50% of investors given bank deposits to first rank in investment schemes, 34% of investors given a first rank of LIC another 1% to given preference to UTI schemes and 8% of investors first preference is mutual fund schemes. Around 3% of investors first preference is GPF and about 4% investors choices is corporate securities.

Chapter 7.

Conclusions and Suggestions
Chapter 7

Conclusions and suggestion

No doubt the Indian mutual fund industry has within a short period, emerged as a signification financial intermediary. It is assisting in the process of efficient resource allocation, providing strong support to the capital market and helping investors (particularly small investors). The growing importance of asset management Indian mutual fund’s companies in the market is reflected in terms of increased mobilization.
of funds and the growing numbers of investors account with the mutual
funds.

However in spite of it coupled with market reforms inducements to
competition increased operational transparency, improved regulatory
norms and an expanding saving market, the growth of Indian mutual
funds have been sluggish as still there is lot to be pondered over and
repositioned. Several structured and police – related factor have also
imperiled the growth of the mutual fund industry in India, all taken
together, they have brought in Indian mutual fund industry, at all
the asset management company. Behind the screen .in testimony
the present research study attempts to surmise the finding and
also to submit can did suggestions-

**SUMMARY**

Asset management in India refers to the professional
management of investments such as stocks and bonds, along with real
estate. Typically, asset management is only practiced by the very
wealthy, as the services of a professional firm can demand considerable
sums of money, and successful asset management usually requires a
large and diverse portfolio. Numerous professional firms and investment
banks offer asset management services, which are often handled by a
team of financial professionals for the best results. The firms handling
the largest accounts are based in the United States, although several
venerable European firms also work with high volume accounts.

Typically, the investor meets with an asset management
team before surrendering control of the assets to discuss goals and
investment styles. In general, the team works with the investor to set
realistic goals to grow the investor's wealth and measure the
performance of the team. The investor also usually expresses directions
as to what type of investment style he would prefer the team to engage
in. For example, single young investors sometimes choose less
conservative investment schemes than older individuals or couples.
Meetings with the asset management team are held on a regular basis so
that the investor can be apprised of progress and kept up to date.
Typically, once funds are surrendered to an asset management team, the team has a great deal of leeway with them. This flexibility allows team members to make rapid investing decisions without constantly consulting the holder of the funds, who remains confident that the overall return on the investments will remain high. By putting funds under management, the investor has access to hundreds of years of combined investing experience, along with special services that only an investment bank can offer. This results in a higher return on the assets than could be achieved conventionally.

The best way to get a large return on assets is to diversify them. For this reason, assets are rarely pooled in one location alone, such as stocks, bonds, real estate, or mutual funds. The asset management team decides how to distribute assets, and may move money from one location to another to take advantage of a strong market. The team also provides long term investing advice based on market projections, and may assist the investor with purchasing real estate and general wealth management. Income from the assets is typically deposited into an account at the same bank, so that the investor's financial business is concentrated in one financial institution, rather than scattered, making it easy to see the whole picture.

Research methodology is a way to systematically solve the research problem. It may be understood as a science of studying how research is done scientifically. In research, researcher pursue various steps that are generally adopted by a researcher in studying his research problem along with the logic behind them. It is necessary to know not only the research methods and techniques but also the methodology. Researcher not only needs to know how to develop certain indices or tests, how to calculate mean, standard deviation and beta.

Research method part of research methodology, research methodology start with title of the research problem and researcher set the objectives of the research, which helpful for society, and other researcher for further research. After objectives need to review of literatures means idea generation and inspired to do the research. Research methodology included sample design. Sample design shows types of sampling method, sample size, sampling period. Research
methodology follow the step, after sampling design then need to identified the hypothesis means set of assumption for study. Mutual fund set assumption regarding equity schemes provided same return and risk. Researcher goes behind financial and statistical tool to arrive at conclusion.

The Indian mutual fund has come a long way since the establishment of UTI in 1963 the first and the foremost mutual fund in the country by an act of parliament, known as UTI act 1963. The government was conscious of the fact that the mutual fund should be a route to attract small savings from large levels of investors mainly small and medium income segments.

Over the years, the mutual fund sector has passed through several phases of growth which may be seen as follows:

- Mutual fund set up by government and public sector undertaking (PSU) banks.
- Mutual fund set up by foreign and Indian partner.
- Mutual fund set up by private players only.

By now the industry has taken root in our financial system and is actively involved in strengthening the capital market led system of economic growth through the process of disintermediation. Indian mutual funds are regulated by SEBI, whose regulations are quite comprehensive and qualitatively superior to those of many other countries. Association of mutual funds in India (AMFI) represents the asset management companies (AMCs) in India. Established as a non-profit organization on 22nd August, 1995. This association is dedicated for promoting and protecting the interest of mutual funds and their unit-holders, increasing public awareness of mutual funds and serving the investor’s interest by defining and maintaining high ethical and professional standards in the mutual fund industry.

Though RBI role is to regulating banking industry in India but as many mutual fund companies are backed by banks so indirectly RBI has significant contribution and role for safeguarding the interest of investors and other stakeholders in India.

List of all stakeholders in Indian mutual fund industry is as follows:
Mutual fund is the pool of the money, based on the trust who invests the savings of a number of investors who shares a common financial goal, like the capital appreciation and dividend earning. The money thus collect is then invested in capital market instruments such as shares, debenture, and foreign market. Investors invest money and get the units as per the unit value which we called as NAV (net assets value). Mutual fund is the most suitable investment for the common man as it offers an opportunity to invest in diversified portfolio management, good research team, professionally managed Indian stock as well as the foreign market, the main aim of the fund manager is to taking the scrip that have under value and future will rising, then fund manager sell out the stock. Fund manager concentration on risk – return trade off, where minimize the risk and maximize the return through diversification of the portfolio. The most common features of the mutual fund unit are low cost. Investors in India opt for the tax-saving mutual fund schemes for the simple reason that it helps them to save money. The tax-saving mutual funds or the equity-linked savings schemes (ELSS) receive certain tax exemptions under section 88 of the income tax act. That is one of the reasons why the investors in India add the tax-saving mutual fund schemes to their portfolio. The tax-saving mutual fund schemes are one of the important types of mutual funds in India that investors can option for. There are several companies in India that offer – tax – saving mutual fund schemes in the country.

HDFC mutual fund is one of the largest mutual funds and well-established fund house in the country with consistent and above average fund performance across categories since its incorporation on December 10, 1999. While our past experience does make us a veteran,
but when it comes to investments, we have never believed that the experience is enough.

HDFC asset management company ltd (AMC) was incorporated under the companies act, 1956, on December 10, 1999, and was approved to act as an asset management company for the HDFC mutual fund by SEBI vide its letter dated July 3, 2000.

HDFC asset management company limited launched its scheme HDFC equity fund in the year January 1995 since then it focused on different class of schemes for many years and launched several innovative products that went to become bourgeoning categories in the Indian mutual fund industry.

Some of these were HDFC growth fund, HDFC top 200 funds and HDFC balance fund, HDFC prudence fund etc.

So that the HDFC asset management company ltd. Is a privately owned investment manager. The firm manages equity, fixed income, and balanced mutual funds for its clients. It also manages hedge funds for its clients. It also invests in private equity with a focus on real estate. The firm invests in public equity and fixed income markets. It employs fundamental analysis to make its investments. The firm was founded in 1999 and is based in Mumbai, Maharashtra. HDFC asset management company ltd. Operates as a subsidiary of housing development finance corporation limited.

HDFC asset management company limited have office in 29 cities and currently manage assets in excess of Rs. 113354.1755 Crs. (as on 31-mar-2014).

The HDFC asset management company is managing 18 open schemes of the mutual fund. HDFC growth fund ( HGF) , HDFC balanced fund (HBF) , HDFC income fund ( HIF) , HDFC liquid fund (HLF) , HDFC tax plan 200( HTP) , HDFC children’s gift fund(HDFC CGF) , HDFC gilt Fund (HGF) , HDFC short term plan ( HSTP) , HDFC index fund , HDFC floating rate income fund , HDFC equity fund, HDFC top 200 fund, HDFC capital builder fund, HDFC tax saver fund , HDFC prudence fund , HDFC high interest fund , HDFC sovereign gilt fund and
HDFC cash management fund, HDFC asset management company limited is also managing the respective plans of HDFC fixed investment plan, a closed ended income scheme.

The research done only selected a scheme which was related with five rating star and the value research magazine. The data would not collect to the assets management company data sheet, but collection from the market or secondary source. The research analysis was based on the past performance of the only selected equity diversified scheme.

The research had been based on the net assets value, that NAV continuous fluctuation the research analysis compares the net assets value and expense ratio, but NAV continuous fluctuation. Fund manager investment style based on capital market situation. It could not possible always pursue the mentioned objectives. Equity diversified schemes having different objectives due to sectors.

**CONCLUSION:-**

Through the asset under management in the mutual fund industry has risen to a level of Rs. 4014 trillion as on May 31, 2007. Growth in yearly collection of mutual funds showed an uneven trend, as mentioned above. Reasons could be many but the shaky confidence of investors is of paramount importance. The comparison of the Indian mutual fund industry with respect global standards showed that India has a lot of catching up to do in terms of penetration the diversity of products and the risk mitigation techniques used.
Indian mutual fund industry is possible at a point of inflection on the verge of explosive growth. The factors that point towards this are existence of robust capital markets and the presence of an impartial regulation.

In order to Roap the benefits of this growth the mutual fund industry has to introduce certain changes theses changes included introduction of newer products, improvements in mutual fund distribution better.

The mutual fund regulation (SEBI) should increase the accountability of all major players including the AMC’s, distributors and brokers to build trust among retail investors. The Indian regulatory must think to enhance the fund management’s ability and accountability, as well as operations transparency, which would ultimately increase the safety of the investors fund and improve returns.

Investor confidence and country economy are the synonyms the discussion detailed in earlier chapters and here above reflects that the asset-management mutual fund industry and need proper direction for sustainable growth .if this take place ,the impact on economy will automatically be in robust health.

**Finding Test –**

- Table of occupation of the respondents shows that the calculated value of chi-square is greater than the table value. Hence the null hypothesis is rejected and it is concluded that there is significant relationship between occupations of the respondents.

- Table of the time horizon (period for which cum stay invested) of the respondents shows that the calculated value of chi-square is greater than the table value. Hence the null hypothesis is rejected and it is concluded that there is significant relationship between time horizon (period for which cum stay invested) of the respondents.
• Table of investment information sources of the respondents shows that the calculated value of chi-square is greater than the table value. Hence the null hypothesis is rejected and it is concluded that there is significant relationship between investment information sources of the respondents.

• Table of investment goal of the respondents shows that the calculated value of chi-square is greater than the table value. Hence the null hypothesis is rejected and it is concluded that there is significant relationship between investment goals of the respondents.

• Table of types of scheme of the respondents invest in mutual funds shows that the calculated value of chi-square is greater than the table value. Hence the null hypothesis is rejected and it is concluded that there is significant relationship between types of scheme of the respondents invest in mutual funds.

• Table of part of income ready to invest by the respondents shows that the calculated value of chi-square is greater than the table value. Hence the null hypothesis is rejected and it is concluded that there is significant relationship between parts of income ready to invest by the respondents.

• Table of investment schemes selected by the investors shows that the calculated value of chi-square is greater than the table value. Hence the null hypothesis is rejected and it is concluded that there is significant relationship between investment schemes selected by the investors.

• Table of the types of risks feel by investors in mutual funds shows that the calculated value of chi-square is greater than the table value. Hence the null hypothesis is rejected and it is concluded that there is significant relationship between the types of risks feel by investors in mutual funds.
Table of the types of benefits need by the investor feel at the time of mutual fund investment shows that the calculated value of chi-square is greater than the table value. Hence the null hypothesis is rejected and it is concluded that there is significant relationship between the types of benefits need by the investor feel at the time of mutual fund investment.

Table of the types of future needs feel by the investor at the time of mutual fund investment shows that the calculated value of chi-square is greater than the table value. Hence the null hypothesis is rejected and it is concluded that there is significant relationship between the types of future needs feel by the investor at the time of mutual fund investment.

Table of the investors why they hesitate to invest in mutual funds schemes shows that the calculated value of chi-square is greater than the table value. Hence the null hypothesis is rejected and it is concluded that there is significant relationship between the investors why they hesitate to invest in mutual funds schemes.

SUGGESTION -:

The stock market should concentrate more on professional investors so that they invest more in shares & funds. Investors can make the public more aware of their products through advertisements and personal involvements.

The mutual funds market should concentrate more on line services. Information about the mutual funds market schemes should reach the public in an easy the attractive way.
Provide up-to-date information to investors regarding mutual fund and share investment objectives, strategies, risk involved, fees and competence of fund managers.

Provide efficient investor service with the help of computer technology for enhancing a sound investor base.

The awareness programmers must fall the people, what share market is how it benefits the investors, how the shares operate, and what are the opportunities and risks associated with them etc.

The organization is advised to monitor the satisfaction of investors through proper customer relationship management techniques, as this can improve the satisfaction of investors. The broking firms play a vital role in selecting the share market they should provide not only proper guidance and good service but also organize awareness programmers about share market.

Mutual funds market should appoint efficient and well qualified technical analysts for analyzing various options in the share market.

**GENERAL SUGGESTIONS**

1. The mutual fund industry should develop their own modern risk market research. It will helpful for better and efficient portfolio management.
2. The mutual fund industry should maintain consistency in their return and provide superior return compare to the market return.
3. In order to increase the stake in market the mutual fund companies come with transparency.
4. To provide greater liquidity to the investors, mutual funds should develop a wide infrastructure of self-sufficient branches.
5. There is an urgent need for aggressive campaign to train the investor about different mutual fund schemes.
6. Mutual funds should published NAVs of their different schemes as frequently as possible.
7. The mutual fund companies should improve the service level to attract more and more investors.
8. There should be a common accounting practice to calculate the NAV of mutual fund schemes.
9. Mutual fund companies should explore adequate risk to generate good return.
10. To provide greater liquidity to the investors, mutual funds should develop a wide infrastructure of self-sufficient branches.
11. Mutual funds should develop their own modern market research. It will be helpful for better and efficient portfolio management.
12. The mutual fund companies should adopt transparency in operation to win the investor confidence.

BIBLIOGRAPHY:-