

Investor's Experiences of Investing in Mutual Funds in India

¹Dr. Kavita Patil, ²Dr. Sujata Chincholkar.

¹Dr. Panjabrao Deshmukh Institute of Management Technology and Research, Dhanwate College, Nagpur, India. Email: kavitaadattapatil@gmail.com

²Fr. C. Rodrigues Institute of Management Studies, Vashi, Navi Mumbai, India.
Email:schincholkar@gmail.com

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Abstract:

Mutual fund industry is growing leaps and bounds in India. Numbers of investors in mutual funds are increasing rapidly. Investors invest in mutual funds either with the help of PMS or using their own judgments and knowledge. At the same time, there are sizeable numbers of people who shy away from any form of investment in stock market. Those who invest in mutual funds can share a lot about their experience of putting money into Mutual Funds. Their experiences can become a guiding path for those who still think that Mutual funds are not their cup of tea. This paper best describes the experiences of investors investing in mutual funds using primary data. Investors have shown their confidence in Mutual Fund investments. The survey revealed that mutual fund investors are taking well-informed decisions and are experiencing good returns on their investments.

Key Words: Mutual Funds, Experience, Risk and Returns.

I. INTRODUCTION

The Indian mutual fund industry plays an important role in the capital market segment. In February 2019, Indian mutual fund industry was holding ₹ 24, 932 crore of average assets under management (AAUM) ¹. The asset under management of the Indian MF Industry has increased from ₹ 5.09 trillion to ₹23.16 trillion in a span of 10 years covering 2009-2019, thereby achieving 4 ½ fold increase ¹. The milestone of ₹10 Trillion (₹10 Lakh Crore) in terms of assets under management was reached for the first time in May 2014 ¹. Within three years' time, the asset under management size had increased more than double and crossed ₹ 20 trillion (₹20 Lakh Crore) in August 2017 for the first time¹. The total number of folios as on February 28, 2019 stood at 8.18 crore (81.8 million), while the number of folios under Equity, ELSS and Balanced

schemes, wherein the maximum investment is from retail segment stood at 6.87 crore (68.7 million) ¹.

Looking at the stellar growth of the mutual fund industry in India in the last decade, the number of investor showing interest in mutual funds has also increased multifold. Still, it is not significantly high for country like India, with a population of 1.37 billion. Investment is a skillful art and every art has been accompanied with some experiences. In India, it has also been observed that few investors are taking the help of hired Astrologer who have helped or guided them to invest in mutual funds industry according to their "Zodiac sign" to make the profit or to avoid the risk while investing. The aim of the study is to learn about the experiences of investors who lay out their money in Mutual Funds in India.

II. Literature Review

Nidhi and Ravi (2009) studied perception of investors towards risk return tradeoff for mutual fund services. A sample of 100 existing mutual fund

investor were surveyed and tried to identify critical gaps in the existing framework for mutual funds and further extended it to understand the need of redesigning existing mutual fund services by acknowledging “Investor Oriented Service Quality Arrangements” (IOSQA). Nidhi and Ravi (2009) further quoted, “IOSQA identifies seven C’s that include Communication, Confidence, Credibility, Commitment, Concern, Competence, and Continuous improvement (CI) that should be fostered in order to ensure customer satisfaction. Investor oriented service quality arrangement (IOSQA) is a suggestive approach to align investor’s expectations and AMC’s actions towards complete satisfaction.”

Simran, Bimal and Ramandeep (2011) analysed the mutual fund investments with respect to investor’s awareness, behavior, opinion and perception among the respondents. Variety of mutual fund schemes, main intention of investing in mutual fund scheme, satisfaction levels of investors and part played by financial advisors and brokers were studied. Their report concluded that tax benefits from the scheme attract and keep them invested in mutual funds.

N.Geeta and M. Ramesh (2011) studied various elements affecting investment habits of the people and the viewpoint of the respondents towards different investment options. They have found that in Kurumbalur being a small town, the potential investors are not very well aware about various investment choices. There is very little awareness about stock market, equity, bonds and debentures.

Shantanu and Charmi (2012) studied the investors’ preferences and needs regarding mutual fund investments and analyzed the most influential factors while buying mutual funds. They also evaluated the performance of mutual fund schemes preferred by investors based on return parameters. The authors conclude that there are various factors impacting the investors for mutual funds’ investments especially their buying behavior, reliable sources that the investors consider trustworthy while making

investment and mainly favorable approach towards investments in market.

Kavitha Ranganathan (2006) examined various facets of the fund selection behaviour of individual investors while investing in Mutual funds, in Mumbai. She has suggested that the best option for an individual who has shortage of time, lack of knowledge or experience to take decisions involving his hard-earned savings is mutual fund. MF market in India is still in growing stage, which could have captured semi-urban market beyond the urban. Rural areas are still untouched market.

Simran Saini, Bimal Anjum, Ranamdeep Saini (2011) analyzed mutual fund investments to study the investor’s behavior. They studied investors’ viewpoint relating to many concerns like different types of mutual fund scheme, the main motive behind investing in mutual fund scheme, financial advisors and brokers’ role in decision-making, investors’ opinion about the various dimensions that draw attention while investing in mutual funds and different magnificent resources for information. They identified some of the lacunas in the services offered by the mutual fund houses while selling the Mutual fund Policy, hence created a big challenge in front of the Indian mutual fund industry. They have reported that the prime intention of the respondents while entering in mutual funds was savings in income taxes offered by it in addition to high return and conservation of funds.

Parihar et. al. (2009) analyzed different demographic variables and their impact on the mind-set of investors towards mutual funds. They highlighted the benefits of mutual funds to investors. They reported that respondents were from Agra city belonging to different demographic profiles and the research study concluded that most of investors are still not confident towards investments in mutual fund and still feels hesitation while investing. Poor level of awareness among investors about the conceptual

clarity of the functioning of mutual fund industry was reported as the prime reason behind this observed phenomenon.

Singh Binod Kumar (2011) analyzed the effect of various demographic factors on viewpoint of investors towards mutual fund. The researcher studied various factors with the help of ranking scale, which are accountable for opting of mutual funds as a vehicle of investment. Their study quoted, “Most of respondents are still confused about the mutual funds and have not formed any attitude towards the mutual fund for investment purpose”. One of the encouraging and motivating observation of the study is majority of the respondents have very little awareness about the various function of mutual funds. When the demographic factors were studied at root level, it was observed that gender, earning capacity and educational background have significantly or considerably influenced the approach of the investors while investing in mutual funds. Contrary to that, lifetime in years and profession among the demographic factors were found to have least effect on the attitude of individuals relating to mutual funds.

J. Stephen King (2002) reported that if the expansion rate in the number of mutual funds continues to moderate or if the number of funds actually reduces, then mutual fund expense ratios are also likely to drop, because of the large asset size of the fund that remains in activity. It is expected that in the future, there will be scarcely any mutual funds and they will have smaller average expenses ratios

1. Purpose of the study:

The broad objectives of the research are mentioned below,

1. To learn about the knowledge level of investors about basics of mutual Funds.
2. To study the experiences of individual investors about rewards earned and risks implied in mutual fund investments.

3. To understand investors’ experience of trading in mutual funds and costs involved in mutual funds.
4. Comparison of mutual funds versus investment in shares as a tool of investment.

2. Research Methodology:

The present survey is a descriptive research study that has the objective of measuring the responses of investors in terms of knowledge and their experience of investing in mutual funds. The detailed research methodology is discussed below.

III. Data Collection:

The researchers used primary data to learn about the experiences of investors. For the purpose of data collection, we used an online survey questionnaire. We conducted an online survey in Mumbai and Navi Mumbai. Total 84 responses were received but only 70 valid samples were taken for the research purpose after discarding outliers.

The target population of the study was investors in mutual funds. The sample was drawn randomly. We ensured confidentiality of information by asking participants not to include their names on the completed questionnaire.

A 20-statement questionnaire was developed for measuring the experiences of investors. The statements were developed on 5 point Likert scale ranging from strongly agree (5) to strongly disagree (1). The developed scale was checked for its validity and reliability. We measured the reliability using Cronbach’s alpha, which was 0.932.

A. Respondents Profile:

Demographic and Social profile of the sample:

Table I-III depicts respondents profile in terms of qualification, Age and occupation.

Age:

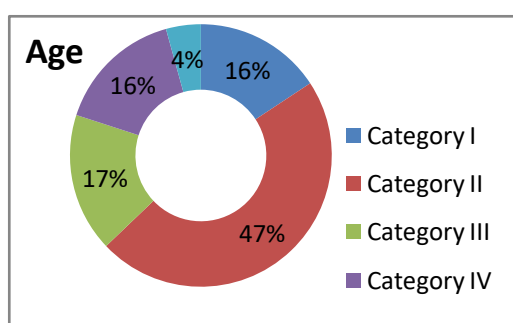
Table I - Age of the Respondents

| Category | Age Groups in Years | No. of Respondents | Percentage |
|----------|---------------------|--------------------|------------|
| | | | |

| | | | |
|--------------|--------------|----|-----|
| Category I | 21 to 30 | 11 | 16 |
| Category II | 31 to 40 | 33 | 47 |
| Category III | 41 to 50 | 12 | 17 |
| Category IV | 51 to 60 | 11 | 16 |
| Category V | 61 and above | 3 | 4 |
| Total | | 70 | 100 |

(Source: Survey Data)

Figure I - Age of the Respondents



The above table reveals that 16% respondents come under 21-30 years, 47 % are 31-40years, 17% are 41-50 years, 16% are 51-60 and only 4% are above 61 years old. Most of the investors fall under the category II and age group of 31-40 years. It is the age group where the investors can decide their investments in appropriate manner.

Education status

Table II - Education Status

| Pattern of Education | No. of Respondents | Percentage |
|----------------------|--------------------|------------|
| Below Graduate | 0 | 0 |
| Graduate | 16 | 23 |
| Post Graduate | 49 | 70 |
| Others | 5 | 7 |
| Total | 70 | 100 |

(Source: Survey Data)

Education levels of respondents are high with 71% of them are postgraduates. It is reflective of an indication that respondents are educated and gainfully employed and understands various perspectives of mutual fund investments.

Profession

All the respondents belong to the age group wherein they are employable/employed and investors of mutual funds. Large numbers of the participants are engaged in service as occupation whereas around 23% of them are engaged in business and others.

Table III - Profession of the respondents.

| Profession | No. of Respondents | Percentage |
|------------|--------------------|------------|
| Service | 54 | 77 |
| Business | 8 | 11 |
| Others | 8 | 11 |
| Total | 70 | 100 |

(Source: Survey Data)

B. Analysis of Components

The researchers analyzed the data collected from 70 respondents in 20 statements. The information regarding 20 statements is categorized into four components in the following table IV.

| Sr No | Sr. No of Ques-tions | Component | Statements Details | Total No of Statements for each component |
|-------|----------------------|---|---|---|
| 1 | Q1A | Understanding basic knowledge of Mutual Funds | I experienced that mutual funds are not complicated to invest in compared to shares | 5 |
| 2 | Q1B | | Fund managers take good care of my investments. | |
| 3 | Q1C | | I get a good choice out of various schemes offered by Mutual funds. | |
| 4 | Q1D | | I experienced that mutual funds gives consistent returns on investment. | |
| 5 | Q1E | | I understand the fluctuations in the unit value of mutual fund. | |

| | | | | |
|----|-----|---|--|---|
| 6 | Q2A | Experience of Investors about Risks and Rewards in Mutual Funds | I have earned superior returns by investing in mutual funds | 5 |
| 7 | Q2B | | My returns from mutual funds have always kept pace with the inflation. | |
| 8 | Q2C | | I feel that risks involved in mutual funds are much less than direct investment in stocks. | |
| 9 | Q2D | | I feel that Mutual funds get superior returns by proper diversification | |
| 10 | Q2E | | Mutual funds have allowed me to choose a scheme suitable to me by disclosing risk and return profile of each scheme. | |
| 11 | Q3A | Investor's Experience of trading in Mutual funds | My online transactions for buying and selling of mutual funds help me to handle my investments better. | 5 |
| 12 | Q3B | | Ranking of mutual funds by various agencies helps me to decide my investments in mutual funds | |
| 13 | Q3C | | Cost of investing is less in mutual funds than stocks | |
| 14 | Q3D | | SIP brings discipline of regular investment in mutual funds | |
| 15 | Q3E | | Tax treatment to mutual funds is quite simple. | |
| 16 | Q4A | Comparison of Mutual funds versus investment in shares | Mutual funds are easy to choose than shares | 5 |
| 17 | Q4B | | Mutual funds offer better diversification than shares | |
| 18 | Q4C | | Mutual funds offers safe entry into stock | |

| | | | | |
|-----------------|-----|---|--|----|
| | | | markets than direct investment in stocks | |
| 19 | Q4D | | Tracking of mutual fund performance is easy vis- a- vis stocks | |
| 20 | Q4E | | Entry and exit in mutual funds is very convenient | |
| Total component | | 4 | Total statements | 20 |

The questionnaire was developed on 5-point Likert scale. Each question has five options mentioned below and points allotted are as follows.

Table IV - Likert Scale

| Scale | Points |
|-------------------|--------|
| Strongly agree | 5 |
| Agree | 4 |
| Neutral | 3 |
| Disagree | 2 |
| Strongly disagree | 1 |

(Source –Kothari and Garg (2019))

As shown in Table V, points are allotted and total points are calculated and analyzed. After calculating the points, the experiences of the investors are identified as follows.

Table V - Likert Scores

| Scale | Points |
|-------------------|-----------|
| Strongly disagree | 0 - 100 |
| Disagree | 101 - 200 |
| Neutral | 201 - 300 |
| Agree | 301 - 400 |
| Strongly Disagree | 401 - 500 |

Understanding basic knowledge of Mutual Funds

Table VI - Understanding basic knowledge of Mutual Funds

| Likert Scale | Q1A | Q1B | Q1C | Q1D | Q1E |
|--------------|-----|-----|-----|-----|-----|
|--------------|-----|-----|-----|-----|-----|

| | | | | | |
|-------------------|----|----|----|----|----|
| Strongly agree | 24 | 10 | 13 | 4 | 21 |
| Agree | 31 | 29 | 42 | 28 | 26 |
| Neutral | 7 | 22 | 10 | 28 | 13 |
| Disagree | 6 | 8 | 4 | 9 | 7 |
| Strongly disagree | 2 | 1 | 1 | 1 | 3 |
| Total | 70 | 70 | 70 | 70 | 70 |

(Source: Survey Data)

As per the calculation of Table XI, the Average Likert scores: $371 \{(397+356+390+337+379)\}/5$

The respondents have agreed that mutual fund investments are easy compared to investing in shares. The respondents have strong belief that fund managers take good care of their investments. The respondents have agreed that the investor get a good choice out of various schemes offered by Mutual funds. It is observed that the mutual funds get superior returns by proper diversification, but the likert points for this statement is lowest. It is found that the respondents have agreed that they understand the fluctuations in the unit value of mutual fund.

Experience of Investors about Risks and Rewards in Mutual Funds

Table VII - Experience of Investors about Risks and Rewards in Mutual Funds

| Likert Scale | Q2 A | Q2 B | Q2 C | Q2 D | Q2 E |
|-------------------|------|------|------|------|------|
| Strongly agree | 3 | 6 | 21 | 18 | 12 |
| Agree | 29 | 29 | 25 | 30 | 33 |
| Neutral | 28 | 19 | 10 | 13 | 17 |
| Disagree | 7 | 16 | 12 | 7 | 8 |
| Strongly disagree | 3 | 0 | 2 | 2 | 0 |
| Total | 70 | 70 | 70 | 70 | 70 |

(Source: Survey Data)

As per the calculation of Table XII Average Likert scores: $358 \{(332+336+373+379+370)\}/5$

The respondents have agreed that they have earned superior returns by investing in mutual funds. The respondents have agreed that their rewards from mutual funds have always kept pace in line with inflation. Most of the respondents feel that the risks involved in mutual funds are much less, than direct investment in stocks .It is concluded that the respondents believe that mutual funds get superior returns by proper diversification as Likert points for this statement is highest. It is found that disclosures of risks involved in mutual fund have helped investors to take an informed decision and to choose the right scheme suitable to their risk appetite.

Investor's Experience of trading in Mutual funds

Table VIII - Investor's Experience of trading in Mutual funds

| Likert Scale | Q3 A | Q3 B | Q3 C | Q3 D | Q3 E |
|-------------------|------|------|------|------|------|
| Strongly agree | 23 | 16 | 14 | 32 | 11 |
| Agree | 27 | 37 | 23 | 25 | 30 |
| Neutral | 14 | 7 | 22 | 6 | 21 |
| Disagree | 3 | 7 | 7 | 4 | 6 |
| Strongly disagree | 3 | 3 | 4 | 3 | 2 |
| Total | 70 | 70 | 70 | 70 | 70 |

(Source: Survey Data)

As per the calculation of Table XIII, Average Likert scores: $380 \{(393+381+351+413+360)\}/5$

The respondents agreed that their online transactions for trading of mutual funds have helped them monitor their investments better. The respondents concurred that ranking of mutual funds by various agencies helped them to decide their investment alternatives in mutual funds. The respondents feel that their cost of investing is less in mutual funds than stocks. It is strongly agreed by the respondents that SIP brings discipline of regular investment in mutual funds, also the Likert points for this statement is highest indicating SIP as the popular vehicle of investment. It is found that the

respondents have agreed upon the easy tax treatment to mutual funds.

Comparison of Mutual funds versus investment in shares

Table IX - Comparison of Mutual funds versus Investment in shares

| Likert Scale | Q4 A | Q4 B | Q4 C | Q4 D | Q4 E |
|-------------------|------|------|------|------|------|
| Strongly agree | 17 | 18 | 23 | 17 | 20 |
| Agree | 32 | 33 | 29 | 30 | 25 |
| Neutral | 11 | 11 | 8 | 18 | 18 |
| Disagree | 9 | 4 | 7 | 3 | 4 |
| Strongly disagree | 1 | 4 | 3 | 2 | 3 |
| Total | 70 | 70 | 70 | 70 | 70 |

(Source: Survey Data)

As per the calculation of Table XIV, Average Likert score: 382 {(379+381+389+381+379)}/5

The respondents revealed that mutual funds are easy to choose than shares. The respondents agreed that mutual funds offer better diversification than shares. It also showed that mutual funds offers safe entry into stock markets than direct investment in stocks. It is agreed by the respondents that tracking of mutual fund performance is easy vis- a- Vis stocks. It is found that the respondents have agreed that entry and exit in mutual funds is very convenient.

Mean And Standard Deviation Of Responses

In Table XV, the data has been compiled for the mean and z scores of the 20 statements. The higher the possibility of the poor experiences of investors investing in mutual funds, if mean is lower. From the table it is clear that most of the items have mean greater than three. At the same time, mean scores for consistent returns, superior returns and pace with inflation are close to 3 (lower mean value) indicating a valuable response from the respondents due to their participation in mutual funds for the sake of investment.

Based on the survey, the sample mean (column 2) in Table XV, for all the statements are contained in the region of Rejection (Critical value Lower limit and Critical value upper limit) as per the “Central Limit Method”. Thus, the sample mean for all the statements are greater than Critical value (column 7); the researchers say that the results are statistically significant at the 0.05 level.

All the above statements are again analysed by “Z Statistics’ method. Using Z Test statistics formula below, the observed value of Z-statistics has been calculated for the sample mean.

$$Z = \frac{\bar{X} - \mu}{\sigma / \sqrt{n}}$$

\bar{x} = sample mean

μ = population mean

σ = population standard deviation

n = sample size

• For example

• For Q1A

$$\begin{aligned} Z &= \frac{3.986 - 3}{1.028 / \sqrt{70}} = \frac{0.986}{1.028 / 8.366} = \frac{0.986}{0.1228} = 8.020 \end{aligned}$$

Thus for the Q1A, the Z value is 8.020 and we find that we have met the criterion of statistically significance at the 0.05 level. In this way, all the z value has been calculated for all the statements and the result is statistically significant at the 0.05 level.

Results And Discussions

Average Likert score of 371 for the component, “Understanding the basic knowledge of the mutual funds” indicates that respondents have the basic knowledge of the mutual funds that is needed to take investment decisions. They can decide by themselves where to invest their money.

Average Likert scores of 358 ‘Experience of Investors about Risks and Returns in Mutual Funds’ indicate that respondents have agreed about the fabulous experience in terms of superior returns, lower risk, pace of investments during inflation and choice of suitable schemes. Earning good returns in mutual fund investments will bolster the confidence

of investors in mutual fund as a safe investment vehicle.

Average Likert points of 380 for the component, “Investor’s Experience of buying and selling of Mutual funds” indicates that respondents have agreed upon an excellent user-friendly experience while buying and selling of units.

Average Likert score of 382 for ‘comparison of mutual funds versus investment in shares’ indicate that respondents have a uniform view indicating that mutual funds are easy to invest in versus shares and offer better diversification to their portfolio. They also appreciated the convenience offered by mutual fund investments.

Limitations Of The Study

1. Reluctance of the respondents to reveal the details of performance of their investments in mutual funds.
2. Sample size is small.
3. Personal bias of the respondents may affect the research.

IV. Conclusion

Mutual funds offer a convenient, safe and secured gateway to enter in the capital market. Investors who do not have proficiency of directly investing in stock market can find mutual funds as a best vehicle to join the markets. Hence, the researcher surveyed a sample of 81 investors to understand the experiences of investing in mutual funds. The study portrays the investors’ attitude towards the investment in Mutual

funds in Mumbai and Navi Mumbai. The research revealed that investors have basic knowledge about the investing in mutual funds. Their experience of mutual fund investment is found to be satisfactory in terms of convenience it offers. However, the returns earned by mutual funds are not in line with the expectations of the investors. There could many reasons for the disappointment on the return front. Mutual fund returns are subject to market risks. Hence, variations in returns are a part of the game.

Discussion

Although mutual funds are expanding rapidly as a safer investment avenue, still 0.0818 billion portfolios for 1.37 billion population shows poor participation of approximately 5.98% only in mutual funds. Definitely, there is a further scope for scaling up for the mutual fund market. How to turn the investors to mutual funds is a challenge. Our research has revealed that mutual fund investors have been satisfied about their experience of investing in mutual fund. Similar surveys can be conducted at a larger scale on pan India level and findings of the same can be used as an advertising tool to reach those who currently prefer to stay away from mutual funds.

Retail segment should be heavily tapped by Mutual Fund houses. Awareness about mutual funds must be spread among those who are not participating in mutual fund industry.

Table X- Likert Scores of ‘Understanding basic knowledge of Mutual Funds’

| Likert Scale | % of Respondents Q1A | Likert Points | % of Respondents Q1B | Likert Points | % of Respondents Q1C | Likert Points | % of Respondents Q1D | Likert Points | % of Respondents Q1E | Likert Points |
|----------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| Strongly agree | 34 | 170 | 14.29 | 71 | 19 | 95 | 6 | 30 | 30 | 150 |
| Agree | 44 | 176 | 41.43 | 166 | 60 | 240 | 40 | 160 | 37 | 148 |
| Neutral | 10 | 30 | 31.43 | 94 | 14 | 42 | 40 | 120 | 19 | 57 |
| Disagree | 9 | 18 | 11.43 | 23 | 6 | 12 | 13 | 26 | 10 | 20 |

| | | | | | | | | | | |
|-------------------|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|
| Strongly disagree | 3 | 3 | 1.43 | 1 | 1 | 1 | 1 | 1 | 4 | 4 |
| Total | 100 | 397 | 100 | 356 | 100 | 390 | 100 | 337 | 100 | 379 |

Average Likert Scores : $(397 + 356 + 397 + 356 + 390 + 337 + 379) / 5 = 371$

(Source: Authors Calculations)

Table XI - Likert scores of 'Experience of Investors about Risks and Rewards in Mutual Funds'

| Likert Scale | % of Respondents Q2A | Likert Points | % of Respondents Q2B | Likert Points | % of Respondents Q2C | Likert Points | % of Respondents Q2D | Likert Points | % of Respondents Q2E | Likert Points |
|-------------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| Strongly agree | 4 | 22 | 9 | 45 | 30 | 150 | 26 | 129 | 17 | 86 |
| Agree | 41 | 166 | 41 | 164 | 36 | 144 | 43 | 172 | 47 | 189 |
| Neutral | 40 | 120 | 27 | 81 | 14 | 42 | 19 | 56 | 24 | 73 |
| Disagree | 10 | 20 | 23 | 46 | 17 | 34 | 10 | 20 | 11 | 23 |
| Strongly disagree | 4 | 4 | 0 | 0 | 3 | 3 | 3 | 3 | 0 | 0 |
| Total | 100 | 332 | 100 | 336 | 100 | 373 | 100 | 379 | 100 | 370 |

Average Likert Scores : $(332 + 336 + 373 + 379 + 370) / 5 = 358$

(Source: Authors Calculations)

Table XII - Likert Scores of 'Investor's Experience of trading in Mutual funds'

| Likert Scale | % of Respondents Q3A | Likert Points | % of Respondents Q3B | Likert Points | % of Respondents Q3C | Likert Points | % of Respondents Q3D | Likert Points | % of Respondents Q3E | Likert Points |
|-------------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| Strongly agree | 33 | 165 | 23 | 115 | 20 | 100 | 45.71 | 229 | 15.71 | 79 |
| Agree | 39 | 156 | 53 | 212 | 33 | 132 | 35.71 | 143 | 42.86 | 171 |
| Neutral | 20 | 60 | 10 | 30 | 31 | 93 | 8.57 | 26 | 30 | 90 |
| Disagree | 4 | 8 | 10 | 20 | 10 | 20 | 5.71 | 11 | 8.57 | 17 |
| Strongly disagree | 4 | 4 | 4 | 4 | 6 | 6 | 4.29 | 4 | 2.86 | 3 |
| Total | 100 | 393 | 100 | 381 | 100 | 351 | 100 | 413 | 100 | 360 |

Average Likert Scores : $(393 + 381 + 351 + 413 + 360) / 5 = 380$

(Source: Authors Calculations)

Table XIII - Likert scores of ‘Comparison of Mutual funds versus investment in shares’

| Likert Scale | % of Respondents Q4A | Likert Points | % of Respondents Q4B | Likert Points | % of Respondents Q4C | Likert Points | % of Respondents Q4D | Likert Points | % of Respondents Q4E | Likert Points |
|--|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| Strongly agree | 24 | 120 | 25.71 | 128.55 | 33 | 165 | 24 | 120 | 28.57 | 143 |
| Agree | 46 | 184 | 47.14 | 188.56 | 41 | 165.72 | 43 | 172 | 35.71 | 143 |
| Neutral | 16 | 48 | 15.71 | 47.13 | 11 | 34.29 | 26 | 78 | 25.71 | 77 |
| Disagree | 13 | 26 | 5.71 | 11.42 | 10 | 20 | 4 | 8 | 5.71 | 11 |
| Strongly disagree | 1 | 1 | 5.71 | 5.71 | 4 | 4.29 | 3 | 3 | 4.29 | 4 |
| Total | 100 | 379 | 100 | 381 | 100 | 389 | 100 | 381 | 100 | 379 |
| Average Likert Scores: $(379+381+389+381+379)/5 = 382$ | | | | | | | | | | |

(Source: Authors Calculations)

Table XIV - Mean, standard Deviation, and Z score

| Statements | Mean | Standard Deviation | Standard Error | t stat | Critical Value Lower Limit | Critical Value upper Limit |
|------------|-------|--------------------|----------------|--------|----------------------------|----------------------------|
| Q1A | 3.986 | 1.028477 | 0.122926 | 8.02 | 2.759 | 3.241 |
| Q1B | 3.557 | 0.926826 | 0.110777 | 5.028 | 2.783 | 3.217 |
| Q1C | 3.886 | 0.826076 | 0.098735 | 8.973 | 2.806 | 3.194 |
| Q1D | 3.357 | 0.834678 | 0.099763 | 3.578 | 2.804 | 3.196 |
| Q1E | 3.786 | 1.115021 | 0.13327 | 5.897 | 2.739 | 3.261 |
| Q2A | 3.314 | 0.877131 | 0.104837 | 2.995 | 2.795 | 3.205 |
| Q2B | 3.357 | 0.93306 | 0.111522 | 3.201 | 2.781 | 3.219 |
| Q2C | 3.729 | 1.153714 | 0.137895 | 5.286 | 2.73 | 3.27 |
| Q2D | 3.786 | 1.034098 | 0.123598 | 6.359 | 2.758 | 3.242 |
| Q2E | 3.7 | 0.890367 | 0.106419 | 6.577 | 2.791 | 3.209 |
| Q3A | 3.914 | 1.045943 | 0.125014 | 7.311 | 2.755 | 3.245 |
| Q3B | 3.8 | 1.043961 | 0.124777 | 6.411 | 2.755 | 3.245 |
| Q3C | 3.514 | 1.099972 | 0.131472 | 3.909 | 2.742 | 3.258 |
| Q3D | 4.129 | 1.075706 | 0.128571 | 8.78 | 2.748 | 3.252 |
| Q3E | 3.6 | 0.954015 | 0.114027 | 5.262 | 2.776 | 3.224 |
| Q4A | 3.786 | 1.005677 | 0.120201 | 6.539 | 2.764 | 3.236 |
| Q4B | 3.814 | 1.067204 | 0.127555 | 6.381 | 2.75 | 3.25 |
| Q4C | 3.886 | 1.110462 | 0.132726 | 6.675 | 2.74 | 3.26 |
| Q4D | 3.814 | 0.952386 | 0.113832 | 7.15 | 2.777 | 3.223 |
| Q4D | 3.786 | 1.061758 | 0.126904 | 6.193 | 2.751 | 3.249 |

(Source: Authors Calculations)

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Authors Profile



First Author: Dr. Kavita Patil
Phd, MBA, M Sc, MIRPM

- Contact: 91 9326733684
- Email: kavitaadattapatil@gmail.com
- Presently Working with Dr. Panjabrao Deshmukh Institute of Management Technology and Research, Dhanwate College, Nagpur as an Assistant Professor w.e.f. 30-06-2005.
- More than 14 years of teaching and research experience
- Industry experience of 4 years and 6 months
- Best Paper Awards
- Principal Investigator for minor research Project, Funded by IQAC, Dhanwate National College, and Nagpur on the title Small loan “Smallloan & its impact on livelihoods of Female domestic workers at Nagpur” Dt: 17 February 2018. Funding amount Rs. 50000/-
- Recognized as *supervisor* for Ph.D (Commerce & Management) by RTM Nagpur University, Nagpur in September 2017.
- Four students are registered under my guidance in the Faculty of commerce within the subject of Management in RTM, Nagpur.
- Recognized supervisor for IGNOU and YCMOU.
- Renowned Trainer for “Export and Import Business” and trainer more than 500 candidates on Export and Import business and Documentations.
- Chief Committee member of MBMIA (Maharashtra Business Management Institution)

Association, Nagpur) since 2007.

- Paper Publication: International - 03 and National - 08
- Book Published: Human Resource Management, ISBN NUMBER; 978-81-925983-1-4, PUBLISHED IN 2012-13 BY TMC, NAGPUR
- Area of Research : Socioeconomic and International Research
- Responsibilities: Teaching, Training and Placement activities, Public Relations.



Dr. Sujata Chincholkar

Ph.D, M.B.A, B.Sc

Contact :91 9869018810

- Email- schincholkar@gmail.com
- Area of research is corporate finance, corporate governance and Capital markets.
- Associated with academics since last 22 years after serving a brief stint with capital markets.
- Taught postgraduate students at various B schools in Navi Mumbai.
- Recognized Ph. D Supervisor for Mumbai University.
- Principal investigator for Minor Research Project by University of Mumbai on the Title, “Study of problems encountered by start-ups in scaling of a business”.
- Trained more than 1000+ participants in an executive education program named ‘Art of Investing’.
- Published several research papers in various National and International journals.
- She is a ‘Certified Corporate Director’ by Institute of Directors.
- Presently working with Fr. C. Rodrigues Institute of Management Studies as a Director of the Institute.