CHAPTER VI
FINDINGS AND SUGGESTIONS

This chapter deals with the findings and suggestions of the study. The findings of the study are based on the analysis of the primary data collected from the sample investors. Based on the findings of the study, some suggestions are recommended which could be implemented to improve the satisfaction of the investors.

- Out of 310 investors, 62.26 percent are male while 37.74 percent are female. 46.13 percent of the investors fall in the age group of 18-35 years, while 42.58 percent are in the range of 36 to 60 years. The remaining 11.29 percent are more than 60 years of age.

- Majority of the investors (272) accounting for 87.74 percent are Hindus, 10 percent are Christians and a meager 2.26 percent belong to Islam. Regarding marital status, 258 investors are married and the remaining 52 are unmarried. Among the sample investors, nuclear family is dominant accounting for 59.35 percent, whereas 40.65 percent are in joint family.

- Out of 310 sample investors, 200 investors accounting for 64.52 percent are postgraduates while 22.58 percent are degree holders. 12.90 percent either have school level education or no formal schooling. Last category of people are motivated by the brokers or agents to invest in mutual funds.

- Occupation-wise classification of investors reveals that they are either self-employed or employed in public sector or private sector. Those who are engaged in agriculture, business and other professions are classified as self-employed while those who are employed in private sector and public sector are coming under the employed category. While 45.16 percent are self employed,
54.84 percent fall in the employed category. Out of 54.84 percent, 32.58 are employed in private sector while 22.26 percent are employed in public sector. In the self-employed category, 28.71 are engaged in business, 12.90 are professionals and the rest are employed in agriculture. On the basis of annual income, investors are classified into four groups – people whose income falls in the range of ₹ 1,20,000 to ₹ 2,40,000, people who earn an income in the range of ₹ 2,40,001 to ₹ 3,60,000. Third category is in the range of ₹ 3,60,001 to ₹ 4,80,000 and fourth category is in the range above ₹ 4,80,000. It is interesting to note that 37.10 percent falls in the first category while 31.61 percent comes in the last category.

- 54.84 percent of the sample investors have 3 to 5 members in their family while 37.74 percent have upto three members. 7.42 percent have more than five members in their family. 82.26 percent have upto 2 earning members in their family. 59.35 percent of the investors’ spouse are employed.

- 41.94 percent of the investors prefer the investment avenues which yield high returns, 34.19 percent for safety and 9.68 percent for liquidity. Regarding the preference for various mutual fund investments, investors prefer HDFC (22.90 percent), SBI (19.35 percent), IDFC (18.06 percent), Reliance (16.77 percent) and Franklin Templeton (15.16 percent). The experience in investing in mutual funds is less than five years for 51.94 percent of investors, followed by 35.48 percent who have an investment experience of 6 to 10 years. Remaining 39 investors accounting for 12.58 percent have an experience of more than eleven years.

- While 87.42 percent prefer open-ended schemes offered by mutual funds, 12.58 percent prefer closed-ended schemes. Most of the investors (53.87 percent) have
expressed their preference for growth schemes. Friends and relatives accounting for 59.36 percent are the influencing factors in investing in mutual funds. 88.06 percent have invested 50 percent of their savings in mutual funds.

- 46.77 percent of respondents feel that the agents do not pay adequate attention to the investors. 40 percent have expressed their opinion that the agents meet them regularly and the quality of service is also satisfactory. Out of 310 respondents, only 18 accounting for 5.80 percent have received rebate to the tune of less than 20 percent. It is surprising to note that 94.20 percent have not received rebate.

- There are a number of factors that affect the decision to choose a particular mutual fund for making investment. For this purpose, eight factors have been considered. ‘Past record of the organization’ is considered to be the most significant factor by 63.87 percent of mutual fund holders. 56.13 percent of investors consider ‘Growth prospects’ as the significant factor, 46.77 percent consider ‘Scheme’s expense ratio’ to be significant, while 45.48 percent consider ‘NAV’ as significant. Reputation of the scheme is regarded as significant by 42.90 percent of the investors and 40.32 percent of investors, each consider ‘Disclosure of adequate information’ and ‘Minimum initial investment’ to be significant.

- In order to test the reliability of the opinion of the respondents about the factors influencing the choice of mutual fund in order of their significance in Sivagangai District, Cronbach’s Alpha Test has been applied. The calculated value of Cronbach’s Alpha score for the factors influencing the choice of mutual fund in order of their significance is more than 0.7. Hence, it is concluded that the
opinion of the investors about the factors influencing the choice of mutual fund in order of their significance in Sivagangai District could be relied upon.

- The researcher has made an attempt to analyse the factors influencing the choice of mutual fund in order of their significance by mutual fund holders in Sivagangai District by applying K.S. test. For the purpose of this study, the following null hypothesis is framed.

  “There is no significant difference in the importance of rating given by the investors in Sivagangai district on various factors that influence the choice of a mutual fund.”

- A record of past performance is often taken as an indicator of likely future performance. For investors willing to stay invested in stocks, past record of the organization is a very important aspect to analyse the performance of the mutual fund. The null hypothesis is that there is no significant difference in the importance of rating given by the mutual fund holders on ‘Past record of the organisation’. The calculated value (0.44) is greater than the table value (0.077). Therefore, the null hypothesis is rejected. The result shows that the mutual fund holders of Sivagangai District are of the opinion that the past record of the organization is a very significant factor influencing the choice of a mutual fund.

- Growth prospects are considered as one of the factors that influence the choice of a mutual fund. The null hypothesis is that there is no significant difference in the importance of rating given by the mutual fund holders on ‘Growth Prospects’. As the calculated value (0.41) is greater than the table value (0.077), the null hypothesis is rejected. The result shows that the respondents in Sivagangai District consider ‘Growth Prospects’ as a significant factor influencing the choice of a mutual fund.
• Reputation of the scheme is considered as one of the factors influencing the choice of a mutual fund. The null hypothesis is that there is no significant difference in the importance of rating given by the mutual fund holders on ‘Reputation of the Scheme’. As the calculated value (0.33) is greater than the table value (0.077), the null hypothesis is rejected. The result shows that the ‘Reputation of the mutual fund Scheme’ is considered as a significant factor influencing the choice of a mutual fund by the mutual fund holders of Sivagangai District.

• Since the expense ratio is often considered as the most important measure for understanding how efficiently a fund is managed, scheme’s expense ratio is considered as one of the factors influencing the choice of a mutual fund. The null hypothesis is that there is no significant difference in the importance of rating given by the mutual fund holders on ‘Scheme’s Expense Ratio’. As the calculated value (0.30) is greater than the table value (0.077), the null hypothesis is rejected. The result shows that the ‘Scheme’s expense ratio’ is considered as a significant factor influencing the choice of a mutual fund by the mutual fund holders of Sivagangai District.

• Minimum initial investment is considered as one of the factors influencing the choice of a mutual fund. The null hypothesis is that there is no significant difference in the importance of rating given by the mutual fund holders on ‘Minimum Initial Investment’ in mutual fund. As the calculated value (0.37) is greater than the table value (0.077), the null hypothesis is rejected. The result shows that the ‘Minimum initial investment’ is considered as a significant factor influencing the choice of a mutual fund by the mutual fund holders of Sivagangai District.
• The market value of a mutual fund scheme may change (and does change) everyday due to various factors and that obviously affects NAV per unit price. As this helps investors to know the current status of their holdings in that mutual fund scheme, this is considered as one of the factors influencing the choice of a mutual fund. The null hypothesis is that there is no significant difference in the importance of rating given by the mutual fund holders on ‘NAV’ of a mutual fund. As the calculated value (0.32) is greater than the table value (0.077), the null hypothesis is rejected. The result shows that the ‘Net Asset Value’ is considered as a significant factor influencing the choice of a mutual fund by the mutual fund holders of Sivagangai District.

• As disclosure is considered as an effective tool of mutual fund regulation, this is considered as one of the factors influencing the choice of a mutual fund. The null hypothesis is that there is no significant difference in the importance of rating given by the mutual fund holders on ‘Disclosure of Adequate Information’ of mutual funds. As the calculated value (0.28) is greater than the table value (0.077), the null hypothesis is rejected. The result shows that the ‘Disclosure of adequate information’ is considered as a significant factor influencing the choice of a mutual fund by the mutual fund holders of Sivagangai District.

• ‘Entry load and exit load’ is considered as one of the factors influencing the choice of a mutual fund. The null hypothesis is that there is no significant difference in the importance of rating given by the mutual fund holders on ‘Entry load and Exit load’ of mutual funds. As the calculated value (0.28) is greater than the table value (0.077), the null hypothesis is rejected. The result shows that the ‘Entry load and exit load’ is considered as a significant factor influencing the choice of a mutual fund by the mutual fund holders of Sivagangai District.
• There are certain facilities or options provided by different mutual funds in relation to investment made in these funds by the investors. The investors base their decision of either to invest or not in a particular fund depending upon availability or otherwise and quality of such facilities. For the purpose, nine major facilities/options have been considered. Great significance has been attached by the respondents to the options such as ‘Additional purchase facility’ (WAS 4.20) and ‘Easy Transferability’ (WAS 4.08) that has figured out as the most important options in that order expected from a fund by an investor. Options like ‘High returns’ (WAS 3.89), ‘Prompt service’ (WAS 3.88), ‘Online investment facility’ (WAS 3.78) and ‘Cost effective management’ (WAS 3.73) are next in significance hierarchy. However, ‘Grievance Redressal’ (WAS 3.65), ‘Information adequacy’ (WAS 3.63) and ‘Switching facility’ (WAS 3.28) are the least significant options for the investors.

• In order to test the reliability of the opinion of the respondents about the options expected from a mutual fund in order of their significance in Sivagangai District, Cronbach’s Alpha Test has been applied. The calculated value of Cronbach’s Alpha score for the options expected from a mutual fund in order of their significance is more than 0.7. Hence, it is concluded that the opinion of the investors about the options expected from a mutual fund in order of their significance in Sivagangai District could be relied upon.

• Kendall’s Co-efficient of Concordance test is used to test whether there is agreement among the investors of Sivagangai District in rating the significance on the options expected from a mutual fund. For the purpose of this study, the following null hypothesis is framed.
“There is no agreement among the investors of Sivagangai District in rating the significance on the options expected from a mutual fund”.

Since p value is less than 0.01, null hypothesis is rejected at one percent level of significance. Hence it is concluded that there is some level of agreement between the mutual fund investors of Sivagangai District in rating the significance on the options expected from a mutual fund.

- For appraising fund’s performance, the investors of Sivagangai District are asked to rate the importance of criteria such as AUM, portfolio selection, NAV and returns. AUM is considered as a highly important criteria by 48.71 percent of mutual fund holders of Sivagangai District in assessing the performance of a mutual fund. Other 3 factors are considered as important criteria by majority of the respondents of Sivagangai District. 52.58 percent of the mutual fund investors in Sivagangai District consider portfolio selection as an important criteria to assess the funds’ performance. 48.06 percent of the investors in mutual funds consider return and 43.55 percent of the investors consider NAV as important criteria to assess the performance of mutual funds.

- Many different factors have been considered, while searching for funds worth keeping. For this study, five factors are considered. The investors of Sivagangai District are asked to rate these factors in order of their importance. ‘Quality of service’ is considered as a highly important factor by 50 percent of mutual fund holders of Sivagangai District in determining the success of a mutual fund. Other four factors are considered as important factors by majority of the respondents of Sivagangai District. 56.13 percent of the mutual fund investors in Sivagangai District consider risk orientation as an important factor to determine the success
of a mutual fund. 47.42 percent consider suitability of the product to determine the success of the mutual fund.

- There is a need to analyze the reasons for withdrawing / not investing anymore in mutual funds. For this purpose, eight reasons are considered and investors of Sivagangai District are asked to rank these reasons. Garrett ranking method has been used to analyse the various reasons for withdrawing investment / not investing anymore in mutual funds. The respondents of Sivagangai District consider ‘low growth’ of mutual funds as the major reason for withdrawing / not investing anymore in mutual funds, with an average score of 53.69. This is followed by other major reasons such as ‘low return’, with an average score of 53.20 and ‘insecurity of investment’, with an average score of 52.62. The reason ‘ineffective regulation’ of mutual funds gets the least average score of 46.13.

- To analyse the reasons for investing money in non mutual fund, seven main reasons are considered and investors of Sivagangai District are asked to rank these reasons. Garrett ranking method has been used to analyse the various reasons for investing money in non mutual funds. The respondents of Sivagangai District consider ‘higher returns’ from non mutual funds as the major reason for investing in non mutual funds, with an average score of 50.70. This is followed by other major reasons such as ‘higher incentive bonus’, with an average score of 44.28, ‘simple formalities in deposit and withdrawal on maturity’ with an average score of 43.90 and ‘not approached by agents’, with an average score of 40.32. The reason ‘not having dependents’ for investing in non mutual funds gets the least average score of 36.54.

- The success of a mutual fund depends upon the confidence of the investors. Hence, an analysis has been made to find out the problems faced by the investors
of Sivagangai district after investing in mutual funds. ‘lack of transparency’ is very often faced by 60.97 percent of the respondents of Sivagangai District after investing in mutual fund, followed by ‘Portfolio manipulation’ often faced by 50.97 percent of the respondents. Other problems are often faced by most of the respondents. 19.68 percent of respondents never faced the problem of non-payment of dividend in time.

In order to test the reliability of the opinion of the respondents of Sivagangai District about the problems faced by them after investing in mutual funds in order of their frequency, Cronbach’s Alpha Test has been applied. The calculated value of Cronbach’s Alpha score for the problems faced by the respondents of Sivagangai District after investing in mutual funds in order of their frequency is more than 0.7. Hence, it is concluded that the opinion of the investors about the problems faced by the respondents of Sivagangai District after investing in mutual funds in order of their frequency could be relied upon. An attempt has been made to analyse the problems faced by the respondents of Sivagangai District after investing in mutual funds in order of their frequency by applying Student ‘t’ test. For the purpose of this study, the following null hypothesis is framed.

“The favourable and unfavourable opinions of the investors on the problems faced by them after investing in mutual funds do not differ significantly”.

For this analysis, the five variances are grouped into two variances. One variance consists of favourable opinion and another variance consists of unfavourable opinion. As the calculated value of “t” test (9.326) is more than the table value at 5 per cent level of significance, the null hypothesis is rejected. Therefore, the favourable and the unfavourable opinion of the investors on the problems faced
by them after investing in mutual funds differ significantly. It is concluded that most of the respondents have favourable opinion about problems faced by the respondents after investing in mutual fund.

- The satisfaction level of the investors towards mutual fund is examined by taking thirteen parameters. Their opinion has been taken on a five-point scale. 53.55 percent of the investors of Sivagangai District are highly satisfied with the overall performance of the mutual funds. 51.29 percent of investors are dissatisfied with the brokerage commission and 29.03 percent of the respondents are dissatisfied with the grievance handling mechanism. Most of the investors in Sivagangai District are satisfied with all other factors determining the satisfaction level.

- Out of 310 respondents, 171 respondents, accounting for 55.16 percent, have medium level of satisfaction, 74 respondents (23.87%) have high level of satisfaction and the remaining 65 respondents (20.97%) have low level of satisfaction.

- For testing the relationship between demographic variables of the respondents and the level of their satisfaction, Chi-square test has been applied. Out of 171 respondents with medium level of satisfaction towards mutual fund investments, 100 (32.26 percent) respondents are male and the remaining 71 (22.90 percent) respondents are female. Out of 74 respondents with high level of satisfaction, 53 (17.10 percent) of them are men and the remaining 21(6.77 percent) of them are women. Out of 65 respondents with low level of satisfaction, 40(12.90 percent) of them are male followed by 25 (8.06 percent) females. The calculated chi-square value is 3.81, which is less than the table value at five percent level. Hence, it is concluded that the gender of the respondents of Sivagangai District does not influence the level of satisfaction towards mutual fund investments.
Among 171 investors who have medium level of satisfaction towards mutual fund investments, 24.52 percent are in the age group of 36-60 years. Among 74 investors who have high level of satisfaction, 14.19 percent are in the age group of 18-35 years. Among 65 investors who have low level of satisfaction, ten percent are in the age group of 36-60 years. The calculated chi-square value (9.54) is greater than the table value at 5 percent level. Hence, it is concluded that the age of the respondents of Sivagangai District influences the level of satisfaction towards mutual fund investments.

Among 171 investors who have medium level of satisfaction towards mutual fund investments, 47.10 percent are Hindus and 6.13 percent are Christians. Among 74 investors who have high level of satisfaction, 1.61 percent are Christians and 0.33 percent are Muslims. Among 65 investors who have low level of satisfaction, 18.71 percent are Hindus and none of them are Muslims. The calculated chi-square value is 4.22, which is less than the table value at 5 percent level. Hence, it is concluded that the religion of the mutual fund investors of Sivagangai District does not influence the level of satisfaction towards mutual fund investments.

Among 171 investors who have medium level of satisfaction towards mutual fund investments, 46.45 percent are married. Among 74 investors who have high level of satisfaction, 18.71 percent are married. Among 65 investors who have low level of satisfaction, 18.06 percent are married. The calculated chi-square value is 1.76, which is less than the table value at 5 percent level. Hence, it is concluded that the marital status of the respondents of Sivagangai District does not influence the level of satisfaction towards mutual fund investments.
Among 171 investors who have medium level of satisfaction towards mutual fund investments, 37.42 percent are post-graduates. Among 74 investors who have high level of satisfaction, 12.50 percent are post-graduates. Among 65 investors who have low level of satisfaction, 14.52 percent are post-graduates. Generally educated people take calculated risks and are cautious in their investment decision-making. The calculated chi-square test value is 6.97, which is less than the table value at 5 percent level. Hence, it could be inferred that the educational qualification of the respondents of Sivagangai District does not influence the level of satisfaction towards mutual fund investments.

Among 73 investors who have medium level of satisfaction towards mutual fund investments, 35 percent are business people. Among 33 investors who have high level of satisfaction, 13.57 percent are doing business while among 34 investors who have low level of satisfaction, 15 percent are business people. Generally business people are interested in mutual fund investments. Hence, it could be inferred that the self-employed respondents of Sivagangai District do not influence the level of satisfaction towards mutual fund investments.

Among 98 investors who have medium level of satisfaction towards mutual fund investments, 31.76 percent are employed in private sector. Among 41 investors who have high level of satisfaction, 17.65 percent are employed in private sector while among 31 investors who have low level of satisfaction, 10 percent are employed in private sector. The calculated chi-square value is 4.24, which is less than the table value at 5 percent level. Therefore, it could be inferred that there is no significant relationship between the employed respondents in Sivagangai District and the level of satisfaction towards mutual fund investments.
• Among 171 investors who have medium level of satisfaction towards mutual fund investments, 20 percent earn income above ₹4,80,000 annually. Among 74 investors who have high level of satisfaction, 12.26 percent earn income in the range of ₹1,20,000 to ₹2,40,000 annually. Among 65 investors who have low level of satisfaction, 9.03 percent have annual income above ₹4,80,000. The calculated chi-square test value is 30.15, which is greater than the table value at 5 per cent level. Hence, it could be inferred that there is a significant relationship between annual income of the respondents of Sivagangai District and their level of satisfaction of mutual fund holders.

• To verify the opinion of investors relating to various aspects of mutual funds, twenty specific attitude statements are framed. The investors’ degree of agreement on five point scaling is collected. 53.87 percent of the respondents of Sivagangai District stated that they strongly agree with the statement, ‘Investing in mutual funds are less risky’. 51.29 percent of the respondents agree with the statement, ‘Growth schemes are highly preferred’. 50.32 percent of the respondents strongly disagree with the statement, ‘One needs to pay large fees to buy a mutual fund’.

• The principal factor analysis method with orthogonal varimax rotation is used to identify the important factors which influence the degree of agreement relating to various aspects of mutual funds. The number of factors extracted is five. Factor I consists of seven variables. Factor I is labeled as ‘Beliefs on Mutual Fund’. Factor II consists of five variables. Factor II is labeled as ‘Illusions on Mutual Funds’. Factor III consists of two variables. Factor III is labeled as ‘Tips on Mutual Funds’. Factor IV consists of four variables. Factor IV is labeled as ‘Facts on Mutual Funds’. Factor V consists of two variables. Factor V is labeled as
‘Myths on Mutual Funds’. The factor named ‘Tips on mutual funds’ consists of two variables with the variation explained by 79.35 percent. ‘Myths on mutual funds’ consists of two variables with the variation explained by 63.50 percent. The factor ‘Beliefs on mutual funds’ consists of seven variables with the variation explained by 62.14 percent. The factor ‘Facts on mutual funds’ consists of four variables with the variation explained by 52.15 percent. The factor ‘Illusions on mutual funds’ consists of seven variables with the variation explained by 51.90 percent.

**SUGGESTIONS**

Based on the study, the following suggestions are made:

- Investors generally make the investment decision in particular schemes mainly on the basis of Net Asset Value and recent past performance but they have to consider the performance analysis of the scheme for a considerably long period taking into account historical returns and portfolio.
- It is advisable for investors that the longer they stay invested, they will get better and steady return on their investment. Investors should hold the funds at least for 3-5 years.
- Majority of the investors are found to be in the age group of 18 to 35 years. Investment schemes tailored to the senior citizens need to be developed by mutual funds.
- People belonging to the age group more than 60 years are found to be less aware of different investment schemes. Mutual funds cannot afford ignoring the increasing number of aged Indian society and hence measures to increase the
awareness of these senior citizens about different investment schemes need to be designed and implemented.

- There should be transparency on the part of mutual funds companies.
- Mutual fund companies should focus on the rural areas. All Mutual Fund Companies are operating in big cities only. Majority of the investors belong to urban areas. There should be inclusive approach for mutual funds.
- There is need to create the awareness about different plans under the same scheme. Investor has no knowledge of the dividend plan and growth plan. They simply invest in the scheme by its name. They have no idea about the features of dividend plan and growth plan.
- Investor should have a well-defined plan, backed by a carefully conceived investment strategy to avail tax benefits.
- If one invests wisely with a disciplined approach and in a systematic manner, the power of compounding along with proper asset allocation can help one to achieve financial goals comfortably.
- Provision for class room training for the new investors to give information about various schemes of mutual funds should be made. Investment tips can also be given to the investors during the session by the Mutual Fund Promoters.
- Organizations should improve infrastructural facilities to attract and retain the investors of all areas.
- Investors in mutual funds should be aware of status of different sectors like power, infrastructure, banking, pharmaceuticals and health before selecting a scheme.
- Investors should be aware of not only the updates of the scheme selected but also should know the latest SEBI guidelines.
A mutual fund investor should be aware of his rights. The agents or financial advisors should make investors aware of their rights as per the SEBI (Mutual Funds) Regulations and regarding Association of Mutual Funds of India.

Innovative technologies like integration of fund managers, dematerialization, online trading, creation and development of web pages must be brought in mutual fund markets for its growth and attracting the educated investors.

Suitable strategies must be deployed to encourage women investors. Awareness programmes have to be conducted in all places to induce women investors to play a healthy role.

Investors are the hub of the mutual funds market. Their satisfaction is the most important factor. Hence the satisfaction of the investor should be ensured by providing safety, liquidity, tax-benefits, higher returns for their investments.

Regarding mutual fund market issues, more journals, newspapers and TV media should cover the subject so as to have a wider reach to the investors.

Companies are expected to give proper attention to their investors. Service after sales should be given promptly and effectively by advisors/agents.

New investors are not advised to invest their money heavily, but instead could select Systematic Investment Plan (SIP).

The universities in India should encompass modules on mutual funds, and other financial products along with concepts like risk management, asset allocation and portfolio diversification in the syllabus of commerce courses across all colleges, as a mandatory course from graduation level, followed by an examination. This will lead to mass education on mutual fund concept among the new generation.

Implementation of the Unique Identification Card as a valid document for KYC is very much needed. The Government has announced that a Unique
Identification Card would be issued to all Citizens (President's speech at the Joint Session of Parliament on 4th June 2009). This should be implemented and the card should be a valid document for KYC. This will entail undertaking public awareness campaign to make holding of the Unique Identification Card mandatory for all Indian citizens and build the supporting institutional infrastructure to issue these cards at a nominal rate through the public sector network. The Government of India could facilitate issuance of the Unique Identification Card free of cost to all Indian citizens below a specified income threshold which could be in line with the minimum taxation slab limit. This will reduce most of the KYC related problems in Mutual Fund investment process.

- The Mutual Fund companies should encourage the introduction of customised Electronic Transfer of funds for retail and institutional customers to facilitate them for easy investment.

- Mutual fund companies should invest in channel innovation such as Mobile and Internet services. Mobile telephony can enable mobile transactions for the purchase and sale of mutual funds and SMS – based services can revolutionise the industry.

**SCOPE FOR FURTHER RESEARCH**

Mutual fund is such a wide area of research that no single study can cover its different dimensions. Based on the study done by the researcher, following suggestions are identified for further research.

- Since the present study is at a District level, it could be extended to State level and subsequently to National level.
• Attitudes of institutional and corporate investors towards mutual funds should be studied.
• Implications of internet mutual funds trading in India can be taken up for the study.
• Effect of technological innovation in mutual funds markets can be studied.

CONCLUSION

Indian Mutual fund industry is gradually moving towards growing phase. Over the last few years level of awareness has increased. But level of awareness has not yet reached the mass investors. Mutual funds are good source of returns for majority of households and it is particularly useful for the people who are at the age of retirement. Economic growth architectured under the ages of liberalization and globalization has created positive environment and explored the hidden desire of the investor and motivated them to participate in creating wealth through investing their surplus reserves in financial market. With increased income investors are looking for new avenues to earn more and also diversifying their portfolio for better protected return and mutual funds are available avenue for shedding the risk through diversification, managed by qualified fund managers. The mutual funds are easy to buy and sell; individual investor can buy them in open market directly from Fund Company or through third party. Mutual fund companies should come forward with full support for the investors in terms of advisory services, participation of investor in portfolio design, ensure full disclosure of related information to investor, proper consultancy should be given by mutual fund companies to the investors in understanding terms and conditions of different mutual fund schemes. Mutual fund information should be published in investor friendly language and style; proper system to educate investors should be developed by mutual fund companies to
analyze risk in investments made by them, etc. More tax rebate should be given on mutual fund investment; proper and effective grievance system, right of investor education, and more control on asset management companies should be there. Further studies may be undertaken to unfold various other aspects like Performance and Challenges of Mutual Funds. Such studies will provide guidance to the Investors on the changes and challenges faced by the Mutual Funds. This kind of integrated effort will produce a lot of value addition to the wealth of the nation. The study also has found that investors consider mutual funds as a safe investment option, but there is a need to educate the investors that mutual fund involves a market risk. There should be need on the part of regulators and fund houses to create awareness regarding the working of mutual fund companies. In nutshell there should be transparency, top class code of conduct for AMCs and investor grievance redressal agency and proper information should be disseminated to investors.