

## Investment perception of women entrepreneur in mutual funds in Coimbatore District

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### Abstract

“A mutual fund is simply a financial intermediary that allows a group of investors to pool their money together with a predetermined investment objective”. The study aims to gain knowledge about women towards mutual fund investment the marital status and age factors influencing the investment behavior of women towards financial instruments with special reference to Coimbatore district. Younger and unmarried are usually risk takers. Older and married are avoid taking risk. The study will be helpful to the government or non-governmental organizations to launch various saving schemes based on the age and marital status to the women entrepreneur to ensure their saving habits so as to promote economic development of the country.

**Keywords:** women entrepreneur, mutual funds, investment acuity, investment plan of women

### Introduction

A Mutual Fund is a trust that pools the savings of a number of investors who share a common financial goal. The money thus collected is invested by the fund manager in different types of securities depending upon the objective of the scheme. These could range from shares to debentures to money market instruments. The income earned through these investments and the capital appreciations realized by the scheme are shared by its unit holders in proportion to the number of units owned by them. Thus a Mutual Fund is the most suitable investment for the common man as it offers an opportunity to invest in a diversified, professionally managed portfolio at a relatively low cost. The small savings of all the investors are put together to increase the buying power and hire a professional manager to invest and monitor the money. Anybody with an ingestible surplus of a little as a few thousand rupees can invest in Mutual Funds.

### Review of Literature

Gnana Desigan. C have been identified that the women entrepreneurs investors investment pattern, influencing factors, risk preference level and problems of women investors in Erode town. The findings of the study reveal that, women investors prefer to invest in bank deposits and jewels, they are influenced by safety and liquidity and the problems faced by them are cumbersome procedure and formalities, commission and brokerage.

Hema. S has analyzed the various investment avenues available to women investors. Among the various avenues they prefer only Bank Deposits. The major reason for investment is owing to safety measures. Next to bank deposits, life insurance schemes and gold are the other investment avenues.

R. Rangarajan and R. Usha have been stated that women investors are meticulous and cautions in investing in Capital Market because they have excellent information about the

primary market and the secondary market. Women Investors feel that they are able to get maximum returns for their investment through high risk and medium measure of Investment. The women investors widely expect prudential benefit and hence they thoroughly check the primary sources like returns, reputation, and political stability for the investment process.

### Objectives of the Study

- To study the level of satisfaction on the investment of mutual fund investors
- To study the factor influencing the investors in selecting mutual fund schemes

### Statement of the Problem

Money matters, so whether human beings are single or married a career woman or homemaker, every person needs to take charge of their financial affairs. Managing money wisely is a prerequisite for financial comfort.

The principles of investment planning—starting early, having a long-term plan and investing regularly are the same for men and women. So, why do women have special investment needs? If we look at the life patterns of women, we will see that:

- Women tend to live longer than men.
- Their careers are interrupted by family needs.
- More often than not, women entrepreneurs prefer a conservative investment strategy.

Given inflation and the many responsibilities they have taken on, as well as the high aspirations they have, there is a compelling need for women to take charge of their financial planning.

### Methodology

The present research study is qualitative in nature with both primary and secondary data. Primary data were collected with

the help of Interview schedule. Women entrepreneur were taken as sample respondents based on the Convenience sampling techniques and research design is descriptive research has been used for the study.

**Area of study**

The study area is limited to Coimbatore city only.

**Limitations of the Study**

1. Since the study has been conducted 250 respondents the study reveals the results based on the sample size. The sample size may not adequately represent the national market.
2. The survey was conducted only in Coimbatore city only. Hence the results arrived from the study may or may not be applied to other areas. Further the survey method that was adopted for collecting the data in this study has its own limitations.

**Investment Perception of Women Entrepreneur in Mutual Fund**

**Source of Awareness of Mutual Fund Investments**

Mutual fund companies inform to their investors about new schemes or products through various sources. Table. 1 presents the respondents opinion about the various media through which they get awareness about the mutual fund investments.

**Table 1:** Source of awareness of mutual fund investment

Media	Frequency	Percentage
Newspaper & Magazine	150	60.0
Internet	37	14.8
Television	13	5.2
Relatives & Friends	25	10.0
Agents	25	10.0
Total	250	100.0

Source: Primary Data

Table No-1. Says that 60% of the respondents are aware of the mutual fund investment through newspaper and magazine, 14.8% of the respondents are aware through internet, 10% of the respondents are aware through agents and relatives or friends and 5.2% of the respondents are aware through television. Majority of the respondents are aware of the mutual fund investments through newspaper and magazines

**Type of Fund held by the Investors**

Investors hold different type of fund in the mutual funds based on the necessity and time gaps. Now a day due to improvement in financial market and raise in standard of living of the people, every individual enter to make investments effectively. New mutual fund companies too have

come forward in helping the investors. Table.2 presents the type of mutual fund maintained by the investors.

**Table 2:** Type of fund held by the respondents

Type of fund	Frequency	Percentage
Equity	75	30.0
Balanced fund	50	20.0
Debt fund	13	5.2
Tax planning fund	12	4.8
Bond or gilt fund	13	5.2
Index fund	12	4.8
Sector and industry fund	25	10.0
Money market fund	50	20.0
Total	250	100.0

Source: Primary Data

Table No-2. It is clear that 30% of the respondents hold equity fund, 20% of the respondents hold balanced fund and money market fund, 10% of the respondents hold sector and industry funds, 5.2% of the respondents hold debt fund and bond or gilt fund. 4.8% of the respondents are holding tax planning and index fund.

**Awareness of the Risk Involved in Mutual Fund Investments**

All the investments whether in shares, debentures or deposits involve risk. While risk cannot be eliminated, skillful management can minimize risk. Mutual funds help to reduce risk through diversification and professional management. The following table no.3 explains the investors awareness about the risk involved in the mutual fund investors.

**Table 3:** Awareness of the risk involved in mutual fund investments

Awareness	Frequency	Percentage
Yes	200	80
No	50	20
Total	250	100

Source: Primary Data

The above table no-3 shows that 80% of the respondents are aware of the risk involved in the mutual fund investment, and remaining 20% of the respondents are not aware of the risk involved in mutual fund. The majority of the respondents are aware of the risk involved in the mutual fund investment.

**Level of Satisfaction of the Women Entrepreneurs**

Effect and on-going communications with unit holders heightens importance for the mutual fund industries. This part analyzes the level of satisfaction of the sample investors. The response to each of the variable selected has been summarized and the results are given in the table.4

**Table 4:** Women entrepreneurs' satisfaction level of various motivating factors

Factors		Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied	Total
Capital appreciation	No	25	100	75	37	13	250
	%	10	40	30	14.8	5.2	100
High return	No	137	62	13	13	25	250
	%	54.8	24.8	5.2	5.2	10	100
Tax saving	No	75	87	50	13	25	250
	%	30	34.8	20	5.2	10	100
Liquidity of fund	No	38	87	62	26	37	250
	%	15.2	34.8	24.8	10.4	14.8	100

Safety & Security	No	62	100	13	25	50	250
	%	24.8	40	5.2	10	20	100
Regular Income	No	62	38	100	25	25	250
	%	24.8	15.2	40	10	10	100
Regular Savings	No	26	87	75	25	37	250
	%	10.4	34.8	30	10	14.8	100
Risk Involved	No	75	112	25	13	25	250
	%	30	44.8	10	5.2	10	100
Diversification	No	13	175	37	12	13	250
	%	5.2	70	14.8	4.8	5.2	100
Easy Payments	No	62	137	13	13	25	250
	%	24.8	54.8	5.2	5.2	10	100

Source: Primary Data

Table No-4. It is clear that 40% and 30% of the respondents are satisfied and neutral regarding the capital appreciation 14.8%, 10% and 5.2% of the respondents are dissatisfied highly satisfied and highly dissatisfied respectively. From the above table it is clear that 54.8% and 24.8% of the respondents are highly satisfied and satisfied to get a high return. 10% of the respondents are highly dissatisfied and 5.2% of the respondents are neutral and dissatisfied.

34.8% and 30% of the respondents are satisfied and highly satisfied the factor of tax saving while invest in the mutual fund 20%, 10% and 5.2% of the respondents are neutral, highly dissatisfied and dissatisfied with the tax saving factor. 34.8% and 24.8% of the respondents are satisfied and neutral regarding the liquidity of fund, while 15.2%, 14.8% and 10.4% of the respondents are highly satisfied, highly dissatisfied and dissatisfied.

Regarding safety and security of the mutual fund, 40% and 24.8% of the respondents are satisfied and highly satisfied, 20%, 10% and 5.2% of the respondents are highly dissatisfied, dissatisfied and neutral opinion. 40% and 24.8% of the respondents have opinion that regular income from the mutual fund as neutral and highly satisfied, 15.2% of the respondents are satisfied and 10% of the respondents are highly satisfied and dissatisfied respectively.

34.8% and 30% of the respondents are satisfied with regarding the regular savings and 14.8%, 10.4% and 10% of the respondents are highly dissatisfied, highly satisfied and dissatisfied respectively. 44.8% and 30% of the respondents says that the risk involved in the mutual fund investment as satisfied and highly satisfied, 10% of the respondents are have both neutral and highly dissatisfied. 5.2% of the respondents are dissatisfied regarding risk involved in the mutual fund investments.

In the factor of diversification of mutual fund says that the 70% of the respondents are satisfied, 14.8% and 4.8% of the respondents are neutral and dissatisfied. 5.2% of the respondents are highly dissatisfied and highly satisfied respectively. 54.8% of the respondents are satisfied regarding the easy payment, while 24.8% and 10% of the respondents are highly satisfied and highly dissatisfied. 5.2% of the respondents are neutral and dissatisfied with regarding the easy payments.

### Suggestions

- As there is no comprehensive law to regulate the mutual fund in India, uniform coordinated regulations by a single agency would be formed which would provide the shelter to the investors.

- Secondly, the growth of mutual fund tends to increase the share holdings in good companies, give raise the fear of destabilizing among industrial group, hence introduction of nonvoting shares and lowering the debt-equity ratio help to remove these apprehension.
- Lastly, mutual funds need to take advantages of modern technology like computer and tele-communications to render service to the investors.

### Conclusion

Running successful Mutual Fund requires complete understanding of the peculiarities of the Indian Stock Market and also the awareness of the small investors. This study has made an attempt to understand the financial behavior of mutual fund investors in connection with the scheme preference and selection. An important element in the success of a marketing strategy is the ability to fulfill investor's expectation. The results of these studies through satisfactory on the investor's perception about the mutual fund and the factors determining their investment decision and preferences.

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