

Growth and Dynamics in the Indian Mutual Fund Industry: Analyzing Investor Preferences and Investment Strategies

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Abstract: *This study examines the significant expansion of Assets Under Management (AUM) in the Indian mutual fund industry, which grew from ₹10.11 trillion in 2014 to ₹58.91 trillion by May 2024. It explores factors driving this growth, including investor preferences, regulatory changes, and market conditions. The research specifically investigates strategies and performance of top mutual funds like ICICI Prudential Short-term Asset. The study aims to understand investor perceptions, analyze investment objectives and patterns, and assess risk appetites. Primary data were collected through surveys from 120 investors and financial institutions in Hyderabad, complemented by secondary data from ICICI Bank reports. Findings reveal a predominance of investors in the 40-50 age group, with a higher male participation. Fixed Deposits and Real Estate are preferred investment options, and a majority are regular mutual fund investors. Preferences for investment returns, horizons, and methods indicate a lean towards short-term and flexible options. The study highlights the importance of investor information sources and portfolio adjustment practices, with a focus on children's education as a primary savings goal.*

Keywords: Assets Management, Indian Mutual Fund Industry, Investor Preferences, Investment Strategies, Financial Growth, Risk, Investment Horizon, Mutual Fund Performance