Investments are made in different asset classes depending on individual’s risk and return characteristics. Investment choices are physical assets and financial assets. Gold, Commodities and Real estate are examples of physical assets, which have a physical form.

Financial assets are securities, which are certificates embodying a financial contract between parties. Bonds, Equity shares, Deposits and Insurance policies are some of the examples of financial assets.

Every investor is different, with different financial goals, different tolerances to risk, different personal situations and different desires. These characteristics itself becomes the objectives and constraints while taking the investment decision. Two investors with the same characteristics may have very different financial choices. And the main reason for this is their propensity for risk, not their innate characteristics. Thus the investors select the different investment avenues according to their high, medium or low propensity for risk, within their particular balance of personal characteristics.

It is very necessary for investors to know different types of investment available in the market. There are different investments avenues with different risk and return levels. An understanding of the core concepts and a thorough analysis of the various types of investment can help the investor to make the right choice. There are two broad investment alternatives which are available to investors in KDMC region. Direct investment alternative and indirect investment alternatives. Mutual Fund is one of the indirect investment alternatives.

The main attributes of mutual funds are:

- Mutual Fund gathers scattered small saving into a common fund of sizable amount.
- Funds collected by mutual funds are invested in securities of different companies.
Chapter 7: Summary

- Mutual funds employ experts for professionalized portfolio management.
- Due to diversified portfolio, the risk is spread out and a stable return for an investor becomes possible.
- The earnings of mutual funds are distributed amongst the investors after deducting the management costs.

AMFI, Mutual Fund Companies and AMCs are continuously trying to overcome the challenges and to engage with customers from different social economic levels to increase the penetration in locations where Nil or minimum level of awareness is there about Mutual Fund Investment. AMC organize the District Adoption Program (DAP) and the Investor Awareness Program (IAP). The AMCs have conducted 60,000 IAP across 500 cities during May, 2010 to October, 2015. They are also taping the internet sources to contact the potential customers in urban and semi urban areas.

With the stock markets reaching to newer heights mutual funds could not be far behind and hence expected to move towards its goal of Rs 20 trillion profitable AUM by 2020.

Kalyan and its neighboring township of Dombivli jointly form the Kalyan Dombivli Municipal Corporation, abbreviated as KDMC. It is considered a part of the Mumbai Metropolitan Region. Due to its highly educated population it is often called the second cultural capital of Maharashtra after Pune.

Out of total population, 469,306 were engaged in work or business activity. Of this 361,910 were males while 107,396 were females. In census survey, worker is defined as person who does business, job, service, and cultivator and labour activity. Of total 469306 working population, 93.97 % were engaged in Main Work while 6.03 % of total workers were engaged in Marginal Work.

This study aims to identify the awareness about investment in mutual funds among residents of Kalyan-Dombivli, fast growing metropolitan city. So that it will help the Mutual Fund Companies to explore the new market among the residents of Kalyan-Dombivli Municipal Corporation Region & to know their preferences and
requirements. Reviews on investors’ awareness about investing in Mutual Funds, their preferences are scantily available. The present study attempts to find out the not only the awareness & perceptions of mutual fund but also the reasons because of which the investors remains away from mutual fund industry. It tried to find out extent of awareness in region under study.

The investors are now very much aware and make the choice of investments by studying it from all the angles. The present study also attempts to the considerations of investors while investing in Mutual Funds, which can help the mutual fund companies while launching the new schemes. This can turn the potential investors of KDMC region to turn into investors and channelize the flow of saving towards the mutual fund investment.

The proposed research study has been conducted at both macro and micro levels. For macro level study the research period remained from 2001 to 2015 while the calendar Year 2015 was taken for the purpose of personal survey.

Objectives Of Study:
1) To understand various types of Mutual Fund Schemes.
2) To know about the extent of awareness about mutual funds.
3) To know the purpose of investment in mutual fund.
4) To know the purpose of investment in other investment.
5) To know the preferences for investment in mutual funds.
6) To identify the most popular Mutual Fund schemes.

In order to give proper representation to total population, 1000 respondents were collected through Judgmental sampling method and sampling units include businessmen, professionals and salaried employees. And 50 brokers are selected as respondents through Random Sampling Method.

Primary data was collected though structured questionnaire filled by investors and brokers. Secondary data was collected from magazines, thesis reports, seminars and conference papers, articles, websites, unpublished data, published books, journals, and newspapers etc. To give scientific outlook to the study and to reach specific conclusions, various the statistical tools are used. For simple comparisons and presentation various tabulation, charts, graphs & diagrams are also used.
The mutual fund industry has become highly competitive. To become successful in industry it is a core requirement for its marketers to understand the buying behavior and preferences of investors. The summary of the finding from the present study in this regards are as follows.

Investors select mutual funds on the basis of regular income, safety, profitability. Investors prefer growth schemes followed by income schemes. Experts & consultants & market trends were the main source of information about mutual funds. Important factors while choosing mutual fund schemes were reputation of Mutual Fund Company, mutual fund manager, past performance of the company and tax benefits. Whereas Asset size/total capital of the mutual fund scheme is given less importance while selecting the mutual fund scheme. On an average 78 % of the Investors were satisfied with the performance of the mutual funds they had invested in. The major reason for unawareness about mutual fund among the investors is lack of information. Mutual funds are good source of returns. Even though there is ample opportunity to invest in various types of mutual fund schemes still average investors are restricting themselves to the conventional options like Fixed Deposits and gold. Many people hesitate to invest in mutual fund because of lack of information and its association with share market. People investing in mutual funds are not clear about how they function. And because of it they are not able to manage them. So the organizations which are offering mutual funds have to provide complete information to the prospective investors relating to mutual funds.

In order to maintain investors’ confidence in mutual funds, they should be communicated about the updates and recent trends in the mutual fund industry. Investors’ expectations are to be placed at center place by mutual fund companies, AMCs and regulatory authorities while formulating the various strategies. The main task before mutual fund industry is not only launching the attractive schemes but it has to find out the potential investors for that and to convert them into reality investors. Thus, it has to match the investment with the investors. It’s really a challenging task as each investor is having different requirements and financial objectives.
The industry is continuously taking the efforts in capacity building initiatives, in which new Web Technology has helped to a great extent. Web technology is put to use for finding the prospective customers at the same time meeting the compliance requirements. It has also helped to save the cost and time which is having a positive impact on the profit. Mutual fund industry has already started using E-Commerce platform which has opened a larger market for Mutual Funds. But again it has to be observed that investors’ education about mutual fund industry is the firm based to get the results of all these new developments. Numbers of mutual fund schemes are there in the market which could not fulfill the expectations of the investors. Again it is the challenge before the mutual fund companies to motivate and turn the NMFI (Non Mutual Fund Investors) to invest in mutual funds. The major reason revealed is lack of information and perceived higher risk among the investors.

Maximum people in KDMC region are aware of mutual fund investment. But the knowledge about the technicalities and functioning about mutual fund is less in this region. Hence, there is a need to create awareness about the functioning of the mutual fund among the people of KDMC region. When the information is collected from the investors and brokers it was found that there are not sufficient help centers in KDMC region and even the Investor Awareness programs are not conducted in this area with proper frequency. If the Brokers, AMCs and Mutual Fund Companies take efforts together, there is a good scope to have more investors from this region. In this connection the opinion of investors and brokers are also analyzed and given in descriptive chapters.

The investors who have suffered losses in capital and share market and potential investors hesitate to enter the mutual fund industry as it is a part of capital market. Hence the awareness of mutual fund is a need of the hour. The rate of inflation is more than the rate of returns received by the conventional type investment. And therefore, there is a need of investment alternative which will take care of inflation at the same time provide safety and liquidity. The growing needs and wants, future uncertainties, returns at regular intervals with less risk factor are turning majority of the young investors towards mutual fund industry. The mutual fund industry should take note of it and employ it in a better way to take itself to new heights.
Scope For Future Study:

This study identified the awareness level and perception of investors towards mutual fund investment. This type of study is scanty undertaken in India. Hence, if research is done in various cities and towns it will become very easy to identify B-15 and T-15 cities. The other areas where the attention is needed are behavioral studies encompassing risk tolerance level of investors, investors’ behavior in different market situation, behavior of non mutual fund investors, study on problems of mutual fund distributors, etc.