-: OUTLINE OF THE CHAPTER:-

3.1 RATIONALE OF THE STUDY
3.2 REVIEW OF LITERATURE
3.3 OBJECTIVES OF THE STUDY
3.4 HYPOTHESIS
3.5 UNIVERSE AND SAMPLING PLAN
  3.5.1 Universe
  3.5.2 Sample size
  3.5.3 Sampling plan
3.6 PERIOD OF DATA COLLECTION
3.7 SOURCES OF DATA COLLECTION
  3.7.1 Primary data
  3.7.2 Secondary data
3.8 TECHNIQUES OF DATA COLLECTION AND INTERPRETATION OF DATA
  3.8.1 Questionnaire
  3.8.2 Interpretation of data
  3.8.3 Analysis of interpretation of data
3.9 SCOPE FOR FUTURE RESEARCH
3.10 LIMITATIONS
3.11 CHAPTER PLANNING
An investment can be described as perfect if it satisfies all the needs of all investors. Therefore, the starting point in searching for the perfect investment would be to examine investor needs. If all those needs are met by the investment, then that investment can be termed the perfect investment. Most investors and advisors spend a great deal of time understanding the merits of thousands of investment available in India. With the savings invested in various options available to the people, the money acts as the driver for growth of the economy. Indian financial system presents a plethora of avenues to the investors. It has reasonable options for an ordinary man to invest his saving like mutual fund. Mutual fund is a type of financial intermediary that pools the funds of investors who seek the same general investment objective and invests them in a number of different types of financial claims (e.g., equity shares, bonds, money market instrument). These pooled funds provide thousands of investors with proportional investment managers. The term ‘mutual’ is used in the sense that all its returns, minus its expenses, are shared by the funds unit holders. Mutual fund is a special type of institution which acts as an investment conduit. It is essentially a mechanism of pooling together the savings of large number of investors for collective investments with an avowed objective of attractive yields and appreciation in their value. Such activities are undertaken on different terms by agencies popular as ‘unit trusts’ and ‘investment companies’ in U.K. & U.S.A.

3.1 RATIONALE OF THE STUDY

There are a lot of investment avenues available today in the financial market for an investor with an investable surplus. He can invest...
in bank deposits, corporate debentures, and bonds where there is low risk but low return. He may invest in Stock of companies or in mutual funds of various companies.

Since last few years investment in capital market for mutual fund is considered safe investment and does not need to appoint a portfolio manager by the investors. But at the same time investors need detailed study or prospects of mutual fund.

Mutual fund industry has seen a lot of changes in past few years with multinational companies coming into the country, bringing in their professional expertise in managing funds worldwide. In the past few months there has been a consolidation phase going on in the mutual fund industry. Now investors have a wide range of schemes to choose from depending on their individual profiles.

Return on mutual fund investment directly or indirectly depends on fluctuations coming in the share market. Moreover public sectors and private sectors both offer various mutual fund schemes. Hence it becomes necessary to study sector wise and scheme wise resources mobilized by Indian mutual fund industry as well as to study the investors’ opinion about performance of mutual fund and respective services.

Gujarat state is known as a ‘Vyapur Nagri’. Majority part of the population in Gujarat state invests in share market.

The researcher has made comparative study of resources mobilized – sector wise and scheme wise by Indian mutual fund industry, by collecting analyzing and interpreting data from primary and secondary data, which provides the picture of overall performance of Indian Mutual Fund industry.

The researcher has also studied investors’ opinion about performance of Indian mutual fund industry with special reference to
selected variables, which gives an idea of investment pattern in Indian mutual fund industry.

Thus, the rational of the study lies in identifying problems and prospects for investment in mutual fund with special reference to Gujarat state.

3.2  REVIEW OF LITERATURE:

Realizing the necessity to undertake in depth analysis of studies relations to mutual fund, the researcher has investigated earlier studies. Following studies are made on this aspect.

1. Sukla and Singh (1997) suggested that the global equity mutual funds were superior performers when compared to global benchmark. The US domestic equity funds outperformed the global funds in terms of total as well as risk adjusted returns.1

2. Chakrabarti and Rungta (2000) examined the importance of brand effect in determining the competitive advantage of the AMCs. The study revealed that brand image influenced the investor’s perception and ultimately the fund/scheme selection.2

3. Shunmugham (2000) conducted a survey on 201 individual investors to study the information sourcing by investors, their perceptions of various investment strategy dimensions and the factors motivating share investment decisions.3

4. Rajeswari and Ramamoorthy (2001) in their study attempted to measure the awareness of retail investors about the concept and functioning of mutual funds in Bombay, Bangalore and Hyderabad. The study was based on data collected through a survey from 92 potential investors (67 men and 25 women) and 101 present investors (72 men and 29 women) from selected three cities during May 2000. The study revealed that 56.7 per cent of the men and
52.0 per cent of the women among the potential investors had poor/inadequate awareness.4

5. Gilkar (2002) in his study examined the empirical evidence with regards to the perception of 86 mutual fund investors (1995-2000) from Jammu and Srinagar. The study revealed that growth products were rated highest by the respondents, whereas income products had the least preference. Recommendation of friends and relatives played a major role in investment decision. Lack of awareness and poor investor services were considered as the main obstacles hindering the growth of mutual funds.5

6. Mishra (2002) measured mutual fund performance using lower partial moment. In this paper, measures of evaluating portfolio performance based on lower partial moment are developed. Risk from the lower partial moment is measured by taking into account only those states in which return is below a pre-specified “target rate” like risk free rate.6

7. Rao and Ravindram (2002) suggested that the most of the mutual fund schemes in the sample of 58 were able to satisfy investor’s expectations by giving excess returns over expected returns based on both premium for systematic risk and total risk.7

8. Sapar and Narayan (2003) examines the performance of Indian mutual funds in a bear market through relative performance index, risk return analysis, Treynor’s ratio, Sharp’s ratio, Sharp’s measure, Jensen’s measure, and Fama’s measure with a sample of 269 open ended schemes (out of total schemes of 433). The results of performance measures suggest that most of the mutual fund schemes in the sample of 58 were able to satisfy investors’ expectations by giving excess returns over expected returns based on both premium for systematic risk and total risk.8
9. Kshama Fernandes (2003) evaluated index fund implementation in India. In this paper, tracking error of index funds in India is measured. The consistency and level of tracking errors obtained by some well-run index fund suggests that it is possible to attain low levels tracking error under Indian conditions. At the same time, there do seem to be periods where certain index funds appear to depart from the discipline of indexation.9

10. Mehru (2004) in his study analyzed the problems of mutual funds in India. The study highlighted several problems such as lack of awareness among investors, poor after sale services, non disclosure of portfolio by mutual funds, inter scheme transfer of funds and lack of professional fund managers. The author suggested that greater transparency, increased innovations, better services to the investors, liquidity and higher returns could make mutual fund schemes more popular and investor friendly in India.10

11. Noulas (2005) showed that there were big differences among the equity mutual funds with respect to the risk and return and the result indicated that there was a positive relation between risk and return for the whole period while the betas for all funds were smaller than one.11

12. Panwar Sharad and Madhumathi (2006) found that public sector sponsored funds in terms of mean returns percentage. There was a statistical difference between sponsorship classes in terms ESDAR (excess standard deviation adjusted returns) as a performance measure.12

13. Rao D. N. (2006) studied the financial performance of selected open- ended equity mutual fund schemes for the period 1st April-31st March 2006 pertaining to the two dominant investment styles and tested the hypothesis whether the difference in performance are
statistically significant. The analysis indicated that growth plans have generated higher returns than that of dividend plans but at a higher risk studied classified the 419 open-ended equity mutual fund schemes into six distinct investment styles.¹³

14. Deb (2007) found the styles benchmark of each sample of equity funds as optimum exposure to eleven passive asset class indexes.¹⁴

15. Jagric Timotj (2007) found the ranking obtained by the performing both the Sharpe¹⁵ and Treynor¹⁶ rules to be almost the same, implying that funds are well diversified. The ranking revealed that analyzed funds outperformed the market on a risk-adjusted basis.¹⁷

16. Guha (2008), found that, out of sample period, which is an outright bull period, the funds have outperformed well on the average but their benchmark have performed even better.¹⁸

17. Mittal and Gupta (2008) examined the awareness of the investors about mutual funds and various factors affecting the investment decision to invest in mutual funds. The study revealed that 85 percent of the respondents were aware of the mutual fund products and associated risks. Further, most of the investors were satisfied with the services provided by the mutual funds.¹⁹

18. Debasish (2009), concluded as in times of high stock market volatility, mutual funds are the best source of investment with assured and adequate returns provided the selection of mutual funds in the right direction.²⁰

19. Viramgami (2009) in his study of resource mobilization by Indian mutual fund industry concluded that income schemes, liquid/MM schemes and growth between March 2000 to March 2007 has increased. In terms of resources, mobilization, liquid/money market, growth, ELSS and Income funds emerged as the most popular schemes among investors and these three accounted for
more than 70 per cent of the resources. Among various sectors operating in mutual fund industry, the private sector mutual funds were the most prominent players in the industry.  

20. Agarwal Deepak and Patidar Deepak (2009) studied the empirically testing on the basis of fund manager performance and analyzing data at the fund-manager and fund-investor levels. The study revealed that the performance is affected by the savings and investment habits of the people and at the second side the confidence and loyalty of the fund manager and rewards affects the performance of MF industry in India.  

21. Mehta Sushilkumar (2010) analyzed the performance of mutual fund schemes of SBI and UTI and found out that SBI schemes have performed better than the UTI in the year 2007-2008.  

22. Prince and Bacon(2010), indicated that some excess returns have been generated however beyond a handful of the funds, it is possible to rely upon a single benchmark as a reliable indicator of even past performance. The evidence tends to support market efficiency since for the most part, the actively managed funds examined in this study produced returns that were largely expected.  

23. V.M.Selva and A.Bala Murugan (2010) studied profile of investors, scheme preference of investors and their perception towards mutual fund investment. The study indicated that the MF investment widely prevalent among men than that of female. The investors gave first preference to growth scheme and then to income funds. The study revealed that the majority of investors were falling into the income group of two lakhs to three lakhs.  

24. Gohar (2011) showed that within equity funds, broker backed category shows better performance than institutional funds
institutional funds are outperforming broker backed funds among income funds.\textsuperscript{26}

25. Kumar and Devi Rama, (2011) showed that there is no significant difference between the returns of private and public mutual funds.\textsuperscript{27}

26. Selvam (2011) studied the risk and return relationship of Indian mutual fund schemes. The study found out that out of thirty five sample schemes, eleven showed significant t-values and all other twenty four sample schemes did not prove significant relationship between the risk and return. According to t-alpha values, majority (thirty two) of the sample schemes’ returns were not significantly different from their market returns and very few number of sample schemes’ returns were significantly different from their market returns during the study period.\textsuperscript{28}

27. Dhanda (2012) revealed that only three schemes have performed better than benchmark.\textsuperscript{29}

28. Vyas and Moonat (2012) studied the perception and behavior of mutual funds investors in Indore, Madhya Pradesh. The study was based on 363 mutual fund investors. The results revealed that most of the respondents invested in equity options with a time span of one or three years. Though 73 per cent of the investors were aware about the risks associated with the mutual funds, yet only 53 per cent of the investors analyzed the associated risks. Lump sum investment was the most preferred mode followed by SIP. Gold was the most important option among investors, and liquidity, reliability, tax benefits and high returns.\textsuperscript{30}

29. Dhanraj Sharma (2013) shown that the performance between equity mutual fund schemes and benchmark indexes over five economic periods. It is observed that influence of market factor is closely effected behavior of mutual funds returns.\textsuperscript{31}
30. K. Pendaraki (2013) studied construction of mutual fund portfolios, developed a multi-criteria methodology and applied it to the greek market of equity mutual funds. The methodology is based on the combination of discrete and continuous multi-criteria decision aid methods for mutual fund selection and composition.32

31. Kalpesh Prajapati and Mahesh Patel (2013) presented that the performance evaluation of Indian mutual funds is carried out through relative performance index, risk-return analysis, Treynor’s ratio, sharp’s ratio, Jensen’s measure, and Fama’s measure. The data is daily closing NAVs. The study period is 1st January 2007 to 31st December, 2011. The results of performance measures suggest that most of the mutual fund have given positive return during 2007-2011.33

32. Mr.M.Jaidev (2013) in his books “Investment policy and performance of mutual fund” has studied the Indian Public Sector Mutual Fund. In this book he has covered risk, rate of return. Investment policy and pricing of mutual funds and has done an empirical study covering all aspects of mutual fund investment along with the regular frame work.34

33. Nalini Parva Tripathy (2013) in her book “Mutual Funds in India. Emerging Issues” provides a detailed evaluation of investment management which is not only helpful for influencing marketing operations but also for securities selection, investment research and timing and resource allocation.35

34. Saini Monika (2013) presented in her paper that a mutual fund is a pure intermediary which performs a basic function of buying and selling securities on behalf of its unit holders, which the letter also can perform but not as easily, conventionally, economically and profitably. The aim of this article is to review the existing literature
on mutual funds. She has reviewed the studies conducted on various aspects of mutual funds. She has summarized the conclusions of all the studies so that the reader will get the idea on what studies has been conducted on mutual funds. I have categorized the studies into different sub topics. All the related studies are presented under one head. Due to tremendous growth of Mutual fund Industry it has gained the interest of investors as well as researchers. Lots of studies have been conducted on various areas of mutual funds. The objective of this article is to throw a light on the existing literature on mutual funds.

All these studies reveal the fact that number of researches have come out on mutual fund. But a research with special reference to scheme wise analysis of mutual fund in Gujarat state has not been undertaken to the best of researcher’s knowledge. Hence the present research study attempts to study and review “A scheme wise analysis of mutual fund in Gujarat (A comparative study of public sector and private sector).

3.3 OBJECTIVES OF THE RESEARCH STUDY

The present research study is undertaken with the following objectives in view.

1. To study theoretical concepts of Investment management.
2. To study theoretical concepts of mutual funds.
3. To study scheme wise investment in mutual funds.
4. To study sector wise investment in mutual funds.
5. To study respondents’ demographic profile, those who are investing in mutual funds.
6. To study form of investment preferred by respondents.
7. To study term of investment preferred by respondents.
8. To study liquidity requirement of respondents.
9. To study amount of annual savings of respondents.
10. To study objectives of respondents’ savings.
11. To study the media from which respondents come to know about mutual funds.
12. To study the time period of investment in mutual funds preferred by respondents.
13. To study media of purchasing mutual fund preferred by respondents.
14. To study the mode of investment in mutual funds preferred by respondents.
15. To study the sector of investment in mutual funds preferred by respondents.
16. To rank the sector of mutual funds preferred by respondents.
17. To study the type of mutual funds preferred by respondents.
18. To study the schemes of mutual funds preferred by respondents.
19. To rank the schemes of mutual funds by respondents.
20. To study the level of importance of selected factors affecting selection of mutual funds by respondents.
21. To study the views of respondents about performance of mutual fund industry.
22. To put forward overall findings and suggestions with a view to make more effective mutual fund investment with more satisfaction level with special reference to Gujarat state.
3.4 HYPOTHESIS

The present research study is based on following hypotheses. The hypotheses of the study are made through following variables and parameters.

Variables:
1. Gender
2. Age
3. Educational Qualification
4. Occupation
5. Monthly Income

Parameters:
1. Service Level
2. Satisfaction Level
3. Regular Income
4. Tax Savings
5. Time Period
6. Risk Factor
7. Liquidity
8. Capital Appreciation
9. Fund Performance Record
10. Fund Reputation & Brand Name
11. Withdrawal Facility
12. Innovative of the Schemes
13. Disclosure of NAV on every Trading Day
Null Hypothesis:

The research study is based on following hypotheses.

1. \( H_{01} \) : There is no significant difference between public sector and private sector of mutual fund and service level of mutual fund.
2. \( H_{02} \) : There is no significant difference between public sector of mutual fund and satisfaction level of mutual fund.
3. $H_03$ : There is no significant difference between public sector and private sector of mutual fund and regular income of mutual fund.

4. $H_04$ : There is no significant difference between public sector and private sector of mutual fund and tax savings of mutual fund.

5. $H_05$ : There is no significant difference between public sector and private sector of mutual fund and time period of mutual fund.

6. $H_06$ : There is no significant difference between public sector and private sector of mutual fund and risk factor of mutual fund.

7. $H_07$ : There is no significant difference between public sector and private sector of mutual fund and liquidity of mutual fund.

8. $H_08$ : There is no significant difference between public sector and private sector of mutual fund and capital appreciation of mutual fund.

9. $H_09$ : There is no significant difference between public sector and private sector of mutual fund and fund performance record of mutual fund.

10. $H_010$ : There is no significant difference between public sector and private sector of mutual fund and fund reputation and brand name of mutual fund.

11. $H_011$ : There is no significant difference between public sector and private sector of mutual fund and withdrawal facility of mutual fund.

12. $H_012$ : There is no significant difference between public sector and private sector of mutual fund and innovative of the schemes of mutual fund.
13. $H_{013}$: There is no significant difference between public sector and private sector of mutual fund and disclosure of NAV of mutual fund on every trading day.

14. $H_{014}$: There is no significant difference between type of mutual fund and service level of mutual fund.

15. $H_{015}$: There is no significant difference between type of mutual fund and satisfaction level of mutual fund.

16. $H_{016}$: There is no significant difference between type of mutual fund and regular income of mutual fund.

17. $H_{017}$: There is no significant difference between type of mutual fund and tax savings of mutual fund.

18. $H_{018}$: There is no significant difference between type of mutual fund and time period of mutual fund.

19. $H_{019}$: There is no significant difference between type of mutual fund and risk factor of mutual fund.

20. $H_{020}$: There is no significant difference between type of mutual fund and liquidity of mutual fund.

21. $H_{021}$: There is no significant difference between type of mutual fund and capital appreciation of mutual fund.

22. $H_{022}$: There is no significant difference between type of mutual fund and fund performance record of mutual fund.

23. $H_{023}$: There is no significant difference between type of mutual fund and fund reputation and brand name of mutual fund.

24. $H_{024}$: There is no significant difference between type of mutual fund and withdrawal facility of mutual fund.

25. $H_{025}$: There is no significant difference between type of mutual fund and innovative of the schemes of mutual fund.
26. $H_{026}$: There is no significant difference between type of mutual fund and disclosure of NAV of mutual fund on every trading day.

27. $H_{027}$: There is no significant difference between gender of respondents and service level of mutual fund.

28. $H_{028}$: There is no significant difference between age of respondents and service level of mutual fund.

29. $H_{029}$: There is no significant difference between educational qualification of respondents and service level of mutual fund.

30. $H_{030}$: There is no significant difference between occupation of respondents and service level of mutual fund.

31. $H_{031}$: There is no significant difference between monthly income of respondents and service level of mutual fund.

32. $H_{032}$: There is no significant difference between gender of respondents and satisfaction level of mutual fund.

33. $H_{033}$: There is no significant difference between age of respondents and satisfaction level of mutual fund.

34. $H_{034}$: There is no significant difference between educational qualification of respondents and satisfaction level of mutual fund.

35. $H_{035}$: There is no significant difference between occupation of respondents and satisfaction level of mutual fund.

36. $H_{036}$: There is no significant difference between monthly income of respondents and satisfaction level of mutual fund.

37. $H_{037}$: There is no significant difference between gender of respondents and regular income of mutual fund.

38. $H_{038}$: There is no significant difference between age of respondents and regular income of mutual fund.
39. $H_{039}$: There is no significant difference between educational qualification of respondents and regular income of mutual fund.

40. $H_{040}$: There is no significant difference between occupation of respondents and regular income of mutual fund.

41. $H_{041}$: There is no significant difference between monthly income of respondents and regular income of mutual fund.

42. $H_{042}$: There is no significant difference between gender of respondents and tax savings of mutual fund.

43. $H_{043}$: There is no significant difference between age of respondents and tax savings of mutual fund.

44. $H_{044}$: There is no significant difference between educational qualification of respondents and tax savings of mutual fund.

45. $H_{045}$: There is no significant difference between occupation of respondents and tax savings of mutual fund.

46. $H_{046}$: There is no significant difference between monthly income of respondents and tax savings of mutual fund.

47. $H_{047}$: There is no significant difference between gender of respondents and time period of mutual fund.

48. $H_{048}$: There is no significant difference between age of respondents and time period of mutual fund.

49. $H_{049}$: There is no significant difference between educational qualification of respondents and time period of mutual fund.

50. $H_{050}$: There is no significant difference between occupation of respondents and time period of mutual fund.

51. $H_{051}$: There is no significant difference between monthly income of respondents and time period of mutual fund.

52. $H_{052}$: There is no significant difference between gender of respondents and risk factor of mutual fund.
53. $H_{053}$: There is no significant difference between age of respondents and risk factor of mutual fund.
54. $H_{054}$: There is no significant difference between educational qualification of respondents and risk factor of mutual fund.
55. $H_{055}$: There is no significant difference between occupation of respondents and risk factor of mutual fund.
56. $H_{056}$: There is no significant difference between monthly income of respondents and risk factor of mutual fund.
57. $H_{057}$: There is no significant difference between gender of respondents and liquidity of mutual fund.
58. $H_{058}$: There is no significant difference between age of respondents and liquidity of mutual fund.
59. $H_{059}$: There is no significant difference between educational qualification of respondents and liquidity of mutual fund.
60. $H_{060}$: There is no significant difference between occupation of respondents and liquidity of mutual fund.
61. $H_{061}$: There is no significant difference between monthly income of respondents and liquidity of mutual fund.
62. $H_{062}$: There is no significant difference between gender of respondents and capital appreciation of mutual fund.
63. $H_{063}$: There is no significant difference between age of respondents and capital appreciation of mutual fund.
64. $H_{064}$: There is no significant difference between educational qualification of respondents and capital appreciation of mutual fund.
65. $H_{065}$: There is no significant difference between occupation of respondents and capital appreciation of mutual fund.
66. $H_{066}$: There is no significant difference between monthly income of respondents and capital appreciation of mutual fund.
67. $H_067$ : There is no significant difference between gender of respondents and fund performance record of mutual fund.

68. $H_068$ : There is no significant difference between age of respondents and fund performance record of mutual fund.

69. $H_069$ : There is no significant difference between educational qualification of respondents and fund performance record of mutual fund.

70. $H_070$ : There is no significant difference between occupation of respondents and fund performance record of mutual fund.

71. $H_071$ : There is no significant difference between monthly income of respondents and fund performance record of mutual fund.

72. $H_072$ : There is no significant difference between gender of respondents and fund reputation and brand name of mutual fund.

73. $H_073$ : There is no significant difference between age of respondents and fund reputation and brand name of mutual fund.

74. $H_074$ : There is no significant difference between educational qualification of respondents and fund reputation and brand name of mutual fund.

75. $H_075$ : There is no significant difference between occupation of respondents and fund reputation and brand name of mutual fund.

76. $H_076$ : There is no significant difference between monthly income of respondents and fund reputation and brand name of mutual fund.

77. $H_077$ : There is no significant difference between gender of respondents and withdrawal facility of mutual fund.
78. H_0.78: There is no significant difference between age of respondents and withdrawal facility of mutual fund.
79. H_0.79: There is no significant difference between educational qualification of respondents and withdrawal facility of mutual fund.
80. H_0.80: There is no significant difference between occupation of respondents and withdrawal facility of mutual fund.
81. H_0.81: There is no significant difference between monthly income of respondents and withdrawal facility of mutual fund.
82. H_0.82: There is no significant difference between gender of respondents and innovative of the schemes of mutual fund.
83. H_0.83: There is no significant difference between age of respondents and innovative of the schemes of mutual fund.
84. H_0.84: There is no significant difference between educational qualification of respondents and innovative of the schemes of mutual fund.
85. H_0.85: There is no significant difference between occupation of respondents and innovative of the schemes of mutual fund.
86. H_0.86: There is no significant difference between monthly income of respondents and innovative of the schemes of mutual fund.
87. H_0.87: There is no significant difference between gender of respondents and disclosure of NAV of mutual fund on every trading day.
88. H_0.88: There is no significant difference between age of respondents and disclosure of NAV of mutual fund on every trading day.
89. $H_{09}89$: There is no significant difference between educational qualification of respondents and disclosure of NAV of mutual fund on every trading day.

90. $H_{09}90$: There is no significant difference between occupation of respondents and disclosure of NAV of mutual fund on every trading day.

91. $H_{09}91$: There is no significant difference between monthly income of respondents and disclosure of NAV of mutual fund on every trading day.

3.5. **UNIVERSE & SAMPLING PLAN:**

3.5.1 **UNIVERSE**

In the present research study, all the mutual fund units operating in India and investors of Gujarat state, investing in various mutual fund units comprise universe of the study.

3.5.2 **SAMPLE SIZE**

Sample size is restricted to 1000 respondents and 1000 respondents have been selected by using multi stage random sampling method.

3.5.3 **SAMPLING PLAN**

Investors of Gujarat state investing in various mutual fund schemes have been selected by using multi stage random sampling method. 1000 investors have been selected for the research study. Details of sample size and sample plan is shown as below.
Sample Size
Gujarat (1000)

East Gujarat (200)
- District
  1) Vadodara
  2) Panchmahal
  3) Dahod

West Gujarat (200)
- District
  1) Amreli
  2) Bhavnagar
  3) Jamnagar
  4) Junagadh
  5) Kutch
  6) Porbandar
  7) Rajkot
  8) Surendranagar

Centre Gujarat (200)
- District
  1) Ahmedabad
  2) Anand
  3) Kheda
  4) Gandhinagar

North Gujarat (200)
- District
  1) Mehsana
  2) Patan
  3) Sabarkantha
  4) Banaskantha

South Gujarat (200)
- District
  1) Surat
  2) Navsari
  3) Dang
  4) Valsad
  5) Tapi
  6) Narmada
  7) Bharuch
East Gujarat (200)

Districts

Vadodara (100)
- H.Q. Vadodara (50)
- Talukas
  1. Vaghodiya (25)
  2. Karjan (25)

Panchmahal (50)
- H.Q. Godhara (20)
- Talukas
  1. Kalol (15)
  2. Halol (15)

Dahod (50)
- H.Q. Dahod (20)
- Talukas
  1. Zalod (15)
  2. Fatehpur (15)
West Gujarat (200)

Districts

Amreli (25)

- H.Q. Amreli (13)
  - Talukas
    - 1. Savarkundala (6)
    - 2. Baabara (6)

Bhavnagar (25)

- H.Q. Bhavnagar (13)
  - Talukas
    - 1. Botad (6)
    - 2. Gadhada (6)

Jamnagar (25)

- H.Q. Jamnagar (13)
  - Talukas
    - 1. Lalpur (6)
    - 2. Khabhaliya (6)

Junagadh (25)

- H.Q. Junagadh (13)
  - Talukas
    - 1. Keshod (6)
    - 2. Una (6)

Kutch (25)

- H.Q. Kutch (13)
  - Talukas
    - 1. Gandhidham (6)
    - 2. Anjar (6)

Porbandar (25)

- H.Q. Porbandar (13)
  - Talukas
    - 1. Kutiyana (6)
    - 2. Ranavaav (6)

Rajkot (25)

- H.Q. Rajkot (13)
  - Talukas
    - 1. Morbi (6)
    - 2. Gondal (6)

Surendranagar (25)

- H.Q. Surendranagar (13)
  - Talukas
    - 1. Limdi (6)
    - 2. Dhrangadhra (6)
Center Gujarat (200)

Districts

Ahmedabad (50)

- H.Q. Ahmedabad (20)
- Talukas
  1. Bavla (15)
  2. Sanand (15)

Anand (50)

- H.Q. Anand (20)
- Talukas
  1. Khambhat (15)
  2. Borsad (15)

Kheda (50)

- H.Q. Nadiad (20)
- Talukas
  1. Mahemdabad (15)
  2. Kheda (15)

Gandhinagar (50)

- H.Q. Gandhinagar (20)
- Talukas
  1. Dehgam (15)
  2. Kalod (15)
North Gujarat (200)

Districts

Mehsana (50)

- H.Q. Mehsana (20)
- Talukas
  1. Unjha (15)
  2. Kadi (15)

Patan (50)

- H.Q. Patan (20)
- Talukas
  1. Radhanpur (15)
  2. Haarij (15)

Sabarkantha (50)

- H.Q. Himmatnagar (20)
- Talukas
  1. Modasa (15)
  2. Talod (15)

Banaskantha (50)

- H.Q. Palanpur (20)
- Talukas
  1. Deesa (15)
  2. Tharad (15)
3.6. **PERIOD OF DATA COLLECTION:**

The research study has covered the financial data for the period of seven years from 2005-2006 to 2011-2012. This period is selected because the complete and time series data for this period is available.

3.7. **SOURCES OF THE DATA COLLECTION:**

3.7.1 **PRIMARY DATA**

The study is mainly based on the primary source of information collected through questionnaire. The primary data have been collected from the concerned respondents, who are investing in mutual funds with the help of multiple choice structured questionnaires.

3.7.2 **SECONDARY DATA**

The secondary data have been collected from various books, annual reports, journals, magazines, mutual fund brokers/consultants newspapers, articles and website etc.

3.8. **TECHNIQUES OF DATA COLLECTION & INTERPRETATION OF DATA**

The data in the research study have been collected by using questionnaire and interview technique.

3.8.1 **QUESTIONNAIRE:**

A multiple choice questionnaire has been prepared to get comprehensive information regarding investors’ experience about performance of mutual fund units in Gujarat State.

The multiple choice questionnaire has been divided into three sections namely:

Section-1: Demographic information of respondents
Section-2: General information about respondent’s investment

Section-3: Information about respondents’ investment in mutual fund.

The researcher has visited various areas of Gujarat state as per the sampling plan to fill up the questionnaires.

3.8.2 INTERVIEW:

To supplement the secondary data and to fill up the gap, researcher has conducted interviews of different consultants of mutual fund. By conducting such interviews, the researcher has collected their personal views which has provided very useful guidance for knowing problems of mutual funds in Gujarat and put forward suggestions to overcome the problem.

3.8.3 ANALYSIS AND INTERPRETATION OF DATA:

Keeping in view the objectives of the study, the data collected through the annual reports and multi choice questionnaire have been classified and tabulated. Different tables have been prepared with the help of computer. The Data have been analyzed and interpreted by statistical methods namely – average, percentile and time series analysis.

Various hypotheses have been tested by applying chi- square test with the help of SPSS. Hypotheses have been tested at 0.05 level of significant.

The chi square test measures the hypothesis that the row and column variables in a cross tabulation are independent.
A low significant value (typically below 0.05) indicates that there may be some relationship between the two variables.

3.9. **SCOPE FOR FUTURE RESEARCH:**
The present research study is on “A Scheme Wise Analysis of Mutual Fund in Gujarat (A Comparative Study of Public Sector and Private Sector)”. The researcher has attempted to collect information through questionnaire from 1000 respondents from Gujarat state.

This research study opens the doors for future research in investment in mutual fund. Therefore there is a scope for future research on mutual fund investment as mentioned below and the present research study can be helpful in the future research.

1. Resource mobilization by Indian mutual fund industry for last ten years: A comparative analysis of various schemes of mutual fund.
2. A comparative study of various open ended and close ended schemes of mutual fund of any two states of India.
3. A study on sector wise and scheme wise investment analysis of mutual funds in the state other than Gujarat.
4. Comparative study of investment in public sector and private sector of mutual funds in the state other than Gujarat.
5. State wise comparison of the investors’ preference about investment in public sector and private sector of mutual funds.
6. Investors’ preference about mutual fund investment in the state other than Gujarat.
7. Comparative analysis of the selected schemes of mutual funds of other than Gujarat state.
3.10. LIMITATIONS

The research study has following limitations.

1. The study is limited to Gujarat State only.
2. The researcher has used primary data in the study. So researcher has to depend upon respondents’ preference.
3. The answers given by respondents may be bias which may affect the result.
4. The respondent may reply incomplete questionnaire.
5. Non availability of useful data on some aspects may restrict the research study to certain limitations.

3.11. CHAPTER PLANNING

The present research study has been divided into seven chapters:

Chapter-1 : Introduction

This chapter deals with concept of finance management, its importance and functions, concept of investment management its origin, growth, need of investment management, emerging issues and problems of investment management, functions of investment management and alternatives for investment with special focus on mutual fund investment and capital market.

Chapter-2 : Profile of Mutual Funds

This chapter deals with meaning, origin, growth, development and functions of mutual funds, mutual fund sector, schemes of mutual fund and emerging issues in mutual fund.

Chapter-3 : Research Methodology

This chapter deals with title of the problem, rational of the research study, objectives of the study, hypothesis, universe and sampling plan, period of data collection, source of data collection, techniques of data collection and interpretation of data.
Chapter-4: profile of respondents and their opinion about mutual fund investment

This chapter deals with the profile of selected respondents, collected through multiple choice questionnaires, their Gender, Age, Educational Qualification, Occupation and Monthly Income. Data about these have been properly edited, classified, tabulated, analyzed and interpreted with the help of suitable statistical method.

Chapter-5: Scheme wise and Sector wise analysis of mutual fund

This chapter deals with the scheme wise and sector wise analysis of respondents’ opinion collected through multiple choice questionnaires with reference to selected demographical and geographical variables. Data has been properly edited, classified, tabulated, analyzed and interpreted with the help of suitable statistical methods.

Chapter-6: Cross Distribution of respondents according to selected demographical variables with selected parameters of mutual fund.

In this chapter researcher has presented cross distribution of respondents according to their demographical variables of gender, age, education qualification, occupation, monthly income with the parameters of mutual fund like service level, satisfaction level, regular income, tax savings, time period, risk factor, liquidity, capital appreciation, fund performance record, fund reputation and brand name, withdrawal facilities, innovative schemes and disclosure of NAV on every trading day which are presented in terms of cross tabulation.

Chapter-7: Overall observations and Suggestions:

This chapter deals with overall findings and suggestions. Various findings and suggestions have been put forward with a view to make effective mutual fund investments with more satisfaction level with special reference to Gujarat state.
REFERENCES


