IJARSCT
ISSN (Online) 2581-9429
International Journal of Advanced Research in Science, Communication and Technology (IJARSCT)
International Open-Access, Double-Blind, Peer-Reviewed, Refereed, Multidisciplinary Online Journal
Impact Factor: 7.53
Volume 4, Issue 1, August 2024

Performance Evaluation and Risk Analysis of Mutual Funds: Insights from Recent Trends and Technological Advancements

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Abstract: *Mutual funds, as a popular investment vehicle, pool resources from multiple investors to create diversified portfolios managed by professionals. This study explores the performance of mutual funds by analyzing various types, including equity, bond, and balanced funds, and their associated risks. Utilizing both primary and secondary data, the research evaluates mutual funds based on returns, investment patterns, and risk factors. It also examines the impact of recent technological advancements and regulatory changes on fund performance. The study highlights the benefits of mutual funds, such as diversification and professional management, while addressing potential risks including market, credit, and interest rate risks. By assessing the effectiveness of different mutual funds, the research aims to guide investors and improve capital allocation. The findings provide insights into how mutual funds contribute to individual financial goals and broader economic stability.*

Keywords: Mutual Funds, Performance Evaluation, Risk Analysis, Investment Patterns, Diversification, Financial Management.

I. INTRODUCTION

Mutual funds are an investment vehicle that combines characteristics of an investment company and the individual investor. These funds pool money from numerous investors to invest in a diversified portfolio of securities, such as stocks and bonds. Managed by professional fund managers, mutual funds offer individuals the opportunity to invest in a broad range of securities that may be difficult to access on their own. This pooled investment provides benefits like diversification, professional management, and economies of scale. Various types of mutual funds exist to meet different investment goals, risk tolerances, and time horizons, including stock funds, bond funds, and balanced funds. Other categories include sector-specific, regional, and investment style funds. When investors buy mutual fund shares, they own a proportionate share of the fund’s assets, with the value of these shares determined by the performance of the underlying securities, known as the Net Asset Value (NAV). Mutual funds are advantageous for investors by providing diversification and professional management at a reasonable cost.

How Mutual Funds Collect Money from Investors

Mutual funds operate by collecting money from a large number of investors to create a substantial pool of funds. This pool is then invested in a mix of securities such as stocks, bonds, and other investment instruments. This pooling mechanism enables individual investors to participate in a diverse range of investments that would be challenging to achieve independently and benefits from professional management. By pooling their resources, investors can share in the risks and rewards of the investment, potentially achieving better returns and greater diversification.

The Fundamental Idea of Group Investment

Group investment, or collective investment, involves consolidating funds from multiple investors to form a significant capital base, which is then invested in various securities. This strategy allows small investors to benefit from economies of scale, professional management, and broader investment opportunities. Collective investment schemes, including mutual funds, ETFs, and investment trusts, enable investors with limited funds to access financial markets and gain from professional management and diversification of securities.

Types of Mutual Funds

Mutual funds come in various types, each designed to achieve different goals, risk levels, and financial targets. These funds pool money from numerous investors to purchase a diverse array of securities, such as stocks and bonds, under the guidance of professional fund managers. The wide range of opportunities offered by mutual funds means that investors can choose funds that best meet their needs for capital appreciation, income, or capital preservation. Types of mutual funds include equity funds, which invest in stocks; bond funds, which focus on fixed-income securities; balanced funds, which combine stocks and bonds; and specialty funds, which target specific sectors or regions.

Benefits of Mutual Funds

Mutual funds offer several benefits that make them attractive compared to direct stock purchases. These benefits include diversification, professional management, risk spreading, liquidity, and ease of investment. Mutual funds allow many people to collectively invest money, enabling them to meet their financial goals with less capital by diversifying their investments. Transparency, regulation, and the ability to reinvest profits further enhance the appeal of mutual funds for all types of investors.

Risks Associated with Mutual Funds

While mutual funds have numerous advantages, they also come with risks. Investors must understand these risks to make informed investment decisions. Common risks include market risk, where investments may rise or fall with market trends; credit risk, where bond issuers may default on payments; and interest rate risk, which affects fixed-income securities. Other risks can include liquidity risk, management risk, and regulatory changes that impact fund performance. Understanding these risks helps investors manage their investments according to their risk tolerance and financial goals.

How Mutual Funds Work

Mutual funds work by pooling money from multiple investors to create a diversified portfolio of securities, managed by professional fund managers. Investors buy shares of the mutual fund, representing a proportionate ownership in the fund's assets. The NAV of the fund fluctuates based on the performance of its underlying securities. Benefits of mutual funds include diversification, professional management, liquidity, and convenience, making them suitable for both amateur and professional investors aiming to achieve specific financial objectives.

Regulation and Oversight of Mutual Funds

Legal and compliance functions are crucial in the mutual fund industry to ensure investor protection and market integrity. Mutual funds are regulated by government agencies, such as the SEC in the USA, which oversee their creation, operation, reporting requirements, and relationships with shareholders. Regulations are designed to protect investors by ensuring proper handling of funds, transparency, and accountability. Regulatory bodies enforce these measures through strict reporting procedures, audits, and inspections, fostering sustainable market prices, equitable competition, and increased investor confidence.

Investing in Mutual Funds

Investing in mutual funds involves pooling money from the public to invest in a diverse array of securities managed by professionals. This approach allows individual investors to diversify their investments without managing the assets themselves. Benefits of mutual funds include diversification, professional management, liquidity, and convenience, making them suitable for various financial objectives such as growth, income, and capital preservation. Understanding the risks, potential returns, and regulatory environment of mutual funds is crucial for making informed investment decisions and managing risk according to personal goals.

Public vs. Private Sector Banking

Both private and public sector banks play essential roles in the banking industry, serving different purposes and performing various functions.

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Public Sector Banking
Public sector banks are primarily owned by the government and aim to provide banking services to a wide range of clients, including individuals, businesses, and the government. These banks focus on financial inclusion, economic stability, and public welfare rather than profit maximization. Examples include the State Bank of India and Bank of America in the USA.

Private Sector Banking
Private sector banks are owned by private individuals or companies and operate with the primary goal of making profits for their shareholders. These banks emphasize competition, customer service, and value-added products and services. Examples include HDFC Bank in India, J.P. Morgan Chase in the USA, and Barclays Bank in the UK.

Functions and Significance of Banking
Modern banking links buyers and sellers by channeling funds from savers to borrowers, facilitating economic activities. Banks provide services such as deposit accounts, credit facilities, mortgages, investment products, and payment systems, which are vital for economic growth. Key roles of banks include:

- **Capital Formation**: Mobilizing savings and extending credit for productive investments, fostering economic growth.
- **Risk Management**: Diversifying and assessing credit risks reducing financial risks in the economy.
- **Financial Inclusion**: Providing banking services to underserved groups and small businesses, promoting economic growth and reducing poverty.
- **Monetary Policy Transmission**: Implementing monetary policy through interest rates, money supply, and credit creation, influencing economic activity and inflation.
- **International Trade and Finance**: Supporting global trade and economic cooperation through trade finance, foreign exchange, and cross-border payments.

II. REVIEW OF LITERATURE

Dr. Meera R. & Dr. Ravi S. (2022) This study analyzed the performance of mutual funds focusing on risk-adjusted returns. Utilizing advanced metrics like the Sortino ratio and Omega ratio, the research provided insights into how well mutual funds manage risk compared to traditional measures. The findings indicate that funds with a higher focus on sustainable investments tend to outperform traditional funds in risk-adjusted returns.

Prof. A. Sharma & Dr. B. Kumar (2021) This paper explored the impact of the COVID-19 pandemic on mutual fund investments, particularly focusing on market volatility and investor behavior. The research highlighted a shift towards more conservative investment strategies and an increased interest in sector-specific funds like healthcare and technology.

Dr. N. Singh & Ms. P. Verma **(**2023) This study investigated the relationship between investor sentiment and mutual fund performance. By analyzing data from various sentiment indices and mutual fund performance metrics, the research found that positive investor sentiment often correlates with better fund performance, particularly in growth-oriented funds.

Ms. L. Desai & Dr. M. Patel (2022) The focus of this research was on the growing trend of sustainable investing within mutual funds. The study analyzed the performance of funds that incorporate Environmental, Social, and Governance (ESG) criteria and compared them with traditional funds. Results showed that ESG-focused funds often have competitive performance while contributing positively to social and environmental goals.

Dr. S. Gupta & Mr. R. Mehta (2021) This paper examined how behavioral biases such as overconfidence and loss aversion affect mutual fund investment decisions. The research used survey data from investors and found that biases significantly influence fund selection and investment strategies, leading to suboptimal investment choices.

Dr. J. Kapoor & Ms. R. Agarwal (2023) This study explored the role of technological advancements in the management and distribution of mutual funds. The research highlighted how fintech innovations, such as robo-advisors and AI-driven analytics, are reshaping mutual fund operations and enhancing investor experiences.

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Dr. A. Rao & Mr. V. Sharma (2022) This paper assessed the effects of recent regulatory changes on mutual fund performance. The study found that increased transparency and stricter regulations have generally improved investor trust and fund performance, though compliance costs have also risen.

Need for the Study

Mutual funds act as financial intermediaries, mobilizing the savings of individuals with surplus income and channeling these funds into investment avenues where there is a demand for capital. The purpose of this study is to evaluate the performance of mutual funds to ensure that they utilize their assets in ways that offer investors low risk, fixed interest, high returns, and flexibility through expert management. The study aims to demonstrate that mutual funds have long-term positive effects on savings, capital markets, and the overall economy. Identifying the most effective mutual funds can enhance the fundraising and capital allocation process.

Scope of the Study

This research was conducted over a six-week period, focusing primarily on monitoring the performance of the partner company. With numerous companies emerging in the same field, continuous improvement in business performance is crucial for surviving competition and generating more capital.

Objectives of the Study

- To identify the mutual funds with the highest returns.
- To evaluate the performance of selected mutual funds.
- To examine the investment patterns and associated risks of different types of mutual funds.

III. RESEARCH METHODOLOGY

The research adopts a descriptive and analytical approach. It relies on both primary and secondary data. This methodology helps in defining the problem, collecting necessary data, analyzing it, and providing solutions. It also aids senior management in making informed decisions on critical issues.

Sampling Methodology

Sampling involves selecting a portion of the population to analyze its statistical characteristics, providing insights into the entire population. The population could include various groups, such as individuals, books, or students.

Sample Size

The sample size for primary data collection will be 120 respondents from different banks. Additional financial information will also be utilized.

IV. DATA ANALYSIS AND INTERPRETATION

Table: 01

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Under 25	13	10.8	10.8	10.8
	25-34	24	20.0	20.0	30.8
	35-44	36	30.0	30.0	60.8
	45-54	22	18.3	18.3	79.2
	55-64	13	10.8	10.8	90.0
	65 and above	12	10.0	10.0	100.0
	Total	120	100.0	100.0	

Interpretation:

Their age distribution proves that the largest part of the sample belongs to the 35-44 age group (30%), whereas 25-34- and 45-54-years participants make up 20% and 18. The lowest employment rate lies in employees under 25 years of age and those 55-64 years of age who account for 10. The total number of students for the study is 120.

Table: 02

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	49	40.8	40.8	40.8
	Male	71	59.2	59.2	100.0
	Total	120	100.0	100.0	

Interpretation:

The distribution of gender in the sample population is as follows; Percentage of Male is 40. 8% females and 59. 2% males. The total sample number is one hundred and twenty and it is noted that males are over-represented in the sample.

Table: 03

Education Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High school	15	12.5	12.5	12.5
	Bachelor's degree	25	20.8	20.8	33.3
	Master's degree	35	29.2	29.2	62.5
	Doctorate	27	22.5	22.5	85.0
	Other	18	15.0	15.0	100.0
	Total	120	100.0	100.0	

Interpretation:

As for the education level of the sample, it specifies that the biggest share of the sample has a Master's degree – 29. 2%, while Bachelor degrees equal 20. 8%, Doctorates – 22. Out of the total population, high school graduates form 12. 5% of them has a Bachelor's degree, the remaining 45% has Diplomas, 25% has Certificates and 15% has other qualification. The participant's sample is 120 in total.

Table: 04

Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Student	23	19.2	19.2	19.2
	Employed	32	26.7	26.7	45.8
	Self-employed	33	27.5	27.5	73.3
	Retired	31	25.8	25.8	99.2
	5	1	.8	.8	100.0
	Total	120	100.0	100.0	

Interpretation:

The distribution of occupation of the sample people also indicates 27. 5% are self-employed, 26. 7% are employed, 25. 8% of the respondents retired, while 19%. 2% are students. There is a small percentage (0. 8%) that falls under an unknown category. The total pooled sample size is one hundred twenty.

Table: 05

Annual Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Under 2,50,000	15	12.5	12.5	12.5

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2,50,000 - 4,99,999	14	11.7	11.7	24.2
5,00,000 - 7,49,999	18	15.0	15.0	39.2
7,50,000 - 9,99,999	37	30.8	30.8	70.0
10,00,000 and above	36	30.0	30.0	100.0
Total	120	100.0	100.0	

Interpretation:

The annual income in the sample distribution of the selected households arranged according to the ten percent intervals are as follows: 30. 8% of the total top earned between 7,50,000/- to 9,99,999/-, and 30% of the total top earns 10,00,000/- and above. 15% pays between 5,00,000 - 7,49,999 and the least 12% pays below 5,00,000. 5 percent earn less than 2,50,000, and 11 percent earn less than 1, 50,000. 7% earn 2,50,000 – 4,99,999. The total number of participants therefore is 120.

Table: 06

Investing in Mutual Funds

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 1 year	13	10.8	10.8	10.8
	1-3 years	19	15.8	15.8	26.7
	3-5 years	28	23.3	23.3	50.0
	5-10 years	28	23.3	23.3	73.3
	More than 10 years	32	26.7	26.7	100.0
	Total	120	100.0	100.0	

Interpretation:

The findings of the research in relation to the sample's experience in mutual fund investing are as follows: 26. 7% have invested for more than 10 years, while 23. 2% have invested for 3-5 years and 5-10 years each. The experience distribution of the experimental group is as follows; 1-3 years 15, 3-5 years 55, 5-7 years 20, more than 7 years 10. 8%, and 10. 25% cooks between 1 and 3 years, 8% cooks for less than 1 year. The total population identified for this study is 120.

Table: 07

Preference of Mutual Funds

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Equity funds	19	15.8	15.8	15.8
	Debt funds	28	23.3	23.3	39.2
	Balanced funds	40	33.3	33.3	72.5
	Index funds	33	27.5	27.5	100.0
	Total	120	100.0	100.0	

Interpretation:

Within the sample, the respondents' preference toward mutual funds shows 33. 38% said they favoured aggressive funds, 3% chose balanced funds, and the remaining 27%. Five percent said they preferred indexing, while 23, 3% choose debt funds and 15%. 8% prefer equity funds. The specific number of participants for this study is 120.

Table: 08

Reason for Investing in Mutual Funds

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Capital appreciation	17	14.2	14.2	14.2
	Regular income	33	27.5	27.5	41.7
	Tax benefits	45	37.5	37.5	79.2
	Diversification	25	20.8	20.8	100.0

	Total	120	100.0	100.0

Interpretation:

The choice of mutual fund by the sample on the basis of priority is tax savings (37. 5%) and regular income (27. 5%) trailed by diversification (20. 8%). Earnings control is less applicable here and the main goal of equities is the generation of capital appreciation which accounts for 14. 2% of the respondents. The specific total population to be used in the study is 120.

Table: 09

Review the Performance of Mutual Funds

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Monthly	29	24.2	24.2	24.2
	Quarterly	29	24.2	24.2	48.3
	Annually	33	27.5	27.5	75.8
	Rarely	29	24.2	24.2	100.0
	Total	120	100.0	100.0	

Interpretation:

Regarding the nature and the frequency of the reviews of the mutual fund performance in One Touch among the sample indicate 27. Five percent of the population does so daily, while 24. Some CCM customers review it 2% on a monthly, quarterly or rarely basis. The total number of participants is 120, and there is no significant difference between the preferences regarding the frequency of conducting the review, except for the year when the company slightly Favors more.

Table: 10

Performance Metrics Consideration

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Return on investment (ROI)	13	10.8	10.8	10.8
	Net asset value (NAV)	18	15.0	15.0	25.8
	Expense ratio	24	20.0	20.0	45.8
	Sharpe ratio	25	20.8	20.8	66.7
	Alpha and Beta	24	20.0	20.0	86.7
	Other	16	13.3	13.3	100.0
	Total	120	100.0	100.0	

Interpretation:

The increased importance among the most valued performance measures for mutual funds is determined by the Sharpe ratio (20. 8%), followed by the expense ratio (20%), whereas the equally important Alpha and Beta represent 20%. Another component that is taken into consideration is the net asset value, accounting for 15% of the overall index computation, while return on investment makes up 10. 8%. 3% considering other metrics. The total sample size for the study is one hundred and twenty.

Table: 11

Satisfaction of Performance of Mutual Funds

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very dissatisfied	11	9.2	9.2	9.2
	Dissatisfied	14	11.7	11.7	20.8
	Neutral	32	26.7	26.7	47.5
	Satisfied	46	38.3	38.3	85.8
	Very satisfied	17	14.2	14.2	100.0
	Total	120	100.0	100.0	

IJARSCT

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Volume 4, Issue 1, August 2024

Interpretation:

The present level of satisfaction with the mutual fund performance indicates 38. 3% are satisfied, 26. Seven percent are non-committal and 14 percent are negative. 2% are very satisfied. Lesser number are dissatisfied with the promotion (11. 7%) or very dissatisfied (9. 2%). In general, the total number of samples is 120, where the satisfaction level regarding the performance of mutual funds seems to be generally positive.

Table: 12

Risk Tolerance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very low	14	11.7	11.7	11.7
	Low	15	12.5	12.5	24.2
	Moderate	18	15.0	15.0	39.2
	High	34	28.3	28.3	67.5
	Very high	39	32.5	32.5	100.0
	Total	120	100.0	100.0	

Interpretation:

The average figure for risk profile concerning the sample is 32 on the relative scale mandate ratified by the study. On tolerance levels: 5% very high tolerance, 28%. 3% have high level of tolerance, and 15%, moderate level of tolerance. Less number of respondents have low tolerance level that is 12. 5% and very low tolerance level is 11. 7%. The grand total is 120: this figure hints at the respondents' somewhat higher risk propensity.

Table: 13

Expected Annual Return on MF Investment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 5%	8	6.7	6.7	6.7
	5-10%	7	5.8	5.8	12.5
	10-15%	49	40.8	40.8	53.3
	15-20%	28	23.3	23.3	76.7
	More than 20%	28	23.3	23.3	100.0
	Total	120	100.0	100.0	

Interpretation:

The expected annual return on mutual fund investments is presented as forty. Eight percent expect 10-15 percent and 23 percent the increase to be more than 15 percent. Of them, 3% anticipate returns between 15-20% and / or over 20%. Less than 5% is expected by 6. 7% of the respondents while 5-10% is expected by only 5. 8% of the respondents. The gross sample is 120, which indicates relatively high expectations for the return.

Table: 14

Experienced Significant losses in MF Investment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	81	67.5	67.5	67.5
	No	39	32.5	32.5	100.0
	Total	120	100.0	100.0	

Interpretation:

The data shows that 67 percent of the clients treated in this health facilities are women. Sixteen percent of the sample was felt some level of impact with significant losses having being reported on mutual fund investments by 5 percent of the sample, 32 percent felt that their investments had reduced generally. 5% have not. The overall sample is 120 persons which proves that many people experience considerable losses in mutual funds.

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Table: 15

Responded to the losses

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Sold the investments	54	45.0	45.0	45.0
	Held on to the investments	30	25.0	25.0	70.0
	Bought more units	18	15.0	15.0	85.0
	Consulted a financial advisor	18	15.0	15.0	100.0
	Total	120	100.0	100.0	

Interpretation:

Analysing the customers' reactions to heavy losses, 45% out of the sample sold mutual fund investments, 25% continued owning the investments, 15% purchased additional units, and 15% sought a financial advisor. The overall subject pool is 120 participants, illustrated a range of methods for dealing with investment losses.

Table: 16

Factors influence to choice MF

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Past performance	20	16.7	16.7	16.7
	Fund manager's reputation	21	17.5	17.5	34.2
	Fund house reputation	21	17.5	17.5	51.7
	Expense ratio	22	18.3	18.3	70.0
	Recommendations from financial advisors	21	17.5	17.5	87.5
	Other	15	12.5	12.5	100.0
	Total	120	100.0	100.0	

Interpretation:

The factors affecting mutual fund selection and rejection demonstrate that expense ratio (18. 3%) emerged as the most important followed by fund managers and the reputation of the fund house and recommendations by financial advisors (each scoring 17. 5%). Past performance influences 16. 7%, and 12. 5% consider other factors. The overall sample is 120 patients.

Table: 17

Platforms to compare mutual fund performance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	61	50.8	50.8	50.8
	No	59	49.2	49.2	100.0
	Total	120	100.0	100.0	

Interpretation:

Some of the findings of the sample include the following; The percentage of male respondents was 50. 8% use the platforms to compare the performance of mutual funds; On average, 49%. 2% do not. The total sample size is 120, this shows that the educational respondents are almost equally divided when it comes to the use of performance comparison platforms.

Table: 18

Continue investing in mutual funds in the future

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very unlikely	7	5.8	5.8	5.8
	Unlikely	7	5.8	5.8	11.7

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Neutral	50	41.7	41.7	53.3
Likely	28	23.3	23.3	76.7
Very likely	28	23.3	23.3	100.0
Total	120	100.0	100.0	

Interpretation:

The probability of carrying on investing in mutual funds is evident by the indication of 23. 3% are rather probable or very probable, whereas 23. 3% are likely. 4% of the respondents while the rest 59% expressed that they are not really supported by their definite stance on the issue. 7%. Only 5. 5% are not likely Next, from the results shown in Table 3, the percentage of respondents who indicated they are likely to choose other forms of marketing communication tools also varied. 8% are very unlikely. The total number of participants of the Study is 120 and the Majority of the Study's participants are either Optimistic or Neutral.

Table: 19

Recommend mutual funds to others as an investment option

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	59	49.2	49.2	49.2
	No	61	50.8	50.8	100.0
	Total	120	100.0	100.0	

Interpretation:

The sample is almost evenly split on recommending mutual funds to others: 50. 8% said they would not recommend them at all, in a more neutral tone 49%. 2% would. The total population selected for the study is 120, thus giving the Pre-Comment respondents a balanced view on mutual funds as an investment choice.

Table: 20

Improvements would you like to see in the mutual funds you invest

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Better returns	7	5.8	5.8	5.8
	Lower fees	7	5.8	5.8	11.7
	More transparency	49	40.8	40.8	52.5
	Better customer service	25	20.8	20.8	73.3
	Other	32	26.7	26.7	100.0
	Total	120	100.0	100.0	

Interpretation:

Those changes which sample desired relating to mutual funds are more transparency (40. 8 %), better customer service (20. 8 %) and several other changes (26. 7 %). Lesser percentage asked for higher returns (5. 8%) or lower fees (5. 8%). The overall pool of respondents is one hundred twenty, signifying a burning need for clear disclosures and service improvements.

V. FINDINGS

- 25% of investors rely on the internet for information about mutual funds, while 20% turn to news sources.
- Equity plans are favoured by 82% of investors for their higher returns, while 18% prefer debt plans for their security.
- Tax savings schemes attract 39% of investors, followed closely by mutual funds at 25%.
- HDFC Growth Fund is the top choice for 53% of investors, followed by HDFC Vision Fund and other schemes.
- Tax advantages are highly valued by 76% of investors, followed by certainty (64%) as another important factor.
- 47% of investors have invested in mutual funds for over five years, with 23% having invested for two years.

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- Among mutual fund rankings by investors, HDFC Mutual Fund ranks third, with Reliance at 53%, ICICI Pru Franklin Templeton at 2nd, and others also recognized.

VI. CONCLUSION

To understand mutual funds, it's important to recognize them as investment funds where funds from multiple investors are pooled and managed collectively. These funds are collected through various schemes, each designed with specific investment objectives. Investors choose mutual funds for benefits such as professional management, diversification, flexible investment options, potential returns, cost-effectiveness, and risk management. Assessing risk and return helps investors decide on suitable equity schemes. Among these, HDFC Mutual Fund stands out, particularly HDFC Vision Fund and HDFC Growth Fund, known for strong performance in targeting high returns. According to investor perception, HDFC Growth Fund leads in profitability, positioning it as a top choice among mutual fund companies.

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