National Journal of Multidisciplinary Research and Development
www.nationaljournals.com
ISSN: 2455-9040
Received: 07-12-2021, Accepted: 23-12-2021, Published: 08-01-2022
Volume 7, Issue 1, 2022, Page No. 1-5

A minor study on mutual funds with especial reference to women investors

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Abstract
Here I studied in my research paper that mutual funds with good returns are becoming a source of investment for all investors. There are short-term, mid-term, long-term, open-ended, and closed-ended types of funds that provide investors a lot of options for investment. Fund managers invest their client's money in such funds which are giving good returns. Since women are dynamic investors, and in the present scenario mutual fund is giving good results to their clients. So when women start investing their money in mutual funds and they get consistent returns, then they remain long-term investors. So I have collected my information about women investors who have invested their money in mutual funds.

Keywords: mutual funds, women investors

Introduction
Investment is the basic necessity of everyone for their financial well-being. Presently everybody makes investments in different investment portfolios based on needs and goals. Every investment portfolio has certain characteristics that impact its risk and return and aid in achieving different investment objectives of the Investors.
Some of the main objectives of investment are the safety of the principal invested, capital growth, continue earned income, tax saving, the requirement for liquidity, fast returns. As per traditional financial theories, investors are assumed to be sensible thinkers and aim for wealth maximization based on the risk and return trade-off. However, according to behavioral finance, the risk profile and attitude of each investor differ according to various factors such as the demographic profile, the investment objectives, etc. As some investors can prefer the liquidity of returns; some may desire that fast returns are taking extra risk or some may invest for a tax benefit. Thus, there are several objectives and expectations of investors who can affect the individual behavior of their choice of investment avenues.
This research paper aims to study the growth of mutual funds in the present scenario as well as the influence on women investors towards mutual funds.

Mutual Funds
"A mutual fund is a collective funding car that collects & pools cash from numerous traders and invests the equal in equities, bonds, authorities' securities, cash marketplace instruments. The cash gathered in a mutual fund scheme is invested through expert fund managers in shares and bonds etc. consistent with a scheme's funding objective. The income/profits generated from this collective funding scheme are allotted proportionately among the traders, after deducting relevant prices and levies, through calculating a scheme's Net Asset Value or NAV. In return, the mutual fund expenses a small fee. Mutual Funds in India are hooked up within side the shape of a Trust beneathneath the Indian Trust Act, 1882, through SEBI (Mutual Funds) Regulations, 1996. The expenses and prices charged through the mutual price range to control a scheme are regulated and are concern to the boundaries particular through SEBI. The cost of the mutual fund business enterprise relies upon at the overall performance of the securities it comes to a decision to purchase. So, while you purchase a unit or proportion of a mutual fund, you're shopping for the overall performance of its portfolio or, extra precisely, part of the portfolio's cost. Investing in a proportion of a mutual fund isn't like making an investment in stocks of stock. Unlike stock, mutual fund stocks do now no longer deliver their holders any balloting rights. A proportion of a mutual fund represents investments in lots of unique shares (or different securities) as opposed to simply one holding".

Types of mutual funds
Equity Funds
"Equity funds mainly invest in stocks, and therefore go under the name of the stock funding too. They invested money collected from various investors from various backgrounds into different stocks / stock companies. The advantages and disadvantages related to these funds only depend on how the stock invested conducts (price increases or price decreases) in the stock market. In addition, equity funds have the potential to produce large returns over a period of time. Therefore, the risks associated with these funds also tend to be relatively higher".

Debt Funds
Debt finances make investments usually in steady profits securities which incorporate Treasury Bonds, Securities and Bills. Invest in several regular profits gadgets which incorporate regular expiration plans (FMPS), gilded finances, liquid finances, short-time period plans, long-time period duties and month-to-month profits plans, amongst others. Given that investments have a set interest charge and a due date, it could be an great choice for passive clients on the lookout for a normal profits with minimum dangers. Money Market Finances: Buyers extrude stocks on the stock exchange. Likewise, clients furthermore make investments within side the cash marketplace, furthermore referred to as

the capital marketplace or the spot marketplace. Authorities make banks, financial institutions and organizations various via publishing spot market securities consisting of bonds, T-T bills, date securities, and a deposit certificate, amongst others. Fund managers invest your coins and distribute everyday dividends in return. Choosing a short-term plan (no extra than thirteen months) can appreciably reduce the risk of financial funding. Hybrid Funds: As its call suggests, hybrid finances (balanced price range) are a perfect mixture of bonuses and actions, which shines the distance among capital finances and debt finances. The percentage may be variable or constant. In summary, the terrific of mutual finances is wanted on the identical time as distributing, say, 60% of inventory assets and the relaxation in bonuses or vice versa. Hybrid finances are appropriate for clients looking for to count on extra dangers for the advantage “debt plus yield” in choice to entering into decrease however sturdy profits plans.

Liquid Funds

Since advantage finances, liquid rate variety are also belonging to the debt fund class due to the truth they invest in debt gadgets and cash markets with a most 91-day mandate. The maximum amount allowed to make investments is RS 10 LAKH. A highlighted feature that differentiates the liquid finances from unique debt finances is the manner the internet asset charge is calculated.

Tax Saving Funds

The ELSS or Linked Equity monetary financial savings plan has, over the years, raised the score among all training of clients. Not handiest do they provide the advantage of the maximization of wealth and can help you save on taxes, however furthermore embody the bottom blocking off period of handiest 3 years. These finances are the maximum appropriate for salaried clients with an extended-time period funding horizon.

Capital Protection Fund

If the protection of the director is the priority, the capital safety rate variety serve the motive on the identical time as obtaining drastically lower returns (12% to terrific). The fund supervisor invests part of the cash in bonds or certificate of deposits and the relaxation to the actions. Although the possibility of incurring any loss is pretty low, it is encouraged that it's far invested for at the least 3 years (closed) to protect your cash, and furthermore returns are undertaking to taxes.

Fixed Maturity Funds

Many clients pick out to make investments to FY save you to take advantage of triple indexing, ensuing within side the tax burden. If uncomfortable with debt marketplace tendencies and associated dangers, constant adulthood plans (FMP) - which invest in responsibilities, securities, cash marketplace, etc. As a meticulous plan, FMP works on a hard and fast period of adulthood, that may by skip from one month to 5 years (as SDS).The fund supervisor ensures that the coins is allocated to a loan of the identical period, on the way to enhance accounting hobby on the time of the adulthood of the FMP.

Pension fund

By saving a part of earnings to pension fund decided on to symbolize an extended period to constant it and the economic destiny of your non-public family after the withdrawal of ordinary employment can deal with maximum contingencies (which incorporates a clinical emergency or a marriage Trust handiest on financial monetary financial savings to triumph over your gold years, it isn't always encouraged that financial monetary financial savings (regardless of how large) are furnished out. The EPF is one example, however there are numerous profitable programs furnished through banks, coverage companies, etc.Mutual finance is also categorized with wonderful attributes (which includes hazard profile, asset class, etc.).

The Structural Classification - Open Funds, Funds on the End and Interval Funds - are large sufficient and differentiation is primarily based totally upon especially on the cap potential of purchasing and promoting mutual fund units.

Open-Ended Funds

Open ended funds haven't any precise constraint consisting of a particular duration or the quantity of devices that may be exchanged. These budget permit buyers to barter budget at their comfort and go out if vital for better internet asset value (internet asset value). This is the handiest cause the capital of the unit modifications constantly with the brand new entries and the outputs. An open fund may determine to forestall taking new buyers in the event that they do now no longer want (nor can't manipulate huge budget).

Closed-Ended Funds

This type of fund is an equity or debt fund in which the fund house problems a fixed variety of devices at launch. When the NFO (New Fund Offer) length ends, buyers could not purchase or redeem devices of a closed ended fund. These financings are launched via an NFO and then traded on the market in the form of shares and with a fixed duration. While the Net Asset Value of the fund determines its actual charge, the traded charge may be above or below this fee depending at the decision for and supply of the devices.

Interval Funds

Interval funds have fundraising at the end and closed funds. These funds are open for purchase or redemption only during specific intervals (decided by the home house) and closed the rest of time. For example, in 3-12 months.

Very Low-Risk Funds

Liquid funds and ultra short-term funds (one month to one year) are known for their low risk, and their return value is low (6% best). If the investors move to short –term investment goals and put their money safer through these funds.

Low-Risk Funds

In case of damping Rupee or unexpected national disasters, investors get confused how to make their money save or to feel risk in investment. In such cases, fund managers recommend that you put money in one or a combination of liquid funds, ultra-short-term or arbitration. Their Returns could be 6 to 8%, but investors are free to change when assessments become more stable.

Medium-risk Funds

In this kind of fund the risk component is of common degree because they invest a component in debt and the other in capital type of funds. In this their Net Asset Value not that much volatile, and the common yields may be from 9 to 12%.

High-Risk Funds: These funds are having high risk in it due to the fact their goal is to acquire most returns through interest and dividends, however it calls for energetic control of the fund. Regular overall performance critiques are constantly monitored; right here you could anticipate 15% returns, In truth excessive dangers budget commonly offer you as much as 20%.

Sector Funds: The budget of the world make investments handiest in a particular area, mutual budget primarily based totally at the subject. As those budget make investments handiest in unique sectors with just a few actions, the chance component is at the higher side. Investors are advocated to comply with up at the diverse developments associated with the world. The area budget additionally provides wonderful returns. Some regions of Banking, IT, and Pharma have witnessed large and consistent increase with inside the current beyond and are anticipated that it's far promising within side the future.

Literature Review

India's economy and capital market have experienced unprecedented growth and dynamism during the 1980s and 1990s The new economic policy measure provided a push for the development of the financial sector, focusing on not only the deployment of funds in different activities but also the mobilization of required funds through the introduction of innovative savings and investment vehicles with the help of the competent agencies. This trend is not only observed in India but also throughout the world Innovative financial services are being introduced around the world as a result of technological advances. Currently, there is a competition to mobilize more and more savings for development in and around the country development. The majority of developing and developed countries compete for mobilizing savings. The rapid liberalization of the Indian economy and the expansion of overseas opportunities have contributed to the traditionally high savings rate investment, the Indian mutual fund industry is set to grow rapidly.

Raja Rajan (1997, 1998) [1] high lightened segmentation of investors on the basis of their characteristics, investment size, and the relationship between stage in life cycle of the investors and their investment.

Terrance (1998) [2] examined the behaviour of individual investors and found them exhibiting disposition effects, that is, they realize their profitable stocks need as investment at a much higher rate than their unprofitable ones. The disposition effect is found to influence market price; yet its economic significance is likely to be the greatest for individual investors.

Gupta, L.C. and Choudhary (2000) in their study pointed out that index funds have gained acceptance among investors because it was found that fund managers often did worse than the manipulation, speculation and insider trading. There was no effective regulation and control as in the USA and the UK.

Rajeswari and Ramamoorthy 2002) [4] studied the financial behaviour and factors influencing fund/scheme selection of retail investors by conducting Factor Analysis using Principal Component Analysis, to identify the investor’s underlying fund/scheme selection criteria, so as to group them into specific market segment for designing of the appropriate marketing strategy.

Ravindran and Rao (2003) [5] made the performance analysis of 269 open ended Indian mutual funds in a bear market. This evaluation was carried out through Treynor ratio,

Sharpe's ratio, Jensen measure and Fama measure, the study period being September 1998 to April 2002. The study offered that 58 schemes were able to satisfy investor's expectations based on both premium for systematic risk and total risk.

Jaspal Singh and Subash Chander (2004) [6] analysed that, the perceptions about mutual funds in the view of general investor feels that different regulatory bodies like SEBI and others have not been able to regulate and control the working of mutual funds so as to safeguard the small investors’ interest.

Monika Dua (2005) [7] in his study analyses the perception of mutual fund investors, he reveals that mutual funds are preferred by the small investor who taught that they themselves did not have the expertise to deal directly with shares.

Kaul and Gupta (2006) [8] analysed the investor’s perception on various reasons to select the mutual fund scheme. These are risk capacity and tolerance, liquidity needs, specific objectives, credibility of the sponsors, investment philosophy of the fund, performance of the scheme, dividends, entry and exit loads, expenses charged to the fund and services offered by the fund.

Subhash Chander and Jaspal Singh (2006) [9] studied the preference of investors, the study revealed that, investor’s decision to invest in a particular mutual fund is affected by different sources from where information about working of that fund becomes available to investor, they also opined that the occupation groups differ significantly in their perception about the returns received from the mutual fund.

Surjit (2006) [10] analysed the relationship between investors and mutual funds. Investors have started believing in mutual funds to manage their hard-earned money. Mutual funds are those institutions that can give maximum satisfaction to their investors by diversifying the portfolio. The mutual funds are becoming popular among the people who are more risk-average than pure equity investors. Carefully managed mutual funds can ensure optimum returns even during turbulent times in the market and that makes the mutual fund a good choice among the retail investors. Due to the reduction in the bank interest rates and high degree of volatility in the Indian stock market, Investors are looking for an alternative for their small time investors which will

Provide them a higher return and also safety to their investments.

Aman Srivastava (2007) [12] “analysed the behaviour of investors in India, the study revealed that Indian investors have not been absolutely logical and rational in their investment decisions are always affected by definite behavioural factors”.

“According to the World Economic Forum’s Global Gender Gap Report 2021, India has slipped 28 places to rank 140th among 156 countries and the gender gap has widened to an appalling 62.5 percent. The report also found that the estimated earned income of women in India is only one-fifth of men’s.

Given the disadvantageous situation that most women of the country find themselves in, it is of paramount importance for them to invest their money smartly. However, women have a long way to go in terms of financial literacy and inclusion also. Yes, positive changes are underway with the younger generation of women taking on the mantle of investing their hard money judiciously without having to relegate the responsibility to male members. However, such women are a minority, and the majority of Indian households consider testosterone a prerequisite for efficient management of finances. The situation is worse for older women, most of whom have known being granted a monthly allowance by their husband as the only legitimate link with the family's finances.

Consequently, many women either feel they do not need to invest because it is the job of the husbands. The ones who do understand the importance of investments feel unsure as to how they can go about it. Lack of knowledge of the workings of financial products deters them from saving and investing confidently and many end up channelizing money in unsuitable asset classes.

Thankfully, times are changing. The advent of technology has fostered the creation of a host of user-friendly personal finance apps. Investing in a variety of instruments through these apps has become a smooth experience and most importantly, it has reduced the need for retail investors to reach out to brokers. This has benefitted female investors significantly.

Asha Khurana is a 45-year-old homemaker who joined the investment bandwagon two years ago. After hearing a few success stories in her friend's circle, Khurana felt confident enough to take baby steps in investing her money. "I started my investment journey by investing in mutual funds. Two of my closest friends had been doing it and they gave me a sort of a demo on the process of investing in mutual funds through monthly SIPs (systematic investment plans). I found it extremely convenient, easy to understand and most importantly I could invest with small sums and not have to wait till I could accumulate a larger amount. For housewives like me, it can take forever to build a body of savings," she narrates.

Urmila Singh, a financial planner at S9 financial planners says, "Even today women let their money sit idly by storing cash in a Dabba or they use that to buy gold. But it is high time for women to move away from those entrenched notions and dabble in asset classes that can provide better returns. Those who are yet to start investing should begin with figuring out their risk appetite and risk tolerance. Risk appetite indicates the level of risk an investor is willing to take, whereas risk tolerance refers to the risk an investor's finances can actually handle."

Aditya Birla Sun Life Mutual Fund has started a special initiative called For Her that focuses on the financial inclusion of women and intends to provide them avenues for financial security.

While it may seem daunting for many women to decode the level of risks they should take and the corresponding investment classes, the age of the internet has made it easier to understand these concepts and even seek expert advice. Khurana says, "There is ample information available on the internet and mutual fund houses have also made efforts to make quality information accessible for investors. Yes, I also sought expert advice but a lot of self-learning about the world of investments has been possible because of the internet. Also, as I have been investing in mutual funds which offer simplicity, diversification, and flexibility, I feel more confident and less stressed about my investment strategies which was not the case previously when I tried investing in other instruments."

Singh advises, "After you have gained a clear picture of your risk appetites and risk tolerance, the next step is the fund selection. This can be divided based on short, medium, or long-term goals. For the short-term debt funds are the best bet as they are highly liquid and you can park your money for one day or even one year. Hybrid funds are best suited for medium-term goals as it provides a balanced exposure to equity and debt. If the time horizon is more than 7-10 years, then equity mutual funds are the way to go – they are a great fit for goals like retirement or children's education. Start small in each asset class and once you feel confident and understand the process, attach your goals to your investments."

If the path to being investment savvy can require a lot of learning for women investors, it can also help in unlearning perceptions about money that hold little value in this age. Khurana says, "More than anything else, my experiences in the arena of investing have made me realize that women can deftly manage finances without men and it is high time that the stereotype about matters of the wallet being a man's responsibility gets shattered."

"Presently these mutual funds are best to invest.

The equity based funds are ideal investment option for long term growth with medium risk. Women investors looking for wealth creation over long term may invest in these funds. One can start with small amounts and after having some experience, one can further increase the investments." The table below shows that according to an article by https://globalonlinemony.com in which a survey is carried out to guide the women investors which helps them in buying the Mutual funds as per their future performance.

Table 1

Product Name	Category	1 Yr (%)	3 Yr (%)	5 Yr (%)	Fund Value of Rs 10000 Invested Per Month (5 yrs)
Kotak Standard Multicap Fund – Regular – Growth	Equity	13.81	16.00	24.57	1082248
Mirae Asset Emerging Bluechip Fund-Growth	Equity	14.01	20.03	35.05	1377355
Canara Robeco Emerging Equities – Growth	Equity	15.98	18.68	35.55	1393005
Aditya Birla Sun Life Small Cap Fund–Growth	Equity	5.05	16.71	29.40	1210468
Aditya Birla Sun Life Equity Hybrid 95 Fund – Growth	Equity	7.36	12.15	19.51	960958
Aditya Birla Sun Life Medium Term Plan – Regular – Growth	Debt	5.06	8.22	9.75	761002
Franklin India Short Term Income Plan – Growth	Debt	6.68	8.18	9.63	758795
DSP Credit Risk Fund – Regular Plan – Growth	Debt	4.53	7.81	9.15	750051
Aditya Birla Sun Life Short Term Opportunities Fund – Regular – Growth	Debt	4.25	7.54	9.00	747320

Objectives

1. To study the growth of mutual funds in the present scenario.
2. To study the role of the behavior of women investors towards mutual funds

Research methodology

I have studied how mutual funds are growing more and more at present scenario and the women's attitude towards mutual funds at present time. And I collected the data through women only and they all are in different profiles out of which 10 are housewives, 10 are teachers, 10 are women bankers, 10 are doing business and 10 of them are doctors. So I have collected primary data collected from female investors the data collected are analyzed, edited, and tabulated. The data are analyzed by using some essential research tools; I have sent Google forms to 50 women investors for why they invest in mutual funds and who inspires them for investing in mutual funds. I received lots of interesting answers and some facts of investment which all have been gathered through women respondents only. As I collected 20 respondents positively for mutual funds because these women believed in mutual funds is a good source of investment for long-term savings instead of keeping your money in banks only, it will give you very minimal benefit (fixed deposits, recurring, etc).

Conclusion

Here I concluded that still women investors are not aware or not so positively invest in mutual funds because they feel that fixed deposits, investment in shares, purchasing bonds, etc are more profitable in nature and it will take time to incline their interest in mutual funds.

Suggestions

1. Women investor continuously keep their eye on the market as they invest in mutual funds, as the women investors are suggested to acquire more large-cap funds because these funds are in large companies and are less volatile in nature than mid and small-cap funds. these funds will not drop or jump in value.
2. Tax savings facilities are well correlated with Mutual Fund investment But for long-sighted notions. The government may relax the tax savings facilities to women investors for short term investment
3. Liberalization and globalization have invited many women investors to invest globally through the share market. The suggestion is optimistically made to ensure the involvement of RBI to protect the women investors.

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