

Marital status: Married

Income: 1- 2 lakh Rs

Investment avenues: Mutual fund

Percentage of investment: 5- 10 %

Purpose of investment: Wealth creation

Objective of investment: Regular income

Frequency of investment: less than 2 years once

Type of return expected : Regular return

Preference of Mutual fund : Public sector funds

Preference of Mutual fund schemes : Equity

Percentage of savings in Mutual fund : Less than 5%

3.3 SUGGESTIONS AND RECOMMENDATIONS

1) Since regular income is the factor, which influence the investors mostly by while making a Particular investment decision, Karvy Consultants Ltd shall project this aspect and shift towards financial products which offer maximum return.

Company shall make the investors aware about all the latest Investment opportunities available, which are less risky and fetch regular income from the investment.

2) Investor those who invested in post office, fixed Deposit and insurance most of them have not invested in shares, mutual funds and bonds and other investment avenues, the main reason is that investors are not much aware about the latest investment avenues. So Company shall make the investors aware about all investment avenues.

3) The main factors affecting the choice of investment were found to be better annual returns, where as mutual funds are more risk averse and diversified these 2 attributes can be projected during initial public offering on mutual funds.

4) Through the existing database, based on the income level, new financial products and schemes could be targeted at a particular income category which the company seems suitable.

5) The details towards the issue of new mutual fund plans must be made available to the investors.

6) The mutual fund schemes related to the public sector must be increased. As most of the investors prefer the public sector funds.

7) The service provided with respect to the customer complaints on the charges imposed on the exit loads should be handled in a customer friendly manner improve the satisfaction level of the investors.

3.4 CONCLUSION

The various factors identified in the study provide some valuable input regarding the investor's pattern, their preference and Priorities this will guide the organization in designing financial products for the various segments of investors.

The buying intent of mutual fund product by a small investor can be due to multiple reasons depending upon the risk return trade off. Due to the reduction in the bank interest rates and high degree of volatility in Indian Stock market, investors are looking at an alternative for their investments, which will provide them higher, returns and also safety to their investments.

Appendix

APPENDIX

Investment Pattern and Preference of Retail Investors in Chennai City with Special Reference to **Mutual Funds**

INTERVIEW/QUESTIONNARE

1. Personal Profile:

Name:

Gender M/F:

Age: a)Less than 30 ☐ b)Between 31 – 40 ☐

c)Between 41 - 50 ☐ d)Above 50 ☐

Marital Status: a)Single ☐ b)Married ☐

If Married ,

Is your Wife/Husband employed : a)Yes ☐ b)No ☐

Educational Qualification:

a)Under Graduate ☐ b)Post Graduate ☐

c)Professional ☐ d)Others_______________

Employment Details:

a)Salaried ☐ b)Professional ☐

c)Business ☐ d)Retired ☐

2. Financial Profile:

2. Annual Income:

a)<1, 00,000 ☐ b)1 - 2 lakh ☐ c)2 - 4 lakh ☐

d)4 – 8 lakh ☐ e)> 8 lakh ☐

3. In which investment avenues have you chosen for your Current Investment?

a)Shares ☐ b)Mutual Funds ☐ c)Gold ☐ d)Bonds ☐ e)Fixed Deposit ☐ f)Insurance ☐

g)Real estate ☐ h)Post Office ☐ i) Public Provident Fund ☐

4. Approximately, What percentage of your income do you invest?

a)Up To 5 % ☐ b)5 To 10% ☐ c)10 To 20 % ☐

d)20 To 30% ☐ e)More Than 30% ☐

5. What is the objective of investment?

a)Capital Appreciation ☐ b)Regular Income ☐ c)Safety ☐

d)Liquidity ☐ e)Tax benefits ☐

6. Purpose of investment?

a)Children Education ☐ b)Wealth Creation ☐ c)Marriage ☐

d)Building ☐ e)Other Future plans ☐

7. How often do you invest?

a)Less than 1 year ☐ b)1-2 year ☐ c)2-3 year ☐ d)More than 3 year ☐

8. What type of return do you expected?

a)Regular Return ☐ b)Moderate Return ☐ c)High Return ☐

9. Whose advice do you take while you invest?

a)Family Members ☐ b)Friends ☐ c)Auditors ☐

d)Financial Consultants ☐ e)By self ☐

<u>Mutual Funds:</u>

10. Do you know about Mutual funds?

a)Yes ☐ b)No ☐

11. Have you invested in Mutual funds?

a)Yes ☐ b)No ☐

12. Which mutual fund do you prefer to invest?

a) Public Sector ☐ b)Private Sector ☐ c)Both ☐

13. In which type of mutual fund schemes have you invested?

a) Debt\Income ☐ b)Equity\Growth ☐ c)Balanced ☐

14. How important are the following factors in your choice of mutual funds and RANK it?

S.NO	Factors are:	Rank it
I.	Capital Appreciation	
II.	Better annual dividends	
III.	High return compared to other investments	
IV.	Previous Year performance	
V.	Better Portfolio Management	
VI.	Popularity	
VII.	Scheme most Suitable for your needs	
VIII.	Advertisement	
IX.	Friends- Suggestion	

16. How far are you satisfied with agent service for Mutual fund in respect of?

Services	Excellent	Satisfactory	Poor
1. Guidance &Advice	☐	☐	☐
2. Notification of new schemes	☐	☐	☐
3. Supplying and collecting form	☐	☐	☐
4. Integrity	☐	☐	☐
5. Solving problem Or Complaint with mutual fund	☐	☐	☐

17. Approximately, What percentage of your savings do you invest in mutual funds?

a)Up To 5 % ☐ b)5 To 10% ☐ c)10 To 20 % ☐

d)20-30% ☐ e)>30% ☐

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