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Abstract

Mutual fund is an investment instrument that is made up of a pool of funds collected from many investors for investing in securities such as stocks, bonds, money market instrument and other similar assets. Mutual fund is a financial intermediaries concerned with mobilizing saving of those who have surplus income and channelization of these savings in those avenues where there is demand of fund. It is best made of investment. It is just the connecting bridge that allows a growth of investors to collect their money together with the predetermined investment. The objective of the paper is to study the investors preference towards mutual fund and to know the awareness level of investors about mutual fund schemes provided by the organization. And also to find out the dependency of awareness level of investors regarding mutual fund on the investment decision of investors. The study intended to measure the satisfaction level of investors regarding mutual fund investment also.

Keywords: Investment, Mutual fund,

INTRODUCTION

Investment means an asset or items that are purchase with the hope that it will generate income in the future. In economic sense, investment is the purchase of goods that are not consumed today but used in future to create wealth. Investment goal varying from person to person, business to business. Investment is oriented towards future returns and degree of risk. The various types of investments avenues are fixed deposit, post office schemes, bond, debentures, mutual funds; insurance; shares and real estates. Investors generally expect higher level of return from their investment. Mutual fund is special type of collective investment. It is a trust that pools the savings of a number of investors who share a common financial goal.

The advantages for the investors are reduction in risk, expert professional management, diversified portfolios and liquidity of investment and tax benefits. By pooling their assets through mutual funds, investors achieve economies of scale. The interests of the investors are protected by the SEBI, which acts as a watchdog. Mutual funds are governed by the SEBI (Mutual funds) regulation, 1993. The paper deal with customer preference in mutual fund. The Indian mutual fund is in radical transformation in the industry over the years. The completion intense in the current scenario as there are varieties of players in all type of fund scheme. The industry has witness's enormous growth in the terms of size, operation, investor's base and variety of schemes. It further expands to the needs of investors. I this project made attempt to know the customers preference in mutual fund by using different measures. The result of various measures is given to get a comprehensive picture of the preference of selected mutual fund.

Mutual fund industry is of recent origin in India and is growing very fast. Investors are showing keen interest by subscribing to various mutual fund schemes and anticipating higher return and gain. At the same time some of the schemes are failing due to some or other reasons. Investors are curious about performance of various mutual fund schemes. Investors make choice of investment by study it from all the angles. The present study also attempt to consider preference of investors while investing in mutual fund. The investors have various avenues of investment for their savings to flow in accordance with their preferences. Risk in mutual fund may relate with various factors such as period of maturity credit worthiness of firm, variability in return, nature of investment and nature of tax liability etc. The investors have lots of doubt and suspicious about the operation of mutual fund and investment in mutual fund. The investors