Major Project Report on

TO STUDY THE PREFERENCE AND PERCEPTION OF CONSUMERS WHILE BUYING MUTUAL FUNDS VIS-A-VIS OTHER INVESTMENT PRODUCTS

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CERTIFICATE

This is to certify that this report entitled "To Study the Preference and Perception of Consumers while Buying Mutual Funds vis-a-vis Other Investment Products" submitted to Delhi School of Management; Delhi Technological University, by Mr. Amit Saxena; in partial fulfilment of the requirements for the award of Executive Master of Business Administration; is original and authentic, and has been done under my guidance.

The content of the report has not been submitted to either this university or any other university/ institution for fulfilling the requirements of any other course/degree.

Mr.Satish Dubey

Professor

DECLARATION

This project report entitled “To Study the Preference and Perception of Consumers while Buying Mutual Funds vis-a-vis Other Investment Products” submitted towards the partial compliance of the requirements of Executive Master of Business Administration Degree, to Delhi School of Management; Delhi Technological University, is my authentic work and has not been submitted elsewhere or to this university, for award of any diploma or degree. References and other related information sources have been acknowledged duly.

The project has been accomplished under the able guidance of **Prof. Satish Dubey**

Further, I have no objection to, and grant the rights to Delhi School of Management; Delhi Technological University; to publish any portion/chapters or use it for future referencing.

Place : **Delhi**

Date : **07.03.2024**

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Signature :

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I have taken efforts in this project. However, it would not have been possible without the kind support and help of many individuals and organization. I would like to extend my sincere thanks to all of them.

It is indeed enriching to prepare a report on "To Study the Preference and Perception of Consumers while Buying Mutual Funds vis-a-vis Other Investment Products". Preparation of such detailed report calls for intellectual nourishment, professional help and encouragement from many areas.

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I further take this opportunity to thank **Prof. Satish Dubey**, my guide for helping me throughout the project and would also like to thank him for providing me with useful guidance related to preparation of the report.

Further I am thankful to my family members who cooperated and put up with my busy schedule during the course of working on this project in addition to my office schedules.

Lastly, I would like to thank all those who had helped me directly or indirectly in completing the project successfully

Amit Saxena

ABSTRACT

A mutual fund is an investment vehicle managed by professionals. You don't really invest mutual funds, but invests through mutual funds. However, we hear about “investing in mutual funds” or "mutual fund investment." While this is fine for discussion purposes, it is technically wrong. As a mutual fund trader, it is important to understand the difference between the two concepts.

When someone claims to have invested in a mutual fund, that plan is often seen as competing with traditional investment vehicles; H. Stocks, bonds, etc. You actually invest in these instruments through a mutual fund. In other words, by investing in a mutual fund, the investor has access to stocks, bonds, money market instruments and/or other transferable securities that they may not otherwise have access to, and benefits from Fund's professional management services offered by the assets of the management company. The investor does not receive a different product, but a different form of investment. She The difference lies in the professional nature of investing, portfolio diversification and a regulated vehicle.

In this study majority of the respondents among the sample frame has an income ranging from Rs 0 per annum to Rs 19 lakhs per annum and invest monthly an average amount of Rs 3,60,000 per annum depending on their income. They are aware about mutual fund as an investment option but don’t prefer to invest because of associated risk & in-depth technical knowledge and those who prefer to invest in comparison to other investment Products are majorly because of the option to invest systematically i.e., SIP to ensure saving and have better returns.

The most important factor that influences investment decision is the level of risk followed by expected returns, liquidity, personal knowledge, investment period and tax benefits and the investment decisions are taken on the influence of herd mentality of their family and friends and self-research. Investors investment post covid in mutual fund has increased for majority of the respondents. Some of the major reason for this change is because of the ease of investment i.e., the fintech apps which makes buying and selling of mutual funds simpler, investors had more disposable time for learning about mutual funds and the benefits of investing in that and as the same time increased disposable income to support the time invested in learning and also the ones who were not investing, understood the importance of savings during their difficult times.

Hence measures should be taken to hire more investment advisors, who can understand their goal better and accordingly suggest what kind of investment are suitable for them.

Investors also tend to have recency bias that if some kinds of investment were profitable to them in the recent past, they think they will be profited again in the future which is not the case.

Those who haven't started earning or are earning very little are not aware about investments and their benefits in long run. Education system should include financial investment as a part of their study at the undergraduate level so that they can start disciplined investment when they start earning.

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1. INTRODUCTION

Investors' Financial Objectives:

Kindly make some wise investing recommendations. What mutual fund programmes ought one to invest in this year? Which mutual fund strategy is the best? Which investment is the best? "Should I make an investment in stocks or property?" How do you feel about the stock market? "Are my investment choices sound? Or ought to I modify something? These and other comparable questions are frequently asked.

Start with why, why does someone invest?

Saving or investing?

Do the two words "saving" and "investing" mean the same thing? Or are they different words? If they are different things, which is better: save or invest?

Saving and investing should not be viewed as two entirely different things, but rather as two steps in the same process: in order to invest money, you must first save. So, saving comes before investing. Following must be kept in mind

Safety:

Start with the safety of your invested capital. Understand the degree of certainty of capital income. understand security When investing, it is important to understand the risks involved.

Liquidity:

How easy is it to Liquidate an Investment and Convert It to Cash? Degree The ease of varies by category and even within a category it can be the same may be different in different products. Sometimes the nature of the product can be such that it is sold is difficult, although sometimes there may be some operational characteristics, such as B. Blocking for a specific period after which the investment can be liquidated; or a penalty for early release. While this penalty does not restrict liquidity, it only reduces investments returns. Another aspect to consider is separability. Is it possible to liquidate part of the holding or does the entire holding have to be sold?

Returns:

As we have already seen when defining investments, the main goal is to make money returns. These returns can be in the form of regular (or periodic) income, also known as current income; and capital appreciation or capital gains. Current income accrues periodically without having to sell investments Capital gains can only be realized if the investment is sold. Pre-payments or penalties would, as already mentioned, reduce the yields. Therefore, never In there are such prepayment penalties, which should be seen as a compromise between liquidity and yield.

Convenience:

Every investment must be evaluated according to convenience investing, withdrawing money - in whole or in part, as well as the investor's ability to do this conveniently monitors the value of investments and receives income.

Ticket size:

What is the minimum amount required to invest? There are many ways in which an investor can start investing amounts from Rs. 50 or Rs. 100 while some require more than Rs. 1 lakh and sometimes more than Rs.1 crore. This will be an important factor when choosing investment opportunities. At the same time, this cannot be the only factor. Some investors (albeit very few) have started considering certain investments (which require large sums of money) just because they could afford it, without considering whether they needed it or whether it suited their situation and goals fit.

Income tax:

What matters is what happens after tax, so tax revenue is another important factor to consider. When it comes to taxable income, it is very important to consider several other factors as well, rather than dealing with a single tax. For example, some products may offer a lower tax rate, but security may also be poor. At the same time, some products may only show a low tax return if the investor invests for a specific period of time or longer than the life of the product. In other words, if an investor sells an investment before maturity (or the specified minimum period of), the investment income may be subject to tax.

Tax deduction:

A related issue is the tax deduction that may be offered for some products. This deduction actually increases your return on investment as it is calculated taking into account the net amount invested. However, if a franchise is available, the product may have a shelf life. Again, this is a trade-off between money and tax credit. The above overview provides a good framework for evaluating investment products. However, as mentioned above, none of the factors should be considered in isolation. When evaluating the roads, the situation of the investor must also be taken into account.

Demographic variables for investment decisions in mutual funds:

The Indian mutual fund industry is growing rapidly due to infrastructure development, increase in personal financial wealth, increase in foreign ownership, rising risk appetite, rising incomes and growing awareness that mutual funds are becoming the preferred investment option over other investment vehicles such as in the form of bank deposits and postal savings. The results showed that there is a significant gender and age difference in investment preferences when making investment decisions for mutual funds. It was also found that marital status does not have a significant impact on a mutual fund's investment decision. The results will help investment fund companies create new and innovative products based on the needs of scientists, and if AMC takes age and gender into account when creating the MF program, it will attract more investors. This research provides a platform for all those companies dedicated to creating wealth. He also suggests considering demographics, particularly employment, when drawing up an investment plan.

A. Industry Profile

1. Market Size of Indian Financial Industry

The financial services sector in India has grown significantly during the last several years. It is anticipated that this momentum will last. Private wealth management in India has tremendous potential. By 2025, India is anticipated to have 6.11 lakh HNWIs.As a result, India will be the fourth largest private wealth market in the world by 2028. The Indian insurance market is expected to reach $250 billion by 2025. This will also give India an opportunity to receive an additional $78 billion in life insurance between 2020 and 2030.

The Mutual Fund Association of India (AMFI) expects AUM to increase fivefold to Rs. 95 lakh crore (US$1.47 trillion) and more than triple the number of investor accounts to 130 million by 2025.

The AUM managed by the mutual fund industry was Rs.39.50 trillion (US$483.63 billion) in October 2022 with a total of 139.1 million accounts. Rs. 87,275 crore ($10.68 billion) in new investments were made through systematic investment plans (SIP) in India's mutual fund schemes. By the end of December 2021, equity mutual funds had received a net inflow of Rs. 22.

Leading AMCs in India (as of June 2021)

Top 5 AMCs in India	AUM (US$ billion)
SBI Mutual Fund	70.23
HDFC Mutual Fund	55.97
ICICI Prudential Mutual Fund	55.93
Aditya Birla Sun Life Mutual Fund	36.97
Kotak Mahindra Mutual Fund	33.10

Note: *Conversion rate used for November 2022 is Rs. 1 = US$ 0.012*

References: *Media Reports, Press Releases, IRDAI, General Insurance Council, Reserve Bank of India, Union Budget 2021-22*

Assets under management (AUM) for the mutual fund sector in India increased at a CAGR of 14.7% between 2015 and 2020, reaching INR 33.17 trillion (US$ 447.23 billion) as of February 2021.
The market capitalisation of listed businesses on the Bombay Stock Exchange (BSE) reached INR 215.49 trillion (US$ 2.91 trillion) as of February 2021, reflecting the recent tremendous rise of the Indian stock market.

Overall, the Indian financial industry's growth rate has been quite impressive in recent years, driven by various factors such as economic growth, financial inclusion initiatives, and regulatory reforms.With a market size of about $2.7 trillion as of 2021, India's financial sector would rank among the largest in the world. Included in this are a number of industries, including banking, insurance, mutual funds, pension funds, and capital markets.

With a market size of roughly $460 billion, the mutual fund sector has also seen recent years of significant growth. There are more than 40 mutual fund companies in India that give investors a variety of investing possibilities.

2. **Expected Growth Rate of Indian Financial Industry:**

A multitude of factors, including financial inclusion initiatives, technology advancements, economic growth, and regulatory reforms, are expected to contribute to the Indian financial sector's steady progress in the following years. However, the precise growth rate of the Indian financial sector in the near future would be influenced by a number of factors, such as regional policy initiatives, world economic conditions, and technological developments in the industry.

In the upcoming years, the mutual fund sector is also anticipated to expand, propelled by rising retail engagement, regulatory changes, and the expansion of the digital environment. The launch of new insurance products and rising demand for life and health insurance policies are likely to fuel the insurance industry's expansion.

3. **Value of Indian Financial Industry:**

One of the biggest and most significant industries in the Indian economy is finance. It consists of a number of different financial services segments, including banking, insurance, mutual funds, stock markets, and others.

The Central Bank of India (RBI) reports that as of March 2021, the combined assets of India's scheduled commercial banks were INR 172.4 trillion (US$ 2.3 trillion). The Insurance Regulatory and Development Authority of India reported that as of March 2021, the total assets under management (AUM) for the insurance sector were INR 51.3 trillion (US$ 690.91 billion) (IRDAI).

4. **Contribution to GDP by Indian Financial Industry**

Over the years, the Indian financial sector has made a sizable contribution to the GDP of the nation. One of the most significant areas in the Indian economy at the moment is the financial industry, whose contribution to GDP has been gradually rising.
In the fiscal year 2020–21, the financial, real estate, and professional services sectors contributed roughly 20.3% to India's GDP, according to the Ministry of Statistics and Programme Implementation. The Reserve Bank of India (RBI) also predicts that in the fiscal year 2020–21, the financial sector will contribute roughly 7.9% of India's GDP.
One of the most prominent sectors of the Indian financial sector is the banking sector, which over time has made a sizable contribution to the country's GDP. In the fiscal year

2020–21, the banking industry contributed almost 6.7% of India's GDP, according to the RBI.

A major portion of the Indian GDP is anticipated to come from the mutual fund and insurance sectors, both of which have been expanding quickly in recent years. The Insurance Regulatory and Development Authority of India (IRDAI) reports that the insurance sector's gross premium income for the fiscal year 2020–21 was INR 7.4 trillion (US$ 99.6 billion). AUM for the mutual fund sector was INR 38.1 trillion ($513.47 billion) as per AMFI

Challenges and Opportunities

Growth Drivers:

The Indian financial sector, which has recently witnessed substantial development and transition, has a number of growth factors. Here are a few of the primary forces:

Economic Growth:

The global economic expansion has a big impact on how the Indian financial industry is growing. Due to India's GDP's constant expansion throughout the years, more investments have been made in the financial sector, including banking, insurance, and capital markets.

Technological Advancements:

The use of technology has considerably propelled the growth of the Indian financial sector. The widespread use of technological breakthroughs such as mobile banking, digital payments, and other related innovations has increased accessibility and convenience for customers while decreasing costs for financial institutions.

Governmental Initiatives:

Via a number of initiatives like the Digital India campaign, the Jan Dhan Yojana, and the Atmanirbhar Bharat Abhiyan, the Indian government has been aggressively promoting the growth of the financial sector. These initiatives have improved access to credit, promoted the use of electronic payments, and boosted financial inclusion.

Regulatory Reforms:

Recent important regulatory improvements have improved accountability and transparency across the Indian banking system. Implementing the Insolvency and Bankruptcy Code, the Goods and Services Tax (GST), and the Unified Payments Interface are a few examples of such reforms (UPI).

Competitive scenario

A combination of state and private companies offers a wide range of financial products and services in India's highly competitive financial market. Below is a summary of the competitive environment in some key sectors of the Indian financial industry:

1. Banking: Public sector banks dominate the Indian banking industry with the State Bank of India dominating most of the market. However, private banks such as HDFC Bank, ICICI Bank and Axis Bank have recently gained market share due to their focus on technology and customer service.

2 Insurance: The state-owned Life Insurance Company of India (LIC), which commands a sizeable market share, dominates the insurance industry in India. However, private insurers like ICICI Prudential Life Insurance, HDFC Life Insurance, and SBI Life Insurance have grown faster in recent years.

3. Mutual Funds – There are many players offering a variety of goods and services in the highly competitive Indian mutual fund market. The top players in the market include SBI Mutual Fund, HDFC Mutual Fund and ICICI Prudential Mutual Fund.

4. Capital Markets: The Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE), the two largest stock exchanges in the country, dominate the Indian capital markets. The Metropolitan Stock Exchange of India and the International Stock Exchange of India have entered the market and increased competition.

5. Payments – There are several companies offering digital payment solutions in India's highly competitive payments sector. The biggest players include Paytm, PhonePe, Google Pay &AmazonPay.

In general, the Indian financial sector is quite cutthroat, with competitors from both the public and private sectors vying for market share. The competitive environment in the industry is constantly changing due to changing consumer preferences, technical improvements and regulatory changes.

Concept of a Mutual fund:

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Overnight fund:

To generate capital growth/income from a portfolio, invested primarily in equities and equity-related instruments

Equity funds:

The main objective of the plan is to generate long-term capital. Increase in value by investing primarily in stocks and related stocks of companies across the market cap spectrum. In addition, the fund invests in debt securities and money market instruments generate regular income.

Hybrid funds:

The main goal of the plan is to generate a constant flow of income from investments in fixed income securities.

B. **Organization Profile:**

About

ICICI Prudential Asset Management Company (ICICI Prudential AMC) is one of India's leading asset management companies managing a wide range of mutual funds. Here are some key facts about ICICI Prudential AMC:

1. **History**: ICICI Prudential AMC was established in 1993 as a joint venture between ICICI Bank, a leading private bank in India, and Prudential Plc, a UK-based global financial services company.
2. **Size and Scope**: ICICI Prudential AMC is one of the largest asset management companies in India, managing in excess of Rs.5.6 lakh crore (approx. US$75 billion) in assets (as of December 2021).

3. **Product Offerings:** ICICI Prudential AMC offers a wide range of mutual funds in various categories including equity, debt, hybrid and solutions funds. The company also offers portfolio management services, alternative investment funds and offshore funds.

4. **Investment Philosophy:** ICICI Prudential AMC follows a research-driven investment philosophy with an emphasis on identifying quality companies and selecting investments based on their long-term growth potential.

5. **Awards and Recognition:** ICICI Prudential AMC has received various awards and recognition for its performance and product offering, including CNBC TV18 Mutual Fund Awards, Morningstar India Fund Awards and Outlook Money Awards.

Overall, ICICI Prudential AMC is an established and respected asset manager in India, known for its strong investment philosophy, diverse product offering and consistent performance over the years.

Milestones:

ICICI Prudential Asset Management Company (ICICI Prudential AMC) is one of the largest asset management companies in India. Here are some of the key milestones in the history of ICICI Prudential **AMC:**

1993: ICICI Prudential AMC was formed as a joint venture between ICICI Bank and Prudential Corporation Holdings Limited.

1994: ICICI Prudential AMC launched its first mutual fund program, the ICICI Prudential Liquid Fund.

1999: ICICI Prudential AMC launches India's first closed-end fund, the ICICI Prudential Growth Fund.

2001: ICICI Prudential AMC became the first asset management company in India, accounting for Rs. Rs 10,000 crore in assets under management (AUM).

2003: ICICI Prudential AMC launched its first offshore fund, the ICICI Prudential US Bluechip Equity Fund.

2004: ICICI Prudential AMC launched India's first value fund, the ICICI Prudential Dynamic Plan.
72007 - ICICI Prudential AMC became India's largest asset management company with over Rs. 50,000 crores in AUM.

2009: ICICI Prudential AMC launched India's first gold exchange traded fund (ETF), the ICICI PrudentialGoldETF.

2010 – ICICI Prudential AMC became the first asset management company in India, investing Rs. 1 lakh crore in AUM.

2012: ICICI Prudential AMC launched India's first focused fund, the ICICI Prudential Focused Bluechip Equity Fund.

2015 – ICICI Prudential AMC launched India's first retirement fund, the ICICI Prudential Retirement Fund.

2016: ICICI Prudential AMC became the first asset management company in India to be listed on the stock exchange.

2018: ICICI Prudential AMC launched India's first passive equity fund, the ICICI Prudential Nifty Next 50 Index Fund.

2019: ICICI Prudential AMC became the first Indian wealth management company to surpass Rs. 3 trillion AUM mark.

2020: ICICI Prudential AMC launched India's first ESG (Environmental, Social and Governance) fund.

2021: ICICI Prudential AMC crossed Rs. 5 lakh crores in AUM making it one of the largest asset management companies in India.

Financial Ratios

Some of the key financial metrics for ICICI Prudential Asset Management Company (ICICI Prudential AMC) for fiscal year 2020-21 which was the latest financial data available as of my knowledge September 2021.

1.Expense Ratio: ICICI Prudential AMC's expense ratio was 1.89% for fiscal year 2020-21, which represents the total expenses incurred by the firm in managing its mutual funds as a percentage of its total assets under management.

2. Net Income Margin: ICICI Prudential AMC's Net Income Margin was 38.33% for fiscal year 2020-21, which is the company's net income as a percentage of its total sales.

3. Return on Assets (ROA): ICICI Prudential AMC's return on assets for fiscal year 2020-21 was 17.22%, which is the company's net income as a percentage of its total assets.

4. Return on Equity (ROE): ICICI Prudential AMC's return on equity was 32.31% for fiscal year 2020-21, which is the company's net income as a percentage of its total equity.

R&D projects in the asset management industry:

• Development of new investment vehicles such as Exchange Traded Funds (ETF) or structured products.

• Integrate artificial intelligence (AI) and machine learning (ML) into investment processes to identify market trends and make better investment decisions.

• Use of blockchain technology to streamline processes and improve transparency in the investment process.

• Explore alternative investment strategies such as impact investing or sustainable investing that take environmental, social and governance (ESG) factors into account. ICICI Prudential AMC may have its own unique R&D initiatives aimed at enhancing its investment offering and delivering better outcomes for clients

Social Media Presence

ICICI Prudential Asset Management Company (ICICI Pru AMC) has a social media presence on various platforms including Twitter, LinkedIn, Facebook, YouTube and Instagram. Their social media accounts are mainly used to share company updates, investment information and market updates.
On Twitter, ICICI Pru AMC has an official name with more than 27,000 followers where they regularly post updates about their products and services. Their LinkedIn page has over 200,000 followers and they use it to share industry news, product launches, and company updates.
On Facebook, ICICI Pru AMC has a verified page with more than 195,000 likes, and they post updates on their products and services, as well as investment-related educational content.They also have an official YouTube channel where they upload videos on market updates and investment insights.

Mutual Fund

Strength

● Greater Amount of Possible Customers
● Instability Of Bank Interest Rates
● Liquidness To Investors at any period
● Government Funding by Way of Tax Concern

Weakness

● Less Contribution of Retail Investors

● Absence Of Focus
● Below Performance
● Unfortunate Service Conditions

Opportunities
● Greater Savings
● Modern buying of Mutual funds
● Relaxed Business Environment

Threat
● Arising Competition
● Greater Level of Instability

Important Concepts in Mutual Funds

Units:
They are the number of quantities purchased in any scheme.

Face value
The price of each unit purchased, mostly it is Rs 10 per unit.

Capital unit
The number of units issued by a scheme multiplied by its face value (Rs. 10).

Recurring Issues
Subscriptions or commissions paid to various members of mutual funds come from expenses charged to the mutual fund regime. These are called recurring expenses. These expenses are calculated as a percentage of the plan's assets under management (AUM). The cost of the system is subtracted when deriving the NAV. This means the greater the spend, the less is the NAV and therefore decreases investor returns. With this in mind, SEBI has set firm limits on spending could be uploaded to the scheme. Working costs are suffered for the operation of the investment fund.

Net Asset Value
The actual value of an investment fund share is also referred to as the net asset value (NAV). Page. With profitable investment activity, the real value of the unit increases. In the event of losses, the real value of the security decreases. NAV is also the net realizable value per unit in the event of a system liquidation: how much money could be generated if all of the program's assets were sold and converted to cash.

Assets under Management

The sum of all investments made by investors in a mutual fund is the total amount of plan funds, also known as plan assets under management (AUM). It can also be determined by multiplying the Net Asset Value by the total number of Shares outstanding. Relative The size of mutual fund companies/money managers is based on their assets under management (AUM). When the plan is first run, the assets under management are the amount raised by investors. Additionally, if the system has a positive profitability index, its assets under management will increase; a negative profitability ratio reduces it.

If the system is open to accepting money from investors even after NFO, then, for example, g investor contributions equal AUM. Conversely, if the plan doesn't pay money to investors, either in the form of dividends or in exchange for investor share buybacks, assets under management will go down. The assets under management then capture the impact of the rate of return and cash flows of the participants or plan.

on the market

The process of valuing each stock in the Plan's investment portfolio at its current market value, called Mark to Market (MTM). Mark-to-market is performed daily to calculate the daily net asset value of a mutual fund plan. This results in daily fluctuations in the net asset value of all systems.

Advantages of UCITS for investors Professional management:

Investment Funds offers investors the opportunity to earn or build up wealth through the professional management of their investment funds. There are several aspects of this type of professional management viz. Invest in accordance with your investment objective, invest based on research and ensure accurate investment processes are followed.

To invest in the stock market, the investor must open and maintain various accounts and relationships such as B. a broker account, demat account and others. Investing in mutual funds simplifies the process of investing and owning stocks.

The fund administration function is not limited to finding and selecting securities to build an investment portfolio, but also to managing various administrative activities such as collecting employee benefits (e.g.) or a trace.

Due to the daily calculation and publication of the NAV, the entire portfolio is settled daily. An investor who manages his own portfolio has to take care of this part. All these advantages are very profitable and available even for the smallest investments. In addition, the fees for professional fund management are quite reasonable.

Affordable portfolio diversification:
Investing in Program Shares provides investors with access to a variety of securities in the Program's investment portfolio in proportion to their participation in the Program. Therefore, for a small investment of Rs, an investor can also have fractional ownership of a diversified portfolio of assets. 500 in a mutual fund.

With regard to diversification, one investor notes that “not all eggs belong in the same basket”. Therefore, the investor is less likely to lose money on all investments at the same time. For this reason, diversification helps reduce investment risk. To reach the same level as a mutual fund system, investors have to set aside a few hundred thousand rupees. Instead, they can achieve diversification by investing less than hundreds of thousands of dollars in a mutual fund.

Economies of scale:
Pooling large sums of money from multiple investors allows the mutual fund to hire professional managers to manage the investments. Private investors with small investments of their own cannot afford such professional management.

Large investments lead to many other economies of scale. For example, investment research and office space costs are shared between investors. Also, higher trading volume allows you to do better deals with brokers, banks, etc. other service providers. mutual funds give investors the freedom to invest in the way they see fit amenities. Direct investment can require a much larger investment amount and many investors may be able to invest. For example, a well-diversified stock portfolio can require a lot of effort. Mutual funds offer the same benefits for a much smaller investment. Value because it combines small investments from many investors into one large fund. Similar mutual fund dividends and growth options allow investors to tailor fund returns to their needs.

Investing through an investment fund therefore provides the investor with a clear economic advantage compared to direct investment in terms of economic savings.

Transparency:
The investor is well served when the right information is available at the right time. The availability of this information is essential in order to be able to make an informed investment decision. The structure of mutual funds and the regulations of the SEBI offered investors such transparency. About Your Investments There are three main sources from which an investor can get enough information to make informed decisions, namely the

plan documents (SID, SAI and KIM), portfolio information and the plan NAV. Incidentally, a potential investor can also access all this information.

Liquidity:

Sometimes investors in the financial markets fall into the collateral trap if they cannot find a solution. Worse, sometimes buyers can't find the company they've invested in. Such investments, the value of which cannot be readily realized by an investor in the market, are technically referred to as illiquid investments and may result in losses to investors. Investors in a mutual fund can recover the market value of their investments from the mutual fund itself. Depending on the structure of the fund system, this would be possible at any time or at certain intervals or only at the end of the program.

plans where the mutual fund money can only be recovered after the plan is completed, were forced to make them public. In such systems, the investor can sell shares through the trading platform to receive back the cash value of the investment. In the event of a "material" event relating to an investment in the investment fund system, this information is immediately available. This will help the investor decide on the appropriate actions, including withdrawing funds from the mutual fund. The combination of transparency and fluency increases the security of.

Tax deferral

mutual funds are not subject to income tax. If the income is the same and is collected directly from the investor, the tax can be paid in the same tax year. Mutual funds offer options through which an investor can multiply the money in an investment over a number of years. By choosing these options, the investor has the opportunity to defer the tax due. This helps investors legally build their wealth faster than if they had to pay income taxes every year.

Tax benefits

certain mutual funds (equity-linked savings schemes) offer investors a favorable deduction of the subscription amount (up to Rs 150,000 per accounting year under Section 80C) from their taxable income. This reduces your taxable income and thus your tax burden.

Convenient Options:

The options offered by the program allow investors to structure their investments according to their liquidity preferences and tax situation. There are also transaction services, such as the ability to withdraw only part of the funds from the investment account, the ability to deposit an additional amount into the account, make systematic transactions, etc.

Investment comfort

After investing in a mutual fund, they make it easier for the investor to make new purchases with very little documentation. This simplifies the next investment task.

Government control:

The regulator, the Securities and Exchange Board of India (SEBI), has imposed strict controls and balances in the structure of mutual funds and their assets. Mutual fund investors benefit from this protection.

Systematic Approach to Investment

Mutual funds also provide facilities to help investors invest amounts regularly through a Systematic Investment Plan (SIP); or regularly withdraw funds via a system Retirement Plan (SWP); or move money between different types of systems by a Systematic Transfer Plan (STP). Such systematic approaches promote investment discipline, which is useful for creating and protecting wealth in the long term.

Limitations of Mutual Funds

Lack of wallet customization:

Some brokerage firms offer portfolio management services (PMS) to large investors. in MPS,gives the investor more control over the securities being bought and sold on their behalf. Investor can get a personalized portfolio in the case of PMS. On the other hand, a mutual fund participant is just one of several thousand investors in the program. Once a Shareholder purchases the Plan, investment management rests with the Fund Manager (within the broad parameters of the investment objective), so the Shareholder has no control over the securities or investments invested under the Plan.

Overload button

There are various mutual fund programs offered by different mutual fund companies, with many options within these programs making it difficult for investors to choose between them. The increased dissemination of industry information through various media and the availability of professional advisers or mutual fund brokers in the market are helping investors handles this overload.

To overcome this option overload, SEBI introduced fund categorization to ensure consistency of characteristics across similar plan types launched by different mutual funds. This would help investors evaluate the different options available. before making an informed investment decision.

No cost control

All of the investor's money is pooled into one plan. Administrative expenses are shared among all shareholders in proportion to their interest in the program. Therefore, the individual investor has no control over the program costs. However, SEBI has set certain cost limits that anyone can levy. Plan These limits, which vary by asset size and plan type, are discussed later. At the same time, however, it should be noted that market forces are also driving costs down and many systems are operating at costs well below the limits allowed by the regulator. This aspect is beneficial Investors.

No refund guaranteed

Mutual Funds are structured to provide a risk and reward transfer and vehicle for the investors in the fund. This alone protects the interests of investors. TO FCP is not a guaranteed return product. It's just a different way of managing money, only instead of the investor managing the invested funds is done by a professional fund management team. The performance of these investments will affect the returns generated by the mutual fund.

The key factors are: the development of the specific market in which the money is invested, the performance of each security held and the skills of the investment management team.

Categorization of Mutual Fund Schemes and SEBI Regulation:

With a view to standardizing the classification of investment funds and ensuring the schemas differ significantly from each other; SEBI has issued a categorization circular and rationalization of mutual fund systems in 2017.Aimed to unify the characteristics of similar types of systems published by different investment fund houses, so that the investor can objectively evaluate the chosen programs for investments. Consequently, there are five broad categories of mutual funds.in each category has many subcategories.

A. Equity Schemes (11 sub-categories)
B. Debt Schemes (16 sub-categories)
C. Hybrid Schemes (6 sub-categories)
D. Solution Oriented Schemes (2 sub-categories)
E. Other Schemes (2 sub-categories)

A.Capital Plans:

1. Multi-Cap Fund:
A perpetual, perpetual equity plan that invests in large, mid, and small capitalization companies. share capitalization. The minimum investment in equities and equity-like instruments is 75% of total assets. See SEBI circular dated 11 September 2020. Multicap funds are expected to hold minimum investments in equities and equity-related instruments: 75% of total assets.

2. Large Cap Funds:
An open-ended stock plan that invests primarily in large-cap companies. Actions. The minimum investment in equities and securities with a large market capitalization is 80% of the total assets.

3. Funds for large and medium-sized companies:
An open-ended stock plan that invests in large and medium-sized companies.mid-cap stocks. Minimum investment in large capitalization and equities is 35% of total assets. The minimum investment in equities and equity related instruments of mid-cap companies is 35% of total assets.

4. Mid-Cap Funds:
A variable capital plan that invests primarily in mid-cap stocks. The minimum investment in mid-cap stocks and equity-related instruments is 65% of the investment. total assets.

5. Small business funds:
An open-ended stock plan that invests primarily in small-cap companies. Actions. The minimum investment in small capitalization securities and similar instruments is 65% of total assets.

6. Dividend funds:
An open-ended stock plan that invests primarily in dividends. Stock performance. The plan is expected to invest primarily in stocks for distribution. The minimum capital investment is 65% of the total assets.

7. Enhancement or contrasting of means: The Value Fund is an open-ended capital program that pursues a value-oriented investment strategy. The minimum investment in equities and equity-like instruments must be 65% of total assets. The Matching Fund is a perpetual program that follows the Matching investment strategy. Mutual funds can offer securities or back-office funds.

8. Focused Fund:
An open-ended stock plan investing in a maximum of 30 stocks (The program needs to mention what it intends to focus on, namely multi-cap, large-cap, mid-cap, small-cap coverage). The minimum investment in equities and equity-related instruments is 65 percent total assets.

9. Sectoral/Thematic:
An open capital system that invests in a specific sector, e.g banks; Power is an industrial fund. While the open equity plan invests in line with an investment theme. For example, an infrastructure thematic fund might invest in infrastructure stocks. A minimal investment in stocks and stock-related instruments in a specific industry/property account for 80% of your total assets. Construction, Concrete, Steel, Telecom, Energy etc.

10. Variable Income Savings Plan: The Variable Income Savings Plan begins with a 3-year statutory vesting period and tax credit. The minimum investment in equities and equity-like instruments is 80%. Total wealth (according to the equity-linked savings scheme announced by the Treasury Department in 2005).

11. Flexi Cap Fund:
Open capital system with minimum holdings and equity-related assets accounting for 65% of total assets. It would be a dynamic context where you could split into large, medium and small cap stocks.

B. Debt settlements
1. Overnight Fund: A perpetual debt plan that invests in stocks overnight. The investment is made in overnight money paper with a term of 1 day

2. Liquid Fund: an open-ended liquid fund that invests in debt and cash with maturities of up to 91 days.

3Ultra-Short Duration Fund: a very short-term perpetual debt scheme for investing in debt and money market instruments with a Macaulay duration of 3 to 6 months.

4. Short Duration Fund: a short duration perpetual bond program investing in debt securities and
money market instruments with a Macaulay maturity of 6 to 12 months.

5. Money Market Fund: A perpetual debt obligation program investing in money market instruments with maturities of up to 1 year.

6. Short-Term Fund: A short-term perpetual borrowing program investing in debt and money market instruments with Macaulay maturities of 1 to 3 years.

7. Medium Term Fund: a medium-term, perpetual debt scheme investing in debt securities and money market instruments with a duration of 3 to 4 years from the Macaulay portfolio. The duration of the Macaulay wallet in case of an expected downtrend varies from 1 year to 4 years.

8. Medium Term Fund: a medium-term variable capital debt plan investing in Macaulay 4 to 7-year debt and money market instruments. The duration of the Macaulay wallet in case of an expected downtrend varies from 1 year to 7 years.

9. Term Funds: Perpetual debt investment plan investing in debt securities and money markets instruments with a Macaulay life of over 7 years.

10. Dynamic Bonds: A dynamic perpetual debt plan that invests over time.

11. Corporate Bond Fund: An open-ended debt fund rated primarily for AA+ and investment grade corporate bonds. The minimum investment in corporate bonds is 80% of total assets (only in corporate bonds rated AA+ and above).

12. Loan loss provisions:
Debt securities investing in companies rated below the maximum. obligations. Minimum investment in corporate bonds is 65% of total assets (only corporate bonds rated AA (excluding corporate bonds rated AA+ and below).

13 Bank Funds and PSUs: An open-ended debt system that invests primarily in debt issued by banks, public sector companies, bonds issued by public and municipal financial institutions. The minimum investment in such instruments must be 80% of total assets.

14. Gilt Fund: A perpetual debt program that invests in maturing government bonds. The minimum investment in G-sec is defined as 80% of total assets (at maturity).

15. 10-Year Term Deposit Fund: A perpetual debt plan into which 10-year fixed-term government bonds can be invested. The minimum investment in G-sec is 80% of total assets, so the duration of Macaulay's portfolio is 10 years.

16. Floater Fund: a perpetual debt investment plan investing primarily in floating rate assets (Including fixed income instruments converted into floating rate positions via

swaps/derivatives). The minimum investment in floating rate instruments (including fixed rate instruments converted into floating rate exposure via swaps/derivatives) is 65 percent of total assets.

C. Hybrid schemes:

1. Conservative Hybrid Fund:
An open-ended hybrid fund investing primarily in debt securities. Investments in debt securities will represent 75-90% of total assets and investments in equities and equity instruments will represent 10-25% of total assets.

2. Balanced hybrid fund or aggressive hybrid fund:
Balanced Hybrid Fund - A balanced perpetual plan that invests in stocks and debt securities
devices. Investments in equities and equity related instruments make up 40-60% of total assets and investments in debt securities 40-60%. Arbitration is not permitted under this regime.

3. Aggressive hybrid fund:
Perpetual hybrid plan investing primarily in equities and equity-related instruments. Investments in equities and related equity market instruments account for 65% to 80% of total assets. Investments in debt securities make up 20% to 35% of total assets
active.

4Dynamic Asset Allocation or Balanced Advantage:
This is a dynamic open-ended asset allocation fund with dynamically managed equity/debt investments.

5. Multiple Asset Allocation -
Perpetual plan investing in at least three asset classes with a minimum allocation of at least 10% to each of the three asset classes. Foreign securities are not treated as a separate asset class in these plans.

6. Arbitration:
Open Arbitration Investment Plan. The minimum investment in equities and equity-like instruments is 65% of total assets.

7. Capital savings:

Public Lawsuits, Arbitration and Debt Investment Plan. The minimum investment in equities and equity related instruments is 65% of total assets and the minimum investment in debt securities is 10% of total assets. The minimum cover and the system must be declared as uncovered in the SID. Defensive asset allocation views can also be defined in the SID.

D. Solution-Focused Diagrams

Retirement Fund: Open-ended plan that focuses on retirement savings and is ineligible for 5 years or until retirement age (whichever comes first). Getting a body for retirement is too much life planning.

Child Fund: Open-ended fund for investing in children with a lock-up period of at least 5 years or until the child comes of age (whichever comes first). Invest in building a body for your child and their needs for years to come.

E. Other systems

Index Fund/Exchange Traded Fund: a perpetual program covering a specific index. This minimum investment in shares of a specific index (eg. replicated/tracked) will account for 95% of total assets. Umbrella fund (abroad/domestic): Open-ended umbrella fund that invests in the underlying fund. The minimum investment in the Underlying Fund is 95% of total assets.

Investors' Rights & Obligations:

Mutual fund investors have some important rights to protect their investments and provide more transparency to mutual fund investors. These rights are divided into two parts: AMC rights and fund rights. Some of these rights are discussed below.

Right to beneficial ownership:

Shareholders are beneficiaries in relation to plan assets. An investor can apply for a share certificate for their holding company. Investors also have the option of receiving an allocation of shares in open-end and closed-end mutual funds on their demat account. The mutual fund/AMC must coordinate with the RTA and custodian to enable this.25 All paper mutual fund shares are freely transferable.26

Right to change supplier:

Investors can switch distributors or invest directly. This should be done at the written request of the investor. In these cases, AMC companies must comply without insisting on the current distributor's No Complaints Certificate.

Right of access to documents:

shareholders have the right to inspect key documents such as the Deed of Trust, Investment Management Agreement, Trust Service Agreement, RTA and AMC Memorandum and Articles of Incorporation.

Right of proposal:

Investors may nominate up to 3 nominees who will be entitled to 'shares' upon the death of the investors. The investor can also specify a percentage distribution among the candidates. If no distribution is specified, an even distribution among the candidates is assumed.

Right of pledge of units in investment funds:

Investors can pledge their shares in mutual funds. This is usually done for security reasons.

Right to compensation:

There is a formal investor complaints policy. SEBI has asked each AMC to publish the status of resolved grievances in their annual report. This must be available on the investment fund website and on the AMFI website. It should include the status of the number of complaints received by the AMC, the time taken to process complaints, and the status of pending complaints. The system documentation also includes information on the number of complaints received and how they are managed. Pending investor complaints could be a reason why SEBI is denying AMC permission to launch new programs.

Investor rights when changing key attributes:

In the event of a change in the main characteristics of a FCP, unitholders have the option of exiting at their net asset value without any exit charges. This exit window must be open for at least 30 days. Trustees/AMCs must notify all Shareholders in writing of the changed plan rules and publish a notice of the changed rules in a national English newspaper and in a newspaper published in the language of the region in which the mutual fund is located. Rights to terminate the appointment of an AMC:

Right to Claim for unclaimed amounts:

AMC should make reasonable efforts to mail reminding investors to follow up on their applications. The annual report must include information on the unclaimed amount and the number of these investors for each system. The recovery of unclaimed funds from investors is carried out as follows:

If the investor requests the money within 3 years, the payment will be based on the applicable net asset value, i.e., after adding unclaimed cash earnings. If the investor asks for money after 3 years, the pay-out is based on the net asset value after 3 years.
Investors are also entitled to various services, such as B. Receipt of bank statements, statements of account, semi-annual information, etc. In order to increase transparency, SEBI has mandated investment funds to provide details of debt and money market securities traded in its portfolio program including – Schedule of Transfers, daily with 15 days' notice within a specified format to disclose.

a. Problem Statement

To Study the Preference and Perception of Consumers while Buying Mutual Funds vis-a-vis Other Investment Products.

b. Objectives of the study

1. To study the level of awareness among the respondents regarding mutual funds as an investment option.
2. To find out the customer's perception towards mutual funds as an investment option, in comparison to the various investment Products available.
3. To study the various factors influencing the investment decisions of individuals.
4. To find out the inter- relationship between demographics like age, gender and occupation of the individual and the choice of various investment decision made by them.
5. To understand their investment behaviour pre and post covid.

2. LITERATURE REVIEW

J. Sidharthul Munthaga, M. Nazer (2013) Investments are made with the goal of earning a return on the money used. The purpose of the study is to investigate investors' attitudes towards various investment possibilities as well as the effects of various circumstances on people's investment behaviour. According to data analysis, professional services were used as investments by 56% of private sector employees, 30% of self-employed individuals, and 14% of public sector employees. Respondents who are graduates show greater attention to investments.

V. R. Palanivelu, K. Chandrakumar (2013) This study separates investments into a variety of categories, including equity with a high rate of return and risk, debt with a fixed interest rate, fixed deposits with banks, insurance, and public provident fund with a low rate of return on investment and security. According to data studies, 40% of respondents choose insurance investments, 30% prefer bank deposits, and 18% prefer gold and real estate investments.

Juwairiya P. P. (2014) Investment is a type of economic activity that appeals to people from all backgrounds. Investors have difficulty selecting an investment strategy from the available possibilities. A systematic investment plan is a technique to build wealth by making tiny monthly investments over time. An organised investment strategy is simple.

N. Panda, J. K. Panda (2012) The study examines how investors' perceptions vary depending on their age and gender when making investment decisions. These studies explore a variety of investment choices, including secured deposits, life insurance policies, provident funds, pension plans, bonds, debt securities, equity shares, mutual funds, real estate, postal systems, etc. Some investors find it fascinating to have to make their own investment selections and wait to see the outcomes.

N. Srividhya, S. Visalakshi (2013) The study examines numerous investment options, including post office savings certificates, bonds, real estate, life insurance plans, mutual funds, and government deposits and deposits. According to a research that includes Government colleges, Private colleges, and aided colleges, the majority of instructors save less than one lakh. Most survey participants invest in fixed deposits.

S. Prasanna Kumar (2014) Savings and investing are two distinct concepts. Investment is the act of saving with the expectation of a future gain. There are many investment choices, including bank accounts, NRO funds, real estate, shares, and bonds. The study's responses indicate that the majority of them chose deposits as their means of investment.

UjwalaBairagi, CharuRastogi (2013) According to the report, household investors chose to make bank deposits. Gross domestic savings are mostly determined by household investments. Bank accounts and insurance policies were chosen by the majority of respondents. According to a study that examines respondents' knowledge of investment possibilities, those who are between the ages of 41 and 50 are more knowledgeable.

Dr. Ranjit Singh, Dr. Anurag Singh and Dr. H. Ramananda Singh (August 2011), have done research on Positioning of Mutual Funds Among Investors in Small Towns and Suburbs. In recent years, mutual funds have drawn a sizable percentage of the investments made by urban investors. The market in metropolitan regions is now saturated as a result of this. The mutual fund companies are looking into chances in small towns and suburban areas in order to expand their investor base. However, in order to effectively sell mutual funds in these regions, the products must be positioned differently in the minds of investors. The product must satisfy the needs of the investors, be within their means, be made available to them, and at the same time, they must be made aware of it. The present paper deals with all these issues. It measures the degree of influence on acceptability, affordability, availability and awareness among the small town and sub-urban investors on their investment decisions.

Unmekha Tare, Vishal Mehta (2012) According to the report, investors have access to a lot of investment sources. Investors can choose a suitable investing strategy for themselves by weighing the benefits and drawbacks of various investment options. According to data analysis, investors chose LIC/NSS in 32% of cases, Fixed Deposits in 31% of cases, and Mutual Funds in 9% of cases. 6% of investors choose to invest in chits and jewellery, etc. Investment management is both an art and a science.

Ravi Vyas (2012) This study identifies the type of investment that investors prefer. Investment in mutual funds is a safe option with respectable returns. According to data analysis, the majority of respondents invest in gold, which is followed by bank savings and insurance plans. Investments in mutual funds are quite scarce. Mutual funds have an average rating among investors for safety, liquidity, dependability, tax advantages, and strong returns.

Gauri Prabhu, N. M. Vechalekar (2013) The Indian capital market can be entered through mutual funds. Investments in shares, debentures, and other securities are made with the money raised. This study investigates investor knowledge of mutual funds. According to data analysis, respondents between the ages of 19 and 35 wanted to invest more. Employees in the private sector spend more.

3. RESEARCH METHODOLOGY

Research Design

The Research Design used was Descriptive which was used to form a structured format of questionnaire and convert data into numerical form for statistical calculations and for drawing conclusions.

Data Collection

Primary Research was used which consisted of survey transmitted through electronic media wherein questions related to buying behaviour/patterns of consumer were asked and to find a conclusion

Sampling Frame

The respondents were majorly young in the age group of 21 to 35, although few were above that age group too.

Data Sources

Primary Research

Sampling Technique

Convenient sampling was used in order to generalize the finding.

Sample Size

The respondents were majorly youth, although few were above that age group too and a sample size of 120 responses were taken for conducting the study

Methods of data analyses:

- **Data Collection Instrument**

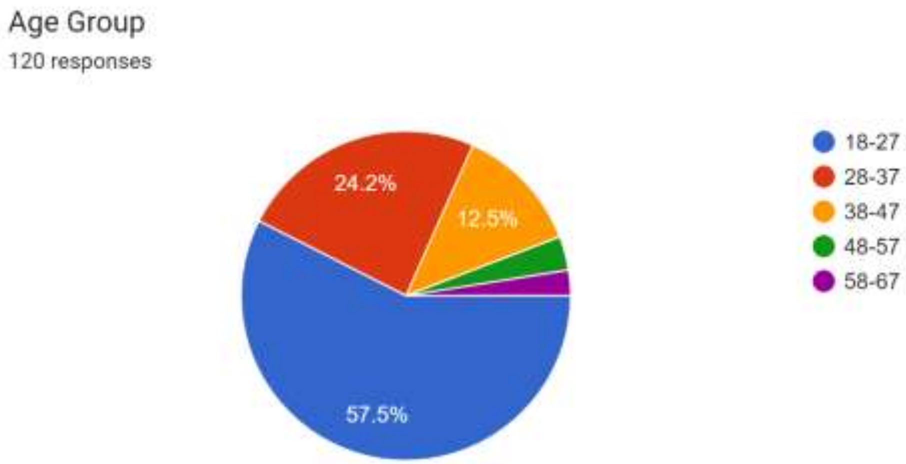
The instrument used is "Questionnaire" - Close ended questions.

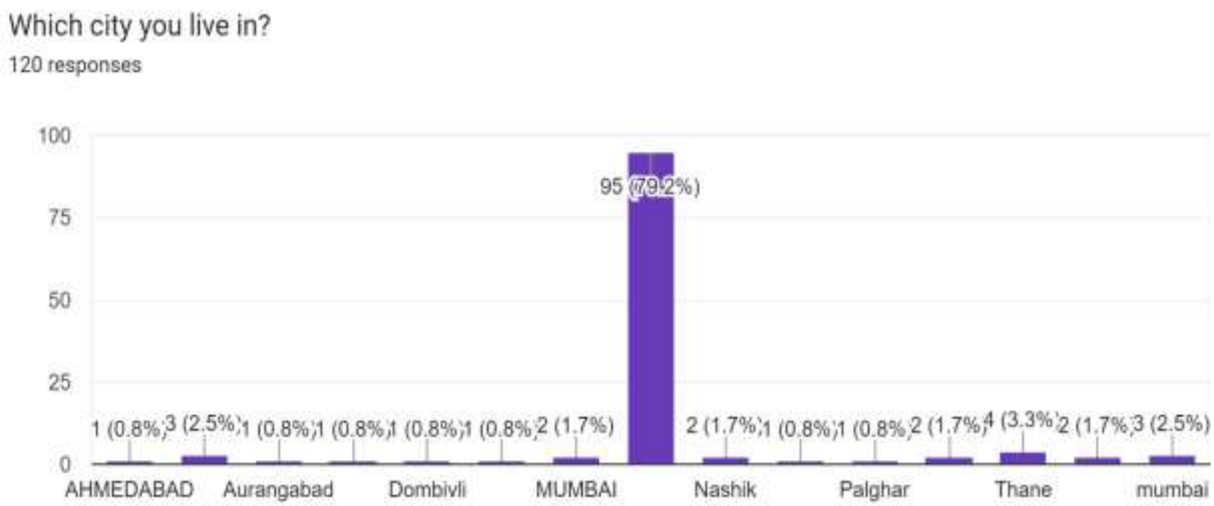
- **Data Analysis tools**

The main research instrument used in order to analyse for understanding consumer's buying behaviour were pie charts, bar diagrams, etc using excel.

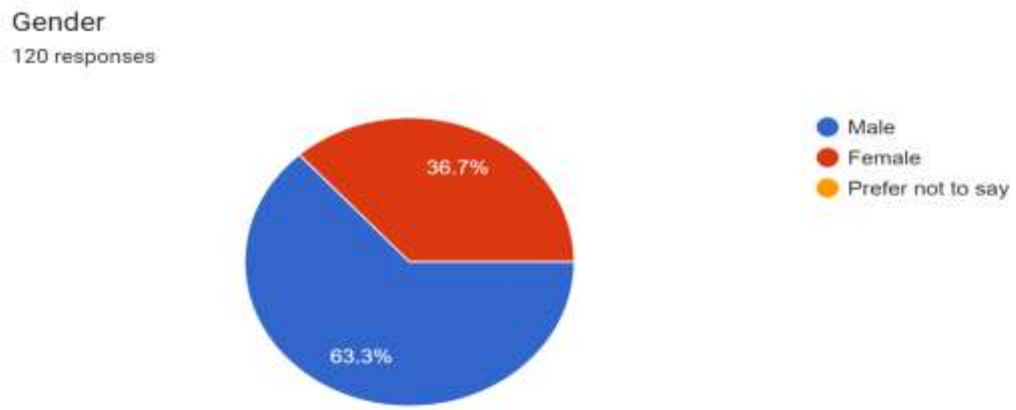
4.ANALYSIS AND FINDINGS

Observation- Survey is youth oriented

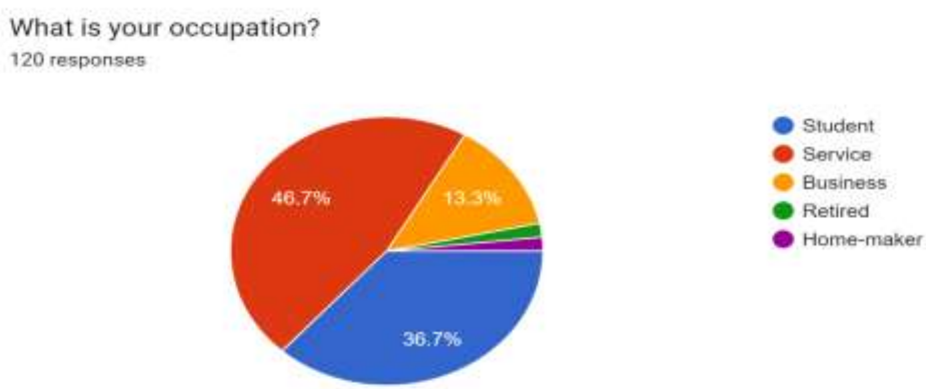


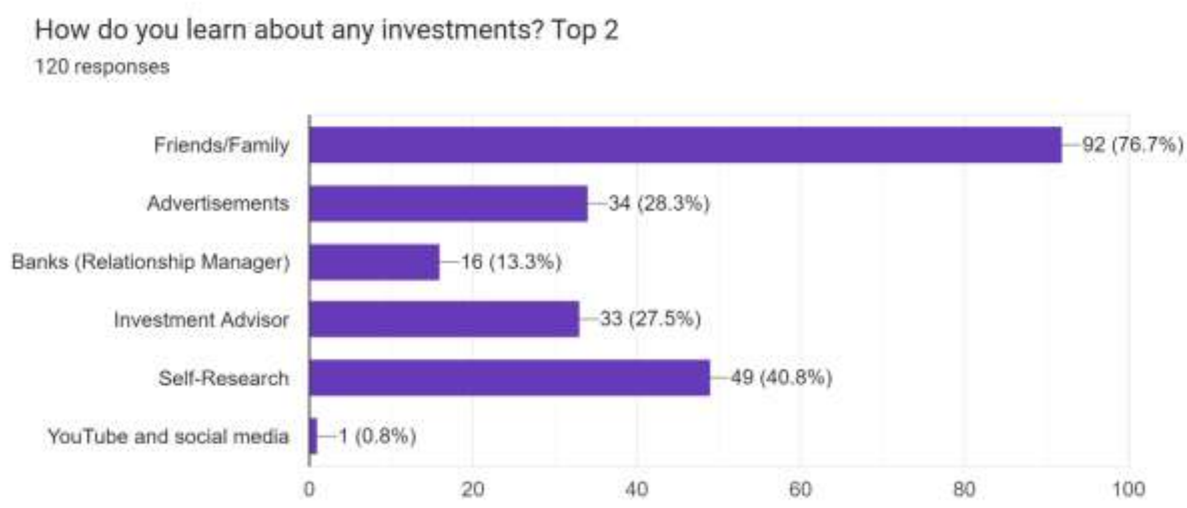


Observation- Sampling area was Delhi hence 95% of the respondents were from Delhi.

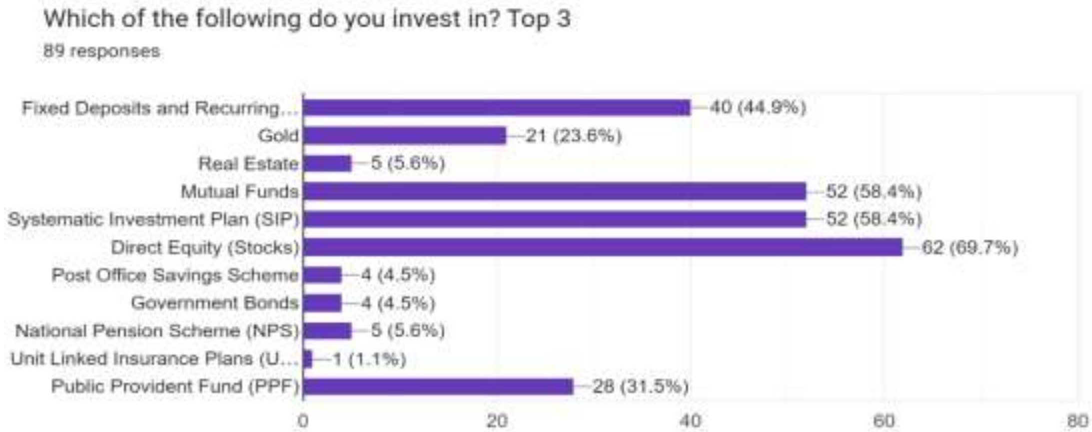


Observation- Majority of the respondents were Male.

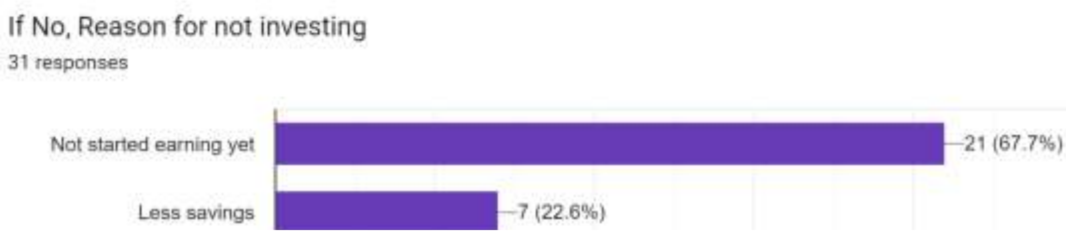


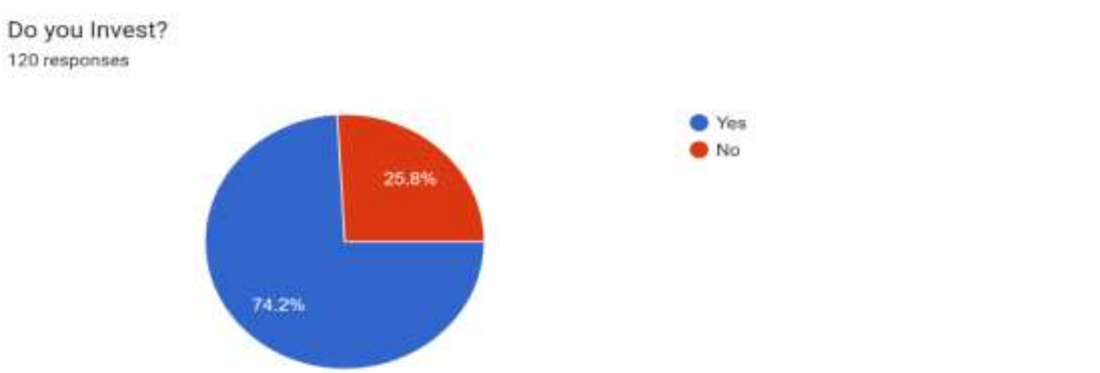


Observation- Highest respondents were service oriented or students.



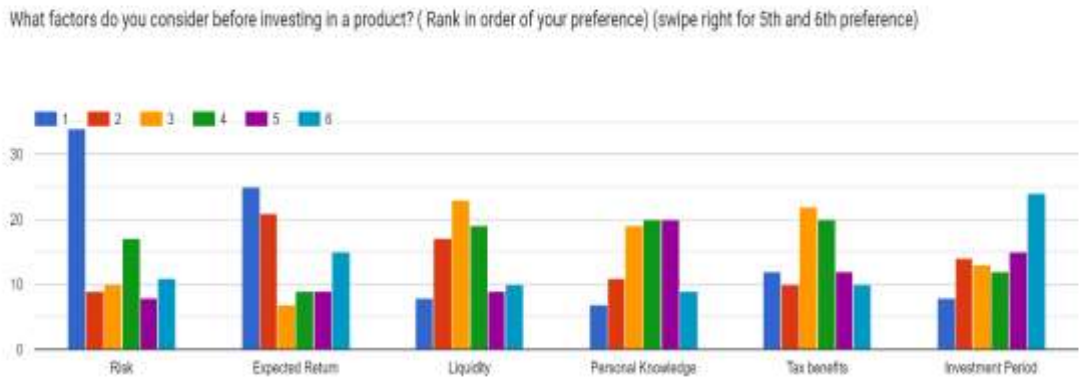
Observation- Respondents are most influenced by their friends and family for their investment decision and then by self-research.Observation- Majority were earning under10 lakhs or not earning at all. Observation- 75% were already investing

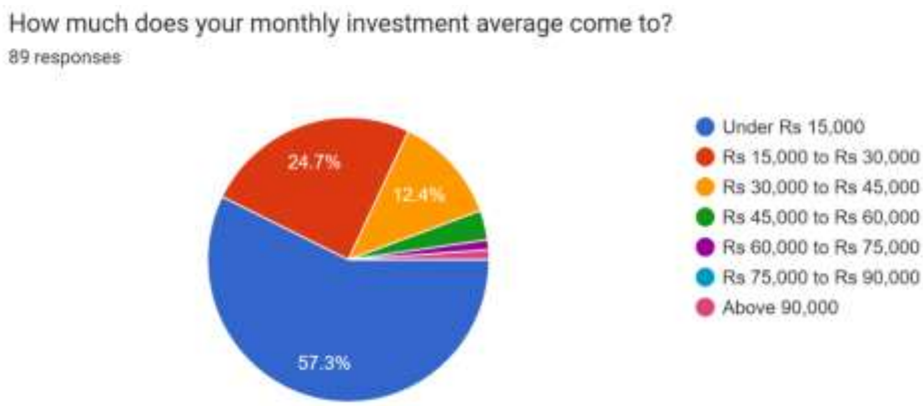




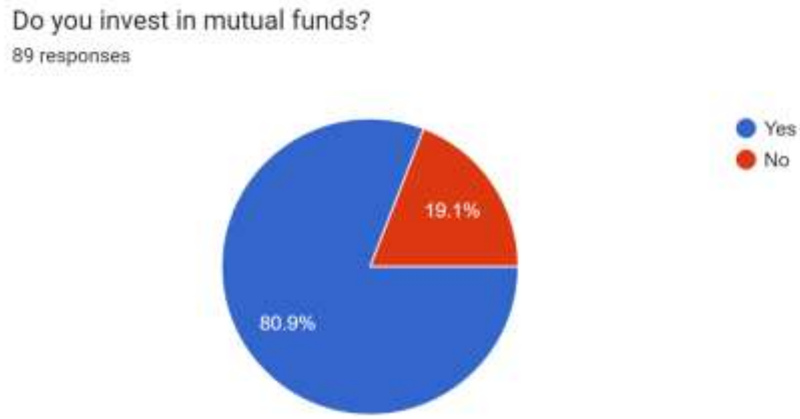
Observation- The reason for not investing in any asset was because they had not started earning yet.

Observation- The top 3 invested avenue were direct stocks, mutual funds and fixed deposits.Observation- Monthly invested average amount of investors was under Rs 15,000.

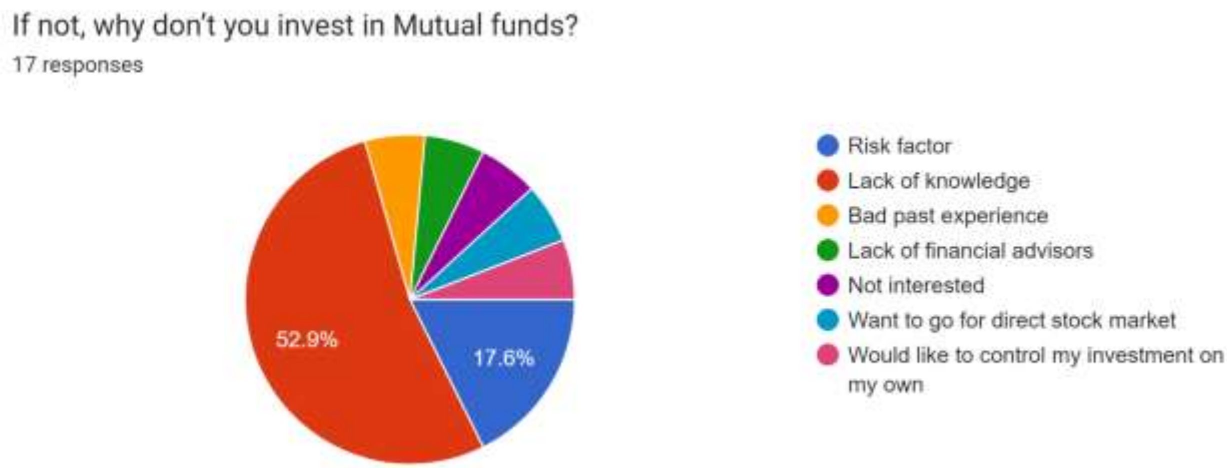




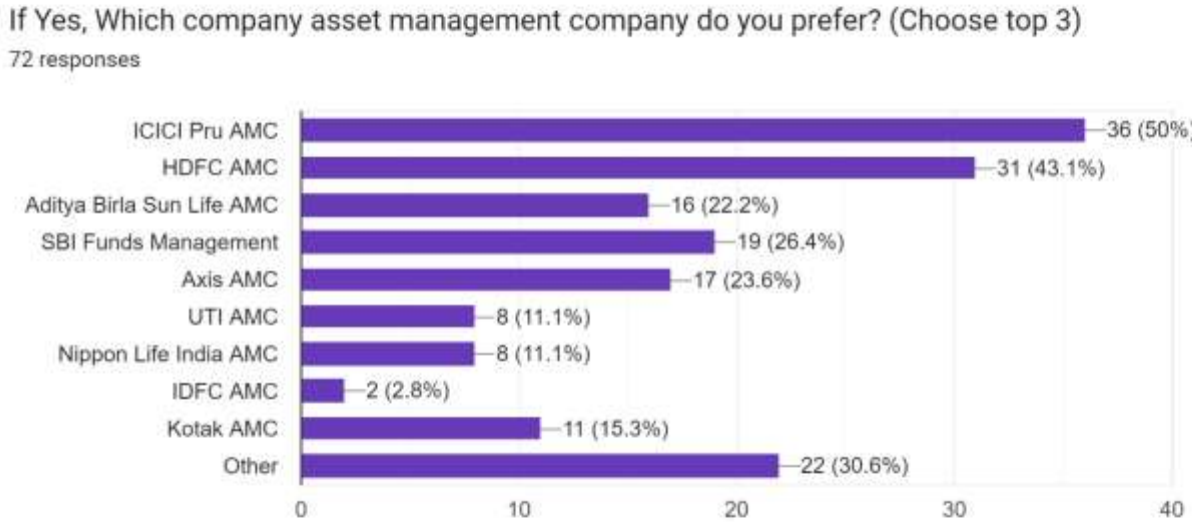
Observation- Factors considered before investing in the rank were risk, expected return, investment period, liquidity, tax benefits and personal knowledge.



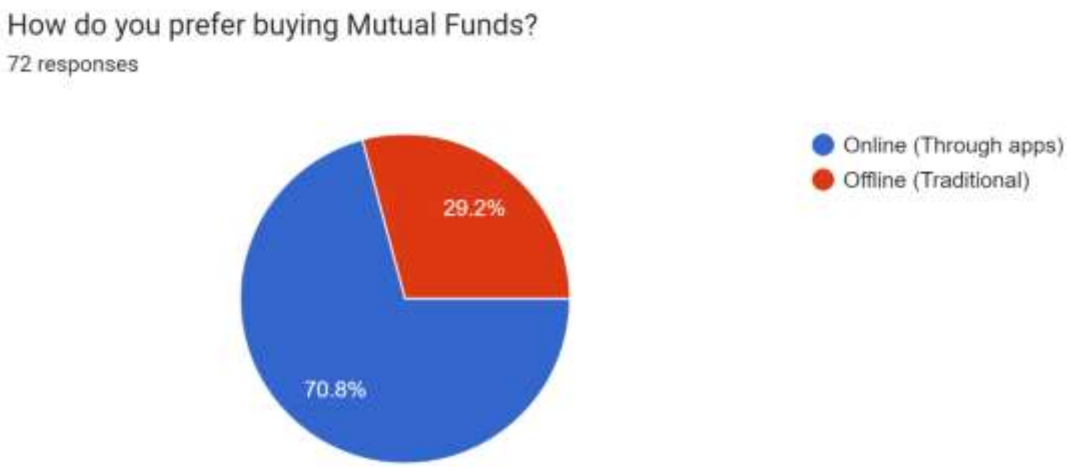
Observation- 80% of the total investors preferred investing in mutual funds



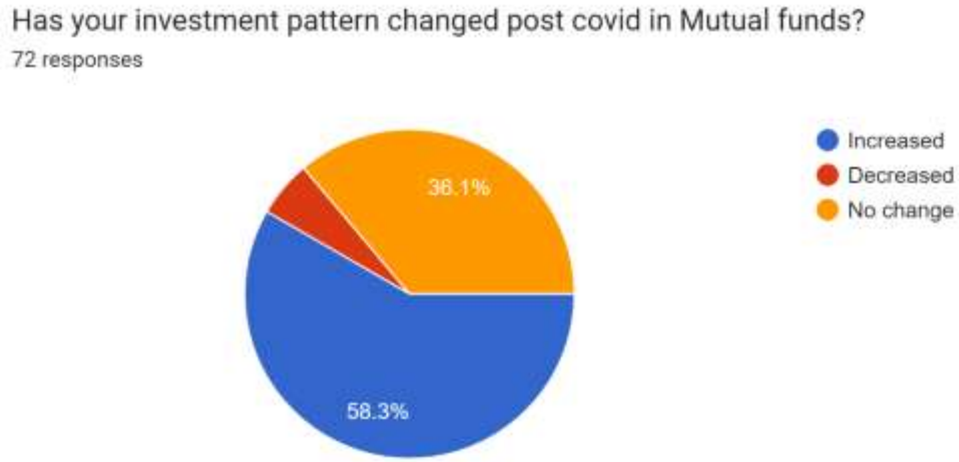
Observation- The reason for not investing in Mutual funds for half of them was lack of knowledge.



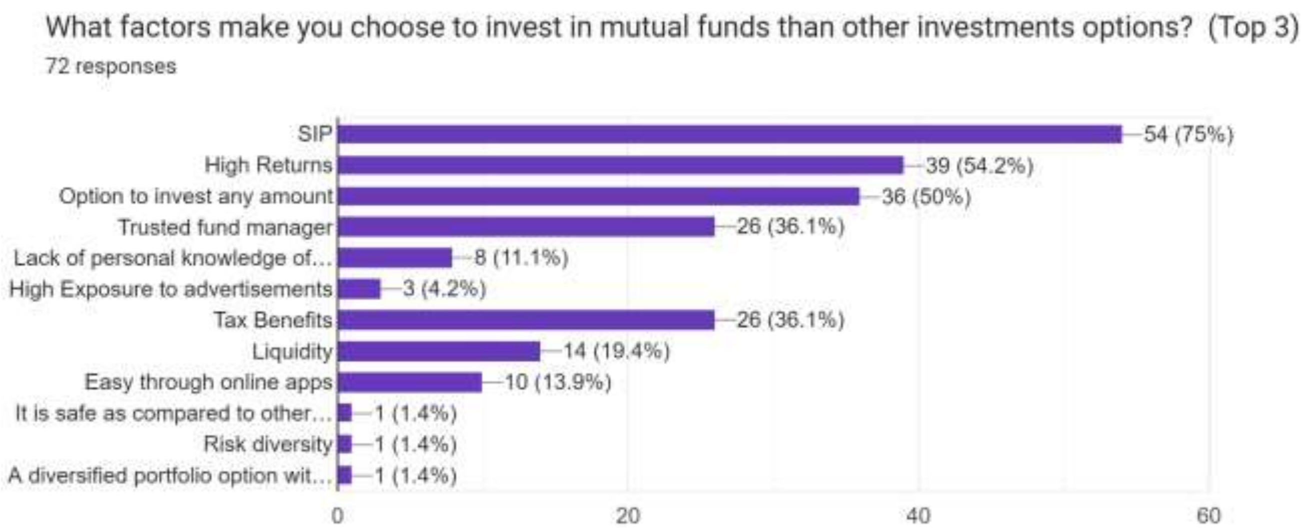
Observation- Top 3 chosen AMC were ICICI Pru AMC, HDFC AMC and Kotak AMC.



Observation- One third of the investors investing in mutual funds preferred buying offline.



Observation- Post covid their investment in mutual funds has increased for 60% of the investors.



Observation- The prime reason for investing in MF was the option to invest systematically every month with scope of high returns and also the option to invest lumpsum.

5. CONCLUSIONS AND RECOMMENDATIONS

Conclusions

- Majority of the respondents among the sample frame has an income ranging from Rs 0 per annum to Rs 19 lakhs per annum and invest monthly an average amount of Rs 3,60,000 per annum depending on their income.

- They are aware about mutual fund as an investment option but don't prefer to invest because of associated risk & in-depth technical knowledge and those who prefer to invest in comparison to other investment Products are majorly because of the option to invest systematically i.e., SIP to ensure saving and have better returns.

- The most important factor that influences investment decision is the level of risk followed by expected returns, liquidity, personal knowledge, investment period and tax benefits and the investment decisions are taken on the influence of herd mentality of their family and friends and self-research.

- The age group from 21-26 prefer taking risk hence they invest in more riskier options like mutual funds and direct equity and above that age group, they have many more responsibilities to be taken care of hence they prefer to dilute their investments to a safer option which consist of some assured return liked fixed deposits, public provident fund, debt mutual funds, etc

- Investors investment post covid in mutual fund has increased for majority of the respondents. Some of the major reason for this change is because of the ease of investment i.e., the fintech apps which makes buying and selling of mutual funds simpler, investors had more disposable time for learning about mutual funds and the benefits of investing in that and as the same time increased disposable income to support the time invested in learning and also the ones who were not investing, understood the importance of savings during their difficult times.

Recommendations

- It is observed that investors don't invest in mutual funds because of lack of knowledge hence more focus should be drawn to making people aware how mutual funds work and the risk level levels attached to it considering all types of mutual funds viz equity, debt and hybrid.

- Investors are easily influenced by herd mentality bias that is they take decision on the basis of what their friends and family suggest and then might end up making a loss.

- Hence measures should be taken to hire more investment advisors, who can understand their goal better and accordingly suggest what kind of investment are suitable for them.

- Investors also tend to have recency bias that if some kinds of investment were profitable to them in the recent past, they think they will be profited again in the future which is not the case. Hence a proper awareness programs should be run to make them understand about this bias.

- Those who haven't started earning or are earning very little are not aware about investments and their benefits in long run. Education system should include financial investment as a part of their study at the undergraduate level so that they can start disciplined investment when they start earning.

6. LIMITATIONS

- Limited time for study and sample size-
  Due to limited time in hand, an in-depth study with appropriate sample size and expansion of relevant data could not be done. it becomes difficult to find a significant relationship from the data as statistical tests prefer a large sample size to ensure a representative distribution of the population and to analyse the data and come to proper conclusions.

- Limited area of research-
  The area of research was limited only to Delhi city, to focus on a small sample of respondents so that it is easier to analyse. But only few samples from Delhi were taken into consideration and we cannot conclude about the entire Delhi city depending on these few respondents if we have to do an in-depth study of the same.

- Limited age group selected for data-
  The age of the respondents was between 21-35 years, which limited the area of study. This would only help in understanding the buying behaviour of consumers between a certain age group and not getting an idea of the other ages of people in Delhi.

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8. ANNEXURE

Questionnaire

1. What is your name?

2. Email id?

3. Age Group?
   a. 18- 27
   b. 28-37
   c. 38-47
   d. 48-57
   e. 58-67

4. Which city do you live in?

5. Gender?
   a. Male
   b. Female
   c. Don’t want to disclose

6. What is your occupation?
   a. Student
   b. Service
   c. Business
   d. Retired
   e. Home-maker

7. How do you learn about any kind of investment?
   a. Friends/ Family
   b. Advertisements
   c. Banks (Relationship Manager)
   d. Investment Advisor
   e. Self-Research

8. Yearly Income?

a. Not started earning yet
b. Under 10 Lakhs
c. 10 to 19 lakhs
d. 20 to 29 lakhs
e. 30 to 39 lakhs
f. 40 to 49 lakhs
g. 50 to 59 lakhs
h. Above 60 lakhs

9. Do you invest?
a. Yes
b. No

IF NO

10. Reason for not investing?
a. Not started earning yet
b. Less saving
c. Lack of Knowledge
d. Risk
e. Other

IF YES

11. How often do you invest?
a. Monthly
b. Quarterly
c. Half Yearly
d. Yearly

12. Which of the following do you invest in?
Rate 1st,2nd and 3rd

a. Fixed Deposits and Recurring Deposits
b. Gold
c. Real Estate
d. Mutual Funds
e. Systematic Investment Plan (SIP)

f. Direct Equity (Stocks)
g. Post Office Savings Scheme
h. Government Bonds
i. National Pension Scheme (NPS)
j. Unit Linked Insurance Plans (ULIP)
k. Public Provident Fund (PPF)

13. How much amount do you invest on a monthly basis?
a. Under Rs 15,000
b. Rs 15,000 to Rs 30,000
c. Rs 30,000 to Rs 45,000
d. Rs 45,000 to Rs 60,000
e. Rs 60,000 to Rs 75,000
f. Rs 75,000 to Rs 90,000
g. Above 90,000

14. What factors do you consider before investing in a product? (Rank in order of your preference)
a. Expected return
b. Liquidity
c. Risk
d. Investment period
e. Personal Knowledge
f. Tax benefits

15. Do you invest in mutual funds?
a. Yes
b. No

<u>If NO</u>

16. Why don't you invest in Mutual funds?
a. Risk factor
b. Lack of knowledge
c. Bad past experience
d. Lack of financial advisors

IF YES

17. Which company asset management company do you prefer? (Choose any 3)

a. ICICI Pru AMC

b. HDFC AMC

c. Aditya Birla Sun Life AMC

d. SBI Funds Management

e. Axis AMC

f. UTI AMC

g. Nippon Life India AMC

h. IDFC AMC

i. Kotak AMC

j. Other

18. How do you prefer buying Mutual Funds?

a. Online (Through apps)

b. Offline (Traditional)

19. What factors make you choose to invest in mutual funds than other investments options?

a. SIP

b. High Returns

c. Option to invest any amount

d. Trusted fund manager

e. Lack of personal knowledge of other investment options

f. High Exposure to advertisements

g. Tax Benefits

h. Liquidity

i. Other

20. Has your investment pattern changed post covid?

a. Increased

b. Decreased

c. No change

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